

California Powerhouse: Covington

By **Bonnie Eslinger**

Law360 (August 2, 2022, 2:02 PM EDT) --From advising Amazon on a deal with global auto giant Stellantis to develop connected "smart" vehicles, to securing significant courtroom wins for high-profile clients that include Facebook, Amgen and the NFL, Covington & Burling LLP's California lawyers had a banner year that cemented the firm's place as a Golden State stalwart.

Although rooted in Washington, D.C., Law360's California Powerhouse continues to grow across the state and dominate in such key industries as tech, media and life sciences. And its client roster boasts some of California's top companies on its client roster, including Qualcomm, Uber, Gilead Sciences, Salesforce, Wells Fargo, Airbnb, Twitter and Disney.

Covington also boasts strong regulatory and policy practices that supplement and support its litigation, corporate and investigations practices, said partner Emily Henn, a member of Covington's management committee who works in the firm's Silicon Valley office in Palo Alto.

Before opening its first office in the state in 1999, Covington was already working with many California companies, Henn said.

"Being here on the ground, we've only seen that work expand," the Palo Alto partner said. "It's also attracted really great work for clients who are just at the forefront of their industries. So it's been very exciting."

For Facebook, Covington's lawyers, led by Los Angeles-based partner Ashley Simonsen, defeated class certification and won summary judgment in a proposed nationwide class action in California federal court claiming the social media giant charged advertisers for bogus clicks from fake accounts.

The court's rulings have already been cited by other major online platforms facing misrepresentation claims regarding allegedly invalid ad traffic, Henn said.

In the Amgen case, a team of Covington patent litigators led by San Francisco-based partner Alexa Hansen prevailed against Sandoz and Zydus in federal litigation, with the judge finding in September



that the generic-drug makers infringed several of Amgen's patents for its blockbuster psoriasis drug Otezla.

"We've got a tremendous team of patent litigators," Henn said.

A Covington team co-led by Palo Alto-based partner Kate Cahoy also scored a win for the NFL in a \$240 million antitrust challenge brought by the city of Oakland over the Raiders' relocation to Las Vegas. A Ninth Circuit panel tossed the claims in December, a decision the Northern California city has appealed to the U.S. Supreme Court.

The league is a longstanding Covington client, Henn said.

"We're very proud of the work that we've done both on the corporate side and the litigation side for the NFL over many years," she said. "Although we are sorry that the Raiders relocated."

In addition, Covington has been busy this past year successfully defending companies from privacy class actions that attempted to stretch the state's decades-old wiretap law — the California Invasion of Privacy Act — over the new technology of internet commerce. Henn and the managing partner of Covington's San Francisco office, Simon Frankel, worked together on several such cases, and they secured dismissals in lawsuits against software company FullStory and its customers Blue Nile and Noom.

Covington is also guiding clients through complex corporate transactions and industry-leading deals.

The Amazon-Stellantis deal, handled by Palo Alto-based partner Suzanne Bell and senior associate Brandon Palmen, involved a series of global, multiyear agreements that the companies said in January will develop "connected" cars and trucks with Amazon's technology and software to provide AI-enhanced applications for entertainment, voice assistance, navigation and vehicle maintenance, among other options.

Covington also represented carbon recycling technology company LanzaTech on a highly publicized \$2.2 billion deal in which it merged with publicly traded special purpose acquisition company AMCI Acquisition Corp. II. A Covington team led by San Francisco-based partner Denny Kwon advised LanzaTech, a company that transforms waste carbon into materials such as sustainable fuels, fabrics, packaging and other products.

Kwon also led the Covington team that advised Salesforce in its acquisition of Narrative Science, a data analytics and automation company. A team led by San Francisco-based partner Amy Toro guided Sanofi on its \$6 billion agreement with IGM Biosciences.

Currently, Covington litigators on both coasts have been representing Major League Baseball as it seeks COVID-19-related recoveries, Henn said, adding, "as you can imagine, these are very high-stakes cases."

In addition, Covington has become the go-to firm for discrimination and misconduct investigations, institutional culture risk assessments, and civil rights audits, conducted by the firm's white collar and investigations practice. Recently, a Covington team led by Los Angeles-based partner Aaron Lewis began working with Citi, which engaged the firm in October 2021 to assess the company's work in a program the bank launched in 2020 in response to the country's racial wealth gap. The aim of the program, according to the financial giant, is to provide more access to banking and expand affordable housing in

communities of color, increase investment in Black-owned businesses, and promote anti-racist practices within the company, among other goals.

The corporate culture and social responsibility work for blue chip companies and institutions is "really an emerging practice and one that we're the leaders in," said Dan Shallman, the managing partner of the firm's Los Angeles office, adding that along with Lewis, Carolyn Rashby in San Francisco and former Attorney General Eric Holder in Washington, D.C., are handling the internal probes.

Covington has about 180 attorneys working in its California offices — about 13% of the firm's approximately 1,300 lawyers nationwide — with that number expected to grow, according to the firm.

Being in California is key to the law firm's success, said Shallman.

"Having and attracting the highest-quality talent from law schools and elsewhere in the legal market is critical for how we practice," he said. "Covington is about excellent lawyering, and if we're not in certain regions like Northern and Southern California, for example, we are limiting our opportunities to attract the best talent who want to be in those markets."

The California offices are also looking at certain growth industries to expand within, including financial technology, or fintech, and medical devices, said Henn.

One of the challenges for firms working in California is the competitive labor market, with lawyers also being lured to work for the state's top-tier companies, she said. But Covington still attracts and retains lawyers who are at the top of their game, a group that's also diverse and full of women and young lawyers, she said.

"We're very proud of our efforts to develop the next generation of leaders in their fields," Henn said.

Another thing that distinguishes California is the quality of the plaintiff's bar, she told Law360.

"Except with our insurance company practice, we're typically on the defense side," Henn said. "There are very fine plaintiffs lawyers out here, which makes it very important to have very fine defense lawyers, because people get sued here a lot."

On a lighter note, the West Coast definitely has a more casual dress code than available for lawyers in the east, said Henn, a California transplant.

"I'm leading the debate on whether black jeans constitute business casual, which I think they totally do," she said. "I'm hopeful that it permeates the profession."

--Editing by Adam LoBelia.