10th Anniversary Edition

Profile on Anchor Client Schneider

Howard Feller Chairs ABA’s Antitrust Section

Congratulations Newly Elected Partners

McGuireWoods Wireless Reimbursement Rate to Decrease

Effective Feb. 1, 2015, the firm’s wireless reimbursement rate for pre-approved users will decrease from $100 to $75 monthly.

If you have questions about McGuireWoods Matters, contact:

Amy Wells | Editor | ext. 11431
Melodie Martin | Asst. Editor | ext. 11464
Kristine Becker | Art Director | ext. 11238

McGuireWoods Matters is printed on FSC certified, 55% recycled fiber, 30% post-consumer paper.
Community Outreach

George Martin is the rector of the University of Virginia. People were shocked, saddened and outraged when the Rolling Stone magazine published an article detailing an alleged horrific rape of a UVA coed by multiple members of a fraternity. George and McGuireWoods Consulting Chair Frank Atkinson, also a member of the university’s governing Board of Visitors, and the school’s administration were immediately confronted with a firestorm, unprecedented in scope and complexity.

Tops on their agenda was confronting what experts across the nation saw as a growing problem of unreported sexual assaults on college campuses, including Virginia’s. Next set out to determine if the local criminal authorities could determine if what the magazine alleged was true. In the midst of UVA’s initial actions, the Washington Post reported a story casting great doubt on the Rolling Stone story. In fact, the magazine quickly backed away from their article. Through all the twists and turns, George and Frank remained determined to have the university confront sexual abuse while doing their best to find the truth about the Rolling Stone allegations. The complexity of their task is immense and this case will continue to be watched closely.

At about the same time, Charlotte partner John Fennebresque, who is the head of the University of North Carolina Board of Governors, was managing a scandal involving bogus classes for many UNC athletes. Critics of UNC used the report of the university’s internal investigation as an indictment of UNC’s integrity. John calmly led a measured response to national media and the UNC community and after a couple of weeks into November, the media crush subsiding. The job of balancing big college athletes with academic excellence is no small chore but John seems determined to find the right formula.

Others at McGuireWoods have distinguished themselves and the firm in less dramatic but equally important ways. Many of you recall a major pro bono victory in 2013 by two Pittsburgh associates, Matt Monnoury and Brian Root, which kept a health clinic open. After recent follow-up victories in the 3rd U.S. Circuit Court of Appeals, we were awarded $300,000 in attorneys’ fees, which were promptly donated to the clinic.

Our lawyers in Jacksonville identified a charity to be the focus of their efforts. They chose the Sulzbacher Center, Northeast Florida’s largest provider of comprehensive services for the homeless. It serves nutritious meals (1,200 a day); offers safe shelter (340 beds a day); provides outstanding medical, dental and mental health care (1,200 patients cared for every month); and offers job placement assistance and life skills education, along with specialized children’s programs.

The nonprofit had just found a location to build a new center to house the women and families so they would not be on the same campus as the single men, many of whom suffer from mental illness. McGuireWoods agreed to provide the legal services necessary to get the new center built. At the same time we agreed to provide assistance to their residents with Social Security disability claims, working in conjunction with Jacksonville Area Legal Aid. Our Jacksonville lawyers are also regularly going to the center to help prepare and serve meals (everyone, including staff). Thus, the entire office has gotten involved. Associate Beth Rothenberg has done a great job initiating and coordinating this effort.

These are just a few examples of the incredibly interesting and important matters our attorneys engage in as productive members of society. We are proud of them and the countless others at McGuireWoods who have contributed in their own ways as well.
A leader in logistics and transportation services.

It was during the 2013 Thanksgiving holiday. With just seven days’ notice, McGuireWoods deployed a team of lawyers to meet with Schneider’s legal team at its headquarters in Green Bay, Wisconsin. The mission: to pitch a deal that ultimately would set up the firm to become Schneider’s new national counsel, handling the vast majority of its legal needs.

Schneider, a nearly 80-year-old company and a premier provider of truckload, logistics and intermodal services, offers the broadest portfolio in the industry, providing services throughout North America and China. With annual revenues of approximately $4 billion, Schneider is the largest privately held trucking and logistics company in the United States.

The company initially became a client in early 2007, when client-responsible attorney Derek Roach and partner Steve Gold (both Chicago) handled a software license and implementation transaction; however, Derek remained in contact and became their de facto integrator for Schneider.

