

Law360 Names BLB&G a 2018 “Securities Group of the Year”

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Respected legal newswire *Law360* has once again recognized BLB&G as one of its 2018 “Securities Group of the Year.” BLB&G, one of only 6 firms selected nationally for this honor, was selected for securing “settlements worth a combined \$820 million resolving major shareholder litigation against Wells Fargo & Co., Pershing Square and Valeant Pharmaceuticals, and Twenty-First Century Fox Inc. directors,” among other matters.

The profile highlights BLB&G’s success in obtaining a \$480 million in *Wells Fargo* related to allegations that the bank opened nearly 1.5 million unauthorized accounts. BLB&G partner Salvatore Graziano, who led the prosecution against Wells Fargo, credited the firm’s “strong emphasis on collaboration” for this achievement and praised the outcome as “especially significant, because it represented a very high percentage of potential damages.”

“We’re particularly proud of what we’ve achieved in that case,” explains Mr. Graziano, since “\$480 million could have exceeded the figure recoverable at trial” had the defendants been successful in challenging loss causation and damages at any point during the litigation.

The profile also highlights the *Allergan Proxy Violation* litigation, which settled for \$250 million and resolved claims that Valeant Pharmaceuticals “illegally leaked its intent to acquire Allergan to the activist investor Bill Ackman, whose hedge fund Pershing Square Capital Management LP then acquired a significant stake in Allergan.” Mark Lebovitch, lead trial counsel overseeing the litigation, emphasized the deterrent value of this result by explaining that had the defendants succeeded in challenging this case, “there would have been very little to stop bidders from leaking deals to hedge funds that could then support their bid and profit handsomely.” According to Mr. Lebovitch, “it was a really important case institutionally to test whether Pershing Square...and Valeant and their advisers were visionaries or were just being too cute by half.”

In addition, and arguably most significantly, the profile features BLB&G’s landmark resolution of the derivative lawsuit against 21st Century Fox, which arose out of widespread workplace misconduct and a lack of board oversight

at its embattled network Fox News. The action was resolved for \$90 million and “included a first-of-its-kind council to oversee the Fox News board of directors. The Fox News Workplace Professionalism and Inclusion Council was created to advise the company about inclusion, diversity and how to better the workplace environment.”

Mr. Lebovitch, who also led the prosecution of this action, remarked, “What happened with Fox — and what we're proud of — is there was no blueprint. There was no clear precedent that says we can bring this case.” In commenting about the increase in similar derivative claims being raised against other companies over the last year, Mr. Lebovitch asserts, “I do not view it as a negative that shareholders are joining other types of plaintiffs in saying this is not acceptable.”