

Media & Entertainment Group Of The Year: Latham & Watkins

By **Andrew Westney**

Law360, New York (January 25, 2017, 7:06 PM EST) -- Latham & Watkins LLP's entertainment, sports and media group aided in Legendary Entertainment's \$3.5 billion purchase by a Chinese conglomerate and won key rulings for Live Nation and Ticketmaster in a high-profile antitrust suit brought by Songkick, winning a spot among Law360's Practice Groups of the Year.

The firm's practice helped put through longtime client Legendary's January 2016 cash purchase by Dalian Wanda Group Co. Ltd., marking the first time a Chinese owner has assumed control of a big-budget U.S. film producer. Legendary is the production company behind international blockbusters "The Dark Knight," "Jurassic World" and "Man of Steel," among others.

Practice Chairman Joseph A. Calabrese said the goal of the deal was to provide backing for movies that play well internationally, and especially in China's massive market.

"Like every first deal of its kind, it involved a lot of education and patience, and I think it's emblematic of the sort of deals we like to do in our group, which are deals that have not been done before," Calabrese told Law360.

With the acquisition, Wanda Film Holdings Co. — which also controls U.S. theater chain AMC Entertainment, Australian chain Hoyts and a few Chinese theater and production assets — became the highest revenue-generating film company in the world.

Latham's practice, which also includes sports, has six partners, four counsel and about 15 associates in a core California group centered in Los Angeles, with more attorneys in Chicago, London and China.

Calabrese calls sports and media a "symbiotic and complementary mix of practices" for Latham.

"At its core, you're talking about the licensing, acquisition or financing of content that people view on various devices," Calabrese said. "In some ways, sport is ahead of film and television, because it's got such a committed viewership that's happy to watch it in various ways."

The firm helped put together a first of its kind deal announced in February for Chinese internet and digital media company Tencent Holding Ltd. that gave the company exclusive rights to distribute ESPN's editorial



content and live sports over the internet in China, one of several groundbreaking licensing and distribution arrangements that Latham has worked on for Tencent.

The firm also put its extensive bench of litigators and bankruptcy attorneys to work for Univision Communications Inc. to win a court-administered bankruptcy auction of Gawker Media for a \$135 million bid in August, following a \$140 million invasion of privacy judgment obtained by Hulk Hogan against Gawker.

The deal was “a classic big firm kind of engagement, where we can use all these tools at our disposal at Latham,” Calabrese said.

On the litigation side, the firm scored important wins for Live Nation and Ticketmaster in May, when a California federal judge ruled that concert ticketer Songkick couldn't challenge the companies' merger or block them from levying service fees on presale tickets.

Songkick's suit was brought “to try to bring about a pretty significant change in industry structure through litigation,” according to Latham partner Daniel M. Wall, who led the firm's team in the case.

U.S. District Judge Dale Fischer tossed Songkick's claim that the ticketing giants' 2010 merger had created a vertically integrated concert ticketing monopoly and should be unwound, saying it was time-barred.

The judge also denied Songkick's request for a preliminary injunction to block Live Nation and Ticketmaster from slapping service fees onto artist presale tickets, saying that Songkick had failed to show “virtually any likelihood” of success on the merits of its claim that the service fees were anti-competitive.

Songkick's bid for an injunction opened the door for Live Nation and Ticketmaster “to actually try to win the case, not outright, but in substance,” Wall said.

“We knew we had a great story,” Wall said. “We knew they were misrepresenting [Ticketmaster's contracts with venues] badly. So we decided, ‘Let's go for it and take this as not just something to cabin in and just win the motion, let's try to accomplish something.’”

Wall credits Latham's November 2014 hiring of Calabrese and four other entertainment, sports and media partners from O'Melveny & Myers LLP for its new Century City office for transforming the firm's already active practice. Star Hollywood litigator Marvin Putnam also joined the firm from O'Melveny the following June.

“At the end of the day, the secret is talent acquisition,” Wall said. “You get the best lawyers and you win. We got just a tremendous group, one of the best acquisitions Latham has ever made.”

--Additional reporting by Daniel Siegal. Editing by Stephen Berg.