

**STANFORD ROCK CENTER PROGRAM FOR JOURNALISTS:
A PRIMER IN CORPORATE GOVERNANCE**

May 15, 2020

Location: Stanford Law School

AGENDA

8:30 a.m. Breakfast

8:50 a.m. Introduction to SLS Media Relations, *Stephanie Ashe, Director of Media Strategy, Stanford Law School*

9:00 a.m. The Public Interest in Corporate Bankruptcy: The Case of PG&E, *George Triantis, Charles J. Meyers Professor of Law and Business, Stanford Law School*

Most bankruptcy proceedings come and go with minimal media attention. The current bankruptcy of PG&E is an exception because of the enormous uncompensated losses of wildfire victims, the disruption of service to millions of consumers and ongoing policy debates about energy. This has fueled growing curiosity about the world of bankruptcy. How are tort claims (such as those of the wildfire victims) treated in bankruptcy? How does the market for corporate control play out in bankruptcy, compared to outside it (e.g., the current bidding war for PG&E)? How does government policy-making and regulation work during and through a bankruptcy proceeding (California Governor Newsom has taken on a role of unprecedented significance in the PG&E bankruptcy)? This session will explore these and other questions raised by the PG&E bankruptcy.

10:00 a.m. Break

10:15 a.m. Data Privacy and Encryption Issues for Boards, *Riana Pfefferkorn, Associate Director of Surveillance and Cybersecurity at the Stanford Center for Internet and Society*

The Justice Department recently hinted that a decade-long fight over encryption controls could become part of a sweeping investigation of big tech companies. On one side of the fight are privacy advocates and tech executives, who believe people should be able to communicate privately while online. On the other side are law enforcement and some legislators, who believe tough encryption makes it impossible to track child predators, terrorists and other criminals. This session will examine end-to-end encryption technology and how and why companies are using it. The session will also explore the ongoing debate around encryption controls and consider how companies should be thinking about balancing the legitimate need for data privacy with law enforcement demands for user data.

11:15 a.m. Break

11:30 a.m. Navigating Accounting, *Colleen Honigsberg, Associate Professor of Law, Stanford Law School*

This session will provide an introduction to accounting generally, but will focus on current issues that are likely to generate significant interest and/or financial concerns. In particular, we will cover trends in

restatements, the recent revenue recognition standard, the use (or abuse?) of financial footnotes, and the recent lease accounting standard. The discussion of these items will highlight the inherent discretion involved in significant accounting decisions--and how companies can use that discretion to present an arguably misleading image to stakeholders. In addition, the session will highlight reporting trends in non-GAAP financials and Environmental, Social, and Governance disclosures---disclosures that are often highly relevant to investors, but are subject to limited (if any) external audit.

12:30 p.m. Lunch

1:30 p.m. *Exit Strategy, Mark Lemley, William H. Neukom Professor of Law and Director of the Stanford Program in Law, Science and Technology, Stanford Law School*

The venture capital industry's focus on exit strategy, particularly exit by acquisition, is pathological. It leads to concentration in the tech industry, reinforcing the power of dominant firms. It short-circuits the development of truly disruptive new technologies that have historically displaced incumbents in innovative industries. And because incumbents often buy startups only to shut them down, intentionally or not, it means that the public loses access to many of the most promising new technologies Silicon Valley has developed. This session will explore a number of ways to break the cycle of acquisition by incumbents, including changing the incentives that favor acquisition over continued operation, finding other ways to fund startups or to allow venture capital firms to cash out without an acquisition, and changing the antitrust laws to focus on who is acquiring startups.

2:30 p.m. Break

2:45 p.m. *The Supreme Court's Recent Term: Implications for U.S. Corporations, Pamela Karlan, Kenneth and Harle Montgomery Professor of Public Interest Law, Co-Director of the Supreme Court Litigation Clinic, Stanford Law School*

Supreme Court decisions can have profound effects on business operations. This session will review decisions handed down this term that have implications for U.S. businesses. Topics will include the Google v. Oracle copyright dispute and the SEC's authority to seek disgorgement in federal court enforcement actions.

3:45 p.m. Conclude