Dorsey & Whitney’s
Securities Litigation and Enforcement Practice

CAPABILITIES AND EXPERIENCE
Fifty lawyers from ten offices make up Dorsey’s United States-based Securities Litigation and Enforcement Group. We offer substantial experience and expertise in representing clients in class actions, derivative suits, internal investigations, SEC & DOJ enforcement actions and investigations, special committee representations, and broker-dealer arbitration and litigation. The Group draws on the deep experience of lawyers who have tried cases all over the United States, who have conducted securities investigations for many transnational companies, and who have worked for government agencies, including the SEC and DOJ.

Dorsey lawyers in Shanghai, Hong Kong, and Beijing—consisting of Mandarin-speaking U.S. licensed lawyers with U.S. litigation experience—provide key support for our representation of Chinese companies and individuals. Our China-based lawyers’ deep understanding of the nuances between U.S. and Chinese legal systems, their physical availability in China, and their efficient and seamless communication with our clients, enhances the quality of our representation in cross-border litigation.

Our clients regularly rely on us to handle the full range of securities litigation and enforcement proceedings:

» Defense of SEC and DOJ investigations and actions
» Shareholder direct and derivative claims
» Class actions alleging federal and state securities violations
» Internal investigations
» Special committee representations
» Actions challenging mergers or acquisitions
» Corporate control litigation
» White collar criminal investigations

Securities matters can be complex, expensive, and distracting. We focus on resolving them quickly so that our clients can get back to what is important—their business. But, when necessary, Dorsey securities litigation lawyers have successfully tried many cases, conducted numerous internal investigations, and defended countless government proceedings in jurisdictions throughout the United States.

In addition, we have handled securities-related arbitrations in nearly every state across the U.S.
Our clients have faced liability on multiple fronts, increasingly at the same time. Securities fraud class actions are often accompanied by shareholder derivative claims and sometimes follow regulatory investigations, enforcement proceedings, and, increasingly, working with special litigation committees. Dual registered Chinese companies may face regulatory inquiries in the U.S. and in Hong Kong, and Dorsey is uniquely situated to provide representation in both jurisdictions.

We have the experience, depth, and a competitive rate structure necessary to successfully resolve complex disputes at a fair price.

RATES AND EFFICIENCY

Given our Midwest roots—our home office is in Minneapolis, Minnesota—we offer very competitive rates. We then staff matters largely using attorneys from our Midwest offices who have extensive experience and lower rates. This allows us to deliver excellent results efficiently, at rates often far lower than our competitors.

Knowing that our clients have had to become increasingly cost-conscious, Dorsey has created several solutions designed to help manage costs. For example, Dorsey responded to the sometimes crippling expense of electronic discovery by creating LegalMine™, a state-of-the-art document review service, housed in Dorsey’s own headquarters office. LegalMine™ is specially designed to add efficiency to the litigation process by culling and limiting the number of documents to be reviewed. LegalMine™ charges a fixed cost for the review of the remaining documents, leading to predictable and managed litigation costs.

Lawyer review of documents follows our electronic review and is handled by contract lawyers who work at even lower rates. Lawyers who read Mandarin (and other languages) are available to us for document reviews. In addition, we have lawyers located in China who can review documents located there, with rates that are very competitive.

SAMPLES OF OUR EXPERIENCE

The following are a few brief examples of our experience:

Class Actions and Derivative Suits

» Dorsey represented the largest national health insurance company, as well as its directors and certain officers, in a federal securities law class action and parallel derivative litigation arising out of alleged backdated stock options. We successfully settled the securities class action and obtained dismissal of the derivative litigation.

» Dorsey defended a national energy, information, and technology corporation in a securities class action alleging false statements in connection with forward energy trades. We obtained dismissal of all claims.

» Dorsey defended the Chairman of a major cable and telecommunications company against class action claims alleging violations of federal securities laws in connection with statements concerning the company’s subscriber base. We successfully settled the class action claims.

» Dorsey twice defended an international medical device manufacturer in federal securities fraud class actions alleging channel stuffing to inflate the sales of its flagship ICD heart rhythm device. Plaintiffs sought $150 million in damages. We obtained dismissal of the claims on summary judgment.

» Dorsey acted as co-lead counsel defending a national broker-dealer and its affiliates in a consolidated multi-district class action alleging securities fraud and RICO violations. We obtained dismissals of the claims.

M&A Related Litigation

» Dorsey represented an international medical device manufacturer in shareholder litigation brought on behalf of a putative class of shareholders challenging the manufacturer’s acquisition of another publicly-held medical device company.

» Dorsey represented a software technology and cloud computing company in a putative class action seeking to enjoin its merger with a major international corporation. Dorsey successfully derailed plaintiff’s efforts to enjoin the acquisition and obtained a dismissal of the amended complaint on a motion to dismiss.

» Dorsey defended a medical imaging manufacturer in claims by employees of former subsidiary involving exercise of options. Dorsey obtained dismissal of the claims on summary judgment.

» Dorsey represented a Vancouver-based gold mining company on a federal Williams Act claim brought in federal court in Anchorage as part of the client’s successful effort to fend off a hostile acquisition attempt by the world’s largest gold mining company.

» Dorsey represented a special litigation committee evaluating shareholder claims brought after the announcement of tender offer to take a Minneapolis-based educational software public company private.
Government Investigations & Proceedings

» Dorsey successfully represented the Chief Financial Officer of a software company against SEC charges in a four-week jury trial. After trial, the case settled on terms very favorable to our client.

» Dorsey successfully represented multiple entities and individuals in investigations and proceedings before the SEC and state agencies in connection with allegations of fraudulent issuance and sale of residential mortgage backed securities.

