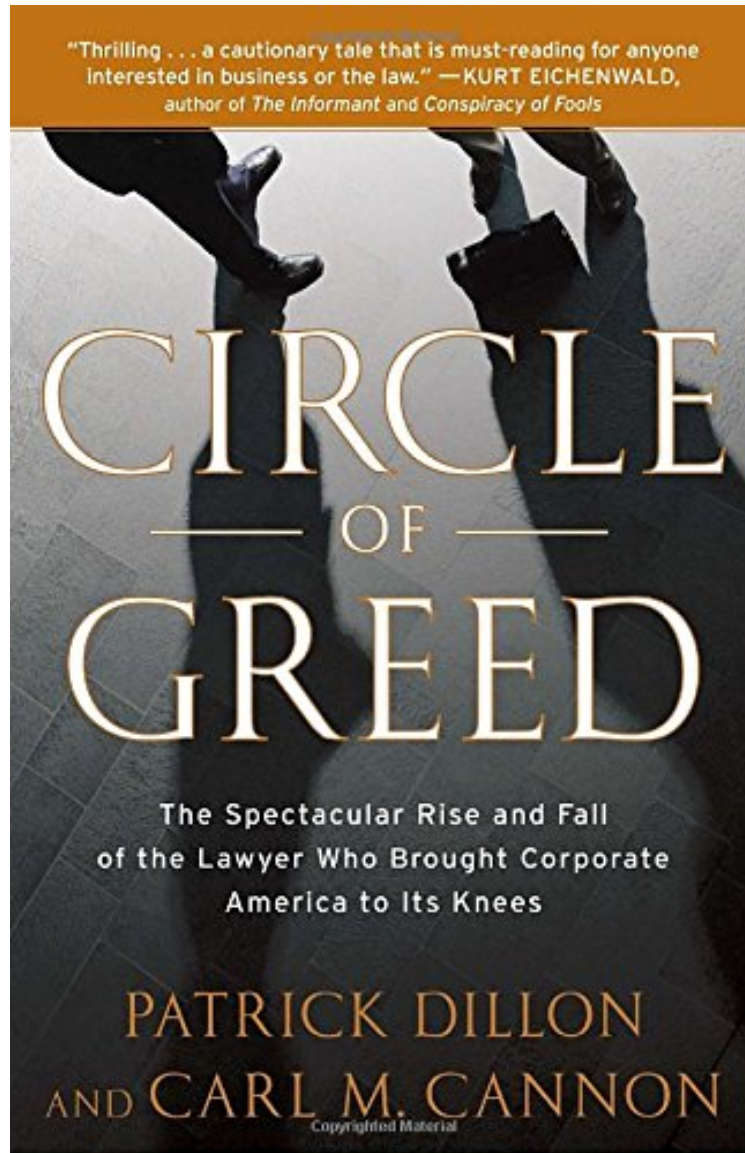


[PDF] Circle of Greed: The Spectacular Rise and Fall of the Lawyer Who Brought Corporate America to Its Knees

Circle of Greed: The Spectacular Rise and Fall of the Lawyer Who Brought Corporate America to Its Knees

Patrick Dillon, Carl Cannon

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Patrick Dillon, Carl Cannon : Circle of Greed: The Spectacular Rise and Fall of the Lawyer Who Brought Corporate America to Its Knees before purchasing it in order to gage whether or not it would be worth my time, and all praised Circle of Greed: The Spectacular Rise and Fall of the Lawyer Who Brought Corporate America to Its Knees:

