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## TOP 100 LAWYERS IN CALIFORNIA

### CORPORATE

## CARY K. HYDEN

LATHAM & WATKINS LLP | COSTA MESA | MERGERS & ACQUISITIONS, CAPITAL MARKETS

Hyden represented Allergan Inc. in fending off one of the most contentious hostile takeover bids in recent years. “It has all the trappings of high drama,” he said about the whirlwind that began when Bill Ackman’s Pershing Square Capital Management joined with Valeant Pharmaceuticals International Inc. in an unsolicited bid for the Irvine-based maker of Botox. This bid was unique in that struggling companies are the usual targets of hostile takeovers, which is not the case with Allergan. “In this case you had a huge successful company with a product in Botox that everyone was familiar with.”

Valeant offered \$54 billion — 61 percent in stock and the rest in cash — in early 2014. Allergan resisted because it maintained that the offer undervalued the company, and its bylaws allowed it time to hold off the bidders and educate its shareholders about the value of Valeant stock, said Hyden.

“[Allergan] felt like it owed its stockholders a better understanding of the



nature of the currency proposed to be used, so we shined a very bright light on Valeant

and the value of its stock,” said Hyden. This tactic has come to be known as the Allergan defense.

Then in December, Allergan investors sued Pershing Square and Valeant for insider trading, alleging that Ackman’s buying Allergan shares prior to their initial takeover offer was tantamount to holding “material, non-public information” that the sellers of the stock did not have. The SEC also opened an investigation of this unique parring. In addition, the Allergan defense has been the focus of law review articles and corporate governance courses.

Ultimately, Allergan sold to Actavis PLC for \$72 billion in March. “I’ve practiced for 32 years, this has been the most fulfilling and rewarding experience,” he said. Hyden continues to be in demand for companies on both sides of hostile bids, and will likely be the go-to attorney in this area for years to come.

>> Hetert-Qebu Walters