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ACCESS TO LOCAL AND GLOBAL OPPORTUNITIES

## CHAPTER BUSINESS

### CHICAGO II CHAPTER EXECUTIVE COMMITTEE MEMBER

**Karen DeRose**  
**DeRose & Associates**

Certified Financial Planner

*Member Since:* January 2010

Karen DeRose is President of DeRose Financial Planning Group, a fee-based financial planning practice that caters to the needs of professionals, executives and business owners. She holds Series 6, 7, 63 and 65 registrations and is life and health licensed in several states. She is a Certified Financial Planner™ Practitioner and Chartered Retirement Planning Counselor. She recently met with *cliQUE* to discuss her professional experience with DeRose Financial Planning Group and the Chicago II chapter. [More...](#)

### NEW YORK CHAPTER EXECUTIVE COMMITTEE MEMBER

**Ted Rosen**  
**Fox Rothschild LLP**

Partner – Mergers & Acquisitions

*Member Since:* February 2010

Ted Rosen serves as Administrative Partner for the New York Corporate Practice of Fox Rothschild LLP. He has more than 25 years of experience in corporate law with an emphasis on mergers and acquisitions, venture capital, international transactions and securities law. Rosen recently met with *cliQUE* to talk about his professional experience, Fox Rothschild and New York's BFI chapter. [More...](#)



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## MEMBER NETWORKING



### **George Cabalu** – UBS Financial Services Inc.

Senior Vice President – Investment and Wealth Management

From his start with Smith Barney in 1989 to his current role as Senior Vice President, Investments at UBS, Cabalu has spent an entire career helping high-net-worth individuals manage their wealth. His clients are typically entrepreneurs whose success has led them to ponder some kind of liquidity event within the next five years. [More...](#)



### **Gregg Carpenter** – Poms & Associates Insurance Brokers, Inc.

Senior Vice President – Personal Property Casualty

After 27 years in the commercial insurance broker business, Gregg Carpenter of Poms & Associates decided it was time to make a change. He was the head of the western U.S. region of March, the world's leading insurance broker and risk adviser, but was itching to pursue other experiences. He researched several opportunities and found what he considered to be an unmet need in the high-net-worth/personal lines insurance arena. [More...](#)



### **Roger Gillott** – Gillott Communications LLC

President – Reputation Management, Public Relations

Five years ago, Roger Gillott founded his own strategic PR firm to focus on a highly specialized niche of public relations: Reputation Management. He brought a wealth of skills garnered from three different careers — a West Coast business correspondent for the Associated Press, a corporate PR executive for Occidental Petroleum and a partner and senior member in the crisis practice of one of the nation's leading strategic PR firms. [More...](#)

p 8

Exclusive  
Referral  
Pipeline

- Speakers
- Calendar
- The LA Kings, AFN and BFI To Host 2010 NHL Draft
- New Member Growth
- Referrals

p 15

In  
The  
Community

- San Francisco Chapter Embarks on a Special Boating Event

p 16

Member  
Workshop

- Recommended Books/ Member Feedback  
A selection of the industry's top business and informative publications
- Business Networking Tips for BFI Members

**“My best referrals are CEOs, entrepreneurs, investment bankers, VCs and PE firms that are active in doing deals as well as companies that wants to grow and have a vision.”**

Ted Rosen serves as Administrative Partner for the New York Corporate Practice of Fox Rothschild LLP, a national law firm with 15 offices and almost 500 attorneys. Ted has more than 25 years of experience in corporate law with an emphasis on mergers and acquisitions, venture capital, international transactions and securities law. Rosen counsels large established and emerging growth companies in raising capital, mergers, management buyouts, recapitalizations, and growth strategies, as well as in matters related to structuring, organization, financing, employment and compensation. He is also experienced in securities law with public and private companies. He recently met with *clique* to talk about his professional experience, Fox Rothschild and New York's BFI chapter.

