STEPTOE & JOHNSON

WHITE COLLAR WINNER

STEPTOE & JOHNSON PARTNER REID

Reid Weingarten kept a goal in mind when negotiating with federal prosecutors in 2016 to settle criminal charges against its client Volkswagen AG: Survival.

Since March 2016, Steptoe’s white-collar criminal defense group, including Weingarten, has served as lead counsel for the German automaker in the DOJ’s high-profile criminal investigation arising from the company’s emissions cheating scandal.

Weingarten, a former DOJ prosecutor himself, said he argued in negotiations with government lawyers that they should not impose a penalty that might bankrupt Volkswagen.

“The worst-case scenario Volkswagen faced was the prospect of not being able to do business in the United States or even worse,” he said.

Last January, the DOJ announced the deal under which Volkswagen agreed to plead guilty and pay a criminal penalty of $2.8 billion. But the government indicated—at a court proceeding where the plea was entered—that it could have sought a penalty of up to $34 billion.

“But through much effort, compromise and open-mindedness on both sides, and an acknowledgment by the Department that Volkswagen should survive, we reached this settlement,” said Weingarten, speaking from Puerto Rico at the start of a bribery trial.

“They did an excellent job,” said Manfred Doess, general counsel at Volkswagen AG. “They were successful because they understood the case from the perspective of the prosecutors,” he said. “We needed to secure a successful outcome to put the diesel matter behind the company in the U.S.”

Steptoe is best known for its federal white-collar criminal trial practice, said Washington, D.C., partner Brian Heberlig, who chaired the white-collar criminal defense group in 2016. Securities and accounting fraud and public corruption have been some of the firm’s most prominent cases, he said.

“We are fundamentally a trial group,” Heberlig said. “We have a regular stream of federal criminal trials and our track record in those cases has been very strong.”

“We’ve won a lot more than we’ve lost and that’s not always possible to say in this line of work. Government has major advantages in litigating federal criminal cases.”

Among its wins in 2016 is a case involving Steptoe’s representation of Fethullah Gulen, a Turkish scholar living in Pennsylvania. In June 2016, a federal district court dismissed a lawsuit against Gulen, which had been filed at the behest of the Turkish government alleging that he caused three individuals to be improperly prosecuted for crimes in Turkey.

Steptoe continues to represent Gulen as he fights against extradition, denying claims that he helped orchestrate an attempted coup in Turkey.

In July 2016, Steptoe secured a unanimous jury acquittal for ex-Acclarent CEO William Facteau on 14 felony charges brought by the government in a trial over off-label marketing allegations. The same jury convicted Facteau on 10 strict liability misdemeanors. Steptoe has moved to set aside those convictions.

Weingarten, the lead lawyer for Facteau, said he was jubilant about the felony dismissals. Facteau expressed gratitude.

“I thought this would be a fair fight and that’s just not the case—the government has a huge advantage,” Facteau said. “So having someone like Reid and Steptoe to shepherd you means you’ve got a fair shot.”

—LISA HELEM

firm facts

Name: Steptoe & Johnson
Founded: Washington, D.C.
Total Number of Attorneys: 477
Litigators as percentage of firm: 50 percent
Litigators as percentage in DC: 38 percent
Ligitation partners firmwide: 78
Ligitation associates firmwide: 90
D.C. Litigation Partners: 36
D.C. Litigation Associates: 44
D.C. Litigation other attorneys: 30

keys to success

■ Trust your instincts and know when to take chances.
■ Surround yourself with a deep and talented team, draw upon their different viewpoints and strengths and give them opportunities to help you win.

—BRIAN HEBERLIG