

California Powerhouse: Sheppard Mullin Richter & Hampton

By Adam Rhodes

Law360 (September 5, 2018, 3:49 PM EDT) -- In the last year, Sheppard Mullin Richter & Hampton LLP has continued to help transform the Bay Area's real estate while steering Starbucks through a class action over allegedly underfilled iced drinks and Bofl Federal Bank's holding company through a suit alleging false or misleading public statements, solidifying its role as a Golden State transactional and litigation titan.

Sheppard Mullin's performance lands it among Law360's California Powerhouses and it is the largest firm on the list with 595 attorneys in the state out of 827 nationally, as of July.

Founded in Los Angeles as Haight & Mathes in 1927, the firm currently counts Chipotle, Amazon Studios, ExxonMobil, Gilead Sciences, Northrop Grumman and Wells Fargo among its clients that are either based in California or that interact frequently with its attorneys in the state, a firm spokesperson told Law360.



Polly Towill, a managing partner of Sheppard Mullin's Los Angeles office, the firm's largest, touted Bofl Federal Bank as one of the firm's largest clients and "one of the fastest-growing banks in the country."

In March, the firm helped the San Diego-based bank's holding company dodge a securities class action over allegedly false or misleading public statements. After tentatively granting a motion to dismiss the third amended complaint in the case on March 15, U.S. District Judge Gonzalo P. Curiel less than a week later tossed the lead plaintiff's claims with prejudice.

Then in June, the firm also helped the holding company escape a suit accusing it of failing to disclose that it was allegedly involved in lending to criminals and under investigation by federal authorities.

As for Starbucks, Sheppard Mullin helped the coffee giant win a ruling at the Ninth Circuit that affirmed the dismissal of a proposed class action alleging the chain tricked iced-drink buyers by underfilling cups with actual liquid.

Despite those successes, chairman Guy N. Halgren told Law360 the firm is 50-50 transactional and litigation, with one standout practice in particular being the firm's real estate work, which Halgren said has been the firm's busiest practice area in terms of hours per attorney over the past few years.

Ori Katz, co-office managing partner in San Francisco, told Law360 that the practice has been a part of projects that he said have transformed San Francisco and the Bay Area and has additionally worked in connection with development of the city's entire South of Market, or SOMA, neighborhood.

In one notable Bay Area matter, Katz said the firm represented Jay Paul Co. in connection with the construction and leasing of the 181 Fremont building in San Francisco. Facebook eventually leased 33 floors of the mixed-use building in September 2017.

Other large sectors for the firm in California include its intellectual property as well as its labor and employment practices, Halgren added.

Katz said the firm's strong presence in the state comes from its history and the standalone strength of each of its seven Golden State offices.

"Our roots are in California so we have a deep history in the state," Katz said. "No office is a satellite of another office. Each office has its own clients and even though we are one firm, there's no mothership, so having multiple offices in California, each one having an independent set of clients although we are collaborating with one other, makes for a very strong base."

Towill also touted the firm's diversity as a leading factor behind its edge in the state.

"There's a big focus on recruiting and there's a big focus on making sure [diverse attorneys] get good work and work with good clients," Towill said.

The firm's ingrained focus on diversity is one of the main reasons the firm gets hired, she said. But that focus doesn't stop when attorneys step through Sheppard Mullin's doors.

"[We make] sure that when diverse attorneys come in, they are doing good work and they are succeeding and making partner because we don't want to just hire, we want to make them partner," she said.

The firm in November earned top marks on the Human Rights Campaign's Corporate Equality Index, which ranks businesses' policies and practices related to LGBTQ workplace equality and inclusion. In June, the firm also shared the No. 4 spot in Law360's ranking of the best law firms for minority attorneys with respect to firms that boast more than 600 attorneys.

As for what the future holds for the firm in the state, both Katz and Halgren said to expect "more of the same."

Halgren added that the firm will be focusing on its "sizzling" health care practice as well as building up its life sciences practice, but doubts that the firm will add any new offices in California.

"Our strategy is to build practices of renown so we can serve our clients in a meaningful way in as many areas as possible," he said. "Other firms have gotten rid of some of their practices because they thought they were too low rate, for example. Meanwhile, we have grown all of our practices because we want to have those practices of renown that our clients respect."

--Additional reporting by Dean Seal, Jon Hill, Joyce Hanson, Andrew McIntyre, Aebra Coe, Vin Gurrieri and Jacqueline Bell. Editing by Orlando Lorenzo. All Content © 2003-2018, Portfolio Media, Inc.