

Daily Journal

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TOP 100 LAWYERS IN CALIFORNIA

EDITORS' NOTE

From the mortgage crisis to the Gulf oil spill to virtually every major intellectual property dispute, California lawyers are playing leading roles. But they don't just clean up big messes. They secure funding and regulatory approval for cutting-edge developments in water, energy, technology and biotechnology that are the promise of the future.

We aim for this list to be a kaleidoscope of the California legal scene. There are divorce attorneys and public finance lawyers, prosecutors and criminal defenders and much, much more.

We reviewed hundreds of nominations from members of the legal community and from our own editors and reporters to compile this list. It is never an easy task — the list isn't long enough — but it is fun. Read on. We know you'll enjoy learning about these people as much as we did.

— The Editors

PETER M. GILHULY

If patience is a virtue, Gilhuly would gladly confer it on all the creditors nipping at the heels of ailing law firms.

"In most of these law firm cases, you really don't want to file bankruptcy," he said. "It's more efficient for law firms to collect the assets and pay their creditors. But people get impatient."

Howrey LLP is a prime example, Gilhuly said. He advised the once mighty firm on its sale of assets and eventual decision to dissolve, effective March 15, 2011.

He also represented the firm in its out-of-court wind down and in its effort to transfer venue of the involuntary bankruptcy that was filed against the firm in April.

The firm's downfall, Gilhuly said, had less to do with money than it did with a "crisis of confidence."

"Clients were pushing Howrey to make more and more of their cases contingency cases and it turned out to be a real problem," he said, "because what happens with contingencies is you have lower annual profits."

Consequently, top-notch lawyers started jumping ship.

But the firm's saga is not without irony. Some of those contingency cases are generating returns, most notably in a recent settlement estimated at \$140 million involving an antitrust class action filed on

PETER M. GILHULY

Latham & Watkins LLP
Los Angeles
Practice type: Corporate
Specialty: Restructuring,
Insolvency and Workouts;
Bankruptcy Mergers and
Acquisitions; Derivatives;
Structured Finance and
Securitization

behalf of 7,200 dairy farmers.

In the Howrey case, it's too early to tell how this will play out for creditors.

Generally, he said, "If contingencies don't work out, you can see creditors not getting paid much. But, if they do, they could pay all the creditors and maybe have a surplus."

Gilhuly said that he prefers a "winding down" approach when businesses are going through rough patches, rather than filing for bankruptcy.

"Winding down is out of court, meeting and talking to creditors, but not going before a judge every week," he said. "In bankruptcy, you have to spend a lot of money on the process, because everybody wants



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to argue about everything. Creditors say, 'We have to, it's the only way to keep you honest,' but in my experience, management is trying to do the right thing."

"Bankruptcy practice is incredibly interesting," Gilhuly said.

— Pat Broderick