

Delaware Powerhouse: Morris Nichols

By **Vince Sullivan**

Law360 (September 18, 2024, 4:39 PM EDT) -- Serving the nation's preeminent business law destination for nearly 100 years, Morris Nichols Arsht & Tunnell LLP this year has continued winning critical cases in Delaware's Chancery, bankruptcy and federal district courts for clients of its corporate governance, restructuring and intellectual property practices.

The 100 attorneys in the firm's various practice groups frequently work together to achieve wins that call for deploying expertise in multiple areas of law, earning Morris Nichols a spot on Law360's 2024 list of Delaware Powerhouses.

For example, in the state's complex business courts, Morris Nichols represented IAC Holdings Inc. in a challenge to a 2019 reverse spinoff transaction involving dating site Match.com that helped clarify how the courts would judge fairness in a controller-led spinoff. On appeal, the Delaware Supreme Court justices ruled that the more stringent "entire fairness" standard should be applied in transactions involving a special committee not wholly independent from the controlling shareholder — upholding the Delaware Supreme Court's seminal findings in the M&F Worldwide decisions from 2014.

"That was an interesting and fun appeal to work on," corporate litigation partner John P. DiTomo told Law360 in an interview.

Another big case in the corporate governance area was Morris Nichols' representation of investment bank Moelis & Co. in a shareholder suit challenging a stockholder agreement between the company and its CEO and founder. Vice Chancellor J. Travis Laster found in February that certain provisions of the agreement ceded too much power to the CEO and away from the company's directors. The case is currently under appeal.

These cases resulted in changes or clarifications to Delaware law, a body of jurisprudence that affects some of the largest companies in the world that make the state their corporate home.

"Those types of issues help companies plan and take appropriate steps when they're involved in corporate transactions ... or best position themselves to succeed in litigation should it arise," DiTomo said.



The firm's corporate counseling team, DiTomo said, plays an important role in its work for large clients looking to navigate The First State's critical legal landscape, advising companies on how to implement transactions and apply governance principles.

Corporate counseling partner Patricia O. Vella said that when advising clients such as satellite radio giant SiriusXM and Twinkies maker Hostess Brands Inc. in multibillion-dollar merger and acquisition deals, Morris Nichols can bring to bear legal teams well-versed in the state's corporate law precedents.

"It's really satisfying to work through the conflicts and put together a process that can withstand judicial scrutiny, to the extent it comes to that," Vella told Law360 in an interview.

The interplay between the litigation and counseling teams allows Morris Nichols to bring multiple perspectives to the table, whether a representation calls for an out-of-court deal or an in-court dispute, she said.

"We're able to pull together our combined knowledge and experience to get the best result for our client and really provide top-notch advice for the folks who reach out to us," Vella said.

Morris Nichols also has a bustling practice in federal courts, representing clients in intellectual property matters that carry life-and-death consequences for a business.

IP partner Brian P. Egan said the firm's team is regarded as the gold standard for intellectual property litigation, and Morris Nichols has represented clients that include security technology company HID Global and healthcare company Abbott in recent months.

The firm's comprehensive knowledge of the Delaware federal bench — where the bulk of IP suits are filed — gives it an edge over other firms, Egan said, adding that Morris Nichols is particularly skilled in getting up to speed on the complex technologies behind some of the larger IP cases handled by Delaware courts.

"I think it goes beyond the simple knowledge of the law," Egan told Law360 in an interview. "Co-counsel or clients that come here have equal knowledge, in many regards, of the patent space. What they look to us for is the way to navigate this venue to get the best result possible."

While the intellectual property team keeps busy at the federal courthouse in Wilmington, across King Street at the Delaware bankruptcy court, Morris Nichols has a continuous slate of clients that contribute to its diverse roster of cases, representing debtors, committees and others in complex restructuring actions.

Bankruptcy partner Curtis S. Miller said the restructuring market as a whole has seen an uptick in cases in the past year, and that Morris Nichols has been at the forefront of Delaware, which is just as eminent a venue in that area as it is in the corporate law and intellectual property spaces.

"This is Delaware. It's obviously a very popular filing venue," Miller told Law360 in an interview. "That's to our advantage in that we are before these judges multiple times every week. We have a really good sense of the court, what the court likes and doesn't like. We use that and deploy that to our clients' advantage."

The bankruptcy group works closely with attorneys in other practice areas because restructuring involves so many diverse areas of law, Miller said, noting as an example the firm's representation of a committee of non-U.S. customers in the sprawling Chapter 11 cases of cryptocurrency exchange FTX Trading Ltd.

The team was run through a "crypto crash course" that made experts out of its attorneys in an emerging legal space, he said.

"It really does help to have the sort of cross-section of expertise we have at the firm," Miller said. "I think bankruptcy, probably more than others, is constantly going to the different groups for help just because of the nature of bankruptcy. It often involves a cross-section of different issues and expertise required to help solve those issues."

The wins and successes keep Morris Nichols at the top of the call sheet for clients seeking representation in multiple areas of the law, and firm Chair Bill Lafferty said it is that reputation that has led to another successful year for the firm.

"At the end of the day, I'm proud of the depth and breadth of our team and our commitment to client service," Lafferty said by email. "These are the hallmarks that bolster our reputation and keep sophisticated work coming our way."

--Editing by Amy French.