

Gov't Contracts Group Of The Year: Covington

By Sarah Martinson

Law360 (February 18, 2020, 2:01 PM EST) -- Covington & Burling LLP successfully defeated bid protests challenging multibillion-dollar contracts awarded to UnitedHealth and its subsidiary last year, securing it a spot as one of Law360's 2019 Government Contracts Groups of the Year.

The firm's government contracts group handles regulatory counseling, mergers and acquisitions, bid protests, litigation defense and internal investigations. The group has 45 attorneys who work exclusively on government contracts and more than 15 attorneys from other practice groups who regularly work with them, according to Frederic Levy, a partner and co-chair of the firm's government contracts group. The attorneys are located in Washington, D.C.; Los Angeles; London; and Frankfurt, Germany.

The firm's lawyers don't own clients, allowing the firm to choose the best attorneys to work on cases and alleviate the pressure for one attorney to have to address all of a client's needs, Levy, who is based in Washington, D.C., said.

"What makes our group so terrific is that ... there is no competition between lawyers in the firm, and it is all working collaboratively and mutually for the benefit of the client and that is true in spades for our particular practice group," Levy said.

Covington is also setting itself apart from other firms by picking up more state bid protests, an area of government contracting that is in the making, Jay Carey, a partner based in Washington, D.C., and one of Law360's 2019 Government Contracts MVPs, told Law360.

Most government contract groups at other law firms focus on federal bid protests that have an established process for being resolved, Carey said.

Covington, on the other hand, is also rapidly expanding its state bid protest work and has handled cases across the U.S., including in New York, California, Oregon, Tennessee and Illinois, he said.

One notable victory for the firm in the state bid protest arena was helping UnitedHealthcare and two other companies hold on to a Kansas Medicaid managed care services contract worth up to \$15 billion, according to the firm.



Carey said only weeks after the protest was filed in July, he and his Covington team had to build their defense for a full bench trial in September in an area of law that is still undefined, making the case particularly challenging.

"There simply aren't that many protests at the state level, period, so there is often no set process, and you really have to figure it out as you go along because there isn't a large body of decisions or other authority that you can look to to figure out how it's all supposed to work," he said.

Another successful bid protest defense Covington worked on in May was while representing UnitedHealth unit, Optum, from challengers of two U.S. Department of Veterans Affairs community care network contracts, collectively worth nearly \$40 billion, awarded to it, Carey said.

In addition to its bid protest work, Covington has triumphantly guided a range of contractors and private equity firms through multimillion-dollar merger and acquisition deals, according to the firm.

Last year, the firm orchestrated more than 20 deals that included representing Hewlett Packard Enterprise in its \$1.3 billion takeover of supercomputer company Cray Inc. and steering Alion Science and Technology Corp. in its \$225 million sale of its naval systems unit to U.K.-based defense contractor Serco Inc., both announced in May 2019, Scott Freling, a D.C. partner, told Law360.

Freling, who leads the M&A division of the firm's government contracts practice, said that navigating Alion's carve-out transaction required Covington and other law firms to confront complicated regulatory issues.

Covington needed to ensure Alion's naval systems unit could maintain its security clearance and get approval from the Committee on Foreign Investment in the United States, which has ramped up its scrutiny of foreign investments in the U.S.

Freling said these transactions illustrate how Covington is often brought onto deals to work alongside other law firms that do not have these capabilities.

"Given that we see so many transactions, as government contracts lawyers we really appreciate the nuance of the M&A practice, and in a way where most government contracts lawyers I don't think are as skilled as our practice is," he said.

--Editing by Jack Karp.