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# Two U.S. Law Firms Look to a Big New Year in Israel

By Michael D. Goldhaber

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*Greenberg Traurig's Joey Shabot*

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"My eyes opened to something I never knew existed," says Shabot. "An M&A ecosystem was developing in Israel."

Shabot rekindled his passion for Israel, and Wachtell nurtured it by seconding him to an Israeli firm. As that stint drew to a close, the Israel Bar Association opened the legal sector to foreign lawyers as a condition of Israel's entry to the Organisation of Economic Co-operation and Development. At the initiative of partner Gary Epstein, Greenberg became the first major law firm to take advantage. Epstein picked Shabot from a crowd of talented young lawyers eager to help the firm hang out a shingle (and mezuzah) in 2012. With its close ties to Cuban and Jewish entrepreneurs in Florida, Shabot calls Greenberg a comfortable fit. "Cubans are more Zionist than Israelis," he jokes.

## The Global Lawyer

An Israeli company that prints 3-D circuit boards with silver nano ink ushered in the Jewish new year by listing on Nasdaq last Friday. Like some 15 other U.S.-listed Israeli firms, Nano Dimension Ltd. was counseled by "ZAG-S&W," a joint venture formed in 2001 by Boston's Sullivan & Worcester and Tel Aviv's Zysman, Aharoni, Gayer & Co.

Along with Greenberg Traurig—the only Am Law 200 law firm with a full-fledged Tel Aviv office—Sullivan & Worcester is well-positioned to benefit from an antitrust law that over the next two years will force Israel's highly-concentrated business sector to eliminate pyramid ownership structures, and separate financial from nonfinancial holdings. Analysts estimate that 40 public groups with a market value of \$25 billion will need to privatize or refinance.

"We see a big opportunity as the law is phased in and businesses are put on the block," says Greenberg partner Joey Shabot in Tel Aviv.

Shabot first moved to Israel as a toddler in 1980 as part of a late trickle of refugees from the Syrian Jewish community. He spent most of his childhood in the U.S., where he went on to Harvard College and the

University of Pennsylvania Law School. Shabot joined Wachtell, Lipton, Rosen & Katz, where he happened to do an Israeli acquisition for Corning Inc. in 2010. The activity and sophistication of the Israeli deal scene came as a revelation to Shabot, who fondly associated Israel with children's candy treats of shoddy consumer quality.

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Shabot now has seven Greenberg colleagues in Tel Aviv—and 1,800 more around the world. In the past year, the Tel Aviv team closed \$6 billion in deals. Over the past two years, it's routed 80 deals to offices around the Greenberg network. In July, it helped an Israeli institutional investor to spearhead the \$310 million purchase of New York's Brill Building, where music luminaries ranging from Burt Bacharach to Neil Diamond recorded during the heyday of Tin Pan Alley.

In some ways, the trail for Greenberg was blazed by ZAG-S&W, which is a happy 15-year marriage of a midsize Boston generalist firm with a midsize Tel Aviv tech shop. Sullivan & Worcester ranks in Boston's top 20 with 144 lawyers, and ZAG rated 20th with 72 lawyers on the most recent Globes Dun's 100 list of Israel's largest law firms. Nine Israeli-American or American-Israeli lawyers take the lead on bicultural deals, drawing as needed on both firms in their entirety. In contrast to Greenberg—which focuses exclusively on U.S. law—ZAG-S&W offers services across both legal cultures.

"It's not Hebrew but Israeli," says ZAG-S&W managing director Oded Har-Even. "It's not English but American."

Asked to generalize about the differences in legal culture, Har-Even says that Americans strike Israelis as more risk-averse and structured, whereas Israelis tend to be more deal-focused and improvisational. Sabras leave a month for lease talks that Yankees expect to last nearly a year. Americans expect to disclose representations that make Israelis want to faint. Americans plan every jot of a Regulation A-Plus offering, and Israelis question the structure last-minute.

So how were those situations resolved? We'll see what the new year brings, laughs Har-Even; all those examples just happened. The Israeli-American deal scene may be thriving, but it seems that cultural conflict is an everyday affair.

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