

## Capital Markets Group Of The Year: Wilson Sonsini

By **Dave Simpson**

*Law360 (February 10, 2022, 2:02 PM EST)* -- Wilson Sonsini Goodrich & Rosati PC represented DoorDash in its initial public offering, helping it raise nearly \$3.4 billion amid the pandemic and the uncertainty of California's Prop. 22, which had a major effect on the classification of delivery drivers, earning the firm a spot among Law360's 2021 Capital Markets Groups of the Year.

Rezwan Pavri, a corporate and securities partner in the firm's Palo Alto office, said that while DoorDash isn't, say, a biotechnology company, it was striking to watch how vital it was in the early months of the pandemic — and to be tasked with telling that story to the public markets.

"DoorDash was putting a lot of its money and effort behind helping its merchants thrive at that time," he said. "They made a significant contribution to the overall economy during that time, but interestingly, we were also going through the IPO at the exact time when the pandemic was in its most crippling phase. Telling the DoorDash story, at a time when DoorDash itself was working very hard to help its merchants survive and thrive in a very tough environment, was just such a unique experience."

And, as if a global pandemic was not enough of a narrative roller coaster for the DoorDash IPO, the company was among those that stood to be most affected by California's Prop. 22: a ballot initiative passed by voters in November 2020 classifying certain gig workers, like DoorDash drivers, as independent contractors rather than employees.

"California is a very important state for DoorDash, especially at that time," Pavri said. "And Prop. 22 was on the ballot, and it was an extremely important piece of the narrative around maintaining worker classification and maintaining independent contractor treatment."

In the lead-up to both the vote and the IPO, Wilson Sonsini helped the market understand how DoorDash might be affected based on the possible outcomes.

"You're really laying out multiple scenarios for what our business looks like going forward, depending on what happens with classification nationally, not just in California but how that impacts the rest of the nation state-by-state," Pavri said.



In the end, with the help of the Wilson Sonsini team, DoorDash scored the second-largest IPO of 2020.

In December 2020, it sold 33 million shares at \$102 each, surpassing its upwardly revised range of \$90 to \$95, and raising \$3.36 billion total. The venture-backed startup was valued at about \$39 billion based on that IPO price, well beyond its last estimated private valuation of \$16 billion.

While DoorDash was one of the most high-profile companies to go public in recent years, Wilson Sonsini also helped a less familiar name, the network infrastructure company HashiCorp, raise \$1.2 billion in a December initial public offering — higher than its expected price-per-share range.

"It's one of those companies that you might not have heard of, but everybody in the tech world who runs a network of any kind knows them well and wants to use them," said Tony Jeffries, a partner in the firm's corporate practice. "They are an incredibly hot company, incredibly important to the infrastructure now."

The San Francisco company develops software that customers can stack or use individually to meet different digital infrastructure and data management needs. HashiCorp priced its IPO at \$80 per share, well above its expected range of \$68 to \$72 per share, offering 15.3 million shares.

"On top of it all, [HashiCorp has] some of the most down-to-earth, likable people I've ever worked with," Jeffries said. "They're really determined to run a good deal, and to be thoughtful about everything they do. And it was just a fantastic way to round out the year."

And in March, Wilson Sonsini helped online gaming platform Roblox Inc. go public through a direct listing, rather than a traditional public offering.

On the first day of trading, Roblox shares closed at \$69.47 — above a \$45 reference price set by the New York Stock Exchange before trading began. The reference price served as a guidepost, informed by the company's recent stock price in private markets, though no shares changed hands at that price.

The successful Roblox direct listing highlights the diversity of routes to going public and the diversity of work that the firm can do, Jeffries said.

"It is a year full of not just IPOs, but direct listings, like Roblox, and a whole host of de-SPAC transactions as well," he said. "Never have there been so many paths to go public, and we got to see all of them this last year. I'd be remiss if I didn't mention our convertible debt practice was busy as hell during the year. It was a busy year and a banner year on all fronts."

--Editing by Adam LoBelia.