Life Sciences Group Of The Year: Sidley

By Kevin Stawicki

Law360 (February 13, 2020, 4:08 PM EST) -- Sidley Austin LLP led Bayer Healthcare to a $155 million patent verdict against Takeda Pharmaceutical unit Baxalta Inc. for infringing a hemophilia treatment patent and reeled in multibillion-dollar transactions, like Fortive's $2.7 billion purchase of Johnson & Johnson's medical sterilization unit, earning the firm a spot among Law360's 2019 Life Sciences Groups of the Year.

Part of what sets Sidley apart from other firms handling life sciences matters is its commitment to always being a step ahead of its competitors, said Scott Bass, head of the firm's global life sciences team.

"We tend to be the group that looks ahead of the curve," Bass said. "The premise of the practice and what sets it apart is that we are a client-industry focused practice rather than what had traditionally been a law firm-focused practice."

Sidley started the first global life sciences practice 15 years ago, spreading the group to Europe and establishing the first life sciences practice in China, and hasn't looked back, Bass said, citing the practice group's continued expansion into South Korea.

The success of the practice group, which includes over 200 attorneys, stems from the collaboration across a number of practice groups that allows it to have a unique range of regulatory expertise and industry knowledge, Bass said.

Among the most notable cases of the year, Sidley led Bayer to a staggering verdict in an infringement suit over its hemophilia treatment patent. A jury determined in February 2019 that Takeda owed Bayer $155 million in royalties. The firm also beat back a subsequent attempt by Takeda to throw out the verdict.

Bayer had originally partnered with co-defendant Nektar Therapeutics in 2003 to develop the treatment, but Bayer called off the partnership a year later and pursued its own research.

Nektar then teamed up with Baxalta in 2005 to create and sell a similar treatment and then for Baxalta to exclusively sell it. A decade later, the U.S. Food and Drug Administration approved Adynovate, a biologic based on that partnership, leading Bayer to sue for infringement in December 2016.
"This case was the first shot in a much larger battle between Bayer on the one hand and Baxalta, Nektar on the other hand," said Jim Badke, one of the leaders of the firm's intellectual property litigation group, who led the team representing Bayer.

Part of the challenge of litigating the high-profile case was Takeda's plethora of defenses, Badke said.

"The judge had limited us to 14 hours apiece, but they ran some 15 defenses," he said. "That was pretty significant in that we took advantage of the fact that they had an unfocused trial presentation."

In addition to the strength of Bayer's case, Badke said it was important to stress that the firm values diversity, noting that he closed the case with two of the eight female attorneys on a team of 11 attorneys.

"This case was a success from start to finish and it was a great team effort," he said.

Sidley also represented industrial equipment maker Fortive Corp. in its $2.7 billion purchase of Johnson & Johnson unit Advanced Sterilization Products, a leading provider of sterilization and disinfection solutions.

Meenakshi Datta, who co-led the Sidley team representing Fortive, said the deal, which closed in April, was notable not only because it was a complex transaction but that it "reflects we are a global life sciences powerhouse."

Handling the life sciences regulatory diligence around the world made the deal distinct from other firms' acquisition work, Datta said, noting that her team conducted regulatory diligence from the U.S., Europe, China and Asia more broadly.

"One of the reasons we were so effective in the deal is because of Sidley's global life sciences framework," she said. "Our approach is to be practical and think about the operations of the business and how to mitigate regulatory risk and problems based on what's actually happening on the ground, not theoretical ideas that can't be adopted."

"It's a very rare firm that within a matter of an hour can formulate a global viewpoint on a regulatory issue that might be affecting business practices in multiple continents and have a crisp, informed analysis on how that regulatory issue can be evaluated, mitigated and controlled for from a global perspective," she continued. "With other firms you have to play a game of telephone."

--Editing by Orlando Lorenzo.