Over time, Derek learned that Schneider was facing a number of class action lawsuits in California, so he contacted partner Matt Kane to see how they could help. Matt, along with senior counsel Sabrina Beldner in our Los Angeles office, worked with Derek to pitch a potential audit of Schneider’s warehouse facility to see if we could help with aspects of litigation that weren’t going well.

“The point was getting them to start thinking about us beyond the sphere I had been working on up to that point,” Derek added.

Breadth of Work

The biggest piece of work that we handle for Schneider is in labor and employment matters, which encompass all manner of employee issues (single plaintiff, class actions, EEOC matters, OSHA and benefits), which are being led by partners Joel Spitz, Pete Milanti, Matt Kane, Jeff Capwell, Chris Michalik, Dawn Stetter and many others.

In the Beginning

“Initially I was just a subject-matter expert for technology and, later, intellectual property, mostly patent,” Derek recalled. “For example, I worked with them on several software audits (from Oracle and IBM) over the years.

Later, when Schneider was sued for patent infringement, we handled the company’s patent lawsuit.

Our lawyers, including partners David Whelpley and Betty Wren, have supported Schneider on a number of corporate and finance transactions. A team has also been handling some very tricky independent contractor issues, which are being led by partner Brian Jackson. Several import/export issues and a matter before the U.S. International Trade Commission are being led by partner John Padgett.

A team of lawyers is also assisting with a number of bankruptcy issues; several pieces of commercial litigation across the country; tax-related projects; insurance issues; numerous trademark, copyright, patent and antitrust issues; general IT counseling work; and several environmental matters.

Our lawyers, including partners Steve Gold and Matt Kane, have negotiated a number of merger and acquisition transactions, including the recently announced merger of OSM International with the largest privately held trucking and logistics company in Europe, DSV. We also assist Schneider with a number of significant bankruptcy matters, including the bankruptcy of one of its major competitors.

High-level Matters

• Handling a major class action in California among warehouse personnel on co-employment claims (pending).
• Completed a $300 million debt offering.
• Advising on a new case pending in Utah brought by CR England, one of Schneider’s major competitors.
• Handling a major class action among truck drivers in California (pending).

How the Transportation Industry Team Helped

“Having the team was invaluable. It showed that we had the depth to provide not just big firm experience with the right experience to counsel on any esoteric legal question, but also to provide that advice through the transportation team, which is able to

focus that knowledge with a particular slant for the client’s industry — in this case transportation,” Derek reported.

Proposal for Labor and Employment

The most recent engagement began with a call Derek made to Schneider’s then newly arrived General Counsel Paul Kardish in September 2014. Derek had heard that Schneider selected Kardish as their new GC, so he called to introduce himself and let Kardish know what he had been doing for Schneider in the past.

“I had a great relationship with the prior general counsel and a number of their lawyers, so I wanted to make sure I put my best foot forward with the new GC,” Derek said. “We talked, and he mentioned they were in a process of seeking proposals for taking on their entire portfolio of labor and employment work. I asked if we could propose something. He initially told me he didn’t want to waste my time. I said I would be happy to put together a proposal if he could get me some numbers and details. He agreed and, as they say, the rest is history.”

Going Forward

“My No. 1 impression about Schneider has always been that the people there are really ‘Wisconsin nice’ in every way,” Derek said. “It feels great when you believe you’ve done a good job for a client and that client agrees with you and says they appreciate what you do. That counts for a lot. Schneider, to me, is great people who are doing great work — and I want to do everything in my power to help them in every way possible.”
2014 Election Overview

The New Year will bring new state and national leadership that arrives with each election cycle. McGuireWoods Consulting works to ensure that the firm is well positioned to adapt and react to these changes.

Federal

The big story of the November elections is that the Republican Party won control of the United States Senate with a 54-seat majority, but this doesn’t necessarily spell more D.C. gridlock. Frank Donatelli, who leads consulting’s federal public affairs team said, “Republican control of the House and Senate may well mean that there are newfound opportunities for McGuireWoods’ clients. Incoming Senate Majority Leader Mitch McConnell has promised more debate on bills brought to the floor and the ability of individual senators to offer amendments. This should ensure that more bills will be considered in each body and more legislation passed and sent to President Obama.” Our clients can expect to see movement in 2015 in the areas of trade, healthcare, energy and possibly tax reform in what should be a busy legislative year.

