

Greg Kramer in Law360: Slack's Debut Bodes Well for Direct Listings

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Haynes Boone Partner [Greg Kramer](#) spoke with *Law360* about Slack Technologies Inc., a workplace messaging company whose shares rose following its direct listing on Thursday. The activity shows how some large private companies can avoid conventional initial public offerings.

Here is an excerpt:

Venture-backed Slack Technologies Inc., advised by Goodwin Procter LLP, saw shares begin trading at \$38.50 each under the symbol "WORK" on the New York Stock Exchange. They rose 12 cents to close at \$38.62, concluding an orderly first day of trading.

Experts said the absence of volatility involving Slack's shares demonstrates that a direct listing can work for certain companies willing to deviate from the well-worn path of a traditional IPO. Slack follows in the footsteps of music streamer Spotify, which also went public through a direct listing last year and faced little volatility, bolstering the case that Spotify's unusual strategy was not a one-off.

"This is the second one that seems to have gone off successfully," Haynes Boone Partner Greg Kramer said. "People may look to see how these do over the medium term before jumping into them, but having one high-profile direct listing and then another, maybe it's the beginning of a trend."

In a direct listing, a company registers its shares for public trading with the U.S. Securities and Exchange Commission and lists on an exchange. This marks a departure from the traditional IPO in which a company hires underwriters to sell new shares and raise fresh funding.

To read the full article, click [here](#). (Subscription only)