» Dorsey successfully represented a national broker dealer and its affiliated trust company in connection with investigations commenced by the Office of Thrift Supervision (“OTS”), the NASD, the SEC, and the State of New York, through its Attorney General, into the broker-dealer alleged late day trading and market timing of mutual fund shares. When the broker-dealer was sued for damages in the multidistrict, consolidated national class actions, Dorsey obtained a dismissal of the complaint against the Company with prejudice.

» Dorsey has represented dozens of multinational corporations in Foreign Corrupt Practices Act investigation involving alleged bribes to foreign officials.

» Dorsey represented a media and publishing company in an SEC investigation spawned by the company’s restatement of its financials. The SEC Enforcement Division determined that it would not recommend enforcement action against our client.

SPECIAL LITIGATION COMMITTEES

Dorsey has represented special litigation committees for many companies throughout the United States.

REPRESENTATION OF CHINESE COMPANIES IN U.S. SECURITIES LITIGATION AND INVESTIGATIONS

Dorsey has represented Chinese companies or the Directors and Officers of Chinese companies in U.S. securities litigation or internal investigations:

Cases

» Deutsch and Receiver Robert Seiden v. ZST Digital Networks, 13 CV 02533 (S.D.N.Y.)

» Prat et al. v. China Sure Water (USA), Index No. 652830/2013 (N.Y. Supreme Ct)

» In Re Puda Coal, Inc. et all, 11 CV 2598 (S.D.N.Y.)

» Great Dynasty International Financial Holdings Limited v. Haiting Li and Zhiyan Li and Pacific Bepure Industry, Inc. (N.D. Cal.)

Investigations

» Dorsey represented an executive officer of China Biological Products, Inc. (NASDAQ: CBPO) in an internal investigation by an independent committee and in a related SEC investigation.

» Dorsey represented a special committee of independent directors of Puda Coal, Inc. (NYSE: PUDA) in an internal investigation and related SEC investigation.

» Dorsey has represented several US companies in FCPA due diligence investigations in connection with their acquisitions or investments in China.

TEAM

Within the Group, the following members are available to lead one or more matters:

Frank Hong (Shanghai)

Frank’s practice involves advising international companies on their investments into China as well as advising emerging Chinese multinational corporations on their outbound investment, especially into the United States. Frank was trained as a commercial litigator during his first three years of practice in the U.S., and has always been involved in the practice of dispute resolution on both sides of the Pacific. In September 2013, Mr. Hong led a team of litigators in winning a jury verdict for a Chinese exporter in the U.S. District Court of Central California.

J Jackson (Minneapolis)

Mr. Jackson is a partner in the Trial Group and is Co-Chair of the firm’s Securities Litigation and Enforcement Practice Group. His practice focuses on securities litigation, trade secret and unfair competition litigation, antitrust, and complex commercial litigation.
Stephen Bell (Missoula)
Stephen is a partner in the Trial group. He practices in the areas of securities litigation, construction litigation, banking and trust litigation, employment litigation, commercial litigation, franchise litigation, and intellectual property and trade secret litigation.

Peter Carter (Minneapolis)
Peter Carter is a business litigator who specializes in the area of securities litigation and other legal disputes involving public companies and financial institutions. He serves as the co-Chair of the Securities Litigation & Enforcement practice group and is a Fellow of the American College of Trial Lawyers.

Zach Carter (New York)
Zach is a partner and co-Chair of the firm’s White Collar Crime and Civil Fraud practice. He served as United States Attorney for the Eastern District of New York from 1993 to 1999. Mr. Carter practices in the areas of white collar criminal defense and securities and other complex civil litigation, representing companies in government regulated industries and government contractors.

Peter Ehrlichman (Seattle)
Peter is a partner and senior member of the Seattle Trial practice. His practice is focused on complex litigation, including in the areas of securities, financial services, real estate, general commercial and trusts and estates. Mr. Ehrlichman has substantial experience defending class actions. In addition to working with companies and individuals from Washington and Oregon, Mr. Ehrlichman has represented clients throughout the United States.

James Langdon (Minneapolis)
James K. Langdon is a partner and co-Head of the Minneapolis Trial Group and co-Head of the Class Action Practice Group. He has more than 25 years of experience representing companies in litigated disputes in federal and state courts as well as before regulatory agencies, particularly the SEC. Mr. Langdon has extensive first-chair trial experience in federal and state courts, as well as in arbitration forums (including FINRA and AAA) and before regulatory agencies.

Ray Liu (Shanghai)
Ray is an associate in Dorsey’s Trial Group. He concentrates on international and commercial litigations, primarily those involving cross-border and extraterritorial disputes. Before joining Dorsey, he worked for the Legal Department at the New York Branch of a major Chinese bank, focusing in the areas of financial projects, U.S. bank regulation, litigation, legal processing, trademark and fraud investigation. He also has solid experience in banking and finance as well as corporate transactions in China.

Milo Steven Marsden (Salt Lake City)
Mr. Marsden is a partner and head of the Trial department in Salt Lake City. His practice focuses on commercial litigation, and emphasizes matters involving securities, corporate control, and civil fraud.

Kent Schmidt (Southern California)
Kent Practices in the area of general business litigation, with an emphasis in securities litigation and enforcement, unfair business practices, trade secret litigation, class actions, product liability, securities litigation and enforcement and other commercial disputes, employment law, intellectual property and Prop 65 (environmental) claims. He published a blog called Left Coast Law, which focuses on the intricacies and oddities of California law.

Wei Zhang (Shanghai)
Wei Zhang is a senior legal consultant in the Shanghai office. Qualified to practice in the PRC since 2001, he has experience on a broad range of transactions, including M&A, corporate consolidation and restructuring, direct inbound investment, as well as outbound investment projects. Wei has also participated in several corporate dispute resolution matters in China, including preparations for a number of arbitrations an litigation proceedings.

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