

## Venture Capital & Emerging Growth Companies November 2020 Highlights

### Venture Capital & Emerging Growth Companies Alert

11.30.2020

McCarter's renowned [Venture Capital & Emerging Growth Companies](#) team empowers clients throughout the development cycle—from ideation to creation, capitalization, implementation, commercialization, and monetization. Though the pandemic has had a marked impact on venture financings around the globe, McCarter attorneys are working hard on behalf of our clients. In the third quarter of 2020, our practice remained near the top of *PitchBook*'s league standings:

- 9th in the mid-Atlantic;
- 13th in the US for company/issuer representation;
- 18th overall in the US; and
- 22nd overall in the world.

#### **Celebrating the venture capital community**

McCarter is proud to continue to play a leading role in TechUnited's Annual Awards Celebration by presenting the 2020 Legend of Technology Award to Don Katz, founder and executive chairman, Audible—an award McCarter partner Dave Sorin was honored with in 2018. Click [here](#) to see the celebration agenda, additional honorees, and registration information.

#### **Keeping investors and early stage companies informed**

On November 2, 2020, the SEC voted to amend certain rules related to the issuance of securities in exempt offerings—transactions in which the securities sold by the issuer do not need to be registered with the SEC. Among these amendments are changes to rules affecting Regulation Crowdfunding (Reg CF), which allows eligible companies to offer and sell securities through regulated online crowdfunding portals. These amendments could significantly democratize fundraising for early stage companies by making it easier for them to raise more capital from the general public. The amendments will generally go into effect in early 2021.

#### **Helping midsize companies succeed**

The window for the Main Street Lending Program, designed to provide loans with favorable terms to midsize companies to help address the economic fallout caused by the pandemic, is closing on December 31, 2020. Loans for the Main Street Lending Program are originated by a qualified banking institution, which then sells 95% participations in such loans at the full principal amount to a special purpose vehicle created by the Federal Reserve Bank of Boston. Absent action by the Treasury Department and the Federal Reserve System, the special purpose

vehicle is scheduled to cease purchasing participations on December 31, 2020. Read McCarter's alert summarizing the key features of the Main Street Lending Program [here](#).

### **Representing leading companies**

We have represented serial entrepreneur Greg Besner in numerous endeavors, including regarding his recent success with innovative beach chair enterprise Sunflow, which he co-founded with Leslie Hsu. Sunflow was recently named to the top spot in *USA Today's* "[10 Gift Ideas That Are Worth Splurging On](#)."

### **Events**

**12.9.20**

TechUnited's Annual Awards Gala—TechUnited

### **Media**

**11.20.20** Howard M. Berkower authored "[Act Now or Be Exiled from Main Street](#)"—*McCarter & English Corporate Alert*

**11.17.20** Howard M. Berkower quoted in "[Hundreds of Companies That Got Stimulus Aid Have Failed](#)"—*The Wall Street Journal*

**11.16.20** Benjamin M. Hron and Adam Sternbach authored "[The More the Merrier: SEC Amends Crowdfunding Rules to Increase Investment Limits](#)"—*McCarter & English Corporate Alert*

**11.13.20** Howard M. Berkower and William D. Brown, Jr. authored "[Paycheck Protection Program: Creating Certainty Out of Uncertainty from the Rearview Mirror](#)"—*McCarter & English Corporate Alert*

**10.13.20** Ron Leibman quoted in "[Rocked by Pandemic, Global Supply Chains Reboot](#)"—*Forbes* Please visit our [Coronavirus Resource Center](#), which contains regularly updated information to assist you and your business during these turbulent times.