

# CORPORATE COUNSEL

June 2013

BEST LEGAL  
DEPARTMENTS  
2013

ACORDA THERAPEUTICS

By Shannon Green

## SCRAPPY BUT SAVVY

*Acorda's lawyers do a bit of everything—and like it that way.*

**BY 2010 ACORDA THERAPEUTICS INC.'S** Hawthorne, New York, headquarters was bursting at the seams. With 300 employees, and just a single conference room, its lawyers later joked about having to put up a temporary wall whenever two meetings needed to be held at the same time.

COMPANY NAME: Acorda Therapeutics Inc.  
2012 REVENUE: \$305.8 million  
2012 NET INCOME: \$156 million  
NAME OF THE GENERAL COUNSEL: Jane Wasman  
NUMBER OF IN-HOUSE COUNSEL: (U.S.) 8  
MAIN OUTSIDE COUNSEL: Covington & Burling;  
Finnegan Henderson; Jones Day; Sidley; Wilmer

So Andrew Mayer, senior director-legal, led negotiations for the lease of a new 138,000-square-foot campus in nearby Ardsley. Mayer specializes in corporate governance and Securities and Exchange Commission reporting—not exactly a good rehearsal for striking a property deal. But he wanted to practice real estate law back when he was in private practice, and here was his chance.

Mayer learned as he went. The property owner's attorneys were well steeped in real estate lingo and practice. "It is a highly specialized area," says Mayer. He had to appear confident when challenging issues that didn't make sense to him.

Things didn't let up after the lease was signed. Mayer had to draft a food service contract for the building's on-site cafeteria—another first. No one in the department had any relevant experience, but Mayer found a

cache of publicly disclosed school cafeteria contracts. "After you look at five or six of those," he says, "you can figure out what the issues are." That improvisational maneuvering demonstrates an Acorda defining principle: "Find a way or make one."

Before they all settled in, the Ardsley facility needed some serious remodeling. The new digs were a bit over the top for a company that still saw itself as a start-up. General counsel Jane Wasman explains that the sweeping executive offices—some equipped with personal restrooms—just didn't feel right. So they redesigned the space to be cozier, more communal.

Fourteen years after the company was founded, its culture has stayed faithful to the mission—to develop therapies that improve the lives of people with central nervous system disorders. Founder and CEO Ronald Cohen, a former general practitioner, describes his work as the practice of neurology from a corporate standpoint. He knows that many employees could hold more lucrative positions with big corporations. "The people we hire are not just great lawyers and businesspeople," he says, "they're people who choose to come here."

The redesign is a good symbol for members of the Acorda legal department, many of whom left Big Pharma to work in a smaller, scrappier place, while others have managed to steer clear of big companies altogether. Veleka Peoples-Dyer, who has been with the company for close to five years, held previous positions in small legal departments at Med-Aid and Solera Holdings. Now executive director, compliance/legal, she previously worked with Acorda's sales and

marketing team. "I'm kind of a small company girl," she says candidly. "You can get broader, deeper experiences when you're at smaller companies."

And, like many at Acorda, they have a personal stake in their work. Peoples-Dyer, for example, offers, "I have an aunt who has MS."

The perseverance and dedication of its lawyers are just a couple of the reasons that *Corporate Counsel* has chosen Acorda as one of the Best Legal Departments of 2013. Its department might have a small roster of just eight lawyers, all based in the United States (plus support staff). But for a small shop, it can really throw its weight around. Two big accomplishments last year—the office relocation and the first corporate acquisition—showcased the department's savvy.

Cohen points out that the legal department is growing in step with the company. "Not just in size and expertise, but in perspective and emotional intelligence," he says. The CEO has had to learn how to cultivate the company, and the lawyers have had to learn their corresponding legal roles. "I'd be lying if I said it was a straight line of uninterrupted greatness," he says, "but eventually it does get to the greatness."

IT WASN'T ALL THAT LONG AGO THAT there were no lawyers. GC Wasman was first, in 2004. It was not a gentle start. On the eve of her first official day on the job, Wasman found herself on a conference call with other senior managers, discussing whether to acquire the spasticity drug Zanaflex from Elan Pharmaceuticals Inc.

It was Plan B for Acorda. In the weeks

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since Wasman had accepted the job offer, the biopharmaceutical company's key drug, Ampyra, used to improve walking in multiple sclerosis patients, had failed two late-stage clinical trials. And with its only other products still in the preclinical phase, Acorda had little else to keep it afloat.

Understandably, investors weren't happy. Venture capitalists, who made up most of the board, fell into two camps—those who still supported management and those who did not. Cohen says that



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LITIGATION



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NO PRO BONO PROGRAM

at that juncture, "the company's survival depended on getting the Zanaflex deal."

This all came as a new wrinkle to Wasman. Cohen had presented a rosier picture of Acorda's future to her during her interview (the two executives cheerfully recounted this story). At the time the company he'd founded in 1995 appeared on the brink of getting Ampyra approved by the Food and Drug Administration. Cohen was all but certain an initial public offering would come not too long afterward. But drug approval is known for taking unforeseen turns.

Now wiser, Wasman acknowledges her earlier naiveté about the rough-and-tumble biotech field. She had most recently worked in the legal department of the Big Pharma company Schering-Plough Corporation, and she didn't fully comprehend the financial implications of the failed trials. She decided to join Acorda anyway.

In Wasman, Cohen immediately saw how useful having an in-house lawyer can be. Acorda was competing with two other companies for Zanaflex from Elan, which had been its partner in the failed Ampyra trials. "She presented a level of sophistication in the negotiations that they hadn't seen from us before," Cohen says of his GC.

