

## 'An Outstanding Litigator': Labaton Sucharow Partner Credits Upbringing in Immigrant Family For Giving Her Drive For Success

By Brian Lee

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Carol C. Villegas said she finds her work as a litigation partner in the New York office of Labaton Sucharow personally satisfying, since she often represents clients who are symbolic of her father, a blue-collar union worker for a phone company for more than three decades.

Villegas and her Legal 500 firm primarily file securities class actions on behalf of investors that allege they were harmed by fraud, with the majority of her clients being pension funds and unionized retirement systems.

"We're helping a lot of people who rely on their pensions in order to retire," Villegas said.

Villegas spoke of a litany of negotiated settlements and ongoing litigation that are near and dear to her.

In July 2022, Villegas served as lead counsel in a federal suit in Manhattan against Nielsen Holdings, a company that sells data that it aggregates. The claim alleged the company misled the market about the strength of its business and its compliance with the general data protection regulation. After surviving a motion to dismiss, and with the case headed into discovery, a \$73 million settlement was negotiated.

In the same court in 2021, Villegas helped secure \$39 million in recovery for investors of World Wrestling Entertainment.



Photo: Ryland West/ALM

### Carol Villegas, partner at Labaton Sucharow LLP.

It had been alleged WWE misled the market about a lucrative media deal it arranged in Saudi Arabia, a new market for professional wrestling.

Namely, WWE's brash and colorful co-founder Vince McMahon stood accused of trading on non-public information, to the tune of more than \$200 million to his benefit.

"That was a super interesting case," Villegas said. "As you can probably imagine, we sue companies in all sorts of industries, and we're required to become experts, for whatever company we're suing. So I was watching wrestling videos and all sorts of things to try to understand how WWE makes money—and they've made a lot of money



**Carol Villegas.**

Photo: Ryland West/ALM

expanding into other markets, including Saudi Arabia.”

In 2019, Villegas argued to the Ninth Circuit Court of Appeals to revive a securities class action against identity theft company LifeLock that accused it of misleading the market about the near real time alerts it provides. The case, originally dismissed early on in a lower court, was settled for \$20 million.

Villegas’ work also resulted in a \$27.5 million settlement with the DeVry Education Group, which was accused of providing misleading information to its students and investors about student outcomes such as rates of securing jobs upon graduation, and the grads’ starting average salaries.

“They were using this information to both entice a lot of low income folks to go to their for profit university, but also to entice investors to invest in the company,” Villegas said. “We were able to find a whistleblower who provided information to us that showed that the company was lying. It’s hard

to see both consumers and investors being harmed, but this is one of those cases where we were able to get justice for them as well.”

Another case to look out for is Villegas’ representation of consumers in ongoing litigation in federal court in California against Flo Health Inc., the maker of a women’s reproductive health-tracking app.

“This is a little bit outside of the typical securities (claims) that I do,” Villegas said, “but the case was really meaningful to me because we learned that Flo Health was (allegedly) sharing very personal data about pregnancy and periods with marketers such as Meta and Google and another company called Flurry,” who are also named defendants.

The case has been ongoing for about three years—well before the Supreme Court of the United States’ landmark decision in *Dobbs v. Jackson Women’s Health Organization*, the high court’s overturn of the enshrinement of a women’s right to choose in 2022.

The case against Flo Health is in the expert discovery/class certification stage.

Said Villegas: “We’re really creating law around these issues, because the allegations that we’re bringing are essentially wiretapping allegations—we’re using the wiretapping statute in a very new and innovative way. And what we’re saying is that Meta and Google, essentially, were listening in on a conversation that this woman was having with the app. We survived the motion to dismiss, which was great, but I think the real test is going to come now that we’re trying to get the class certified.”

Bret Parker, executive director of the New York City Bar Association, said Villegas “represents the very

best of the legal profession—she is an outstanding litigator, understands the importance of giving back and knows that lawyers have a special role to play when it comes to pro bono and diversity efforts. She brings the same high level of creativity and enthusiasm to all aspects of her practice and public service.”

Villegas, 46, became the youngest litigation team leader at her firm, just before she had turned 40. She calls it a huge responsibility.

“At our firm, there are only three teams and probably 10 to 15 attorneys working in each team, and it’s usually a role reserved for very senior, historically male partners, so it’s pretty exciting,” she said.

Also a member of Labaton Sucharow’s executive team, Villegas credits the firm for being “diversity-forward.”

As such, Villegas said she’s proud of her heritage as a first-generation Colombian-American.

Her parents immigrated to New York to chase the “American Dream,” and they instilled a focus on education on their children: Villegas’ two sisters are both doctors.

With Spanish the family’s primary language, Villegas said she didn’t learn English until first grade.

Being bilingual, she said, has served her well in her career.

Villegas was the only Spanish-speaking assistant prosecutor during her time in the Staten Island District Attorney’s Office.

And when Villegas worked for inMotion—now called Her Justice—as a volunteer attorney, helping victims of domestic violence in its Bronx office, she said most of the victims primarily spoke Spanish.

“It’s been really wonderful to be able to use that in my career,” Villegas said. “And I have two kids and I’m making them learn Spanish, to read and write, even though they push back on me. I feel like it’s important in order to continue the tradition and the culture.”

Villegas grew up in Queens and is a graduate of New York University School of Law.

She said her parents’ struggle with English influenced her decision to become a lawyer.

“They were asking their eight-, nine-, 10-year-old child to help them with matters of importance, because we didn’t grow up with a lot of money,” Villegas said. “I really appreciated the fact that my parents trusted me to help them—and we would get results:

“I’d call the phone company and explain the situation and they would reverse a charge, or we’d write a letter. I found it very rewarding to be able to help them in that way. And I love to read and write, and it was just a natural place for me to go law school because, for me, just seeing lawyers, even on TV—they’re always the people who are there to help, or to help facilitate some kind of recovery or resolution.”