

Texas Powerhouse: Latham

By Tom Lotshaw

Law360 (August 23, 2023, 2:02 PM EDT) -- Latham & Watkins LLP's growth in Texas has tracked the rise of the state's economy, and after opening shop in Houston 13 years ago, and now an Austin office, grew its presence in the state last year by 20%.

Its attorneys in the state are representing clients through major business transformations and litigation in a wide range of industries and practice areas, from the traditional oil and gas realm to energy transition, diversification and infrastructure and the life sciences and emerging companies sectors. The breadth of these offerings in Texas and the firm's accomplishments from the past year have landed it a spot as one of Law360's 2023 Regional Powerhouses.

"We are probably the first successful non-Texas firm to open in Texas and thrive," Houston office managing partner Tim Fenn told Law360.

Founded in Los Angeles, and with its largest office now in New York City, about 165 of Latham's 2,460 attorneys nationwide were in Texas as of this April.

That tally jumped significantly as the Austin office, which opened late in 2021, grew from four attorneys to 40 last year, and the Houston office added to its private equity, finance and project development teams.

The Texas operations, Fenn said, are increasingly integral to Latham's multinational footprint and are plugged into and backed by its vast resources.

Sam Zabaneh, a managing partner for the Austin office, described it as a melding of Latham's elite global platform with the local expertise of attorneys who have grown up working in the Austin market and with its vibrant business community.

"It all goes back to the core prospect of being there for the client," Zabaneh said, "and being able to offer world-class services from a local source."

Latham has been doing just that in Texas. It has consistently appeared among the leading firms for mergers and acquisitions and capital markets in the state ever since it opened the Houston office, Fenn



said, and Latham attorneys have also been successfully representing clients throughout the state's growing, diversifying economy.

"For us, it's always about doing the most critical work in the most critical areas," Nick Dhesi, a deputy managing partner for the Houston office, said.

"Texas lends itself to both," he said, noting that more Fortune 500 companies now call Texas home than any other state.

Of course, energy remains a massive practice area, and Latham's Texas teams have been busy assisting with a number of hefty transactions.

Houston-based teams are guiding petroleum products transporter Magellan Midstream Partners in executing an \$18.8 billion cash-and-stock transaction agreement to merge with energy infrastructure company ONEOK Inc. The transaction will result in a combined company with a total value of about \$60 billion and is one of the largest public company mergers this year in the U.S., according to Latham.

The firm also advised Chevron on renewable fuels ventures with CoverCress and Bunge and represented ConocoPhillips on various agreements with Sempra Infrastructure related to a first phase of the Port Arthur liquefied natural gas project being developed in Texas, including a 20-year deal for 5 million tons per year of LNG and agreements to acquire a 30% stake in the project and manage its feed gas supply requirements.

An Austin-led team helped Fort Worth-based oil and natural gas developer TXO Partners LP make a stock market debut in January with a \$100 million IPO, marking the year's first energy IPO and the first master limited partnership IPO since 2017, according to Latham.

The firm's attorneys have also been busy with projects outside the energy realm in the past year.

They advised in Basalt Infrastructure Partners LLC's acquisition of Fatbeam Holdings LLC and its 1,200-mile fiber network across eight Western states, and in Antin Infrastructure Partners' late 2022 acquisition of OpticalTel, a fiber broadband company in Florida.

The firm also worked on a \$65 million Series D financing for Austin-based streaming platform Atmosphere, which pushed its valuation to \$1 billion, and a \$31.5 million Series C financing for SourceDay, a supply chain software company also in the city.

Latham's attorneys helped Galveston-based SLS Federal Services LLC successfully challenge its exclusion from a \$5 billion Navy contract for global emergency construction services in the U.S. Court of Federal Claims and helped Austin-based software company Oracle win a long-running copyright fight with Hewlett Packard Enterprises at trial.

And the firm successfully defended Oracle co-founder and chief technology officer Larry Ellison and its CEO Safra Catz against a stakeholder suit alleging they caused the company to overpay in a \$9.4 billion acquisition of NetSuite Corp., a company Ellison had co-founded and was an investor in.

Latham is also making a mark in Texas through its pro bono work, and donated more than 8,500 hours in 2022, according to the firm.

After hearing complaints about white poll workers harassing, intimidating and neglecting to help Black voters during early voting in Beaumont the weekend before Election Day 2022, a rapid-response team from the firm worked with the Lawyers' Committee for Civil Rights Under Law to file a federal suit and secure an emergency court order directing officials to bar discrimination at the polling site, where 90% of voters were Black.

"It's sort of Latham at its biggest, doing what it can to help and rectify situations when people need help," Fenn said of the case.

While dozens more law firms have ventured into Texas as the state's economy continues to expand, Dhesi said Latham welcomes the competition and expects to continue to grow in the market.

"It's a good thing and something we cheer on," he said of that competition. "It reduces things down to the fundamentals of being able to support clients and give good advice, and that's where we thrive."

--Editing by Gemma Horowitz.