

Daily Journal

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TOP BOUTIQUES IN 2020 CALIFORNIA

LITIGATION

DTO Law

LOS ANGELES, SAN FRANCISCO

DTO Law was formed in May 2019 by the partners whose initials gave the firm its name: William A. Delgado, Marcos M. Tarango and Megan O'Neill. They quickly found a self-descriptive phrase derived from their acronym: Driven To Outperform.

Their shop belongs to the National Association of Minority and Women Owned Law Firms. "That distinction makes us attractive to clients and corporations looking for a diverse legal team," said Delgado, who is Cuban-American.

In September DTO Law was honored as NAMWOLF's 2020 Law Firm MVP for outstanding achievement in promoting diversity and inclusion by fostering the relationship between the firm and corporations and public entities.

Delgado and O'Neill worked together at Quinn Emanuel Urquhart & Sullivan LLP and then at Willenken LLP. Tarango, whose background is Hispanic, spent several years as in-house counsel for Toyota Financial Services. There are an additional ten attorneys on board.

The three partners joined with the intention of establishing a nationwide full-service, minority-owned firm. "We set up to be a cloud-based, paperless firm from the beginning," Delgado said. "We wanted to be able to litigate anyplace in the country." Though there's an office in downtown Los Angeles—along with an outpost in San Francisco—he said there was another reason they decided to maintain a cloud-based environment. "My paranoia led me to think that we might lose access to documents in an office if there was an earthquake."

That approach proved useful when the coronavirus pandemic arrived. "I called a natural disaster; it was just the wrong disaster," Delgado said. "But that meant the infrastructure was there for us all to be able to work remotely."



Courtesy of DTO Law.

William A. Delgado, Megan O'Neill and Marcos M. Tarango, founders of DTO Law, from left to right.

Clients include Costco Wholesale Corporation, Google Inc., American Honda Motor Co., Live Nation Entertainment Inc., The Nature's Bounty Co., PayPal Holdings Inc., Target, Inc., Ticketmaster Entertainment Inc. and Westlake Financial Services LLC.

A lean approach kept DTO Law nimble. "We were able to shift how we would manage our growth," Delgado added. "Instead of expanding outside of California in 2020 as we'd planned, we worked to grow within the state."

DTO Law announced in August that it had added three attorneys who would focus on business, commercial and insolvency law; intellectual property; and technology deals and privacy issues. A fourth new hire joined in October. The new hires coincided with the firm's closing more than 20 mid-market real estate secured loans in several states worth \$5 million to \$50 million. It also confirmed that it had represented a client in a \$1 billion syndicated credit facility and represented commercial tenants in connection with lease buy-out and terminations.

Said O'Neill: "The three of us started organically, and evolved around the idea that we would be able to work through things in a collaborative way." She said that working with Tarango, who specializes in deals, was a revelation. "I'd never worked with transactional lawyers. They talk and

think differently from litigators like me."

Delgado and O'Neill represent major retailer Costco and a nutritional supplement supplier now known as The Nature's Bounty Co. in defending a false advertising class action. They secured summary judgment on the plaintiffs' challenge to labeling claims on the supplement TruNature Ginkgo Biloba, successfully arguing that the federal Food, Drug, and Cosmetic Act preempts state law labeling requirements. That ruled out the plaintiffs' allegation that the product "does not provide the represented mental clarity, memory or alertness benefits," a trial judge found.

The plaintiffs took the case to the 9th Circuit Court of Appeals, where the matter is briefed and awaiting an oral argument date. *Korolshteyn v. Costo Wholesale Corp. and NBTY Inc.*, 19-55739 (9th Cir., appeal filed June 26, 2019).

"The plaintiffs are seeking to impose more stringent requirements than the federal law allows," O'Neill said.

In another false advertising case, DTO Law defended Target over the company's white baking chip product. The firm's demurrer to an amended complaint was recently sustained without leave to amend. The case is *Salazar v. Target Corp.*, CIVDS1919405 (S. Bernardino Co. Super. Ct., filed June 28, 2019).

— John Roemer