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TOP CALIFORNIA LAW FIRMS

A Passion for Emerging Companies

By Craig Anderson
Daily Journal Staff Writer

Alan C. Mendelson and Patrick A. Pohlen, co-chairs of Latham & Watkins LLP's Emerging Companies Practice, say they offer both the Silicon Valley expertise and global reach to handle clients from venture-backed startups to the world's largest financial institutions.

"We have taken what was a very small part of Latham, and made it into a major player in the emerging practice space," Mendelson said.

The practice's combination of strengths, representing underwriters, as well as companies, sets it apart — and contributed to a stellar 2010.

"Of the 46 venture-backed initial public offerings last year, we were involved in 13 of those, or roughly 25 percent of all deals done in the United States," Mendelson said.

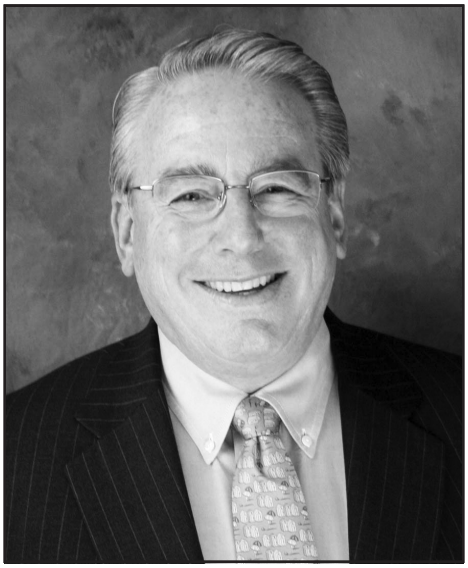
Last April, the group advised Redwood City-based biofuel and pharmaceutical company Codexis Inc. on its initial public offering . Last month, Latham represented Santa Monica-based online content-generation site Demand Media Inc. in an IPO .

Mendelson and Pohlen said they made a conscious decision to divide their workload between small companies typically represented by Silicon Valley-based firms and larger companies and underwriters that need a full-service firm.

"From a client perspective, it is extraordinarily useful knowing what underwriters think," Pohlen said. "You get those kind of insights representing underwriters that you can bring to bear in company work, and vice versa."

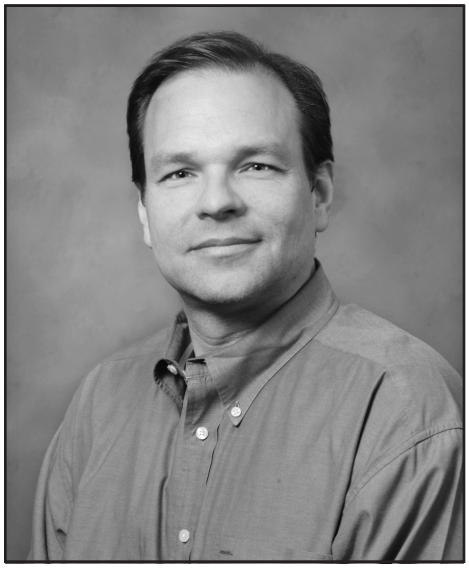
Mendelson and Pohlen supervise a 144-attorney practice group, 92 of whom are based in California. Both men joined the firm from Cooley, and have been running the group together since 2004.

It used to be called the Venture and Technology Group, but they changed the name in 2007 to emphasize that its clients include a host of life science clients, as well as companies that are not venture-backed startups. Pohlen focuses a lot of his energies on the firm's clean-technology clients.



Courtesy of Latham & Watkins

Alan Mendelson



Courtesy of Latham & Watkins

Patrick Pohlen

In addition to the group's IPO work, Mendelson and the attorneys in the group spent a lot of time representing life-science companies in strategic alliances and licensing deals.

Last year, the Latham group advised Redwood City-based OncoMed Pharmaceuticals Inc. in a strategic alliance with Bayer Schering Pharma AG in Germany to discover and commercialize anti-cancer stem cell therapeutics. Under the terms, Bayer made a $40 million upfront cash payment and the possibility of as much as $1 billion, depending on the development of antibody and therapeutic product candidates.

Under the arrangement, which was put together by Menlo Park-based partner Judith Hasko, Bayer gets the right to option any treatments developed, while OncoMed still can find other partners if no agreement is reached.

Latham also advised San Mateo-based biopharmaceutical company Bayhill Therapeutics Inc. in an agreement with Genentech Inc., now part of Roche AG, to develop and commercialize DNA-based antigen immunotherapy for patients with diabetes. Bayhill will receive a $25 million upfront payment in cash and equity, which could reach as much as $325 million, depending on future results.

As they have built the practice, Mendelson and Pohlen said they wanted to compete with full-service firms from the East Coast, as well as Silicon Valley stalwarts such as Wilson Sonsini Goodrich & Rosati.

"With Patrick and me, it's not only a commitment," Mendelson said, "but a passion."

Latham & Watkins LLP

Practice: Emerging Companies
Number of attorneys: 144
Major deals: Represented pharmaceutical and biofuel company Coedexis Inc. in a $78 million initial public offering; represented OncoMed Pharmaceuticals Inc. in a strategic alliance to develop anti-cancer stem cell therapeutics in a deal worth $40 million up front, and as much as $1 billion, depending on commercial drugs developed

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