0 of 0 people found the following review helpful. Excellent Research/Reporting Produces a Real Page Turner
By Reckless Reader
The story of the lawyer Wall Street most feared for more than a decade is a difficult one to tell. The authors have excelled in their digging out of the the facts and then presenting them in a compelling read. Lerach is an awesome figure, literally - one can be in awe of the work he did in recovering billions of dollars from the shady crooks who misused their positions of power, whether in the Keating scandal, the Enron scandal, or the WorldCom scandal, etc.....and one can also be in awe of the way in which he paid scant attention to the law as he amassed his own personal fortune paying off professional plaintiffs to get the job done....and finally, one can be in awe of how little he seems to have accomplished in view of the crash of 2008, in which all the same kinds of immoral thieves repeated the sins of the 80's, 90's and early 00's, albeit this time without even a flawed legal genius to attack them the way Lerach did in the last go-round. Although I think the authors slighted Lerach's deep-seated beliefs in the righteousness of the battles he pursued, and paid too much attention to the money trail alone, this nevertheless led to a compelling read and a much deeper understanding of how difficult it is to make even the slightest dent in the immoral amoral world of reckless cowboy financial wheeler-dealers who rule our economy for now....
3 of 3 people found the following review helpful. compelling insights into how corporate greed spreads its tentacles
By Federico (Fred) Moramarco
This is a compelling read--I couldn't put it down--and tells the remarkable story of Bill Lerach, the major fraud litigator in America for the 30 years between 1975 and 2005. It is dense with details, but it is surprisingly fair, both to Lerach and to the forces which brought him down. From a breakthrough case against the Methodist Church in the 1970s, through the Savings and Loan debacle of the 80s, the dot.com manipulations of the 90s and the colossal Enron and Worldcom collapses of the 00's, Lerach developed a reputation as a no-holds-barred fraud detector. Of course the corporate world thought of him as a despicable bloodsucker and archenemy. And his over-reaching led to his conviction and two years in prison as well as to the end of his legal career. He remains a hero to many, however, who got back some of the money they were robbed of by corporate malfeasance. This book tells the whole story--both sides of it--and tells it well. Highly recommended.
6 of 6 people found the following review helpful. Engaging, Entertaining and Impeccably-Researched Book
By JAL
If you enjoy well-written non-fiction about interesting characters and their foibles in the business/legal world, certainly add 'Circle of Greed' to your reading list. Bill Lerach's personality, actions and place in history are certainly worthy of a serious book like this one. The authors Cannon and Dillon maintain a compelling narrative flow while relating an enormous volume of impeccably-researched information- some of it arcane- which is no small feat. If, however, you are looking for an excellent business-legal world character study/history book/thriller that is simultaneously a textbook on securities law and class action lawsuits, a precise survey of commute times in the Cleveland metropolitan area and completely devoid of any conventional narrative language, this may not be the book for you.

Circle of Greed is the epic story of the rise and fall of Bill Lerach, once the leading class action lawyer in America and now a convicted felon. For more than two decades, Lerach threatened, shook down and sued top Fortune 500 companies, including Disney, Apple, Time Warner, and most famously Enron. Now, the man who brought corporate moguls to their knees has fallen prey to the same corrupt impulses of his enemies, and is paying the price by serving time in federal prison. If there was ever a modern Greek tragedy about a man and his times, about corporate arrogance and illusions and the scorched-earth tactics to not only counteract corporate America but to beat it at its own game, Bill Lerach's story is it. From the Hardcover edition.

John Grisham would have to struggle to invent a character as brilliant and unethical as Bill Lerach. It is a credit to the reporting talents of Patrick Dillon and Carl M. Cannon that, in Circle of Greed, they capture the felon-lawyer in all his charm and ruthlessness. Along the way they show how the plaintiffs' bar has transformed the process of class actions into big business. Wall Street Journal[A] revelatory yarn . . . In Circle of Greed, the authors do justice to their subject and have produced a book that proves the adage that truth can be stranger than fiction. Washington Times
Mr. Dillon and Mr. Cannon have written the type of book that, like Den of Thieves and Smartest Guys in the Room, helps to explain an era. NYTimes.com/DealBook
In Circle of Greed , this compelling narrative becomes an irresistible metaphor for the hubris at the heart of capitalism . . . Lerach is lucky to have Pulitzer Prize-winning journalists Patrick Dillon and Carl Cannon as his chroniclers. They tell his tale with an authority and depth that comes from having followed his career since the late 1970s. . . Amid the entertaining knockabout and big personalities, the authors raise important questions about how the rule of law should work in a capitalist democracy. Financial Times[R]iveting . . . Telling this complex story is a tricky business, but Circle of Greed is up to the task: it is impressively researched and well paced, and offers reporting, not editorializing, leaving the reader to form his or her own judgments. Washington Monthly
"A well-reported, densely written saga" --Kirkus s
"In modern corporate America, the swashbuckling captains of industry have long been the primary characters exposed in the public storytelling. But now, Patrick Dillon and Carl Cannon have stripped away the veneer of a lawyer who made his name as the business worlds chief adversary, Bill Lerach. In Circle of Greed, Dillon and Cannon present a painstakingly researched and entertaining tale of a legal dynamo who seemed able to root out any corporate crime, but then became enmeshed in frauds of his own. Lerach had

