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Black, Female Lawyer Team Led Adtalem's \$1.48B Walden Deal (1)

By Ruiqi Chen

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- Five Black women from Big Law and Adtalem served as lead counsel
 - Adtalem general counsel Chaka Patterson chose team for \$1.48 billion deal
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When five Black women recently led Adtalem Global Education's \$1.48 billion acquisition of online, for-profit educator Walden University, it was a rarity in the legal industry. Adtalem general counsel Chaka Patterson hopes the move will set an example for other legal chiefs.

Akerman partner LaKeisha Marsh and Skadden partner Janine Jjingo served as Adtalem's lead regulatory and financing counsel, respectively, and Covington partners Catherine Dargan and Amy Wollensack co-led M&A counsel. The Chicago-based company's associate general counsel Elisa Davis served as internal lead lawyer, and the deal was signed on Sep. 11.

This was the first time that these lawyers and Patterson had ever seen a deal team entirely led by Black women.

"You feel this sense of pride and accomplishment any time you get to sign on a deal, but the unique part came when we got to signing and I took that step back and I thought about the composition of the deal team. There was that added layer of awe and satisfaction at having been part of something that was unique and extraordinary," Jjingo said.

Black women in law face gender obstacles in addition to racial ones that impede their path to the top, and result in fewer Black, female lawyers in top legal positions and on major deals, said Tsedale Melaku, author of "You Don't Look Like A Lawyer" and a postdoctoral research fellow at the City University of New York.

'Unique and Extraordinary'

The choice of Black, female partners to lead Adtalem's legal team was intentional on Patterson's part.

Patterson said he knew how difficult it could be for diverse attorneys to be staffed on large deals and deliberately gave the opportunity to Black women with expertise in key areas like M&A and regulatory law. Marsh was the only lead attorney on the buy side of the transaction who had worked with Adtalem before.

If firms don't intentionally provide those opportunities, "you end up either intentionally or unintentionally perpetuating the status quo," he said.

For Black, female attorneys, the status quo leaves much to be desired. According to a 2019 National Association for Law Placement survey, Black women make up less than 3% of law firm associates and less than 1% of partners.

Despite talk of improving diversity, Melaku said firms often fail to provide women and minority lawyers with the opportunity to work on substantial matters, including major deals, which can impede career advancement.

The Walden University acquisition has a high deal value and strategic significance to Adtalem. According to an Adtalem statement, the purchase makes Adtalem a major force in healthcare education, an area that's drawn interest due to the coronavirus pandemic. Adtalem said the deal will also make it the "world's top provider of MDs, PhDs and nursing degrees to African Americans."

Walden is currently owned by Baltimore-based Laureate Education, which was advised by Goldman Sachs, Simpson Thacher & Bartlett, Faegre Drinker Biddle & Reath, and Jones Day in the deal. The deal is scheduled to close next year.

Laureate chief legal officer Rick Sinkfield said he's never seen a lead counsel team of Black women before, but there was "nothing different" about how the deal progressed.

"They were all partners long before they got to this transaction because they were good at what they do, and it just so happens that they all came together on this transaction. If we had four white guys leading it, nobody would bat an eye," Sinkfield said.

Taking the Lead

"We can applaud and, of course, recognize the hard work that has gone into this deal, and recognize those who have done that work. It's still very important to focus on doing the work of increasing the number of Black associates who end up in these very coveted positions," Melaku said.

Marsh, the Akerman partner, said staffing diverse partners on major deals also helps diverse associates who may be given opportunities to work on the matter and advance their own careers.

"Sometimes it takes a company to take a chance on doing the opposite of what everybody else is doing and to provide opportunities. I hope that it will at least open the eyes of many general counsel to truly understand that you have to be intentional," Marsh said.

Patterson, a former counsel at Skadden and partner at Jones Day, joined Adtalem in 2018 and was promoted to Adtalem's general counsel, senior vice president, and corporate secretary in February.

In addition to the team of Black lawyers on the Walden deal, five of six of Patterson's direct reports within Adtalem are Black, and five are women. Roughly half of Adtalem's board of directors is Black, and three members of the C-suite are Black and three are women, he added

Patterson has already received calls from other general counsel asking about his deal team, a signal that he has achieved his intent to influence others.

"In my experience, it is the clients who drive diversity in the legal profession. It's important for the general counsel to set the tone for other people in the legal department who may have hiring authority, and to help set the tone and drive diversity among his or her outside counsel," Patterson said.

(Added information about the deal in paragraph 12.)

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