

Securities Group Of The Year: Labaton Keller

By **Madison Arnold**

Law360 (February 21, 2025, 4:00 PM EST) -- Labaton Keller Sucharow LLP continued its work battling big-name companies in corporate fraud cases last year, including securing a \$200 million settlement for the Boston Retirement System against Uber Technologies Inc. for allegedly misleading investors, earning the firm a spot among the 2024 Law360 Securities Groups of the Year.

Despite the massive settlement, partner and firm general counsel Michael P. Canty said the securities team is certainly not a "one-hit wonder." The firm's attorneys represent plaintiffs such as pension funds, asset managers and even unions in headline-making cases like its settlement with AllState Corp. and an ongoing battle with The Boeing Co.

"Our respect and admiration for our clients is mutual. I think they respect and admire us in the work that we do. When they're looking to hire a firm, when they have the largest loss ... they look to the best. They oftentimes will turn to Labaton Keller and ask us because they know that we provide a sound product with really, really good results, and we have that track record," Canty said.

In the Uber case, Labaton Keller attorneys served as lead counsel representing the Boston Retirement System. The case claimed that Uber's May 2019 initial public offering documents failed to disclose material facts concerning the company's "playbook" for illegally launching and operating its ride-hailing business, among other concerning actions, the firm said.

Those include the illegal misclassification of Uber drivers as independent contractors rather than employees, deficient safety policies that led to sexual assaults and other abuses, slowing growth, and massive restructuring and layoffs planned immediately following the IPO, Labaton Keller added.

To secure the settlement, which occurred last October, Labaton Keller attorneys had to defeat a motion to appeal class certification in the Ninth Circuit and overcome a request to block the depositions of 16 high-level Uber executives and members of its board of directors.

"At the end of the day, we make a difference, not only in the lives of our clients and their constituents and the retirees that we represent, but just keeping the markets protected and safe and as a safe investment. It's really incumbent upon plaintiffs' firms like ours to keep companies accountable and keep our markets as efficient and fair as possible. And that is really motivating," said Jonathan Gardner, the firm's managing partner and head of litigation.



In December 2023, Labaton Keller attorneys were able to secure a \$90 million settlement on behalf of a Northern California carpenters union against insurance giant Allstate and some executives. The case accused the insurance company of making false and misleading statements or omissions with respect to the cause of a large spike in the number of claims filed against insurance policies, the firm said.

Labaton Keller's attorneys litigated the case for more than five years, overcoming a motion to dismiss in February 2018 and securing a class certification in December 2020.

Canty credits the firm's success in the Allstate matter to its willingness not to settle early.

"We pushed the case so far that counsel that was originally on the case was relieved. They brought in trial counsel because they knew our threat of wanting to go to trial was real," Canty said. "When we say we settled on the eve of trial, we really did. ... I think it was our willingness and the understanding from the trial counsel that the defense hired that we were serious about going to trial. That was not an empty threat, and we were able to get an outstanding recovery."

While still ongoing, Labaton Keller saw some progress this year in its litigation against Boeing. The firm is serving as co-lead counsel representing the State of Rhode Island Office of the General Treasurer on behalf of employees of the state retirement system

Partner Carol C. Villegas said the case has survived a motion to dismiss, but added that it's still on her mind "every minute of every day" because it could go to trial as early as the end of the year.

The case claims the aviation giant made false or misleading statements about security practices in light of multiple crashes in 2018 and 2019 that killed hundreds of people.

"Investors lost a tremendous amount of money, not to mention this is an airline company. They're not making shirts. We have to make sure that we keep companies like Boeing accountable, and make sure that they are producing safe planes, making it safe for travelers, but also safe as an investment for our clients," Villegas said.

She added that her clients are very passionate about the case and implications it could have for everyone who flies. Representing clients like Rhode Island is what Villegas said she loves most about working on Labaton Keller's securities practice group, which is made up of about 50 attorneys, mostly based in New York, according to the firm's website.

"Maybe the thing I love the most is our clients. I say this sincerely because we represent retirement systems and labor unions and large asset managers who lose money because of fraud, and we are able to get the money back for them. My dad was a member of a union. They actually paid for my books in college. I feel like this is just the perfect way for me to give back to those people who work really hard in order to save up for their retirement and just be able to protect them," Villegas said.

--Editing by Kristen Becker.