***clique:*** Can you give us some background on your professional history as a lawyer in the state of New York?

**Ted Rosen:** For more than 25 years, I've practiced corporate law in New York City, and my reputation is as a skilled business advisor who can negotiate and document the most difficult transactions. I was a founding partner in a boutique transactional firm for 14 years before I moved to a mid-sized regional firm. Prior to joining Fox Rothschild, I was co-chair of the Venture Capital/Emerging Growth Practice Group at Herrick, Feinstein.

***clique:*** What is your expertise? Is there a particular focus?

**Ted:** I serve as outside general counsel to public and private companies and actively focus on venture capital with a very hands-on approach. I get intimately involved in the capital raising process, helping prepare and revise business plans and executive summaries and structuring the deal. I also make introductions to sources of financing, venture capital firms, family offices and high-net-worth investors. For me the art of venture capital is to be extremely cautious in selecting the right companies to associate myself with. I have a very high success rate in raising capital and helping companies to grow. In this economy, raising capital is one of the last remaining ways of financing companies given the banks' conservative lending approach.

I enjoy the art of the deal, so I derive a great amount of professional satisfaction in helping companies grow or assisting an entrepreneur in selling his business. I handle a lot of mergers and acquisitions, but lately, given the economy, I've been structuring joint ventures. For companies under economic pressure, forming joint ventures or strategic alliances is one of the best ways to grow quicker than they could by simply borrowing money from a bank. For example, by combining the assets of a technology

company with a manufacturing company, you can really expedite the growth process for both entities. However, joint ventures are much more challenging legal transactions to document. Fortunately, with my experience practicing law and my involvement with entrepreneurs, I am able to help my clients structure some very complex joint venture transactions.

***clique:*** Can you expand more on the venture capital side of your practice?

**Ted:** My venture capital practice is booming! I have strong relationships with venture capital and private equity firms and I listen to what they are looking for. The product or service a company or entrepreneur wants to market has to stand on its own, and it is crucial to communicate clearly what that product is. I can look at a one-page executive summary or teaser and tell within 15 minutes whether I think the company is going to be financeable. I also represent investors who retain me to analyze their potential investments. It helps me as a lawyer on both sides of the equation, whether I'm representing an investor or company, to be able to communicate what the value propositions of the company are.

***clique:*** What makes Fox Rothschild unique?

**Ted:** It's a national firm with 15 offices nationwide and almost 500 lawyers who handle virtually every type of legal matter. We work collaboratively and utilize attorneys versed in other legal disciplines that growing companies need. While it's great to have a full-service national platform, it's important to realize clients look at other factors. They want access to experienced professionals who understand their business needs, but they also need a fee structure that is not going to put them out of business. Fox Rothschild has created a fee structure that is lower than the larger firms – and in many cases even lower than mid-sized firms. We provide the sophistication and multi-disciplinary approach of a large firm with the fee structure of a smaller firm, and clients appreciate that. I would also add that Fox Rothschild's partners are not just great lawyers but are also kind-hearted people, which is what really drew me to the firm.

***clique:*** In today's economic environment, what are some of your clients' concerns?

**Ted:** The name of the game today is raising capital. For mid-market companies, the bank lending spigot is just a trickle right now. Clients come to me and say, “We have potential business and we want to expand. There's no capital available from the banks. How do we raise money?”

***clique:*** What are some of the hot topics in the industry?

NEW YORK CHAPTER

**Ted Rosen**  
**Fox Rothschild LLP**

*Professional Category:*  
Attorney – Mergers &  
Acquisitions

*Member Since:*  
February 2010



“I derive a great amount of professional satisfaction in helping companies grow or assisting an entrepreneur in selling his business.”

*continued from page 13*

**Ted:** Earn-outs, which we're using much more in merger and acquisition transactions, are a means by which you can take a portion of the purchase price and defer it based on the seller's future earnings. Whether it is profits, net profits or gross profits, we're finding a way to bridge the gap between what the sellers think their company is worth and what buyers are willing to pay.

