

Life Sciences Group Of The Year: Gibson Dunn

By **Andrew Karpan**

Law360 (February 14, 2022, 2:02 PM EST) -- Lawyers at Gibson Dunn & Crutcher LLP have spent the past year working on major deals for pharmaceutical giants, including Merck's \$11.5 billion acquisition of a cancer and rare disease biotech and its spinoff of a \$9 billion women's health care company, earning the firm a place among Law360's 2021 Life Sciences Groups of the Year.

The increase in the practice's deals work was "fueled by the pandemic," said Gibson Dunn partner Ryan Murr, one of the co-chairs of the firm's life sciences practice. "I think it's fueled by the [Federal Reserve's] response to the pandemic and trying to keep the economy going."

The Fed's recent policy of keeping interest rates low has lowered the cost of capital, an economic windfall that has trickled down to the firm, which has scooped in to nab deals resulting from that kind of "intense investment," according to Murr.

Among the firm's biggest clients this past year was the New Jersey-based pharmaceutical giant Merck, which provided Gibson Dunn lawyers work stitching up its \$11.5 billion purchase of the cancer and rare disease biotech company Acceleron Pharma Inc., its \$2.75 billion buy of a private equity-backed biopharmaceutical startup based in San Diego called VelosBio and the company's big-ticket spinoff of Organon & Co., which the firm says is worth almost \$9.2 billion.

The Organon deal was an especially big win for the firm, Murr said.

"Spinoffs are particularly complicated transitions," he said. "Trying to pull apart a company and create a stand-alone entity takes a lot of work from the legal side and, from the client's perspective, on the business side."

Murr estimated that it takes a team of "20 or 30 lawyers" to pull off this feat of paperwork. But Merck wasn't the only company in the life sciences sector chipping in and throwing major work at Gibson Dunn. The firm also landed Gilead Sciences' \$1.76 billion decision to buy a hepatitis D treatment developer called MYR GmbH, General Electric's nearly \$1.5 billion deal to pick up an ultrasound business called BK Medical ApS and an inhaler-marketing startup called Otitopic in its sale to Philip Morris for an undisclosed sum.

The ongoing pandemic did show up directly in at least one of those many deals.



The COVID-19 and flu test company Quidel Corp. had put down \$6 billion to buy a U.K. company called Ortho Clinical Diagnostics Holdings PLC just last month, and the billings were fresh on Murr's mind.

"That team was 63 [people]," Murr excitedly recalled. "I happen to remember because [we] sent an email on Christmas Eve that went out to all the team members. The teams can get quite large when you're pulling in all the various specialists."

There is a lot of complexity to these deals, Murr said.

"It's a pretty major effort to try to wrap your arms around everything about a \$6 billion business," he explained.

In addition to helping drug companies capitalize on their inventions by selling them off, the firm has picked up a lot of work over the past year defending the legal paperwork that lets the companies sue other businesses that try to make the same thing.

Last April, lawyers for the firm defended a pair of patents owned by a Novartis company from a series of petitions at the Patent Trial and Appeal Board from the New Jersey-based Evergreen Theragnostics Inc.

Lawyers for the firm focused on picking at all of the procedural mistakes they could find in the prior art that Evergreen had assembled for the patent judges to look at, said Jane Love, another lawyer who also chairs the firm's life science practice.

In between suing over drugs and packaging them to be securitized as assets is developing the drugs, and lawyers at Gibson Dunn have picked up ample work in that department too. One of the deals the firm's life science practice is particularly proud of was a \$1.5 billion licensing deal that Sage Therapeutics inked with Biogen Inc. to market a handful of antidepressants that are still in development.

"This particular deal took many, many months to negotiate," Murr emphasized. "It was a complicated transaction — all of these are complicated — but I think this one was particularly complicated."

--Editing by Steven Edelstone.