



## Riding the tech roller-coaster into summer 2021

Friends,

In today's newsletter, we share growing trends, volatile swings, and news about tech. We also share our most recent writings and upcoming events. Time will tell how these technological advancements and external pressures play out, but in the meantime, we can ride the rapids of the latest news.



### Foley & Lardner Among Nation's Leading Law Firms Recognized in 2021 *Chambers USA*

Foley & Lardner LLP is pleased to announce that it has again been recognized by Chambers & Partners as one of the top law firms in the 2021 edition of *Chambers USA, America's Leading Lawyers for Business*. The firm received 41 practice rankings, including eight national rankings and nine in Band 1. Additionally, 97 Foley attorneys are recognized, with 12 ranked nationally and 16 listed in Band 1. Our very own [Louis Lehot](#) was ranked as a top California lawyer in the area of venture capital.

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### Electric Vehicles

Things appear to be heating up in the electric-vehicle industry. Ford has unveiled the all-electric 2022 F-150 Lightning. Hyundai has the Ioniq 5. Subaru and Toyota are collaborating on a new EV platform. Volkswagen USA was going to change its name to Voltswagen ([until it wasn't](#)). Assuming that the [chip shortage](#) doesn't derail all of these plans, the market for electric vehicles (EVs) looks to be maturing.

But the real problem for electric vehicles is still range. While EVs can work very well as commuter vehicles (where their short range is offset by daily charging at home), range anxiety is a real problem for many EV owners, especially in cold weather, where battery performance drops while power demands increase due to heating.

Widespread adoption of EVs will likely depend on innovations in two key areas: charging infrastructure and batteries. Charging infrastructure has improved significantly over the last several years, but if you look at a map of charging stations, outside large cities and major highways, electric vehicles have relatively few places to top off their batteries. Investment in infrastructure will probably play an important role in the next several years.

Battery technology has [steadily improved](#), but to eliminate range anxiety, EVs will need to rival comparable ICE vehicles. Fortunately, some solutions seem tantalizingly close. Solid-state batteries, for example, promise much higher energy density and much faster charging times—potentially bringing EVs on par with the ranges and refilling times of gas-powered vehicles. The real question is who will be able to bring a cost-effective solution to market first.

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## Bitcoin

Bitcoin has had a rough month, as the venerable cryptocurrency has fallen from a high of ~\$65,000 in April and dipped to ~\$34,600 in recent days. While the last few months have seen an increase in institutional investment, tweets from Elon Musk and Tesla appear to have been the catalyst for the recent crash. Tesla reversed its position regarding acceptance of Bitcoin as payment, citing environmental concerns.

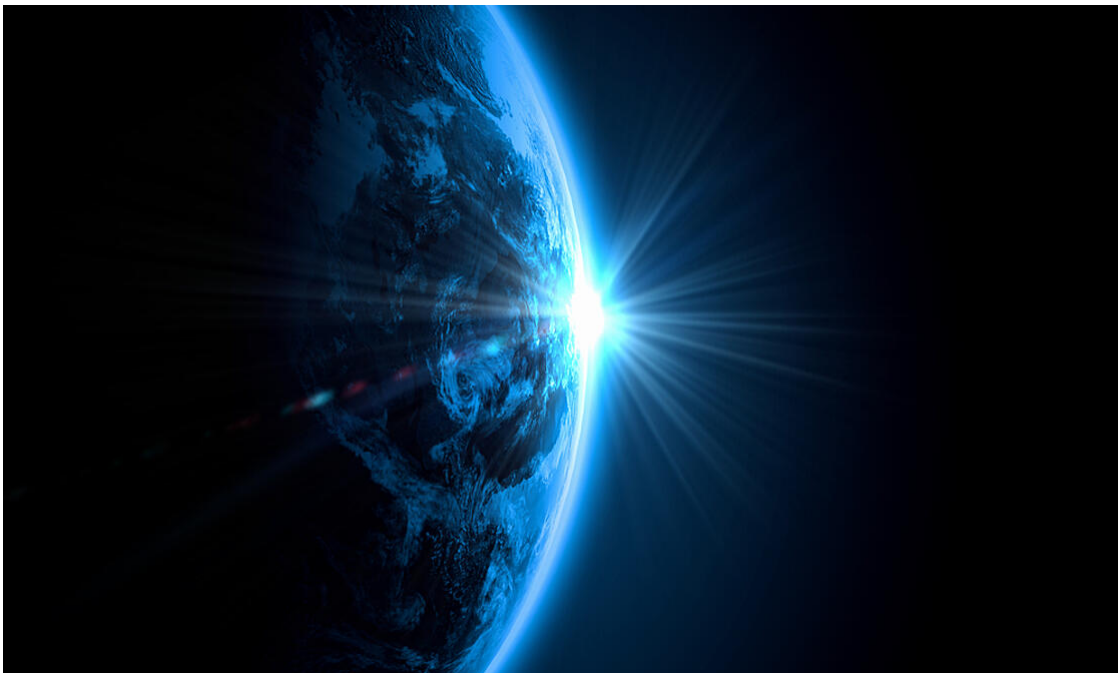
Investors and entrepreneurs should keep in mind that Bitcoin mining is unlikely to disappear, regardless of environmental, social, and governance (ESG) issues. Historically, when one jurisdiction discourages mining, miners simply move to a more favorable jurisdiction with cheap electricity. Proponents of Bitcoin and other cryptocurrencies regularly point out that crypto mining encourages energy development, in particular renewable energy, such as [Argo Blockchain's recent purchase](#) of hydroelectric-powered data centers in Canada. Canada is a prime target for mining investment due to its abundance of cheap renewable electricity.