But it's risk and reward. If I'm representing a seller who believes in the future of the company and the merger transaction is going to facilitate increased revenue, the seller is willing to take a greater earn-out. For example, a few years ago, I worked on a transaction where we sold a privately owned company to a public company. My client took less cash up front but agreed to an earn-out that was far in excess of the cash received at the closing. I put in a provision in the earn-out section that said if we hit the earn-out threshold sooner, we'd get paid sooner. My client is now in almost the third year of the deal and is hitting those thresholds. By using common sense and experience, I changed the way the deal was structured and as a result, my client is going to realize a much higher purchase price than what they received at closing. From the buyer's perspective, they got what they bargained for because they got the revenue they needed to grow their company.

**clique:** What changes in the last five years have affected your business?

**Ted:** The need for a multidisciplinary approach to a client's legal matters has dramatically changed how I've practiced law. As clients get larger and deals get more complex, you need a deep bench of professionals to tap into because transactions often bring a number of legal practice areas into play, such as tax, intellectual property, labor, pension, real estate and bankruptcy. Fox Rothschild has attorneys experienced in all those areas, and I have found a high level of collaboration from my firm colleagues irrespective of the size of the deal. Whether I'm working on an acquisition worth \$10 million or \$1 billion, I receive the same level of responsiveness from my partners and associates.

Lately, I'm getting a lot of business from foreign law firms with clients looking to do business in the United States. I have contacts in various regions of the country who I call upon to help solve clients' problems given the nuances of the law in different states. For example, I recently received a call from a London law firm that needed to do a stock transaction in Nevada. I contacted one of my colleagues in the firm's Las Vegas office, and we successfully closed the deal within a week.

**clique:** What are your projections for the next five years?

**Ted:** I think price structure will be the biggest issue for law firms to tackle. There's tremendous pressure on large law firms in connection with fees,

especially as clients have become more sophisticated and inquisitive about how fees are incurred. Large firms that have high fee structures are going to have a difficult time competing in these more challenging economic times. We're already seeing that with law firms collapsing and conducting layoffs and/or deferred start dates. I'm pleased to note that Fox Rothschild is the right firm for this market. We are not only increasing in size, revenue and profitability, but we're also proving that our model is the correct model. We understand that clients need a full-service platform with cost-conscious lawyers. We feel, for example, that our SEC practice is preferable from a client perspective to small boutique SEC firms because we offer clients not only our SEC experience but also all of the other practice areas that touch upon SEC work. Large firms may be overkill for many smaller public companies but we are just the right size.

**clique:** What's the number one challenge you face in business development?

**Ted:** Getting the word out that Fox Rothschild and the New York Corporate practice are a great resource for public and private companies looking for an aggressive, full-service, cost-effective law firm. To be honest, I wish there was a way to measure how successful I am in negotiating deal terms in favor of my clients and in helping them better structure their deals.

**clique:** What's a good referral for you?

**Ted:** My best referrals are CEOs, entrepreneurs, investment bankers, VCs and PE firms that are active in doing deals as well as companies that want to grow and have a vision. In my experience, there are a lot of people who are employees or highly competent managers, but there are very few visionaries. I enjoy working side by side with visionaries to help them achieve their goals.

We help any size client that wants to grow. I have the flexibility to take on small clients and help them grow, as well as the depth of practice to meet all the legal needs of large clients. There is virtually no minimum or maximum in terms of a business client we can't handle.

**clique:** What contributions do you bring to your chapter in particular, as well as the BFI network at large?

**Ted:** I always look at the long-term picture for my clients and referral sources, and I always try to do the right thing. If you need a referral, I'll always do that. I've been networking for the last 15-16 years, and I've learned that if you're generous with your time and your relationships, it all comes back in terms of business referrals.

*If you want to contact Ted Rosen about Fox Rothschild LLP, call (212) 878-7900 or e-mail him at [trosen@foxrothschild.com](mailto:trosen@foxrothschild.com).*

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