

Technology Group Of The Year: Paul Weiss

By **Clarice Silber**

Law360 (February 16, 2022, 2:08 PM EST) -- Paul Weiss Rifkind Wharton & Garrison LLP advised IBM Corp. on forming a major offshoot business and assisted clients in securing a win before the First Circuit and forming large-scale mergers and acquisitions, cementing the firm's place among Law360's 2021 Technology Groups of the Year.

The distinction is all the more notable because the firm doesn't have an official technology group, instead boasting an informal cohort of partners who are focused on the industry and have extensive experience working with clients in the technology sector and taking on transactional and litigation matters.

The firm said its work in the technology industry has expanded substantially in recent years, and it believes that trend will continue.

In August 2021, the firm successfully defended Uber Technologies Inc. in an appeal of the largest case the company has ever tried all the way to judgment.

The win before the First Circuit came after several taxi companies in Boston argued that Uber had violated Massachusetts' unfair competition law by operating before formal regulations were passed for the fledgling industry.

The initial case was brought before U.S. District Judge Nathaniel M. Gorton in a seven-day bench trial in the U.S. District Court for the District of Massachusetts.

The First Circuit later held that Uber did not compete unfairly in the Boston market and denied the local taxi owners' \$750 million damages claim.

Meredith Dearborn, a partner in the firm's litigation department who assisted in taking the case to its initial trial, said she and her colleagues worked hard with their witnesses "to get them to explain the environment in which Uber launched its ride-sharing platform in Boston."

"I think we really explained to the judge that every signal we were getting from the city of Boston, and later from the state of Massachusetts, was that Uber was welcome in Boston, Uber was invited, was



allowed to do what it was doing with operating in full view and with the blessing of state and local regulators," Dearborn said.

Dearborn, a Law360 2021 Rising Star, said that those signals showed there was no unfair competition occurring and the ride-share company was instead working with those in the city and regulators "to provide a product that was desperately needed and was very welcome to operate."

Paul Weiss also assisted Teladoc Health Inc. in completing the largest-ever deal involving the telehealth sector when it helped the company in its \$18.5 billion cash-and-stock acquisition of Livongo Health Inc. in October 2020. Livongo Health, which is the leading provider of technology to remotely monitor chronic conditions such as diabetes, represented Teladoc's first public-company acquisition.

Paul Weiss corporate department partner Kyle Seifried said that the acquisition deal utilized a tremendous amount of firm resources with a focus on the technology utilized in telemedicine.

Seifried, who is also a member of the firm's M&A group, said he believes the pandemic might have "accelerated some of the understanding and adoption of telemedicine that we're seeing."

"I think it brought it to the fore for everyone," he added.

In October 2020, Paul Weiss advised IBM in spinning off its managed infrastructure services unit into a new public company.

The new company, known as Kyndryl Holdings Inc., was touted to be the largest tech infrastructure services provider in the world with an estimated \$27 billion in annual revenues and a focus on managing and modernizing client-owned infrastructure. The completion of the separation was announced in November of last year.

Jonathan Ashtor, a partner in the firm's corporate department and a member of the intellectual property group, said the spinoff "really leveraged our strengths in terms of being able to address the core technology aspect."

"How do you separate technology assets, research assets, provide for rights and licenses between businesses as big and as [intellectual property] intensive as IBM and Kyndryl, but also how do you do so in the construct of a tax-free spinoff of what became a [new] public company?" Ashtor said.

"And so the M&A complexity, the public-company sophistication, as well as the technology detail and expertise required all kind of really play to our strengths, and we were able to over a very long process ... we've been working on it for over a year ... to really execute it and do it well," he added.

According to Paul Weiss, Kyndryl will represent a \$500 billion market opportunity.

--Editing by Andrew Cohen.