

Sheppard Mullin Forms Broad Gov't Contracts Biz Group

By Justin Wise

Law360 (January 18, 2022, 3:08 PM EST) -- As developments like the enactment of a \$1.2 trillion infrastructure package spur more businesses to consider bidding on government contracts, Sheppard Mullin Richter & Hampton LLP has formed a group designed to more comprehensively aid various companies dealing with federal agencies.

The firm's government business group, which launched on Jan. 12, is meant to be "much broader" than its already established government contracts practice, with 60 to 80 attorneys from various practices collaborating on the issues that companies that deal with the government indirectly and directly face, said Washington-based Sheppard Mullin partner Townsend Bourne.

Bourne, a government contracts attorney who is leading the group alongside corporate partner Zac Turke, told Law360 Pulse that the impetus behind its formation stems in part from the many government spending bills of the past couple of years, which was punctuated in 2021 with President Joe Biden signing into law his signature infrastructure program.

"With COVID-19, the infrastructure bill and other federal laws that are being passed that are going to spur companies to want to be involved in this industry a little more, we're going to have more opportunity to help clients that aren't as familiar with this space," she said.

Bourne added that the firm is responding to trends involving companies further down the supply chain that are being affected by some issues associated with government contracts. She said the group would continue to focus heavily on traditional government contractors, such as those in aerospace and defense.

In an interview with Law360 Pulse, Bourne outlined the wider trends that led to the formation of the new group, how the infrastructure bill will impact the firm's work in this arena and what other trends she's paying attention to. The interview has been edited for length and clarity.

What are some broader trends in this space that were a factor behind the firm forming this group?

Two key things: One really is companies in the commercial space that deal with the government, both



Zac Turke



Townsend Bourne

directly and indirectly. Our aerospace and defense practice historically has dealt with major companies that are direct suppliers of the federal government, and so they generally have a good understanding of the complex issues and regulations. But we found that some commercial companies that sell to the government, generally indirectly, may not be as savvy on those issues, and we can provide a lot of value there.

And the second key trend is the new focus on the supply chain. We're seeing that companies further down the supply chain, such as third-tier suppliers, are impacted by some of the issues that [contracting with] the federal government brings. We want to be able to provide value to those companies that have kind of an indirect relationship with the federal government but still are going to be potentially caught up in some of the pitfalls.

In recent years, has just the number of companies that might need insight on government contracts significantly expanded? And if so, what are those industries?

There have always been a lot of commercial companies involved in selling directly and indirectly to the government. But I think now the government is trying to get more innovative, so we do see more companies in tech, computing. We're also starting to follow very closely developments in emerging technologies — blockchain and AI — and some of the projects the government is pursuing in those spaces as well.

In what key ways will this group differ from the already established government contracts practice?

We're really hoping to take our established government contracts and really integrate that with other practices within the firm. We, for example, have attorneys that target aerospace and defense, health care, cybersecurity, energy and other industries related to critical infrastructure. We want to bring those people all together and have a group that really makes it easy for us to connect clients with the right people when there are matters that deal with those various disciplines.

The formation of this group comes just months after the passage of a \$1.2 trillion infrastructure package. How do you see the law impacting Sheppard Mullin's practice, and where might the government business group come in?

There are going to be a lot of new contracting opportunities in various spaces with this new law. There's also going to be more grant money being handed out, so we can help companies that traditionally don't understand what comes with receiving those federal contracts or grants. And again, the money is going to be flowing to companies down the supply chain, so companies that are receiving this money that are not first-tier suppliers are going to be dealing with some complex issues that they may not be used to dealing with.

Are there any trends, including those relating to federal policy and regulations, that are top of mind for you in 2022?

I think cybersecurity is going to be huge. What requirements will be there for commercial companies as well as contractors? The supply chain I think is huge both in terms of the tech space and for cybersecurity. But also, we're having a lot of supply chain shortages and [issues] with how you deal with that if you're not able to get your goods and services where they need to be for your contracts.