

California Powerhouse: Farella Braun & Martel

By Lisa Ryan

Law360, New York (May 22, 2015, 5:07 PM ET) -- Since its inception in 1962 as a California-centric three-attorney boutique, Farella Braun & Martel LLP has grown into a Bay Area institution, helping steer big-name clients from across the country in transactions and litigation revolving around the state's ever-growing technology, renewable energy, winemaking and intellectual property sectors.

Now boasting 130 attorneys in its San Francisco and Napa Valley offices, the Golden State firm represents a diverse array of clients — ranging from Internet juggernaut Google Inc., solar energy giant First Solar Inc. and pharmaceutical behemoth Novartis Pharmaceuticals Corp. to small conservation nonprofit Tembo Preserve Foundation — while still maintaining the collegial atmosphere and quality-over-quantity mindset of its earlier days.

Though Farella Braun has grown exponentially over the past several decades, it still remains one of the smaller firms on Law360's California Powerhouses list. Firm chair Steve Lowenthal told Law360 that its small size is deliberate and falls in line with the goals outlined for the firm by its founding partners.

"The firm was founded by three law school classmates that had started working in larger firms out of law school, who fulfilled their law school dream of practicing together and forming their own firm — and doing things a little bit differently," Lowenthal said.

The founding partners wanted to shy away from an assembly line approach to the law and instead form a firm that can focus on delivering top-notch work from a close-knit team, according to Lowenthal.

"It's the same kind of focus we have now. They wanted to be in a firm that was high-performing of the highest quality of work and that was client-centric, focused on great service and being in a collegial work environment," Lowenthal said. "And some 50 years later, I would say that's still the hallmark of our practice and our culture."

The three young attorneys were flexible about the kinds of clients they were willing to serve at first, hoping to be able to cobble together enough clients to give the firm its footing and allow them to start to grow. But since that point, the firm has added on several attorneys each year, a slow but intentional growth into the legal powerhouse it is today.

"The firm has grown and continues to grow at a reasonable level," Lowenthal said. "We are not attempting to grow for the sake of growth, but growing where we need and want to serve clients."

The firm utilizes a very selective approach when it comes to hiring, which accounts for its high attorney retention rates, commercial litigation partner Robert Holtzapple said.

“It’s a great place to work. One of our strengths is that very rarely do we have people leave,” Holtzapple said. “And when people do leave the firm, they’re almost always going in-house or going to do something completely different.”

Holtzapple, like Lowenthal, joined the firm right out of law school, and has worked there for more than two decades. He said that, from the beginning, the firm has been focused on hiring attorneys who are not only talented and have practices that fit with the firm’s objectives, but who also pass what he calls “the travel test.”

The firm’s leadership asks themselves whether they would be happy to go to, say, Texas with that candidate for three weeks to try a case, essentially living with and communicating with that person 24 hours a day for that period of time. If so, then the associate or lateral partner candidate passes the test and could possibly receive an offer.

“The most important thing is doing what’s right for the clients, and the second most important thing is doing what’s right for the firm,” Holtzapple said.

But what also makes the firm stand out is its experience in high-stakes litigation, prestigious transactions and utility-scale renewable energy project development, which attracts its prestigious clients.

David Lazerwitz, co-chair of the firm’s renewable energy group, said that, with California being on the leading edge of renewable energy in the country, a lot of companies have turned to Farella Braun for representation.

“You’ve got a really complex regulatory environment in California, and it’s been really critical for us to work with those clients to understand that environment and navigate that process,” Lazerwitz said.

Notably, Farella Braun serves as First Solar’s outside counsel for corporate, environmental, real estate and permitting needs for solar project development. In February, it helped see First Solar’s Desert Sunlight Solar Project facility in Riverside County — the largest solar facility at 550 watts — reach commercial operation.

Over the past year, the firm has also worked extensively with the company in project development for the California Flats Solar Project, a 280 megawatt facility in Monterey County spanning 2,700 acres, and negotiating real estate development and land financing for its North Star Solar Project.

The firm has also represented the Tembo Preserve Foundation in the development of a first-of-its-kind 4,900 acre preserve for African elephants, located on eight square miles of open range land in Tehama County and set to be operated by the Oakland Zoo. Farella Braun & Martel already completed the land acquisition, and it is now focused on environmental analysis and land use entitlements.

“I bet we’re the only firm around that can say we’re helping clients develop an African elephant preserve in Northern California,” Lowenthal said. “We have a client base that is very broad and across the spectrum, from large to small.”

On the technology side, Farella Braun defended Google in a patent infringement suit alleging its Google Play apps ripped off digital rights management technology owned by a Chinese inventor. After the Northern California district court agreed with the firm that the patent was invalid, the firm also led a briefing in front of the Federal Circuit, which affirmed the decision.

It served as co-counsel for Hewlett-Packard Co. in a securities and Employee Retirement Income Security Act class action, as well as a derivative suit, relating to HP’s acquisition of Autonomy Corp. PLC and its resulting \$8.8 billion write-down. The derivative suit reached a preliminary settlement in March.

Farella Braun also helped Celera Corp. in January settle a suit brought by former officers and directors accusing the company and its investment banker Credit Suisse of committing securities fraud over false statements in a proxy solicitation that caused Celera to be sold to Quest Diagnostics and an allegedly devalued price.

But despite the high-profile work the firm has worked on over the past year, the leadership at Farella Braun still makes it a point to ensure that its attorneys are working in a fun and friendly environment.

“We work hard, we laugh a lot, and we hopefully share some common goals as to what we want to do professionally in a law firm,” Lowenthal said.

In addition to allowing its attorneys to focus on community service and pro bono work, the firm offers its team the chance to relax together through a series of events and trips, including its biannual firmwide family ski trip in the Sierra Mountains. The attorneys bring their families for a weekend of skiing, playing around, eating great meals and dancing.

“There’s also a notorious skit each year where the associates get to poke fun at the partners — and they relish in doing so — and it’s all part of the fun,” Lowenthal said.

Lazerwitz noted that the firm also gets together each Friday for office lunch, and there are regular monthly get-togethers over cocktails in the office.

These events are great for team building, according to Lazerwitz, and they help attorneys get to know people working in different practice areas so that when something pops up on an important case, they know whom to reach out to for help.

And with an office in the Napa Valley that focuses extensively on the wine industry, it should be no surprise that founding partner Frank Farella has a small winery up in the area.

According to Holtzapple, each summer Farella invites the firm’s attorneys, summer associates and their significant others up for a dinner party, offering spectacular conversations and views of the sunset over the valley.

“But you can’t just have the fun part of the culture; you have to have a strong set of principles,” Lowenthal said. “All of those things work together. It has to be the right balance, and the right combination.”

Moving forward, the firm expects to continue to grow slowly but steadily, and to keep offering stellar services to clients across the Bay Area and beyond, according to Lowenthal.

“The Bay Area has been one of the stronger areas in the country over the past few years,” Lowenthal said. “We are very busy and clients are growing and in need of legal services, and we’re working hard to continue to meet their needs.”

--Editing by Jeremy Barker.