Acorda won, and it has been growing ever since. Wasman guided the company through its eventual public offering, which was finalized in early 2006. And at long last, in 2010 the company celebrated the FDA's

approval of Ampyra. Acorda reported net sales of approximately \$306 million last year. Together, Ampyra and Zanaflex accounted for almost \$297 million of the company's earnings.

IN THE PAST, MOST OF OUR BEST Legal Department honorees were large departments with systems for everything. But as we broadened our scope, we found that small size sometimes means sacrifices. For example, Acorda doesn't have a legal pro bono program, but its lawyers participate alongside other company employees in the National MS Society's Walk MS fund-raisers. Six years ago, Craig Lawrence, assistant director-legal, biked 60 miles in the MS Society's Bike MS event in New York. He organized a company team the next year, and by 2012 there were 45 members.

Despite its diminutive size, however, Acorda boasts solid diversity numbers. Two members of the in-house department are African American, and one of them is in a senior role. Fifty percent of its lawyers are female, as are three of its four senior lawyers.

There's little sign of a glass ceiling, either. Acorda's female general counsel expanded her duties into the business sphere last year. In January 2012 Wasman was named chief-strategic development. It's a responsibility Cohen describes as not so much setting the company's course, but organizing senior managers to develop its strategy. "She has a natural strategic gift," says Cohen of his top lawyer. "When I want to talk high-level strategy, I go to Jane first." She became president-international later last year.

To a certain extent, all of the members of Acorda's legal department are integrated with the company's business. Every business group is paired with its own primary attorney, who keeps tabs on pertinent legal and compliance issues. Wasman attributes Acorda's relatively low instances of litigation (just a handful over the years) to the long-standing close relationships between the legal and business sides.

Legal disputes do sometimes arise. When they do, in-house lawyers play an active role in representing the company. In 2012 Acorda was able to get five of six claims



**THE CEO SAYS OF HIS GC, "SHE HAS  
A NATURAL STRATEGIC GIFT."**

PHOTOGRAPHY BY MICHEL LEROY

ACORDA'S LEGAL STAFF POSES IN ITS NEW DIGS. THE SPACE ORIGINALLY HAD HUGE EXECUTIVE OFFICES, BUT COMPANY BRASS THOUGHT IT OVER-THE-TOP.



dismissed at the motion level in an antitrust case filed by Apotex Inc., the manufacturer of a generic version of Zanaflex. Wasman worked closely with outside counsel to map out strategy, edit the briefs, and determine how to approach the hearing. More recently, in April, Accord Healthcare Inc. also alleged that Acorda violated antitrust laws. The competitor said that Acorda's refusal to sell the

company Ampyra samples prevents it from conducting the bioequivalency study necessary to produce a generic form of Ampyra. Wasman said at press time that she could not comment on pending litigation.

One of the perks of working in a small legal department is being able to do a little bit of everything. The variety is rewarding, even if practicing outside their comfort zone

can be a little intimidating at first.

Take, for example, Mark DellaPorta, a recent addition to the department. He was hired to fill a particular role, handling the legal work for research and development. But he says that it was clear during his interviews that he would be called upon to help out in other areas, as needed. "Obviously, there was a job description I was attracted



**JANE WASMAN QUICKLY FOUND OUT  
HOW VARIED HER JOB COULD BE.**

mized its risk by including an escape hatch in the deal. Lawyers negotiated an option to back out of the sale, depending on the outcome of a pre-new drug application meeting with the FDA.

"M&A doesn't typically look like an option deal," acknowledges Wasman. But her message to Neuronex was firm: "The things we need, we need, and it's as simple as that." Last December, Acorda started preparing the application for the drug, which it hopes to launch commercially by 2014.

Acorda's lawyers don't always play hardball. The company doesn't yet enjoy the leverage of large-scale players in the pharmaceutical space. DellaPorta came to Acorda from Pfizer Inc., which, he says, "had the ability to basically dictate terms in a lot of instances to vendors—small and large." When you don't have that, says DellaPorta, "you have to rely on your skills and your ability to convince a vendor that you're being fair and reasonable in your contracting terms."

Kevin Lacey, the lawyer for Acorda's managed markets and trade departments, also joined Acorda from Pfizer. He says he's changed his negotiating style to make it easier to make deals. "I spend more time explaining to the other side why we're asking for what we're asking for," says Lacey. He was more curt at his old job: "I'd say, 'That's just how we have to do things,' but I can't get away with that here."

Being able to work with others is a trait that Wasman looks for in all her hires. "It's a certain style that you don't always see in the practice of law," Lacey says. "I don't know that Jane was necessarily looking for the ability to work with folks across the table, but I think it's a natural by-product of the process."

The small scale the lawyers have come to like may not last forever. Acorda's head count is now close to 400, and Wasman once again finds herself with a couple of legal positions to fill. What Cohen admires most about the GC is her ability to build the legal department while making sure that the work gets done. "It's very much like trying to fix the car engine while you're driving 90 mph down the freeway," he explains. And, he says, "she's done a brilliant job of it." ■

to," says DellaPorta, but expanding his expertise was a selling point.

Wasman helps the lawyers on their first go-round with a new matter. And if they need additional help, she'll approve working with outside firms.

As the department matures, the lawyers lean on outside help less and less. Covington & Burling's Ellen Corenswet first partnered with Acorda on the IPO. "I've been around since Jane was the only lawyer,"

says Corenswet. "The good news and the bad news for us is that as they have grown, the amount of work that we do for them has decreased."

Last year in-house lawyers co-led negotiations for the purchase of Morrisville, North Carolina-based start-up Neuronex Inc. The privately held biotech company was developing Diazepam nasal spray (DZNS), an epilepsy drug. Acorda made a \$2 million payment up front, but mini-