

## **Law360's Weekly Verdict: Legal Lions & Lambs**

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**Author:** Gavin Broady

### **Summary**

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The month of March came in like a lion for Brann & Isaacson LLP, whose unanimous U.S. Supreme Court victory marked a big win for retailers battling Colorado's so-called "Amazon tax," while leading lamb Kaye Scholer LLP's client Ira Rennert found himself out \$118 million after a New York jury found the billionaire industrialist liable for contributing to the collapse of Magnesium Corp. of America.

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#### **Lions**

In a landmark ruling on Tuesday, the nation's top court flipped a 2013 Tenth Circuit decision barring the Direct Marketing Association from challenging Colorado sales tax reporting requirements on out-of-state sellers. The decision, which leaned on the distinction between the assessment and reporting steps in the tax process, narrowed the Tax Injunction Act's limitations on how federal courts can interfere in state tax disputes. The DMA is represented by George S. Isaacson and Matthew P. Schaefer of Brann & Isaacson LLP.

Wachtell Lipton Rosen & Katz helped drugmaker AbbVie Inc. shake off last year's notorious failed \$55 billion bid for British drugmaker Shire PLC with a big buy this week that gives the company access to one of the most promising cancer drugs on the market. AbbVie will pay \$21 billion for Pharmacyclics Inc. in a deal expected to close this year. AbbVie is represented by Wachtell Lipton Rosen & Katz. Pharmacyclics is represented by Wilson Sonsini Goodrich & Rosati PC.

The second time also proved to be the charm for DLA Piper, which finally broke into the Canadian legal market one year after its bid for a tie-up with now-defunct firm Heenan Blaikie LLP collapsed. The firm announced on Monday that it will merge with Vancouver-based Davis LLP, a 260-lawyer firm that will adopt the DLA Piper brand.

Walt Disney Co.'s big Federal Circuit win this week vanquishing a competing trademark on the name of its Playdom Inc. unit also created a precedent holding that a service mark is only "used" in commerce when the service has actually been rendered, not when it's merely been advertised. The ruling will allow Disney to move ahead with

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trademark registration for the company, which develops games for Facebook and other platforms. Playdom was represented by David Kelly and Linda K. McLeod of Kelly IP LLP.

The lions at Baker Botts LLP helped Samsung Electronics Co. Ltd. shut down a patent suit that would've put a crack in its liquid crystal display screen business this week, guiding the company to a win in a Texas jury trial. After six hours of deliberations, the jury unanimously ruled that inventor Masakazu Ushijima failed to prove the South Korean tech giant infringed patents related to LCD backlight inverter circuit technology. Samsung is represented by Baker Botts LLP. Ushijima is represented by Prebeg Faucett & Abbott PLLC and Williams Kherkher Hart Boundas LLP.

## Lambs

A New York jury slapped Ira Rennert and his firm Renco Group Inc. with a \$118 million verdict after finding the industrialist extracted hefty dividends from Utah-based MagCorp while the company was beset by financial troubles, leaving it too weak to survive. Rennert's counsel with Kaye Scholer immediately moved for a mistrial, but U.S. District Judge Alison J. Nathan rejected the bid, saying concerns over an inconsistent verdict should have been raised prior to the jury's dismissal. Rennert is represented by Kaye Scholer and Jensen Bennett LLP. The MagCorp bankruptcy trustee is represented by Beus Gilbert PLLC.

Barclays Capital Inc. saw litigation over \$555 million in residential mortgage-backed securities rise from the dead this week after the Tenth Circuit forced the bank to keep a promise that it would waive its right to dismiss the National Credit Union Administration's lawsuit on statutory limitations grounds. Barclays had agreed not to use the statute of limitations defense during prelitigation settlement talks. The NCUA is represented by Kellogg Huber Hansen Todd Evans & Figel PLLC and Korein Tillery LLC. Barclays is represented by Sullivan & Cromwell LLP and Lathrop & Gage LLP.

**Blank Rome** LLP remained unhappily hitched to malpractice claims in a multimillion-dollar suit alleging it represented a former client in her divorce proceedings while simultaneously representing her husband's employer. A New York appellate court found plaintiff Kristina **Armstrong** had adequately alleged a conflict in her lawsuit claiming **Blank Rome** hid the fact that it was representing **Morgan Stanley** while it counseled her in her divorce from a high-level executive involved in the bank's outside counsel hiring decisions. **Armstrong** is represented by Eric Stern of Sack & Sack Esqs. **Blank Rome** is represented by Philip Touitou of Hinshaw & Culbertson LLP.

Baker Donelson Bearman Caldwell & Berkowitz PC and Sidley Austin LLP failed to convince the U.S. Supreme Court that an Alabama diesel fuel tax that applies to rail companies but not motor or water carriers is discriminatory, leading to a 7-2 defeat for client CSX Corp. The high court shipped the suit back to the Eleventh Circuit, which the majority said had failed to allow Alabama to justify the taxation scheme. CSX is represented by Baker Donelson and Sidley Austin.

Attorney Robert Reich of Reich Album & Plunkett LLC is headed back to school after a Louisiana federal judge ordered him to attend 10 hours of continuing legal education as a sanction for harassing the CEO of Black Elk Energy LLC during a deposition. The judge said Reich, who asked the witness seven times in a matter of minutes if he would like to apologize for Black Elk's involvement in the deaths of three workers on an offshore rig operated by the company, had been fined for similar behavior in the past, to no avail.

--Editing by John Quinn and Philip Shea.