

The Legal Intelligencer

THE OLDEST LAW JOURNAL IN THE UNITED STATES

An incisivemedia publication

At Montgomery McCracken, Changes in Leadership

Meanwhile, Firm Builds Its White-Collar Practice

BY GINA PASSARELLA

Of the Legal Staff

Montgomery McCracken Walker & Rhoads has been making some moves lately — all involving white-collar defense and starting from the top down.

Not only is the firm set to gain its second new white-collar defense attorney in two weeks today, but it has named a longtime white-collar defense partner as its new chairman.

Richard L. Scheff, most recently vice chairman of the firm, took over as chairman Wednesday from Stephen A. Madva, who now serves as managing partner. Madva had served as chairman for six years. Louis A. Petroni, head of the firm's Cherry Hill, N.J., office, will now add "vice chairman" to his list of titles.

Scheff isn't only growing his list of responsibilities, but his practice group as well. Today, Mark Sheppard of Sprague & Sprague will be making the move to Montgomery McCracken's Philadelphia office, where he will be a partner in the firm's government investigations and white-collar crime practice.

He follows on the heels of Scott Coffina's return to the firm last week from a two-year stint as an associate White House counsel. Coffina rejoined the government investigations group and will look to broaden his practice to include representing clients in a variety of government oversight matters.

While Coffina makes the transition back into the practice at Montgomery McCracken, Scheff has been working on transitioning



COFFINA



SCHEFF



MADVA

into his new role for about six months.

Madva said Scheff, with around 3,000 billable hours a year, and Petroni are some of the firm's biggest producers, which is partly why Madva will stay on as a managing partner. That role is one the firm uses when it has to, he said. It had been filled most recently by the firm's finance partner, Virginia Sikes, and before that by litigation department Chairman Jeremy Mishkin.

Madva said it's not in the firm's financial interest to have Scheff's practice suffer.

"His time seems to be infinitely expandable," Madva said of Scheff. "I don't know how he does it, but he stays on top of things."

Scheff said he will most likely start to spend more time on management issues but does not expect to back off of his practice. He said the firm is growing the white-collar defense group and he intends to have a full practice of his own.

"Yes, there's a change at the top and certainly there's a change in my day-to-day to some degree, but I'm a workaholic," he said.

And luckily for him, he has an understanding wife who these days probably finds herself just as busy. Scheff is married to the head of Montgomery McCracken's bankruptcy practice, Natalie D. Ramsey.

Scheff said he would be implementing the same strategic plan that has been in place for a few years. Despite the tough economy, he said he sees "huge opportunities" for a firm of his size and rate structure given many general counsel in this economy are looking to get the same quality that can be found at larger firms but for a cheaper price.

The strategic plan calls for the firm to open in the "short-term" a New York office, and most likely a Washington, D.C., office given Coffina's experience. Scheff said he wants to grow the firm from the 150 to 160 attorneys it has now to about 200 lawyers and then stop there. He said it would give Montgomery McCracken the added bench strength it needs without negatively affecting the camaraderie.

Another part of that strategy includes expansion in what Scheff called strategic

growth areas — government investigations and white-collar crime being one of them.

A BROAD PORTFOLIO

Coffina wasn't building a book of business in his nearly two years as an associate White House counsel, but he was developing a broad portfolio — as they are called on Pennsylvania Avenue — that included everything from researching how to give Dolly Parton a National Endowment of the Arts award if she were sick and couldn't accept it in person from President George W. Bush to ensuring all federal agencies were complying with the Hatch Act's regulations on federal employees' involvement in political activity.

Coffina was hired in May 2007 by White House Counsel Fred Fielding, shortly after Fielding's appointment. With the Democrats having just taken control of Congress in January 2007, Fielding was gearing up for increased oversight demands.

While some of the attorneys had a specific portfolio focused purely on things like ethics or security, Coffina had the political portfolio, which included, in large part, ensuring employees followed rules of the Hatch Act. He became rather busy answering questions about the act as 2008 came around and the election cycle really heated up.

Coffina was also the liaison to the Department of Energy and fielded a lot of questions about drilling and the Strategic Petroleum Reserve. Advising Bush on judicial selection fell under Coffina's umbrella as well. He was in charge of looking at potential appointees from the D.C. and 11th Circuits.

Coffina said he was impressed with the way the outgoing and incoming administrations worked together throughout the transition. Part of that was through a recommendation

by the 9/11 Commission that potential employees of any new administration be vetted before even the general election. That close working relationship only increased, Coffina said, over the economic situation.

In looking for a new position before his gig ended Jan. 20, Coffina said Montgomery McCracken was the first firm he talked to, but it wasn't the only one. He wanted to put his new experience to work and broaden his practice to include representing clients before congressional oversight matters and other federal investigations. He was looking at firms that had a Washington, D.C., office so that he could keep a hand in the nation's capital.

When it became clear that Montgomery McCracken would be interested in opening an office there if the timing were right, Coffina said his old firm became the natural choice.

The new political component of his practice will help with the white-collar defense aspect, he said, pointing to the number of political corruption trials going on in Philadelphia alone.

"The dual skill set of congressional oversight and white-collar [defense] really helps in maybe keeping one from becoming the other," Coffina said.

Coffina said he will also focus on some of the higher education work he had been doing before he left. Madva pointed out that a lot of Coffina's practice involved representing pharmaceutical companies in corporate investigations as well.

BACK TO A BIG FIRM

Sheppard has been with Sprague & Sprague for nearly six years. He joined the firm from Duane Morris in 2003 and never thought he would end up back at a larger firm. Sheppard had worked with Scheff

and was close friends with Montgomery McCracken white-collar defense partner Ellen Brotman and the possibility of a move began to come up in conversation. He said the talks began in earnest early in 2009, and he started to feel more comfortable with a larger firm model.

"I am very confident that some of the big firm issues that may attend some other places may not be present there," Sheppard said.

Leaving Sprague & Sprague and attorneys like Richard A. Sprague and Geoffrey Johnson wasn't an easy thing to do, he said, but added the attorneys have been very supportive about his move. Sheppard said he learned more practicing with Sprague than he had in any of his previous experiences.

Sheppard said he had developed his own book of business while at Sprague & Sprague and will be bringing with him those cases that are his.

One of Sheppard's most recent matters has been the high-profile corruption case coming out of the Luzerne County courthouse. He and Sprague & Sprague represent Robert Powell, an attorney who has said he was forced by two Luzerne County Common Pleas judges to give kickbacks for their sending juveniles to a detention center that Powell at one point co-owned.

Sheppard said the details haven't quite been decided, but he anticipates remaining on the case as co-counsel with Sprague & Sprague.

For the past few years, Sheppard's practice has been focused on representing individuals rather than corporations and he said he is looking to expand to represent both groups. He said he would be building a book of business as well as helping Scheff and Paul Zoubek, who heads up the government investigations practice, on their matters. •