

## International Trade Group Of The Year: Covington

By **Rae Ann Varona**

*Law360 (February 12, 2025, 4:02 PM EST)* -- Covington tackled a broad range of high-profile trade matters in the last year, like getting the U.S. International Trade Commission to vote in favor of U.S. can manufacturers who relied heavily on foreign steel and guiding BAE Systems' \$5.5 billion acquisition of Ball Aerospace, earning Covington a spot among the 2024 Law360 International Trade Groups of the Year.

Covington & Burling LLP helped the Can Manufacturers Institute secure a highly publicized win in February 2024 when the U.S. International Trade Commission unanimously shot down tariffs on tin-mill steel imports from Canada, China and Germany despite calls for the duties by U.S. steel giant Cleveland-Cliffs Inc., the United Steelworkers and several lawmakers.

The U.S. Department of Commerce had set controversial duties for the countries, which domestic steel manufacturers had accused of engaging in unfair trade practices that put the domestic industry's future at risk. But all five of the ITC's commissioners issued a negative injury determination in favor of CMI, whose members had testified to having difficulty getting the steel supplies they needed domestically to produce cans.

Jay Smith, a partner at Covington's Washington, D.C., office, said the case was a "long shot" for the firm for several reasons. For one, steel is among the United States' most protected industries, as was evident by the push for the duties by a group of lawmakers from states like Ohio and West Virginia.

The domestic steel industry also had a well-established track record of winning these types of cases, according to Smith.

"This was a big deal for us because the commissioners took seriously the factual record and didn't just decide it in line with a lot of other steel cases," Smith said.

Also in February 2024, Covington saw British multinational and long-time Covington client BAE Systems PLC pass the finish line in its \$5.5 billion acquisition of the aerospace subsidiary of its U.S. rival Ball Corp. Covington, as lead counsel, had helped BAE navigate national security matters before the U.S. Department of the Treasury's Committee on Foreign Investment in the United States.

Heather Finstuen, also a partner at Covington's Washington, D.C., office and one of four partners in the



firm's cross-border and national security practice, said BAE's acquisition was a "highlight" of the year given what it was able to achieve.

"It added important space capabilities to BAE Systems' already successful business, and allowed it to establish a new Space and Mission Systems business with an additional 5,000 employees that joined BAE," Finstuen said.

The deal was also personally significant to Finstuen, who started out at Covington 17 years ago working on BAE matters most of the time, and now leads transactions for it.

"Covington has been handling their CFIUS work since 2006 and it's covered a range of acquisitions for them as their business has grown and developed," Finstuen said. "They are a pleasure to work with because they're a trusted partner of the U.S. government, and we've been able to develop a nice relationship with them."

The matters were just two of Covington's successes in the past year in a wide range of trade matters, whether in dealing with antidumping and countervailing duties, CFIUS matters or export controls and economic sanctions.

For instance, in yet another highly publicized trade matter, Covington last year helped global electronics company TE Connectivity avoid serious punishment despite a finding by the Commerce Department's Bureau of Industry and Security that a TE sales executive schemed to sell products subject to U.S. export controls to restricted Chinese military entities. According to the firm, TE agreed to pay \$5.8 million, which was a "fraction of the asserted liability."

Eric Sandberg-Zakian, chair of Covington's trade controls enforcement practice group, chalked up the firm's success to its "deep collaborative approach."

"It's very rare that our clients are hiring us to solve a small, simple problem," Sandberg-Zakian said. "Usually, our clients are hiring us to deal with a range of complicated and interconnected challenges, and it's rare that the best solution is going to come from one person with one narrow type of expertise."

Covington's trade controls enforcement practice group is relatively new for the firm but brings to one place what Sandberg-Zakian said has been an already strong interdisciplinary collaboration between Covington's white collar defense attorneys and its international trade controls advisory attorneys.

"We have had this practice for a long time, and we've grown it by essentially building lawyers who work in this space from the ground up," said Sandberg-Zakian, who also started at Covington as an associate and worked on both white collar investigations and different international trade matters.

Covington's international trade practice has roughly 75 attorneys and advisors spread across the United States, Europe and Asia.

Smith added that the substantive scope of work for international trade attorneys is expanding every year, with new issues being linked to the practice such as environment and climate change mitigation.

"More recently, proposed trade measures are aimed at securing objectives entirely unrelated to trade or economic affairs, such as immigration or drug trafficking," Smith said.

"The policy space is a lot broader," Smith added.

Covington, Smith said, has experts with a wide range of experiences that put the firm in a good position to tackle matters with broad implications.

For example, Shara L. Aranoff, the co-chair of Covington's international trade group, was chair of the ITC, where she ruled on hundreds of duty cases. Several other attorneys have worked at the Commerce Department, Smith said.

Those experts, along with other domestic regulatory experts, white collar experts, people who worked with the U.S. Department of State, and others, make it possible for Covington to advise clients "in ways that are far more comprehensive than if we were just operating in our own more narrowly defined lanes," Smith said.

"We don't do that very often. We don't have to. We're not encouraged to," Smith said. And our clients benefit as a result."

--Additional reporting by Jennifer Doherty and Matthew Perlman. Editing by Kristen Becker.