

Twitter Fires Wilson Sonsini, Hires Cooley In IPO Fight

By **Cara Salvatore**

Law360, New York (November 17, 2016, 7:53 PM EST) -- Facing bumpy litigation over \$100 million worth of pre-IPO shares, Twitter has fired Wilson Sonsini Goodrich & Rosati PC and hired a team of four from Cooley LLP to carry on in Delaware trial court after a rout at the state's highest court, Law360 has learned.

The course of the litigation so far has Twitter worried, if the new team members are any indication: They include Palo Alto, California, partner-in-charge John Dwyer, global litigation chair Michael Attanasio and securities and corporate governance partner Jessica Valenzuela Santamaria. A judge approved the three plus seasoned associate Jacqueline Kort on Thursday afternoon, according to documents obtained by Law360.

In the suit, investment manager 1 Oak Private Venture Capital Ltd. accuses Twitter of betrayal. The two had signed a deal by which 1 Oak would broker \$100 million in pre-IPO shares to sophisticated investors, the suit says, and it procured BlackRock Inc. as an investor in October 2012 under that deal. But Twitter cut out its partner and began negotiating directly with BlackRock, 1 Oak claims. What resulted was an \$80 million pre-IPO share purchase by BlackRock.

Trial is set for early November 2017, according to the case docket. Messages to Wilson Sonsini were not immediately returned.

The Cooley team replaces Wilson Sonsini's Ian Liston and Bradley Sorrels, who had a hard time of it after Delaware Superior Court Judge Eric Davis rejected Twitter's motion to dismiss the case in November 2015. They drove for an interlocutory appeal; Judge Davis refused to certify it. So Twitter and Wilson Sonsini went to the state's high court looking for a different answer. The high court backed up the decision.

Liston and Sorrels were still listed as counsel on the docket as of Thursday evening, but a notice of substitution posted days earlier reveals their imminent replacement.

In his ruling rejecting dismissal, Judge Davis disagreed with Twitter that 1 Oak had made no solid argument that there was an enforceable, approved buyer agreement. He also found that Twitter had failed to prove that litigating the case in Delaware, where it is incorporated, as opposed to California, its physical home, poses undue hardship on Twitter.

The contracts at issue include a nondisclosure agreement and an approved buyer's agreement. Twitter contends it never formally signed the latter.

Twitter is represented by John Dwyer, Michael Attanasio, Jessica Valenzuela Santamaria, and Jacqueline Kort of Cooley LLP.

The 1 Oak funds are represented by Theodore Kittila of Greenhill Law Group LLC.

The case is Twitter Inc. v. 1 Oak Private Equity Venture Capital Ltd. et al., case number N14C-10-186, in the Superior Court of the State of Delaware.

--Additional reporting by Tom Zanki and Stewart Bishop. Editing by Brian Baresch.