

Securities Group Of The Year: Cravath

By Jon Hill

Law360 (February 25, 2025, 4:00 PM EST) -- Cravath Swaine & Moore LLP helped Robinhood successfully navigate sprawling "meme stock" litigation, steered freight provider Forward Air to a soft landing in a merger suit and secured a pair of precedential appellate wins for insurance startup Root and Mylan, earning a spot among the 2024 Law360 Securities Practice Groups of the Year.

With offices in New York, Washington, D.C., and London, Cravath has built a reputation as one of the top law firms that companies rely on for representation when faced with derivative lawsuits, investor class actions and other securities-related litigation.

That reputation is reflected in the breadth of Cravath's client list, which includes U.S. titans like Disney and Stanley Black & Decker, multinational giants like British American Tobacco and Deutsche Telekom, and digital disruptors like Robinhood and Root.

But Cravath does not rely on a dedicated securities practice group. Instead, the 206-year-old law firm prides itself on its generalist approach, training its attorneys to cut across disciplines and handle evolving client needs as part of a single litigation department.

"We really believe that what sets us apart are our overall litigation skills and our relationships with our clients," said Antony L. Ryan, a partner in Cravath's litigation department. "Over half of our litigators have securities litigation experience, and we have somewhere between 35 and 40 litigation partners and probably 130 or 140 associates."

"We're well-equipped to handle large securities litigation," Ryan added. "But our way of viewing this isn't that we're trying to do securities litigation, per se. Our aspiration is to be handling whatever cases are the most important for our clients."

A key example, according to Brittany L. Sukiennik, a partner in Cravath's litigation department, has been the firm's representation of Robinhood in "meme stock" multidistrict litigation, which sprang from a social media-fueled 2021 trading frenzy in shares of companies like GameStop and AMC.

Robinhood was one of a slew of brokerages, market makers and other financial firms that were sued after the hyped stocks were hit with trading restrictions that brought the frenzy to an abrupt halt. Investors accused the firms of securities fraud, anticompetitive collusion and other violations, which



were ultimately divided into several "tranches" for the MDL.

Cravath led Robinhood's defense, securing its dismissal from two of the tranches in 2022 before defeating class certification for investors in the last remaining federal securities tranche in November 2023. That clutch victory paved the way for Robinhood to close out the matter with a favorable settlement by the middle of last year.

"Because we have this ability at Cravath to handle multiple complex matters for our clients, we were able to take on all three of those tranches for Robinhood," Sukiennik said. The final win against investor class certification, she added, "just exemplifies what we can do for our clients and why it's so important for us to have that holistic approach."

Also important, Sukiennik said, is being the kind of law firm that won't shy away from a trial.

This willingness to go to the mat arguably helped Cravath achieve a favorable, last-minute deal for Forward Air Corp., a freight and logistics company, in litigation tied to plans it announced in 2023 to acquire Omni Logistics LLC.

The plans originally called for a cash-and-stock purchase that would have valued Omni at around \$3.2 billion. But Forward later signaled it might back out of the deal amid negative market reaction and investor resistance, prompting Omni to sue in late 2023.

Forward maintained that Omni hadn't provided certain data to hold up its end of the bargain, while Omni alleged Forward was manufacturing a pretext to call off the deal. The case was about to begin trial in January 2024 when, in a dramatic twist, the two sides announced on their first day in the courtroom that they had struck a new deal.

The revised terms saw Omni agree to a discounted purchase price valuing it at around \$2.1 billion, heading off further litigation. Forward Air closed on the deal a few days later.

"One thing that clients gain with Cravath is that we will go to trial if a case gets to that point," Sukiennik said. "Even if it ultimately settles, that gives us extra leverage in negotiations with the other side because they know, and our clients know, that we will be prepared to take the case all the way."

Cravath's recent securities litigation work has additionally helped pioneer new case law.

At the Sixth Circuit, for example, the firm scored a precedential decision last April for insurance startup Root that fended off a push to revive a proposed investor class action brought over its 2020 initial public offering.

The decision affirmed the case's dismissal, clarifying that the heightened pleading standard for fraud claims can also apply to parallel negligence claims that are based on the same alleged facts.

Cravath also achieved a first-of-its-kind victory at the Second Circuit last April on behalf of global pharmaceutical giant Mylan, now Viatris, ending a \$4 billion securities fraud class action related to its marketing and pricing of EpiPens.

"It's the first case at the appellate level to involve securities claims relating to the Medicaid drug rebate program, and that's an increasingly important area for our pharmaceutical clients," Ryan said.

Mylan, which Cravath represented as lead counsel, had already won a rare summary judgment ruling that sunk the case at the district court level. But when investors appealed, the Second Circuit sealed their fate by upholding the lower court's conclusions that they had, among other things, failed to show loss causation.

"In securities litigation, you don't get a lot of summary judgment wins on the defense side, but our partner Dave Marriott and the rest of that team really did a great job of pulling together all the facts and not getting lost in the weeds of the case," Ryan said.

--Additional reporting by Jade Martinez-Pogue and Sarah Jarvis. Editing by Linda Voorhis.

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