

SOCIAL LITIGATION

By Harriet McLeod,
Contributing Writer

Charleston-based law firm leads negotiations on BP oil spill settlement



(Photo/U.S. Coast Guard)



or months, open pipes pumped millions of gallons of crude into the open sea after the Deepwater Horizon oil rig exploded in the Gulf of Mexico.

As BP struggled to find a way to stop the flowing oil, the world watched as a plume coated the shoreline of Gulf Coast states along with the livelihoods of thousands that depend on the waterfront.

Eleven oil rig workers died that day in 2010, and the environmental devastation threatened the economy of the entire Southeast and oil prices around the world. A South Carolina law firm with a track record of taking on defendants with deep pockets — including the asbestos industry, the Saudi Royal Family, and Big Tobacco — helped deliver an open ended multi-billion dollar settlement earlier this year to individuals and business owners impacted by the worst oil spill in history.

The hope, said lead attorneys on the case, was that it would keep this from happening again and offer some emotional and finan-

cial relief to the thousands who saw their lives melt away with soiled sand that no one wanted to visit and the fears that Gulf Coast shrimp was contaminated with oil.

"These settlements come at an important time in the lives of those who have suffered and continue to suffer because of the Deepwater Horizon disaster," said Motley Rice co-founder Joe Rice, one of the lead negotiators, after the settlement was filed with the court. "They will provide long-deserved compensation to thousands, including business owners, cleanup workers, the seafood industry and other citizens."

From Cooper marl to Mississippi mud

Motley Rice sent attorneys to the Gulf soon after the environmental threat became clear. Even though the Deepwater Horizon was 48 miles from land, scientists and meteorologists knew the oil was coming, and BP spent millions to stop and mitigate the disaster.

Headquartered on the banks of the Cooper River in the Charleston area, the firm's office in Mount Pleasant overlooks Charleston Harbor's marshy marl in the shadow of the Arthur Ravenel Jr. Bridge. Motley Rice became one of the nation's largest civil

Opposite: Cleanup crews removed oil from marsh affected by the Deepwater Horizon oil spill at Bay Jimmy near Port Sulphur, La., Feb. 17, 2011. The oil is being removed so new vegetation can grow back in the marshes and to protect wildlife from oil. (Photo/U.S. Coast Guard/Seaman William Benson)

litigation firms by taking on cases like the BP oil spill.

The quiet, elegant lobby of Motley Rice is laid-back Lowcountry, but it shields a fierce beehive of activity where attorneys and staff work on cases that span the country and the globe. Motley Rice started representing people, families and businesses hurt by the BP oil spill shortly after the initial explosion miles out in the Gulf of Mexico.

About 75 plaintiffs' attorneys and 250 staff members at the firm's Mount Pleasant headquarters and at satellite offices across the country — along with co-counsel worldwide — handle civil lawsuits on behalf of thousands of clients claiming harm by medical devices and drugs, environmental toxins, occupational disease, catastrophic injury and wrongful death. They also deal with product safety, securities fraud and consumer fraud.

But partners Ron Motley and Rice are best known for blockbuster lawsuits that have yielded headlines and historic settlements.

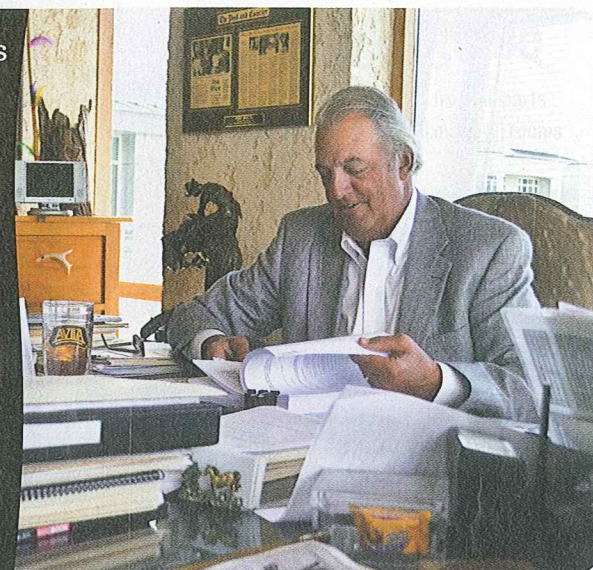
Motley, 67, made his name by successfully suing the asbestos industry and then helped spearhead the states' historic litigation against Big Tobacco that led to a record-breaking \$246 billion settlement — an effort that was chronicled in the 1999 Oscar-nominated film *The Insider*. As a lead trial attorney, Motley deposed whistleblower scientist Jeffrey Wigand, a former scientist with the Brown & Williamson tobacco company.