Other Elections Impacting McGuireWoods:

North Carolina

North Carolina House Speaker Thom Tillis defeated Democratic Senator Kay Hagan in one of the most expensive races in North Carolina political history. The North Carolina House GOP nominated Rep. Tim Moore to succeed Speaker Tillis. Harry Kaplan, who leads MWC’s North Carolina team, said, “Rep. Moore’s new committee appointments will be positive for our clients, specifically on issues related to tax policy, energy and healthcare.”

Virginia

Incumbent Sen. Mark Warner received 49 percent of the vote in defeating Republican Ed Gillespie in a surprisingly close race. Senate Democrats have subsequently added Warner to its leadership team, where he will serve as a policy development adviser to the Democratic Policy and Communications Committee.

Illinois

One of the bigger electoral surprises was the election of Republican Bruce Rauner over incumbent Democratic Gov. Pat Quinn. MWC is already working closely with Gov.-elect Rauner’s transition team, with Darren Collier and Kent Gaffney playing key roles for MWC. Democratic Sen. Dick Durbin also won in his first contested race in many years.

Georgia

The GOP dominated in Georgia. Gov. Nathan Deal defeated Democratic Senator David Perdue while Republican David Perdue sailed past Michelle Nunn for the U.S. Senate. Brad Alexander, who leads the Georgia team, says, “to look for a very large and active policy agenda from Georgia’s leadership to move this year, including K-12, transportation funding and ethics.” MWC was recently ranked the top lobbying firm in Georgia.

Howard Feller:

New Chair of ABA Section of Antitrust Law Brings Unique Benefits to Firm Clients

Partner Howard Feller, who heads our Antitrust and Trade Regulation Department, recently took the reins as chair of the ABA’s Antitrust Section, which is the premier antitrust and consumer protection organization in the world. Howard chairs the section at a key time in the evolution of antitrust regulation and enforcement.

This creates a great opportunity for us to provide clients and potential clients with a valuable service while showcasing our capabilities in an important and high-risk area for business. As worldwide competition authorities heighten their scrutiny – particularly in the EU, China and Latin America, and here in the U.S. – the stakes have never been higher for companies doing business around the world. At the same time, an increase in M&A activity has merger control activity surging right along with it. All of this means new worries for clients and opportunities for us to help.

How does this benefit you and your clients?

The ABA Antitrust Section is the leader in antitrust education and programs that draw competition practitioners from all over the world, as well as the heads of enforcement agencies from around the globe. Howard is in the room regularly with senior antitrust enforcement officials, which gives you the ability to offer clients a unique inside view of what to expect in antitrust enforcement.

What can you do?

Help set up a meeting with Howard and clients and/or prospects who have a need to manage their antitrust risks or for insights regarding antitrust enforcement activities. Howard and others regularly do presentations and training on how to anticipate and avoid costly missteps in this perilous area. While in-person meetings are best, the team can present remotely if that’s more convenient for you and your clients.

Now is the time

This is a prestigious honor for Howard and the firm. His predecessors include many titans of the antitrust bar and come from the biggest and best law firms in the world. McGuireWoods has long sought to build the brand of our Antitrust Department. We will have few better opportunities than this.

“It’s a period of heightened antitrust enforcement in the U.S. and abroad. The antitrust section should fill a greater role internationally as a thought leader on antitrust and consumer protection issues and practices.”

– Howard Feller
Brad Austin
Specialty Corporate Practices, Charlotte
Wake Forest University School of Law
Brad advises private equity funds and businesses in their various equity and debt activities. He focuses on mergers and acquisitions, entity formation, corporate finance, lending and general corporate matters, structuring, dispositions and equity transactions.

Josiah Bancroft
Real Estate and Land Use, Atlanta
Emory University School of Law
Josiah assists clients in planning, structuring, negotiating and consummating a wide range of acquisition, development, financing and leasing transactions. He has worked extensively with developers, capital funds, retailers and restaurant chains in the development, leasing and disposition of shopping centers, multifamily properties, office buildings, mixed-use development projects and outparcels.

Benjamin Candland
Tax and Employee Benefits, Richmond
William & Mary Law School
Ben practices in estate planning, real estate, administration, estate and gift taxation and chancery litigation. He provides individual clients with advice on various estate planning matters involving estate, gift and generation-skipping transfer taxes. He also advises fiduciaries concerning the administration of trusts and estates and related tax issues.

