

Pennsylvania Powerhouse: Montgomery McCracken

By **Dan Packel**

Law360, New York (September 28, 2017, 3:23 PM EDT) -- Montgomery McCracken Walker & Rhoads LLP's Philadelphia litigators gained national attention in the last year for their role knocking down class actions far from the city, including a U.S. Supreme Court win for Microsoft, and at home, a white collar attorney made headlines for establishing a state senator's innocence at a federal bribery trial.

After more than 100 years in existence, the midsize firm punches above its weight in litigation matters, and its success representing Fortune 100 firms both in the Philadelphia region and far beyond has put it on the list of Law360's Pennsylvania Powerhouses.

Montgomery McCracken was founded in Philadelphia in 1912, and it counts former U.S. Supreme Court Justice Owen J. Roberts as a founder, along with other "kings of the Philadelphia Bar," according to current Chairman Louis Petroni. And while in its early years, the focus was on deals in the corporate arena, leaders now say that litigation is the firm's real strength.

"The opportunities that we saw coming our way, particularly in the last 30 years, have been more litigation-focused than not," Petroni said.

The firm has expanded across the mid-Atlantic, with a growing office in New York City, along with a presence in Delaware and New Jersey. But its 76 attorneys in Philadelphia, along with four on the Main Line in the Berwyn office, make Pennsylvania the center of the firm's orbit.

That's not to say the firm's impact is confined to Pennsylvania, or even the Eastern Seaboard. Since the 1980s, Montgomery McCracken has served as national class action counsel to Microsoft Corp., and class action attorneys routinely defend other companies in trial courts around the nation.

Montgomery McCracken attorneys were part of a team that persuaded the U.S. Supreme Court in June to end a proposed class action alleging defects in Microsoft Xbox 360 game consoles. The high court concluded that an individual could not voluntarily dismiss his individual claims against the company in order to appeal a dismissal of the class claims.

And in December, the firm secured a dismissal of a product liability class action against natural gas pipe



manufacturer Titeflex Corp. in Missouri federal court.

In the last year, the firm's lawyers also successfully defended two Fair and Accurate Credit Transactions Act class actions against VeriFone Systems Inc., which places payment terminals in taxicabs, and six separate taxi companies, in California federal court and Nevada federal court, respectively.

"It's remarkable, sometimes, when I think that a midsize firm in Philadelphia is representing some of the largest companies 3,000 miles away, in cases that are in Someplace, United States, not the Eastern District of Pennsylvania or not Philadelphia," said litigation department co-chair John Papianou, who was involved in the Microsoft case and led the defense in the aforementioned cases. "They're retaining us because we know how to do good work, and they trust us and value us."

The firm's white collar practice is also a standout, exemplified by partner Mark Sheppard's successful defense of Pennsylvania state Sen. Larry Farnese against charges he had bribed a Democratic Party committeewoman to support him in an election for ward leader. After a one-week federal trial, jurors took little over half a day to conclude that Farnese had not violated the law by paying \$6,000 for her daughter's study abroad program.

According to litigation department co-chair Jeremy Mishkin, this was a rare opportunity to showcase the firm's abilities in the white collar arena.

"It's an iceberg practice," he said. "You get called in on an internal investigation or a compliance problem, the last thing they want to do is let the world know they hired Montgomery McCracken because they've got a big problem, yet they do."

The firm has been slowly growing in recent years, with one example being its maritime law practice. That group secured a big victory in Pennsylvania federal court in July 2016 over a 2004 oil spill at Citgo's refinery on the Delaware River, landing a \$71.5 million judgment against Citgo on behalf of the Greek owners of the tanker, which saw her hull punctured by a 9-ton anchor.

"We've been growing, but we don't grow because of a numbers game," Mishkin said. "Our growth is where can we add to [our] strengths. The maritime group is a real good example of that. We had done really good work on some really interesting matters, and we realized there was an opportunity for us to expand our capability."

Along with representing entities across the nation and overseas, Montgomery McCracken is deeply tapped into the Philadelphia business community, especially with clients from the "eds and meds" sector that drives the regional economy, like Pfizer Inc., Merck & Co. Inc. and the University of Pennsylvania.

Meanwhile, the firm isn't neglecting its corporate practice, especially when it comes to opportunities with the growing number of private equity firms operating outside of the city and investing in startups.

"That Philadelphia suburban area is not quite Silicon Valley, but more and more midsize deals are being done on the Main Line and in the Princeton area, and that particular area is going to continue to grow, for us and other firms," Petroni said. "A lot of the smaller private equity shops are out there, and they're just making so much hay these days."

Petroni, who serves on the board of directors of the Chamber of Commerce for Greater Philadelphia, is

bullish about the prospects of the region and what it means for the local legal industry, expressing optimism about the city's bid for Amazon.com Inc.'s second headquarters.

"You have CEOs sitting around the table talking about where Philadelphia was 15 years ago compared to today," he said. "M&A opportunities in the suburbs, Comcast staying here, the Naval Yard — it's a different city. And the plans for continuing to attract more and more people like that are happening. All service industries are going to benefit from that."

--Editing by Katherine Rautenberg.

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