

Proven Trial Experience

Arguably, the greatest strength of the firm is the track record of its trial lawyers, who are known and respected as among the finest in the nation. In addition to taking “bet-the-company” securities fraud litigations all the way to a jury, we have also tried a number of cases regarding important and groundbreaking corporate governance issues, in order to improve business practices and protect and preserve the shareholder franchise. Often, many of our cases settle on the eve of trial for substantially in excess of defendants' "final" offers.

Some examples of our dedication to trial readiness include:

- **WorldCom** - The most high-profile securities fraud trial in history. After obtaining over \$6 billion in settlements from the investment bank defendants who underwrote WorldCom bonds - the majority of the settlements occurring just before trial - BLB&G opened its case before a New York City jury against former WorldCom auditor Arthur Andersen, the sole remaining defendant. After four weeks of trial and two days before closing arguments were scheduled to begin, Andersen settled for \$65 million.
- **Clarent** - BLB&G obtained only the second securities fraud class action verdict in favor of investors since the passage of the Private Securities Litigation Reform Act. After four weeks of trial and three days of deliberation in *In re Clarent Corporation Securities Litigation*, a San Francisco jury found liability against Clarent CEO and founder Jerry Chang.
- **Amylin** - In our prosecution of the *Amylin Pharmaceuticals Shareholder Litigation*, we challenged the Company's Board and alleged that the Board violated its fiduciary duties by improperly depriving shareholders of their voting rights. The allegation related to a growing corporate practice - “proxy puts” - debt agreement provisions that trigger acceleration of debt upon a change in the majority of the board of directors. After trial, the Delaware Chancery Court accepted our position that proxy puts inherently coerce shareholders to vote for the existing directors and can undermine shareholders' rights, and might be “unenforceable as against public policy.”
- **BFA v. Arthur Andersen** - BLB&G's prosecution of Arthur Andersen, for its role in the collapse of the Baptist Foundation of Arizona ("BFA"), received intense national and international media attention. As lead trial counsel for the defrauded BFA investors, the firm obtained a cash settlement of \$217 million from Andersen, after six days of what was scheduled to be a three-month trial. In combination with prospective BFA asset sales and a settlement with BFA's former law firm, it was expected that the over 11,000 retirees and investors would recover over 70% of their losses. The outcome is particularly noteworthy for, in light of the revelations of Arthur Andersen's involvement in the then-recently publicized Enron fraud, there were serious concerns raised as to whether Andersen would be able to fund any settlement, or would even survive as a firm. The case was covered in great detail by *The Wall Street Journal*, *The New York Times*, *The Washington Post*, *60 Minutes II*, *National Public Radio* and the BBC as well as various other international news outlets.
- **Airgas** - BLB&G also took the *Airgas Shareholder Litigation* to trial before the Delaware Chancery Court. In challenging the efforts of Airgas's CEO and Board to avoid acquisition at the expense of shareholders, the case involved Airgas' alleged improper use of a poison pill and other defensive measures, one of the few times these devices have been so challenged.

- **WPPSS** - BLB&G was also lead counsel in the celebrated *In re Washington Public Power Supply System Litigation* (WPPSS), which, after seven years of litigation and three months of jury trial, resulted in the then largest securities fraud settlement (over \$750 million) ever achieved.
- **ICN/Viratek** - The six-week jury trial of *In re ICN/Viratek Securities Litigation* resulted in a \$14.5 million settlement.
- **Datapoint** - BLB&G achieved a successful jury verdict resulting in a multi-million dollar recovery for shareholders of Datapoint following a nine-week trial against KPMG Peat Marwick in San Antonio, TX.