

Business Insider: How law firm Gunderson Dettmer's deal machine swallowed Silicon Valley

Firm News

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Gunderson has done well by throwing the typical Big Law playbook out the window.

Right away, the founders of Anduril knew they needed a good lawyer. The five inventors came together in 2017 to develop surveillance systems and attack drones for the defense industry. They knew the business would need a lot of cash to get off the ground, which meant many rounds of funding from outside investors and a complex legal structure.

They had also just watched a board coup at Uber that ousted its founder and chief executive. And one of them, the virtual-reality wunderkind Palmer Luckey, had just been fired from Facebook after it bought his startup, Oculus. "For all five of us coming to the table, there was a fair amount of paranoia or attention paid to corporate governance and board structure," said Matt Grimm, an Anduril co-founder.

The founders met with a handful of startup lawyers recommended by one of their investors, but they were unimpressed. The lawyers were all cautious types, bristling at the group's ambitions. So when they landed at the San Francisco office of Gunderson Dettmer, the **partner Lou Soto** stood out for his moxie. He saw how legal battles elsewhere had left them scarred and presented a menu of options for protecting against dilution and maintaining control of the company through many financings. Unlike the other lawyers, he didn't prescribe the typical corporate structure. "This is going to be fun," Soto told them, according to Grimm.

They hired Soto before even incorporating the business or raising a penny of investment. Five years later, Anduril is worth \$4.6 billion and is still a Gunderson client, sending the firm work for its many rounds of funding and a recent spree of business acquisitions. Gunderson isn't the only law firm that specializes in tech and life sciences. But it is the only law firm with a singular focus on startups and the venture-capital firms that back them. Since its founding in 1995, the firm has quietly taken over the industry, representing more than 2,500 startups.

The firm gives counsel to the who's who of the startup world, with a client roster that includes Plaid, Bolt, Daily Harvest, Harry's, and Flexport. PitchBook has reported that Gunderson's worked on more venture-capital and growth-equity financings for startups than any other firm for the past eight years. It negotiated close to one-fourth of the \$643 billion invested worldwide in the tech bull run of 2021.

Gunderson also advises more than two-thirds of venture firms on the Forbes Midas List, a ranking of the biggest names in venture capital. Its clients include venture powerhouses like Andreessen Horowitz and Accel, as well as the famed hedge funds Tiger Global and Coatue. Gunderson has done well by throwing the Big Law playbook out the window. The firm takes on only corporate work, like crafting stock-option agreements and negotiating deals. It doesn't do any litigation or courtroom disputes. That focus makes Gunderson a go-to for startup founders and investors who want their law firm to understand the industry they're in. "They have arguably a better lens on market dynamics than anyone," Grimm said.

Read the full article [here](#).

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About Gunderson Dettmer

Gunderson Dettmer is the preeminent international law firm with an exclusive focus on the innovation economy. With more than 450 attorneys across ten offices in key venture markets throughout the world – Silicon Valley, Ann Arbor, Austin, Beijing, Boston, Los Angeles, New York, San Diego, San Francisco and Singapore – the firm serves market-leading venture capital and growth equity investors and pioneering private companies through inception, growth and maturity, as well as the groundbreaking public companies that result from the global venture capital ecosystem. Gunderson Dettmer's experience and technical acumen allow its attorneys to predict, prioritize, and produce strategic solutions for our clients at every business phase.

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Lou Soto

PARTNER

P +1 650 463 5232



Steven L. Baglio

PARTNER

P +1 212 430 3171

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