

Top Securities Plaintiffs' Firms Brought In \$7.23B In 2016

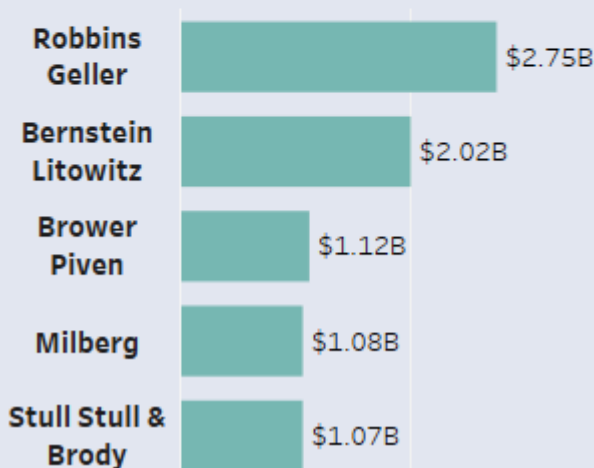
By Carmen Germaine

Law360, New York (April 21, 2017, 9:44 PM EDT) -- Plaintiffs' law firms were hard at work representing institutional investors and individual shareholders in 2016, with the top 50 firms raking in a combined \$7.23 billion in class action settlements over the course of the year, according to a new report released Thursday.

The report, published by ISS Securities Class Action Services, ranks plaintiffs' firms based on the total cash amount made available to investors in settlements finalized in 2016. Robbins Geller Rudman & Dowd LLP tops the list, having negotiated more than \$2.7 billion in settlements last year, followed by Bernstein Litowitz Berger & Grossmann LLP with over \$2 billion.

Top Securities Class Action Firms Of 2016

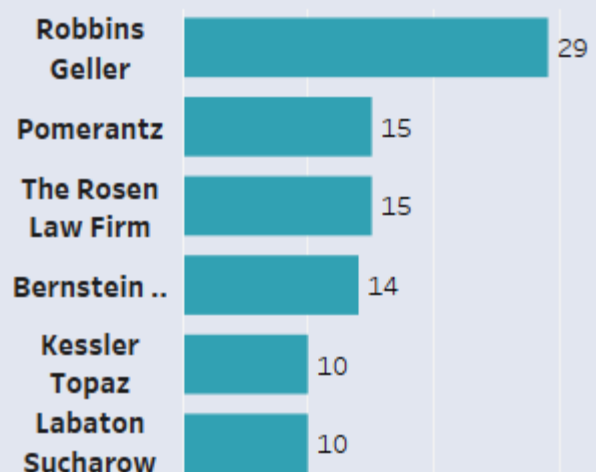
- By settlement value
- By number of settlements



Source: ISS

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Rounding out the top five are Brower Piven PC with \$1.1 billion in total recovery for clients, followed by Milberg LLP and Stull Stull & Brody, which each achieved more than \$1 billion in settlements.

According to ISS, the firms on the list reached deals worth \$7.23 billion in 129 settlements approved by state and federal courts, out of a total of \$7.26 billion in settlement funds made available for distribution in 2016 — a 25.2 percent increase over the \$5.8 billion in settlements reached in 2015. The report credits firms that served as lead or co-lead counsel with the entire settlement fund, regardless of how many firms led the case.

The firms at the top of the list were propelled by several mega-settlements — Robbins Geller received final approval for a record-breaking \$1.575 billion deal with HSBC unit Household International Inc. in October, the largest securities fraud class settlement in the Seventh Circuit, while Bernstein Litowitz, Brower Piven, Milberg and Stull Stull & Brody were all credited for a \$1.06 billion deal resolving shareholder claims over Merck & Co. Inc.'s marketing of the painkiller Vioxx finalized in June.

A report released earlier this year by Cornerstone Research found that 2016 was the first year since 2006 with multiple settlements over \$1 billion. Overall, 2016 saw more than twice as many “mega” settlements, worth more than \$100 million, than in 2015, the Cornerstone report said.

The SCAS report also ranked the top five firms by settlement volume. Robbins Geller again led the pack with 29 settlements, followed by Pomerantz LLP and The Rosen Law Firm PA with 15 each and Bernstein Litowitz with 14 deals in 2016. Kessler Topaz Meltzer & Check LLP and Labaton Sucharow LLP filled out the top five with 10 settlements each.

Robbins Geller founding partner Paul Geller told Law360 Friday that his firm's position at the top of both rankings was never the firm's goal, but rather “a byproduct of our firm's overarching objective, which is to work as hard as we can, day in and day out, year in and year out, to achieve extraordinary results for the classes we represent.”

In addition to the Household deal, which ended a 14-year-old lawsuit alleging the firm and three of its top executives lied about the company's lending practices, financial accounting and loan quality, Robbins Geller also inked two settlements of claims over mortgage-backed securities in 2016 — a \$500 million deal with Bank of America over loans issued by Countrywide Financial, and a \$272 million settlement with Goldman Sachs & Co.

“While we are certainly honored to be named by ISS as the top ranked firm for the third year in a row, we are far more honored by the trust that our pension fund clients place in us to protect the retirement dreams of hardworking teachers, firefighters, police officers and laborers,” Geller said.

Bernstein Litowitz partner Blair Nicholas told Law360 the firm was pleased to again be recognized on the SCAS list. He noted that this year Bernstein Litowitz achieved the highest average settlement recovery among top firms with 10 or more settlements in 2016 with an average recovery of more than \$144 million across 14 cases — 50 percent more than any other firm with at least 10 deals, Nicholas said.

“I think that's a testament to the quality of cases that our institutional investors bring, and the impactfulness of cases that our firm pursues on behalf of our institutional investor clients,” Nicholas said.

The firm boosted its recoveries with its work on the Merck settlement, the largest securities class action

settlement ever reached with a pharmaceutical company. Other major deals Bernstein Litowitz reached last year included a \$300 million settlement finalized in May that ended shareholder litigation alleging General Motors' concealment of deadly ignition-switch defects damaged its stock prices, and a \$219 million deal with Genworth Financial Inc. that was the largest-ever recovery for a securities class action in Virginia.

"Our firm is extraordinarily selective and conservative in the cases that we recommend our institutional investor clients to pursue, and we only do so after a thorough due diligence and investigation in consultation with experts in the field," Nicholas said.

Brower Piven name partner David A. Brower, who also represented investors as lead counsel in the record-breaking Merck deal, said his firm was "gratified that we could do so much good for so many investors," in the Merck case and other significant state court settlements.

"We hope we can do more in the future," Brower said.

The Rosen Law Firm partner Phillip Kim said the firm was pleased to have come second in settlement volume for the third year in a row, reaching 15 settlements in 2016 with deals including a \$23.5 million settlement with semiconductor manufacturing company MagnaChip and a \$20 million deal with Galena Biopharma Inc.

"The rankings yet again show that our firm is one of the leading securities class action firms in the country," Kim said.

The data in the SCAS report is based on settlement data from ISS' database, which tracks both federal and state shareholder class actions. The data does not include Employee Retirement Income Security Act or shareholder derivative lawsuits.

--Editing by Philip Shea.