

## CHICAGO LITIGATION DEPARTMENTS OF THE YEAR

### A SPECIAL REPORT

The National Law Journal spotlights seven law firms with Chicago-based lawyers that demonstrate excellence in litigation and in five key practice areas: mass torts/products liability, intellectual property, labor & employment, insurance and white-collar defense. Lawyers represent an automaker in high-stakes ignition-switch litigation (the plaintiff in the first bellwether trial dismissed his case). They defeated the first concussion class action in the nation against a statewide high school athletic association. And they helped a tobacco manufacturer reach an agreement that resolves claims against it in a federal court, among other notable developments. Read more about top practices in the Windy City here.

## REED SMITH

### INSURANCE

Using insurance firms is far from ordinary for Reed Smith. “Many of our victories have been using litigation precedent to achieve success for clients,” said Carolyn Rosenberg, a partner in Chicago, where about 20 firm lawyers handle insurance-recovery matters for policyholders.

In a case for Gallup Inc., for example, Reed Smith sued XL Group PLC-owned Greenwich Insurance Co. in 2014, claiming that its \$10.5 million settlement with the U.S. Justice Department fell under a \$15 million policy. Gallup had settled the government’s case after a whistleblower and former employee, Michael Lindley, alleged violations of the False Claims Act.

On Feb. 25 of last year, New Castle County, Delaware, Superior Court Judge Ferris Wharton sided with Gallup on several key arguments in ruling on motions for judgment on the pleadings. Although the judge disagreed with some of Gallup’s claims, he rejected Greenwich’s counterclaims that coverage should be denied based on a “professional services” exclusion and, even more important, exclusions to the “loss” provision that include restitution and disgorgement.



**CAROLYN ROSENBERG AND JOHN VISHNESKI**

“The judge ruled on the really critical issues—for us, the show stoppers,” Rosenberg said. The ruling is critical given that many insurers have raised similar challenges. “This is a really big victory for policyholders in allowing them to utilize the assets of these polices and show why that argument does not carry weight,” she said.

In a case for Illinois hedge-fund Ritchie Capital Management LLC that raised an issue of first impression, Reed Smith challenged two insurers’ denial of coverage over the costs of an appeal bond following a nearly \$9.2 million judgment in a dispute with a former investor. A bond or other form of security ensures that a judgment is covered, plus interest, while a case gets appealed. On Sept. 10 of last year, Ritchie and its

principal, Thane Ritchie, sued Arch Specialty Insurance Co. and Continental Casualty Co., part of CNA Financial Corp., over professional-liability policies under which each had \$5 million available.

After denying Ritchie injunctive relief, Cook County, Illinois, Circuit Court Judge David Atkins granted its declaratory-judgment claim on Dec. 7. Including interest, the award amounted to more than \$11 million.

The Ritchie case revolved around the extent to which an insurer must cover the costs of an appeal bond.

“Lots of insurance policies will limit the insurance carrier’s obligation to the premium,” said Reed Smith partner John Vishneski, who argued that Arch and CNA should also cover the cash collateral on the bond—a much greater amount. “Their argument was ‘costs’ must mean ‘premium,’ which is a technical term in the insurance world. We had our dictionary handy to say ‘costs’ is much broader than that.”

Reed Smith’s legal strategy convinced CNH Industrial America LLC to bring in the insurance recovery group’s deputy practice group leader, Jim Davis, to handle a suit against multiple insurers over the defense of more than 100 asbestos lawsuits. “I thought they had a good handle on how the claims would play out in the different jurisdictions,” said CNH senior litigation counsel Diane Rohrman.

Ken Andersen, Gallup’s senior counsel, praised Reed Smith’s communication skills. “We constantly know what’s going on,” he said. “The minute they get something, they send an email.”

—AMANDA BRONSTAD

### “KEYS TO SUCCESS”

“BEING PASSIONATE ABOUT WHAT YOU DO, BUILDING CREDIBILITY, MAINTAINING A HIGH LEVEL OF COMMUNICATION, AND CONVERTING LITIGATION SUCCESS INTO RISK REDUCTION AND PREVENTION GOING FORWARD.” USE WHAT YOU HAVE LEARNED TO ENHANCE THE TERMS AND CONDITIONS OF FUTURE INSURANCE POLICIES. —CAROLYN ROSENBERG