

CALIFORNIA'S TOP 30 SECURITIES LITIGATORS

Security Checkpoint

When it comes to corporate scandal, the attorneys on our list of the state's Top 30 Securities Litigators have seen it all. Whether they're defending major corporations or filing class actions against them, these lawyers have a knack for getting what they want.

Wayne Smith

Gibson, Dunn & Crutcher
Irvine

Ice water in his veins. Totally unflappable.

That's how colleagues describe Irvine attorney Wayne Smith.

His cool-as-a-cucumber demeanor comes in handy in the pressure cooker environment in which he thrives — defending companies trying to fend off hostile takeovers in the corporate merger and acquisitions arena of securities law.

"It's fast paced. It is intense. And there's generally a lot at stake," Smith of Gibson, Dunn & Crutcher says.

Over the years, he's worked with and against attorney Steven Wilson, formerly of Latham & Watkins, now managing partner of the Santa Monica investment firm Tennenbaum Capital Partners.

"Wayne is just a gentleman," Wilson says. "He has a very focused and relaxed style. And if he's worried, you would never know it.

"He's just a very steady, experienced hand with a lot of judgment and excellent legal skills."

Wayne is co-chair of the securities litigation practice group at Gibson Dunn,



WAYNE SMITH

where he's worked his entire legal career, starting in 1972.

Smith is the lead trial lawyer defending Williams Companies and some of its current and former directors in a securities fraud class action in federal court in Tulsa, Okla.

Williams Companies is an energy provider that built a telecom fiber network, which was spun off into a separate entity, the Williams Communications Group Inc.

Just one year later in 2002, the broadband provider lurched into bankruptcy, but the

parent, Williams Companies, did not. Purchasers of stock and debt instruments in Williams Companies, as well as shareholders of the spinoff, sued claiming that Williams Companies' management concealed the true financial condition of Williams Communications and the effects of an industrywide glut of fiber capacity on its business. Discovery is underway and trial is scheduled for mid-to-late 2006. No damages have been specified.

Smith also is lead counsel representing ITT Educational Services Inc., a private, technology-focused college system based in Indianapolis that is facing a securities fraud class action and a shareholder derivative suit in Indiana and Delaware.

The allegations are that company officials falsified records relating to enrollment, graduation and job placement rates in order to artificially inflate ITT's financial performance and that a substantial portion of ITT's revenues were secured by submitting false statistics to the government to obtain federal grants and financial aid. No damages have been specified.

In February, Smith argued before Indiana federal judge David Hamilton a motion to dismiss in the class action. The motion has not been ruled on.

— Eron Ben Yehuda

CALIFORNIA'S TOP 30 SECURITIES LITIGATORS

Security Checkpoint

When it comes to corporate scandal, the attorneys on our list of the state's Top 30 Securities Litigators have seen it all. Whether they're defending major corporations or filing class actions against them, these lawyers have a knack for getting what they want.

Meryl Young

Gibson, Dunn & Crutcher
Irvine

It's the variety that keeps Meryl Young coming back to securities litigation.

"One of the things that I like about it so much is, even though the law's the same, every case is different because it's a different industry or a different type of company," says Young, a partner with Gibson, Dunn & Crutcher in Irvine.

She saw that variety up close last year when she defended client Amazon.com in two separate shareholder class actions filed in the U.S. District Court for the Western District of Washington under two different laws: the Securities acts of 1933 and 1934.

The two classes represented different types of investors and were held to different standards of proof, but they now have one thing in common: Both are in the process of settling. The settlement in the case brought under the 1933 act totaled \$20 million, Young says, and the 1934 act case settled for a cool \$27.5 million.

That's a number that still surprises Young, who says she's seen the dollar amount of these types of settlements go up.

"When one of the [Amazon] settlements was announced, a Columbia University professor was quoted ... as saying that, since



MERYL YOUNG

Enron, there's been a tremendous reduction in the number of SEC cases that are dismissed," she says. "[The article said that] the \$27.5 million settlement represents 'the very bottom end of securities class-action settlements.' To me, it doesn't seem that long ago when a \$20 million settlement was huge."

Young's other clients include PriceSmart

Inc., Salem Communications Corp., InfoSpace Inc. and energy conglomerate Williams Companies Inc.

For the Tulsa, Okla.-based energy company Williams Companies and its communications subsidiary, Williams Communication Group, Young says she's in the middle of very extensive discovery. The shareholder plaintiffs in the case allege that the company and its directors and officers manipulated earnings through its energy marketing and trading division and failed to disclose financial liabilities related to Williams Communication Group.

When she's not managing a complex securities matter, Young chairs the federal Judicial Advisory Committee for the Southern District of California, a bipartisan panel that chooses candidates for federal judgeships to recommend to President Bush.

Peter Benzian of Latham & Watkins' San Diego office has been co-counsel with Young on many occasions and served with her as representative to the 9th Circuit Advisory Board, the governing body for that court.

"She's smart, determined, thorough, extremely well-organized and utterly charming," Benzian says, "in short, an iron fist in a velvet glove."

— Lorelei Larid