

MVP: Covington's Catherine Dargan

By **Gianna Ferrarin**

Law360 (November 19, 2024, 12:02 PM EST) -- Catherine Dargan of Covington & Burling LLP represented Bristol Myers Squibb Co. in its \$14 billion acquisition of the company that developed Cobenfy — the first new drug in 35 years to be approved by the Food and Drug Administration for treating schizophrenia — earning her a spot among the 2024 Law360 Life Sciences MVPs.

Her biggest accomplishment:

Dargan represented Bristol Myers Squibb in two multibillion-dollar buys at the end of 2023, signing the pharma giant's \$4.1 billion acquisition of RayzeBio on Christmas Day just days after signing its \$14 billion acquisition of Karuna Therapeutics. The deals marked the first time Dargan worked with Bristol Myers, and they are the largest acquisitions that Covington has handled for the company, according to the firm.

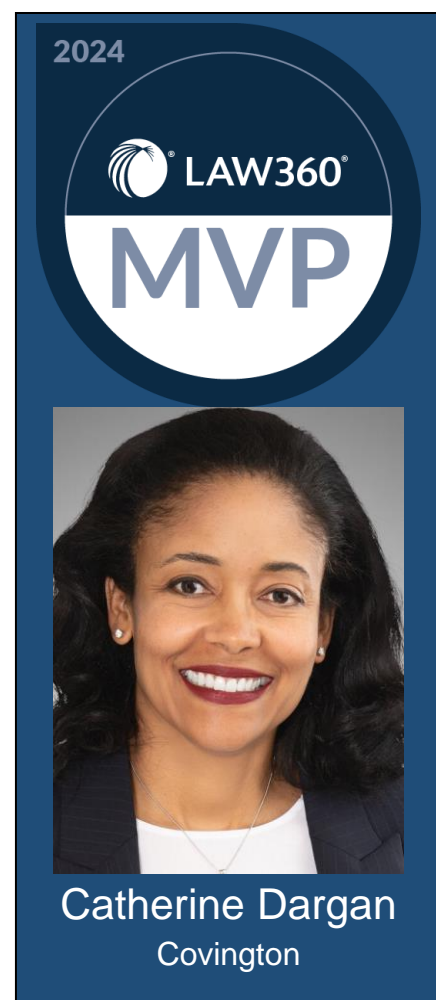
Working with holidays on the horizon and other bidders in the mix for each company, the synchronization between the Covington and Bristol Myers teams was a big asset in pulling off both deals, Dargan told Law360.

"It helps to have clients who are in the trenches with you," Dargan said. "And we were able to make decisions very quickly and move very quickly on the diligence so that they could make their decisions effectively and efficiently to get this done."

As public acquisitions, the deals involved greater pressure on due diligence to ensure Bristol Myers was aware of any potential issues it might inherit in acquiring RayzeBio and Karuna, Dargan added.

In buying Karuna, Bristol Myers acquired Cobenfy, an antipsychotic drug developed by the biotechnology company that received approval from the Food and Drug Administration in September to treat schizophrenia. Cobenfy, formerly known as KarXT, is the first new drug approved by the FDA to treat schizophrenia in 35 years.

Meanwhile, through the RayzeBio deal, Bristol Myers enhanced its oncology portfolio by acquiring the



radiopharmaceutical company's programs targeting the treatment of rare tumors involved in small-cell lung cancer and other diseases.

Why she is a life sciences attorney:

With her father a doctor and her mother a nurse, Dargan told Law360 that she originally thought she would pursue a career in medicine. During college, however, she ultimately set her sights on law, graduating from Harvard Law School in 1994 and starting at Covington as an associate the following year.

While her career goals changed, Dargan told Law360 that she "never lost fascination with medicine."

"I'm really gratified to work with life sciences clients, because I think they're fully dedicated to saving lives and making life better for people who are grappling with illnesses or disabilities," Dargan said. "And while I'll never discover the cure for cancer or Alzheimer's disease or any of the other horrible conditions that people have to deal with, I'm fortunate to work with terrific clients who will."

At Covington, Dargan started as a mergers and acquisitions lawyer based in the District of Columbia, something she said may have seemed like an "oxymoron" to some due to the concentration of deal lawyers in New York at the time. From there, Covington's strong practice in the food and drug and intellectual property areas laid the foundation for her to start focusing on life sciences deals, Dargan said.

"If you have deal lawyers who are very experienced with the industry on how drugs are developed and commercialized, then we see things differently, I think, and in a way that can be helpful to the client in terms of diligence and just guiding them through these deals to help them evaluate the targets that they're looking at," Dargan said.

"[Life sciences] has been one of the areas that we focus on as a firm, and something that I've been doing for probably well over 15 years."

Other notable deals she worked on:

Dargan steered long-time client Merck on its \$1.3 billion acquisition of a portfolio of products from Elanco Animal Health designed to protect farm-raised fish from disease. Merck also acquired two aqua manufacturing facilities in Canada and Vietnam and a research facility in Chile through the deal.

As a global carveout of Elanco's aqua business, the deal presented significant complexities, Dargan told Law360. Through the deal, the Elanco portfolio was embedded into Merck's Animal Health division.

"Those are some of the most challenging deals that we do, because you really are unscrambling an egg," Dargan said. "It's a business that was pretty integrated into Elanco."

"When you're buying life sciences products — drugs, in particular — it's not like buying a widget, so you can't just move from one to the other," Dargan added. "There's a lot that is in the supply chain and how it's manufactured, how it's sold, licenses that may be involved that you need to sort through and manage. And it's all manageable, but you do have to have some knowledge about the industry and the business and all of that to do it effectively."

For Dargan, the deal is emblematic of what she loves about her practice — the opportunity to learn. As

part of the deal, Merck acquired a DNA-based vaccine that protects Atlantic salmon against pancreas disease and an anti-parasitic sea lice treatment.

"It's pretty amazing — [I] learned a lot about fish," Dargan said.

Dargan's prior work with Merck also includes its \$680 million acquisition of cancer immunotherapy company Harpoon Therapeutics earlier this year and its \$11.5 billion acquisition of publicly traded cancer and rare disease biotech Acceleron Pharma Inc. in 2021.

What motivates her:

In her practice, Dargan said she is motivated not only by the dedication of her colleagues at Covington but also by attorneys she works opposite from on deals.

"One of the nice things about corporate law is you're working opposite teams all the time. While we're zealous advocates for our clients and the deals that they want to do, we also are working together," Dargan said. "We do have a common goal to get the deal done and to make sure it's executed well."

Dargan added that she's a big proponent of helping the next generation of lawyers succeed. At Covington, Dargan aids diversity and inclusion efforts geared at recruiting, retaining and promoting women and diverse corporate associates.

In particular, she highlighted Sponsors for Educational Opportunity, a nonprofit geared at supporting underrepresented students in law school. When Dargan was a law student, SEO helped expose her to corporate law through an internship at Davis Polk; today, Covington regularly hosts interns through its partnership with SEO.

"I'm always amazed at the career I've had, and I look forward to a number of more years doing this," Dargan said. "It's incredibly rewarding work."

--As told to Gianna Ferrarin. Editing by Vaqas Asghar.

Law360's MVPs are attorneys who have distinguished themselves from their peers over the past year through high-stakes litigation, record-breaking deals and complex global matters. A team of Law360 editors selected the 2024 MVP winners after reviewing nearly 900 submissions.