it all, then lost it all because of his own greed and arrogance. In this thrilling book, Dillon and Cannon have unwound the character of this perplexing man, presenting a cautionary tale that is must-reading for anyone interested in business or the law."--Kurt Eichenwald, author of *The Informant* and *Conspiracy of Fools* From the Hardcover edition. About the Author Patrick Dillon has won many journalism awards including a share of the Pulitzer Prize- and is the author of the acclaimed *Lost at Sea*. The executive editor of *California* magazine, he was formerly editor in chief of *Forbes* ASAP, a writer for the *Christian Science Monitor*, and an editor and columnist at the *San Jose Mercury News*. He lives in San Francisco, California. Carl M. Cannon is the deputy editor of *politicsdaily.com* and coauthor of *Reagan's Disciple: George W. Bush's Troubled Quest for a Presidential Legacy*. He has won numerous awards, including a share of the Pulitzer Prize in 1989, and the prestigious Gerald R. Ford Prize for Distinguished Reporting of the Presidency. He lives in Arlington, Virginia. From the Hardcover edition. Excerpt. Reprinted by permission. All rights reserved.

1 DRAGON SLAYER William S. Lerach first heralded himself to the elite circles in America's legal community in 1977, from the sterile downtown county courthouse on Front Street, a few blocks from the old waterfront in San Diego. The setting was Superior Court Judge James L. Focht's nondescript courtroom; the case, *Barr v. United Methodist Church*. By the time it ended, class action litigation (a single legal action on behalf of many plaintiffs against common defendants) would never be the same in California. And ultimately the victorious lawyer would see to it that no corporate entity within the United States would be invulnerable to outside scrutiny. No U.S. church denomination had ever been the subject of a successful class action lawsuit. The unfolding case owed its drama not only to the legal precedents at stake, or to the conflicted feelings among the litigants themselves (pious Methodists and retired ministers who found themselves suing their own denomination) but also to the intensely personal competition between the rival attorneys. The Methodists' lead lawyer was Samuel W. Witwer, Sr., a barrel-chested eminence whose regal presence and mane of silver hair all but announced his wealth of experience. The son of a steelworker, Witwer was born in 1908, the year William Jennings Bryan ran for president the third and last time. Like Bryan, Witwer came out of the Midwest, his reputation preceding him like a billowy cloud: Harvard Law, class of 1933; lay leader in the Methodist Church; and then lawyer, who after five decades of futile efforts by others succeeded in reforming Illinois's antiquated constitution. The "Father of the Illinois Constitution," they called him. Adlai Stevenson remarked that Witwer was "a man who never quits." In 1960 the Illinois Republican Party chose Witwer to be its standard-bearer for a U.S. Senate seat. Dwight D. Eisenhower approved of this nomination and, in a memo to Richard Nixon, referred to Sam Witwer as "a very smart man." Nearly two decades later Witwer strode into San Diego with the air of a man accustomed to deference. He brought with him a mellifluous, authoritative-sounding basso profundo voice, the distinctive diction of a practiced orator, and an abundance of self-confidence. "He was the only man I ever saw," Bill Lerach said, "who could strut while sitting down." Witwer harbored reciprocal feelings about Lerach. The first time he ever laid eyes on the younger man, Witwer and his attorney son Samuel W. Witwer, Jr., were checking into the Westgate Plaza Hotel, San Diego's newest and finest, only to hear loud, whiskey-fueled cross-talk emanating from the lobby between Lerach and another lawyer they presumed to be Mel Weiss. "We're going to take down the Methodist Church!" Lerach boasted. Public woofing was not typical behavior of the shining lights of the San Diego bar, but Lerach was not from that town. Born and raised in Pittsburgh, Bill Lerach was new to the West Coast; he liked California, had come to stay, and loved being in court on this case. He was thirty-one but appeared younger with his long blond curly hair, Sundance Kid mustache, round wire-rimmed glasses, and a suit that--although tailored--looked too large on his slender frame. He was easy to underestimate. As the Pacific Homes battle played out, Samuel Witwer and the rest of the nation's corporate establishment came to see what they were up against. By dint of temperament and talent, William Shannon Lerach constituted a perfect instrument of destruction in an emerging hybrid of the legal profession: the superlawyers of the plaintiffs' bar who viewed themselves as avenging angels for the little people cast on the slag heap of free enterprise. This theme would emerge more clearly in the years ahead; meanwhile the realization that in the process of attempting to reform American capitalism they could become quite rich did nothing to diminish their adversarial zeal. Quite the opposite, actually. ***The San Diego case concerned a string of retirement facilities called Pacific Homes, established as a nonprofit corporation in 1929 for retired Methodist ministers and lay leaders. In the late 1970s the corporation was in financial trouble, a victim of the residents' increasing life spans, the overgenerous impulses of its founders, a flawed business plan, runaway inflation, and bad management--with some graft thrown in. The Methodist hierarchy bailed the homes out at first, but as the losses mounted, Pacific Homes' officials resorted to acquiring more buildings and attracting new residents with "life-care contracts," even as they spent the money paid up front by new retirees to keep the existing retirement facilities afloat. However well intentioned the Methodist elders had been originally, they eventually found themselves running an elaborate Ponzi scheme. The legal case began in 1977, when a Pacific Homes retiree named Frank Barr placed a call to a San Diego law firm, Wied Granby, to which he had been referred by his estate planning attorney. Barr told the Wied Granby attorneys his story: months after he had paid more than \$300,000 for a "life-care contract," Pacific Homes officials had announced that all residents would have to pay several hundred dollars more each month to keep the place afloat. The homes were near bankruptcy, it seemed to Barr, and the officials clearly had known this was the case even while soliciting the contracts. Barr told the attorneys, Colin W. Wied and James J. Granby, that some of the residents simply