Rice, 58, recently obtained a settlement estimated at \$7.8 billion as one of the lead litigators in the class action lawsuit against BP for damages to businesses, individuals and workers on the Gulf Coast following a catastrophic oil spill in April 2010.

The firm was built on occupational disease, product liability and consumer fraud work. Wins with significant settlements and verdicts in those cases help the firm tackle cases that might take years of work on behalf of clients with little means.

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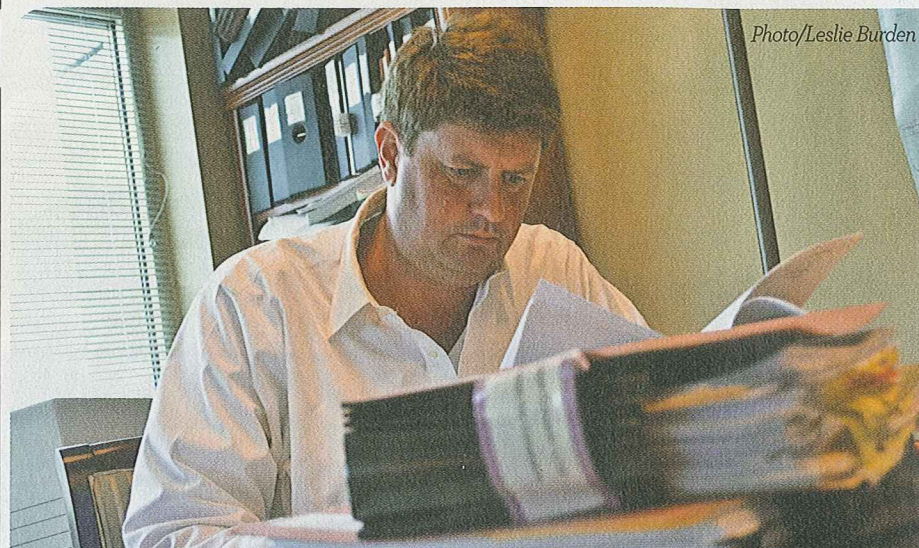
Joe Rice
Motley Rice co-founder



Photo/Leslie Burden



Cleanup crews remove oil from marshes affected by the Deepwater Horizon oil spill near Venice, La., on Jan. 28, 2011. Marsh cleaning techniques are designed to have the least amount of environmental impact while ensuring effective cleanup results. (Photo/U.S. Coast Guard/Petty Officer 1st Class Susan Blake)



Photo/Leslie Burden

"If we could help stop terrorists through civil litigation, then that's a positive goal."

Michael Elsner, lead attorney

The firm's anti-terrorism and human rights work can seem like global espionage. The firm has investigated possible financial sources of terrorism in more than two dozen countries, hiring experts, investiga-

tors and translators along the way.

"If we could help stop terrorists through civil litigation, then that's a positive goal," said lead attorney Michael Elsner. "When we're looking at all of our cases



Cleanup workers remove a tar mat on Elmers Island, La., in March 2012. The island was heavily affected by the Deepwater Horizon oil spill. As the tar mat is unearthed, crews sift to remove additional sand and shells, attempting to return beaches to pre-spill conditions. (Photo/U.S. Coast Guard/Petty Officer 2nd Class Elizabeth H. Bordelon)

globally, that's what's in the back of our minds. Is there something else to this other than just the litigation that can also make some great social benefit? We're fortunate to be in a firm that feels that way and has the resources to be able to tackle those things."

Oil well capped, but not the settlement

The multi-billion dollar payout by BP to victims of the 2010 oil spill in the Gulf of Mexico that was given preliminary approval by a judge this spring is uncapped, Rice said. Although it is the biggest mass tort class action settlement in history, Rice said, that number could go up depending on the number of claims filed.

"The settlement requires BP to pay all claims," he said.

Motley Rice represents businesses along the Gulf coast — \$2.3 billion of the settlement money has been set aside for harvesters of seafood.

