

Stone Pigman's Litigation Team Successfully Defends \$100 Million Securities Case

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Stone Pigman Walther Wittmann L.L.C. secured a summary judgment in favor of firm client Consulting Service Group, LLC (CSG), an investment consultant, in a lawsuit pending in federal court in Baton Rouge, Louisiana. The ruling was the culmination of five years of litigation that involved complex jurisdictional issues, proceedings before the United States Fifth Circuit Court of Appeal, and extensive discovery efforts.

CSG was retained by the plaintiffs to make investment recommendations. One such recommendation was a combined \$100 million investment in a hedge fund managed by Alphonse "Buddy" Fletcher, Jr. After the financial crisis, the hedge fund failed and the plaintiffs could not redeem their investment or the profits they had earned on the investment. In 2013, the plaintiffs filed a lawsuit seeking to recover their losses against CSG and other defendants, including Buddy Fletcher and his company Fletcher Asset Management. The plaintiffs alleged that other defendants violated state securities laws and engaged in fraud and that CSG was liable in contract because it failed to properly evaluate the investment.

CSG filed a motion for summary judgment seeking to dismiss the plaintiffs' contract claim. CSG argued that the claim was in actuality a tort claim, not a contract claim as the plaintiffs contended. CSG further argued that the claim had not been filed timely under Louisiana law. United States District Court Judge Shelly Dick granted summary judgment on that basis and dismissed the claim against CSG six weeks before a jury trial was set to commence.

The Stone Pigman litigation team was led by attorneys Michael Walshe, Paul Masinter and Nicholas Wehlen. Other firm attorneys assisted on the case, including Douglas Cochran and Gary Langlois, Jr.

"Whenever a claim is dismissed on summary judgment, that's a best-case scenario for our clients because they avoid the cost and risk of trial," said Michael Walshe, Chair of the Stone Pigman Management Committee. "We are thrilled that this case was resolved favorably for CSG."

According to CSG's Manager, Rick Nummi, Stone Pigman has represented CSG for nearly a decade in complex litigation matters. "We're pleased with the Court's ruling and appreciate the time and effort Stone Pigman put into defending our firm," Mr. Nummi said.

ATTORNEYS

Douglas J. Cochran

Paul J. Masinter

Michael Q. Walshe, Jr.

Nicholas J. Wehlen

CAPABILITIES

Business Litigation

Securities Litigation