didn't have additional income at their disposal and were worried about losing their homes. He had called the right lawyers. Wied and Granby were close friends who took the law, and their obligations under it, seriously. They were well situated, too, former U.S. Navy guys in a U.S. Navy town, with good educations and solid reputations in the city's legal circles. Both would serve as president of the San Diego Bar Association, and Wied would later be named state bar president. Their only drawback was the size of their firm. Wied Granby consisted essentially of Wied and Granby, along with a young associate, David J. Yardley. Nonetheless, intrigued by the case and indignant at the way their clients had been treated, they filed a lawsuit on behalf of the disgruntled Pacific Homes residents. Yet they soon realized--both because of the complexity of the case and because of the caliber of white-shoe law firms from Los Angeles, Chicago, and Philadelphia arrayed against them--that they needed a big gun of their own. Granby asked an attorney friend if he knew of anyone in Southern California with experience in class action litigation in which auditors had been negligent. "The firm that specializes in that kind of work is Milberg Weiss--and it has an office in San Diego," the friend said. "They are the best in the country." Granby placed a call to the San Diego office of Milberg, Weiss, Bershad Specthrie, which was run by Bill Lerach. The two partners took an immediate liking to Lerach, who listened intently as they spelled out the facts of the Pacific Homes case. Lerach liked them well enough too; mainly he liked the looks of their case, so a plan was made for all of them to go to New York to secure the blessing of Lerach's boss, Milberg Weiss's co-founder and senior partner, Melvyn I. Weiss. Weiss was initially dubious about a case that presented public relations challenges for a payoff that might not be that large. "Have you lost your mind?" Lerach remembers Weiss telling him. "We're a bunch of Jews, and you've got us suing a Christian church! Keep doing your securities cases in federal court." Lerach, who was not himself Jewish, was undeterred. Weiss often talked this way to his young partners as a way of making them defend their prospective cases so he could see how committed they were to the litigation. In truth, Mel Weiss was intrigued by Pacific Homes, and he encouraged Lerach to bring these California lawyers to New York so he could take their measure--and size up their case. Milberg Weiss's New York offices were located at One Penn Plaza, atop Penn Station. When the lawyers gathered for lunch in the building's lower level, the Californians were struck by how the tables shook and the plates rattled as the trains passed by below--and by how nothing seemed to rattle Mel Weiss. The next day they went over the case again. This time Weiss listened intently, saying little. Finally the senior partner said, "What do you want to do?" "Well," Wied asked, "is it a good case or not?" After a ten-second pause, Weiss's face broke into a slow smile. "It's a dynamite case," he replied. At that point the two law firms hashed out an agreement on the terms of their split, which they confirmed with a handshake: two-thirds of any contingency fee awarded the plaintiff's lawyers would go to Milberg Weiss, one-third to Wied Granby. The only thing left at that point was for this bicoastal legal team to take on the venerable United Methodist Church--and win. From the Hardcover edition.