

## Securities MVP: Latham & Watkins' Peter Wald

By Jonathan Randles

*Law360, New York (November 10, 2015, 6:20 PM ET)* -- Latham & Watkins LLP attorney Peter Wald led Allergan in its successful fight to block Valeant Pharmaceuticals International and activist investor Bill Ackman from completing a hostile takeover of the pharmaceutical company in one of the most closely watched legal fights of the year, earning him recognition as a Law360 Securities MVP.

Wald, a partner in the firm's San Francisco's office and former global chair of Latham & Watkins' litigation department, is one of five attorneys selected as an MVP by Law360 for work in securities law for 2015. In addition to Allergan Inc., Wald and other Latham & Watkins attorneys defended Quality Systems Inc., Alphatec Spine, K12 Inc. and other companies in various securities lawsuits.

"It's unusual to have that many wins in any given year, but what it reflects is the strength of our securities practice and our ability to field A+ teams around the country," Wald said.

"I'm sort of the delivery system," he said. "When I stand up and give an oral argument it's really based on the work done by many talented colleagues."

Allergan's case, which raised an issue of first impression related to tender offers, captivated Wall Street and shaped the course of mergers and acquisitions. The legal strategy Wald helped devise froze Valeant Pharmaceuticals International Inc.'s hostile takeover bid and cleared the way for a \$72 billion merger deal between Allergan and fellow pharmaceutical giant Actavis PLC.

Latham & Watkins filed a lawsuit in 2014 amid the hostile takeover bid by Valeant and Ackman's activist hedge fund Pershing Square Capital Management LP. The lawsuit alleged the duo violated insider trading rules because Pershing Square had secretly acquired Allergan stock based on information the fund secured from Valeant before the tender offer was announced.

When the takeover bid was announced, Wald said he had the same immediate reaction as fellow Latham & Watkins partner Michelle Johnson: they believe the bid violated U.S. Securities and Exchange Commission Rule 14e-3 concerning insider trading. Wald and Johnson were instrumental in shaping Allergan's legal strategy in challenging the takeover bid.

**MVP**



Peter Wald  
Latham & Watkins LLP

"We looked at each other and said, 'Wow, this is not right, this is insider trading,'" Wald said.

After months of legal sparring, a U.S. district judge said in November of that year said the joint takeover bid raised "serious questions" as to whether or not Valeant and Pershing Square had violated the SEC rule. Valeant and Pershing Square argued that the arrangement was square with securities law because the parties were acting as co-bidders on Allergan stock.

The parties squashed the litigation in April.

Experts said the judge's ruling has effectively narrowed the window for deals following the Valeant-Pershing Square framework which involved the pairing of an activist investor.

"This was a moment in time where the resolution of the legal issue presented would dictate how business deals would be done in the M&A arena in the future," Wald said. "This was the first time a strategic bidder had teamed up with an activist hedge fund — the whole industry was watching to see if it would be successful. If you take a look at what has happened in the year since, we are not aware of any other such allegiance between a strategic bidder and an activist."

The success he enjoyed the past year, Wald says, is a culmination of nearly 40 years of legal experience and a testament to the talented group of attorneys at Latham & Watkins.

Wald, who graduated magna cum laude from Harvard Law School in 1977, says he's intrigued by legal questions that touch on the balance between the need for companies to be transparent to investors while still keeping markets as efficient as possible.

"Securities law is about the question of who is telling the truth. I find those kinds of issues, the high drama of human relationships in the commercial sphere, to be very interesting," he said. "It's easy to say that a company should disclose everything. But what companies really need to give the investing public is a fair representation of what's going on."

"There's a balance to be struck between truth and transparency and maintaining market efficiency. One of the reasons we have that balance is because of our court system. What drives me, obviously, is that I like these issues."

--Editing by Katherine Rautenberg.

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