Despite the current increased volatility, the crypto market still looks poised for growth. Of course, this condition could change suddenly, but the fact that dips [trigger buying sprees](#) by some companies suggests that the space may continue growing this year. And earlier this month, [a partnership between FIS and NYDIG](#) was announced, promising to open various Bitcoin-related services to hundreds of banks later this year.

Inflation may play an important role in how Bitcoin performs in the near future. As always, speculation about the future is fraught with difficulty. (We still have no viable flying cars.) But with the [dramatic increase of the M1 money supply](#) last year, many investors are speculating about the long-term trend of inflation. Companies may be adding Bitcoin to their balance sheets as a hedge against inflation.

On a related note, fears of rising inflation could also lead to more investments, as venture capitalists could adopt a “use it or lose it” attitude. That kind of attitude could lead to riskier investments, potentially driving a short-term bubble. But inflation concerns have also been putting some [downward pressure](#) on the stock market. Until something happens to provide economic clarity, watch for a frothy market.





## Space

In suborbital news, Jeff Bezos's Blue Origin is selling a seat on its first manned flight of the [New Shepard rocket](#), scheduled for July 20. And Richard Branson's Virgin Galactic reached a milestone recently. VSS *Unity* flew again on May 22. Back in 2019, Virgin Galactic helped spark the SPAC boom, and its current success may be helping to revitalize SPACs, with its [stock jumping by 27% after the flight](#). While the company still has much work to do, this latest achievement demonstrates real progress toward profitability and a sustainable business model.

Meanwhile, in orbital news, SpaceX completed its [hundredth consecutive successful launch](#), with a Falcon 9 rocket lifting another batch of Starlink satellites into orbit. The launch was the second for this particular Falcon 9 first stage, proving again that reusability is viable in rocketry. Work is still progressing on the Starship launch system, though no launch date for the next test has been announced.

## The Future of Work

With an increasing percentage of the U.S. population benefiting from widespread vaccination, the country's icy period of confinement is thawing. It is encouraging to see in-person meetings and travel resuming. Interesting conversations about the future of work abound. Some want to stay remote permanently, citing the increased productivity and efficiency from time saved from commuting and water-cooler chatter. Others want to return to in-person collaboration. Each industry will respond differently. Time will tell how it all works out...

That's it for the rapids. We'll see what the next month brings.

Meanwhile, please read and share some of our team's writings from May 2021, and come join us for upcoming events, all profiled below!

All the best,

Your Foley & Lardner Silicon Valley and San Francisco team

(Louis Lehot, Natasha Allen, Eric Chow, Brandee Diamond, Nicole Hatcher and Catherine Zhu)

PS: we are hiring! [Watch CEO Jay Rothman talk about "Why Foley?"](#) and look at [job openings here](#).

## Articles and Materials:

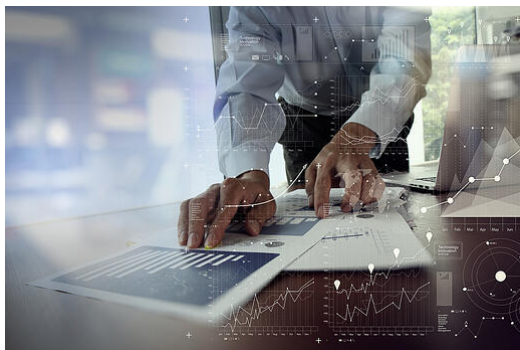
- [Preparing For The Future Of Work - Young Upstarts](#)
- [The future of virtual deal-making and the return to work | VentureBeat](#)
- [Congressional Scrutiny Adds Momentum For SPAC Oversight - Law360](#)
- [Post-Pandemic Trends in Business and Technology \(natlawreview.com\)](#)
- [The art of the bellyflop – what to do when your startup is not working out](#)
- [How President Biden's proposed changes to capital gains and other taxes could impact the innovation economy](#)
- [Are SPACs Dying Off?](#)
- [A Critical Look at Equity Crowdfunding - ReadWrite - Louis Lehot](#)
- [A Quick Chat with Louis Lehot: M&A in 2021 | by Louis Lehot | May, 2021 | Medium](#)

## Playback links from recent podcasts and webinars

- [NFTs: Exploring the Legal and Business Challenges of Monetizing Unique Content with Digital Assets](#)
- [Seed-stage financing and entrepreneurship workshop](#)
- [Garage to Global: Building a sustainable late stage startup reputation](#)

## **Registration links for upcoming podcasts and webinars webinar**

- [Foley Launch Workshop: Bridging the Silicon Valley to Washington Axis | What You Need to Know to Navigate Doing Business with the Federal Government - Live Webinar: Thursday, June 3, 2021 | 1:00 – 2:00 p.m. PST](#)
- [Venture capital exit strategies - Live webinar: Tuesday, June 29, 10:00am EDT](#)



**Here's Which VC-Backed Companies Are Going Public Via SPAC This Year (So Far)**

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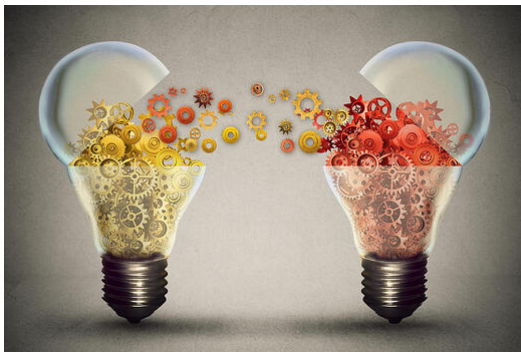
**The Briefing: Circle Banks \$440M, QuitoAndar Lands \$300M**

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