

Wilson Sonsini Ranked #1 In Securities Litigation Survey

Friday, February 03, 2006 --- In a surprise upset, Wilson Sonsini beat out Skadden Arps as the most sought-after securities and white-collar defense firm last year, according to our survey of the 100 most frequently hired securities litigation practices in the United States.

Our survey, which measures how frequently a firm was hired as defense counsel in new securities litigation last year, found a hefty workload for the top firms despite an overall drop in the volume of litigation.

Wilson Sonsini Goodrich & Rosati was by far the most frequently hired firm, edging out competitors Skadden Arps Slate Meagher & Flom and, in a distant third place, DLA Piper Rudnick Gray Cary.

Below are the top 10 firms in our survey of the top 100 securities litigation practices, measured by new cases taken on in 2005:

1. Wilson Sonsini: 67
2. Skadden: 43
3. DLA Piper: 32
4. Akin Gump: 28
5. Wilmer Cutler: 27
6. Sidley Austin: 25
7. Greenberg Traurig: 22
8. Troutman Sanders: 18
9. Paul, Weiss: 17
10. Milbank, Tweed: 16

Source: Securities Law360, federal court dockets.

Our rankings are based on securities fraud cases brought in federal courts in 2005, as reflected by U.S. District Court dockets. The last figure represents the number of new securities fraud cases the firm was involved in last year.

Wilson's ascension to the securities litigation throne occurred against a backdrop of less litigation, with securities litigation dropping by one-third compared with the previous year.

Overall, securities litigation is on the decline in the aftermath of the corporate scandals in the first part of the decade, which led to massive lawsuits against Enron, WorldCom and Tyco, among others.

Even in this slowdown, Wilson Sonsini managed to get hired for 67 new

securities actions. The firm has been defending securities class action suits since 1984 and boasts more wins than any other law firm in the country. The firm's winning percentage is nearly three times the national average, according to a study done by the National Economic Research Associates.

"I think good lawyers create good results and that's how we've done it over the years," said Steve Schatz, a partner with Wilson Sonsini's securities litigation practice. "We've put some of our best and brightest litigators in the securities practice. We've gotten great results and great settlements. When you have satisfied clients, that engenders other clients who are interested in your services."

The firm's technology expertise attracts high-tech clients like Hewlett Packard, Amdocs, 3Com and Novell, among others.

"Historically, we've represented a lot of technology companies because we're located in Palo Alto, but the reality of it is that we've represented numerous non-tech companies as well—because we have the expertise which is translatable to other industries and other businesses," Schatz said. "We've represented everyone from Sam and Libby Shoes to Boeing."

Having taken on 43 new cases last year, Skadden Arps Slate Meagher & Flom takes second place, thanks in large part to the firm's involvement in a case awaiting judgment by the Supreme Court.

Skadden's legal masterminds have been known to inspire new interpretations of the law, which have often paid off for the firm's clients. The firm is currently awaiting an appeal to the Supreme Court where it hopes to prevent client Merrill Lynch from facing stockholder lawsuits.

"Plaintiffs firms have come up with a new category of defendants they want to have suing in federal court—stockholders. We're asking the Supreme Court to maintain the current model of lawsuits being filed by stock sellers and stock buyers only. You can imagine there's a whole category of litigants out there waiting to see what happens with our case," said William P. Frank, partner at Skadden's New York office and its national securities litigation practice leader.

If Skadden prevails, it will not be the first time the firm escorts Merrill Lynch to victory. In January, a federal appeals court affirmed the dismissal of a lawsuit against the company and its research analysts for allegedly inflating the value of Internet stocks prior to the infamous "bubble burst" at the turn of the century.

In that decision, the judge took hold of Skadden's arguments for a precedent-setting decision that many declared a victory for all of Wall Street.

While Skadden attracts clients with its expertise in interpreting the law, DLA Piper Rudnick Gray Cary is a go-to firm for companies seeking cross-border representation.

The firm's global reach allows it to represent clients in securities litigation regardless of the company's location, said Perrie Weiner, the international co-chair of DLA Piper's securities group.

"Our clients recognize that business is global in nature," he said. "It is far more efficient when one firm learns their business and can represent them where their needs arise. We are uniquely situated to give the same quality of service wherever our clients' needs arise."

Weiner said that the firm's efficiency extends not only to the breadth of the practice, but also to the depth.

"What I've done in terms of putting the group together is make sure that when we look at a matter for a client, we don't look at the case myopically," he said. "Often it requires looking at something from a mile-high view."

Despite being relatively new on the scene, the securities litigation group at Akin Gump has wasted no time in making a name for itself.

The practice group, founded in 1995, got a boost when the securities group from now-defunct firm Brobeck, Phleger & Harrison joined Akin Gump.

Paul Bessette, a partner with Akin Gump's securities litigation practice, attributes the practice group's success to a combination of previous experience and Akin Gump's reputation.

"We had Akin Gump's name and we leveraged off its clients and its reach," he said. "Brobeck was a very high-tech firm, so we've been able to take that marketing savvy, the approach and the materials and use the Akin Gump's contacts and clients to get a much broader firm-wide reach."

Bessette pointed to the firm's involvement in high-profile litigation as a selling point for clients.

Another firm that is no stranger to representing big name clients is Wilmer Hale Cutler Pickering Dorr, coming in at number five on the list.

The firm represents Credit Suisse First Boston, Goldman Sachs, Bank of America and other members of the underwriting syndicate in the civil filed against Refco's underwriters after allegations of accounting fraud by top Refco executives surfaced in October.

Currently, the firm's clients range from The Washington Post and three of its reporters, including Bob Woodward, which it is representing in the ongoing investigation into the Valerie Plame leak, to Qwest Communications, which the firm is representing in connection with ongoing investigations into accounting irregularities.

According to Fraser Hunter, a partner with the firm's litigation practice group,

the breadth of the cases litigated by Wilmer Hale attorneys is one of the firm's most attractive features.

"On the Wilmer side, we tended to represent the financial services industry clients," he said. "On the Hale side, they had a significant corporate practice that had relationships with both start-ups and established companies. Now we represent companies across the country. These attorneys are a remarkable group of people."

Just below Wimer Cutler in the rankings comes Sidley Austin, a firm that attracts clients "from Wall Street to Main Street," according to securities litigation partner Robert Pietrzak.

"We have fairly broad experience handling cases for both investment banks and companies," he said. "With respect to investment banks, we have particular experience in cases where uniform practices of broker dealers are challenged. Our expertise in those challenges led the general counsel of one of our major to describe us as a 'go-to firm.'"

Sidley's clients include major public companies, big four accounting firms and national law firms. The practice group continues to expand, looking to Asia for its newest clients.

"The expertise we've developed in the States is as attractive to companies in Asia as it is to companies here," Pietrzak said. "As a result of that we've become fairly expert at trying to explain to people with different legal systems how our system works."

PLEASE NOTE: A copy of the full survey results is available for \$290. The PDF document contains the full ranking of the top 100 firms and samples of their securities litigation work in 2005. To order a copy, please contact our customer service department by e-mail (customerservice@portfoliomedia.com) or phone (+1-212-537-6331).

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