"This was a catastrophic event and we felt that we needed to try to jump way ahead of the time game here and get people compensation now... because a lot of these people can't wait 10 years or 20 years as it happened in Exxon Valdez (oil spill). We had a judge who had the same philosophy." ■



Ongoing cases span the globe

The Motley Rice law firm in Charleston takes on cases from all parts of the world. These cases cost millions to litigate and many fill rooms with documents, research and investigative reports.

Sometimes the business uncovers information that it passes along to the federal government, and sometimes it locks horns, such as when a federal judge immunized the Saudi Royal family against lawsuits. The following cases show the breadth of plaintiffs and cases brought by the Motley Rice law firm.



The 9/11 Terror Victims

For 10 years, the firm's attorneys have been engaged in fact-finding on behalf of victims' families, firefighters and others for lawsuits stemming from the terrorist attacks on Sept. 11, 2001, in New York, Washington and Pennsylvania, said lead attorney Jodi Westbrook Flowers.

In lawsuits against airlines and security companies for security failures, the firm has settled claims by more than 50 families who lost a loved one on one of the planes hijacked on 9/11 and opted out of the government's 9/11 victims compensation fund.

In August 2002, Motley Rice lawyers sued Saudi princes, international banks, Islamic charities, the Saudi bin Laden Group, and the government of the Sudan for funding al-Qaida and the Taliban. The lawsuit asked for more than \$1 trillion on behalf of Families United to Bankrupt Terrorism.

The ongoing case now has more than 6,600 plaintiffs among the families, Flowers said. It is known within the firm as The Burnett Cases after the first plaintiff — the family of Tom Burnett Jr., who heroically died on United Airlines Flight 93 when it crashed into a field in Shanksville, Pa.

A federal judge granted the Saudi princes

sovereign immunity a few years ago and the U.S. Supreme Court refused to hear the plaintiffs' appeal, Flowers said. Remaining defendants are in Dubai, Saudi Arabia, the United States, Pakistan and Sudan, she said.

"The defendants are now 50 or so, with dozens more being appealed," Flowers said. "(They include) several charities that are alleged to be corrupt fronts — so much so that they've been shut down here in the United States and in Saudi Arabia since then — along with certain banks and wealthy donors."

The firm's team of attorneys on the case, led by Flowers and Motley, has run up against classified information, frozen assets, and volumes of paperwork. The cases' documents fill several rooms, Flowers said.

In following terrorism money, the firm uncovered operational information about al-Qaida that it has shared with the Department of Defense, she said.

South African gold miners

"We've tried to identify cases to work on we thought would have some better social benefit," said Elsner, who is handling the firm's consulting role on a precedent-setting lawsuit against gold mining companies in South Africa.

The lawsuit on behalf of gold miners who developed lung disease from breathing silica while working deep underground has about 11,000 plaintiffs, Elsner said. But lawyers in South Africa think that there are more than 50,000 sick miners in the country.

"They've never encountered a case of that magnitude there," he said. "They felt we could provide some guidance about how to manage litigation like this in a way that doesn't cripple the entire court system and

hopefully provide some compensation to those people in a short period of time."

"I think that the public understands that for years these gold mining companies have made great profits and, frankly, the economy of South Africa is largely built on the backs of these gold miners," Elsner said. The case was to be filed in the summer, he said.

Arab Bank

Motley Rice represents about 6,000 plaintiffs in Israel and the United States in an ongoing lawsuit against the Jordan-based Arab Bank. The plaintiffs accused the institution of bankrolling militant Islamist groups responsible for suicide bombings and other acts of terrorism.

The complaint alleges that Arab Bank violated customary international laws by serving as paymaster to the families of suicide bombers through groups such as Hamas, the Palestinian Islamic Jihad, the Al-Aqsa Martyrs' Brigade and the Popular Front for the Liberation of Palestine.

The case is expected go to trial this winter, Rice said.

Raj Rajaratnam

Motley Rice filed a lawsuit against Galileo Group hedge fund founder Raj Rajaratnam and his father on behalf of survivors of bombings allegedly committed by the Liberation Tigers of Tamil Elam in Sri Lanka. The lawsuit is ongoing, attorneys said.

"We allege that he was funding the Tamil Tigers directly from his accounts in the United States," firm spokeswoman Alicia Ward said. "Our clients include many widows whose husbands were killed."

Rajaratnam was sentenced last fall in New York to 11 years in prison on insider trading charges. ■



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