

New Jersey Powerhouse: Reed Smith

By Joshua Alston

Law360, New York (June 27, 2014, 3:19 PM ET) -- Drumthwacket, the columned mansion that serves as the official residence for the governor of New Jersey, is not situated in Trenton, the state capital. In fact, Drumthwacket is in Princeton, proof positive that the placid college town is also a hub for the state's legal community — a body that would be incomplete without Reed Smith LLP's outpost there.

Reed Smith, which has a home office in Pittsburgh that put down roots in 1877 and is one of the region's oldest firms, began an aggressive expansion campaign in the late 1970s, which led to the 1992 construction of its Princeton "greenfield" office that launched the firm's presence in the Garden State.

Princeton was chosen for its proximity to the region's key markets — Trenton is a 20-minute drive away, while Philadelphia and Manhattan are each about an hour-long trip — and Reed Smith has capitalized on that position, cementing its place among Law360's New Jersey Powerhouses.

Diane Frenier, a partner in the Princeton office's life sciences transactions practice, said the added benefit of Reed Smith's choice to expand to Princeton is the office's ability to attract top-notch talent who like the combination of the firm's hustle and bustle and the quaintness of a college town.

Frenier, who joined Reed Smith in 2000, was one of the attorneys drawn to the Princeton office's big-firm/small-town dynamic, and her work with clients demonstrates how high a premium the firm places on teamwork across state lines and across oceans. While its size makes the Princeton office seem slight compared to the larger North Jersey firms, at Reed Smith no office is an island, and clients have the full breadth of the firm's resources behind them.

When Oncobiologics Inc., a Cranbury, New Jersey, biotherapeutics company, wanted to establish a greater foothold in the Asian and European markets, it came to Reed Smith, where Frenier and her team represented it in a trio of simultaneous deals with Zhejiang Huahai Pharmaceutical Co., a Chinese life sciences company.

The package of deals called for a joint venture to develop and commercialize biotherapeutic products in China, a collaborative development and license agreement to develop biosimilar products, and a funding agreement in which Huahai funds Oncobiologics to develop biosimilar products for commercialization in the American and European markets.

Because of Reed Smith's wide reach, Frenier was able to corral talent from the Shanghai office, one of five Asian Reed Smith outposts.

“We were able to engage our Chinese attorneys, who helped us advise our client on entering into that transaction and really educating them on the risks and opportunities of doing business in China and structuring those relationships,” Frenier said. “Being able to utilize all the talent the firm has to offer can make all the difference in delivering results for a client.”

Reed Smith’s all-hands-on-deck culture has been instrumental in some of its most noteworthy recent results, according to Diane Bettino, the Princeton office’s managing partner. Princeton’s life sciences litigation team assembled a bench of attorneys from around the country to help Organon USA Inc. and Merck & Co. Inc. handle product liability claims related to the use of Merck’s NuvaRing birth control product.

Organon and Merck faced four years of contentious litigation over allegations the pharma giants marketed and sold NuvaRing, a contraceptive vaginal insert, despite knowing it caused a high rate of blood clots. Some 1,400 suits were brought as part of the mass tort, but after roughly a year of intense negotiation, Organon and Merck finalized a no-fault settlement, agreeing to pay \$100 million to resolve the claims nationwide, a considerable victory given recent billion-dollar judgments in similar cases.

Bettino said the path to that favorable, nationwide result began in Princeton, where Reed Smith litigators prevailed in early cases, setting the tone for the litigation. But the Princeton team had solid support in its nationwide network of life sciences and product liability jurists.

“We handled the bellwether cases here in New Jersey, and we were able to use that momentum to reach the national classwide settlement, which required help from attorneys across our offices,” Bettino said. “That’s very typical of what we do; we go the extra mile for our clients every day.”

Reed Smith’s life sciences practice is among its most robust in Princeton — no surprise, given the state’s high concentration of pharmaceutical companies — and it has attorneys representing the full spectrum of the industry’s needs, from intellectual property and compliance to transactions, mergers and acquisitions.

New Jersey’s life sciences landscape has undergone lots of change within the past few years, between tie-ups and relocations such as Sanofi-Aventis SA’s move to Boston. But Frenier said the life sciences companies will continue to be a pillar of New Jersey’s industry and will therefore continue to play a vital role in Princeton’s business.

“Even with the current M&A activity, what we’re seeing is consolidation of the commercialization enterprises and a disengagement of those companies from the research and development industries,” Frenier said. “And that means the biotech industry is going to be prolific, because that’s when the real R&D is going to happen. You’re still going to see a lot of companies in this space trying to fill a hole and develop new technologies.”

The banking industry will also continue to have wide-ranging legal needs, according to Bettino, who works in Reed Smith’s financial services practice group.

“In the wake of the financial crisis, the banks are under a lot of pressure, and they’re under attack constantly,” Bettino said. “We handle their cases quickly and efficiently, and we handle them successfully, so you don’t see another newspaper headline. The banks come to Reed Smith because we offer value, efficiency and quality.”

In February 2012, Reed Smith secured a major win for the mortgage industry in its representation of U.S. Bank NA, successfully arguing before the Supreme Court of New Jersey that state trial courts should not be required to dismiss foreclosure cases based on defects in the paperwork.

The ruling expressly overturned an Appellate Division decision in *Bank of New York NA v. Laks*, which held that the only option for trial courts was to dismiss a foreclosure action if a notice of intent to foreclose did not properly identify the lender consistent with New Jersey's Fair Foreclosure Act.

Bettino was part of the team in the U.S. Bank matter along with Mark S. Melodia, the Princeton partner responsible for launching a new practice that has rippled out from Princeton to become one of Reed Smith's most rapidly growing fields of law, data privacy, security and management.

The practice grew out of work the firm did for a banking client after being apprised of a crime ring that was stealing its customers' sensitive financial data and selling it to third parties.

"We defended the client against some class action suits that came of those data breaches, and Mark had the idea to launch a practice focusing on data privacy," Bettino said. "Now, that group works on privacy matters all over the world, and we've launched privacy groups in our New York and London offices as well."

Although Reed Smith doesn't currently have plans to open more New Jersey offices, Bettino said she is actively looking to further expand the Princeton office with passionate, like-minded attorneys who fit in Reed Smith's key practice areas. Just as the data privacy practice group grew out of a client's needs, so too will the Princeton office continue to expand as clients demand better and broader service.

Frenier said that kind of service is what Reed Smith does best.

"Delivering responsive service all the time is something that's just built into our culture," Frenier said. "One of our partners recently described what we do as '24/7, crawl-over-broken-glass service,' and I just love that. I think that sums it up well."

--Additional reporting by Kat Greene. Editing by Jeremy Barker and Philip Shea.