

## Compliance Group Of The Year: Covington

By Christine DeRosa

*Law360 (February 18, 2026, 4:03 P EST)* -- Covington & Burling LLP advised U.S. Steel in its \$14.9 billion acquisition by Japan's largest steelmaker, Nippon Steel, and helped Hino Motors Ltd. avoid the imposition of a third-party compliance monitor by the U.S. Department of Justice, earning it a spot as one of the 2025 Law360 Compliance Groups of the Year.

A Covington team led by David N. Fagan, who co-chairs the firm's practices on cross-border investment and national security matters, negotiated a security agreement for the acquisition, leading President Donald Trump to approve the acquisition on June 13 after an 18-month saga.

Under the national security agreement, \$11 billion in new investments will be made by 2028, including an initial investment in a greenfield project that is expected to be completed after that date.

The deal had faced significant political headwinds. The Biden administration had blocked it and Trump initially opposed the deal before ordering a de novo review in April.

Fagan said the team of more than a dozen people across the firm dealt with many moving pieces, including securing approval from the Committee on Foreign Investment in the United States. The team also worked to address the president's national security concerns and carry those considerations through the CFIUS review process.

The process itself was a challenge, something that was documented in public filings, according to Fagan.

Ultimately, Fagan said, "President Trump issued the order for CFIUS to conduct a de novo review, which restarted our process with them, and ... led to what we view definitely as the right outcome here."

Another significant matter Covington worked on was guiding Rio Tinto through CFIUS approval for its \$6.7 billion acquisition of Arcadium Lithium.

Jennifer H. Saperstein, who co-chairs Covington's anti-corruption and corporate compliance practice, said the firm has more regulatory and compliance attorneys in Washington, D.C., than in other offices, but those attorneys are present in every U.S. office as well as in Europe, Dubai, Johannesburg and China.

"We're certainly not the only firm with regulatory compliance expertise, but I think we have probably



the deepest bench of any firm, being a D.C.-headquartered firm that has really invested and continues to invest in regulatory compliance work," Saperstein said.

In September, the firm welcomed back Michael Granston, who began his legal career as an associate at Covington, as the chair of its False Claims Act investigations and litigation practice group. Most recently, he served as deputy assistant attorney general overseeing civil fraud with the U.S. Department of Justice.

Covington worked with Hino Motors, a unit of Toyota Motor Corp., as the company faced allegations that it submitted false engine emissions and fuel consumption data for over 100,000 diesel vehicles sold in the U.S.

Covington kicked off 2025 with an announcement that Hino Motors had reached a \$1.6 billion resolution to close out the criminal and civil claims. Hino had potentially faced billions of dollars in fines and years of a third-party compliance monitor, which could have crippled its operations.

Covington and their client saw that it would be beneficial to invest in enhancing their compliance program.

Covington led a compliance work stream and collaborated with the company fellow Japanese co-counsel over a period of years, Saperstein said.

"The U.S. government recognized our client's exemplary cooperation and investment in extensive remedial measures, and as a result, did not impose a third-party compliance monitor or independent auditor, which is an incredible burden for companies," Saperstein said. "We were really pleased that the government recognized the work our client had done."

--Additional reporting by Al Barbarino, Linda Chiem and James Mills. Editing by Linda Voorhis.