Joshua Davey
Financial Services Litigation, Charlotte
Harvard Law School
Josh focuses on litigation of complex disputes in the financial services industry and on insurance recovery litigation on behalf of policyholders. His experience includes representing national financial institutions in high-stakes mortgage and insurance litigation as well as recovering hundreds of millions of dollars on behalf of corporate policyholder clients.

Katherine DeLuca
Securities, Richmond
University of Virginia School of Law
Katie primarily handles compliance with federal securities laws, mergers and acquisitions and corporate governance. She assists public companies with registered offerings of securities and collaborates with large and small public companies on their periodic reporting, proxy solicitations, shareholder communications and insider reporting requirements.

Steven Hamilton
Business and Securities Litigation, Chicago
DePaul University College of Law
Steve focuses his practice on complex commercial and business litigation, with an emphasis representing clients in the healthcare and financial services industries. As an experienced litigator, Steve has managed and directly handled all aspects of bilateral and multiparty cases, including trial and appellate work.

Benjamin Sanderson
Tax and Employee Benefits, Richmond
University of Virginia School of Law
Katie primarily handles compliance with federal securities laws, mergers and acquisitions and corporate governance. She assists public companies with registered offerings of securities and collaborates with large and small public companies on their periodic reporting, proxy solicitations, shareholder communications and insider reporting requirements.

Clayton Stallbaumer
Debt Finance, Chicago
University of Illinois
Clayton represents agents, lenders, borrowers, private-equity firms and debt funds in connection with senior secured and unsecured commercial loan facilities, including enterprise-value and asset-based facilities, second-lien loan facilities and mezzanine loan facilities. He has related experience in transactions involving acquisition financing and real estate financing.

Katherine Taylormore
Labor and Employment, Tysons
George Mason University School of Law
Melissa practices in the area of labor and employment, representing employers in all areas of employment law, noncompete litigation, whistleblower actions, wage and hour violations and wrongful discharge claims. She also regularly counsels government contractors and represents clients during compliance reviews by the government.

These lawyers become partners effective Jan. 1, 2015.
McGuireWoods’ Season of Giving

Here’s how some of our offices demonstrated the spirit of community during the holidays.

ATLANTA provided gifts for 55 children through the Metro Atlanta Salvation Army Angel Tree program. The office also held a December blood drive for the American Red Cross.

Baltimore office and clients were invited to Duke Ellington’s Nutcracker by the Baltimore Symphony Orchestra. The proceeds benefitted OrchKids, a music education program for schoolchildren.

Charlotte raised more than $180,000 for the United Way of the Central Carolinas and participated in the Salvation Army of Greater Charlotte’s Angel Tree program, purchasing gifts for 75 children.

Charlottesville donated $1,000 raised through fundraisers to the Shelter for Help in Emergency, which supports victims of domestic violence.

Chicago collected and wrapped holiday gifts for 127 children served by the Gads Hill Child Development Center. The office also raised 315 pounds of food and $370 for the Greater Chicago Food Depository.

Dallas raised more than $1,400 and worked with Second Wind Dallas to provide clothing, toys, baby items, school supplies and household items for two needy families.

Jacksonville raised more than $32,300 for Northeast Florida United Way, Legal Aid, Friends of Jacksonville Animals, Trinity Rescue Mission’s Women and Children’s Center, and Community Hospice.

New York answered 24 letters written to Santa by economically disadvantaged second-grade students at Public School 131 in Brooklyn, delivering the toys and clothing items they had requested.

Norfolk filled baskets with Thanksgiving foods for families served by Oasis Social Ministry. The office also held a toy drive for FORKids, raising $630 in gifts for homeless children.

Pittsburgh raised more than $1,700 and clothing and toiletries for Shepherd’s Heart Veteran’s Home, which assists homeless veterans.

Raleigh worked with the Helping Hand Mission to deliver Thanksgiving meals for families. The office also provided Christmas presents through the Friends of the Wake County Guardian ad Litem Program.

Richmond raised $10,000 and collected toys for children served by the Richmond Christmas Mother Fund and the Salvation Army.

Washington collected toys and stocking stuffers for children served by the Capital Area REACH Program. The office also held an annual clothing drive for Gifts for the Homeless Inc.

Wilmington fulfilled the holiday wish lists for three children served by Yahweh Center Children’s Village, which works with young victims of traumatic abuse.

London office will observe the eight holidays listed below, in addition to each employee having one floating holiday to use within the calendar year of 2015.

- New Year’s Day: Thursday, Jan. 1
- Martin Luther King Jr. Day: Monday, Jan. 19
- Memorial Day: Monday, May 25
- Independence Day: Friday, July 3
- Labor Day: Monday, Sept. 7
- Thanksgiving Day: Thursday, Nov. 26
- Day After Thanksgiving: Friday, Nov. 27
- Christmas Day: Friday, Dec. 25

Holidays that fall on a Saturday or Sunday may be taken at another time and are considered floating holidays. The office will not be closed on the Friday before or the Monday following the holiday.

- New Year’s Day: Thursday, Jan. 1
- Easter Monday: Monday, April 6
- Labor Day: Friday, May 1
- Ascension: Thursday, May 14
- Whit Monday: Monday, May 25
- Belgian National Day: Tuesday, July 21
- Assumption of Virgin Mary: *Saturday, Aug. 15
- All Saints Day: *Sunday, Nov. 1
- Armistice Day: Wednesday, Nov. 11
- Christmas Day: Friday, Dec. 25

*Floating holiday to be taken within the calendar year of 2015.

The Bucharest office will observe the eight holidays listed below, in addition to each employee having one floating holiday to use within the calendar year of 2015.

- New Year Celebration: Thursday, Jan. 1
- New Year Celebration: Friday, Jan. 2
- Easter: Monday, April 13
- Labor Day: Friday, May 1
- Pentecost: Monday, June 1
- Saint Andrew: Monday, Nov. 30
- Romania National Day: Tuesday, Dec. 1
- Christmas Day: Friday, Dec. 25

*Floating holiday to be taken within the calendar year of 2015.
CONFIDENTIAL

M most lawyers and their colleagues know that they must keep secret what their clients tell them. Those communications usually deserve protection under the attorney-client privilege. However, we must all remember that our ethics duty of confidentiality extends far beyond such client communications.

In most states, lawyers and those working with lawyers cannot disclose “information relating to the representation of a client” without that client’s consent. If that sounds incredibly broad, it is. The duty usually covers information that lawyers or our colleagues learn from or about our clients regardless of the information’s source, timing or content.

Under these widely adopted ethics rules, our confidentiality duty even covers information that is generally known or in the public record. For instance, in 2001 a Wisconsin court suspended a lawyer for six months because he disclosed a former client’s records, even though they had already been publicly disclosed in another lawsuit.

The ethics duty can cover information we learn even before a would-be client talks to us about possibly representing them. In 2010, the Indiana Supreme Court privately reprimanded a lawyer who disclosed information she had learned from a social acquaintance a month before that acquaintance asked one of the lawyer’s partners to represent her in a divorce. The court found that the lawyer’s confidentiality duty retroactively applied to that conversation once the friend hired the lawyer’s firm.

Perhaps most surprisingly, the ethics duty prevents lawyers or their colleagues from disclosing information even if the disclosure would not harm the client in any way. In 2009, the Nevada Bar explained that a lawyer would violate the ethics rules by “phoning a client when the client is not at home and leaving a message about the representation on the client’s answering machine.”

To make matters more confusing, not all of our states follow this majority approach. For instance, New York’s confidentiality rule does not cover “generally known” information. And several of our states (including New York and Virginia) only prohibit disclosure of protected client information if: it came directly from the client; the client has asked us to keep it secret; or disclosure is likely to be embarrassing or detrimental to the client.

Our confidentiality duty sets us apart from all other professions. As tempting as it is to talk about the interesting matters we handle at McGuireWoods, all of us must remember our confidentiality duty’s breadth. The next Ethics Matters column will describe some horror stories involving this rule.

DID YOU KNOW?

• Our confidentiality duty lasts beyond the attorney-client relationship and continues as long as we live.

• The California Bar once advised a lawyer that he must keep secret the fact that a building might collapse in an earthquake, explaining that the lawyer’s confidentiality duty trumped his concern about possible injuries to the tenants or his desire to avoid liability.

• Clients can impose contractual ethics duties beyond those in the ethics rules (for instance, by prohibiting us from placing their data in the “cloud”).