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IN THE UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

WENDY B. DOLIN Individually and as Independent Executor of the Estate of STEWART DOLIN, deceased, Plaintiff, vs. SMITHKLINE BEECHAM CORPORATION D/B/A GLAXOSMITHKLINE, a Pennsylvania Corporation, Defendant.	}	No. 12 CV 6403 Chicago, Illinois April 3, 2017 9:20 o'clock a.m.
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VOLUME 12 A
TRANSCRIPT OF PROCEEDINGS
BEFORE THE HONORABLE WILLIAM T. HART

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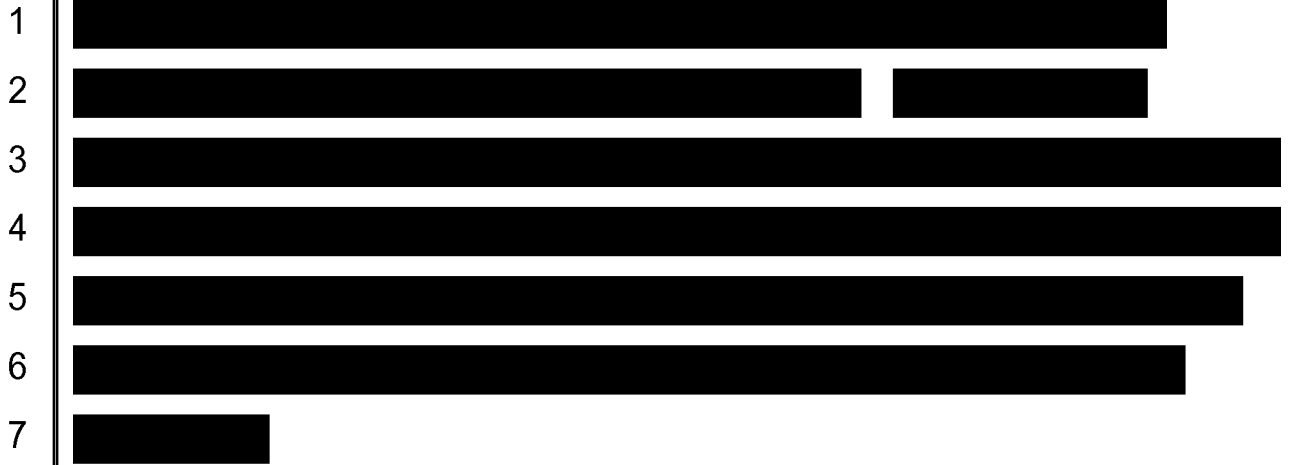
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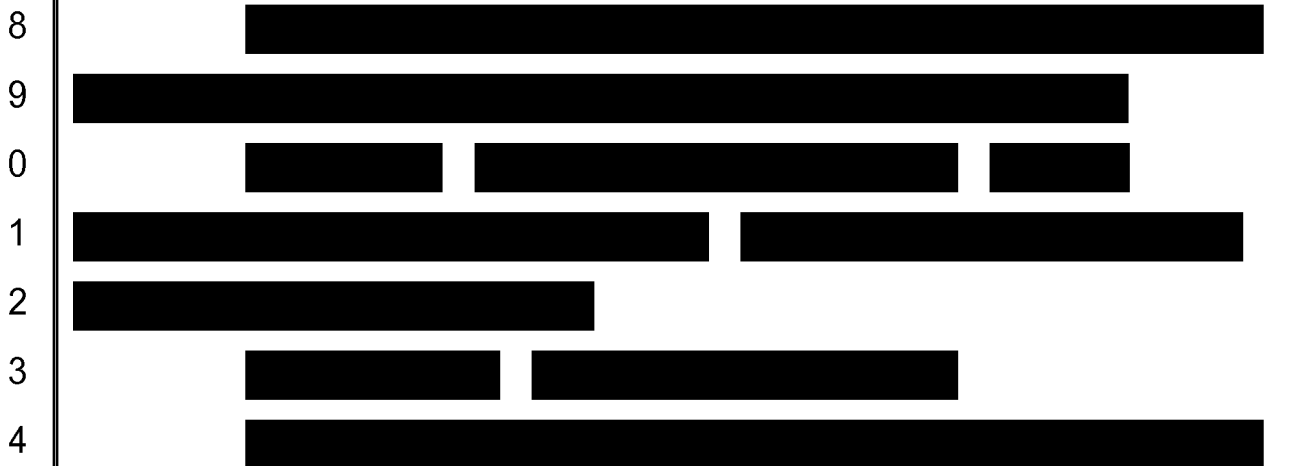
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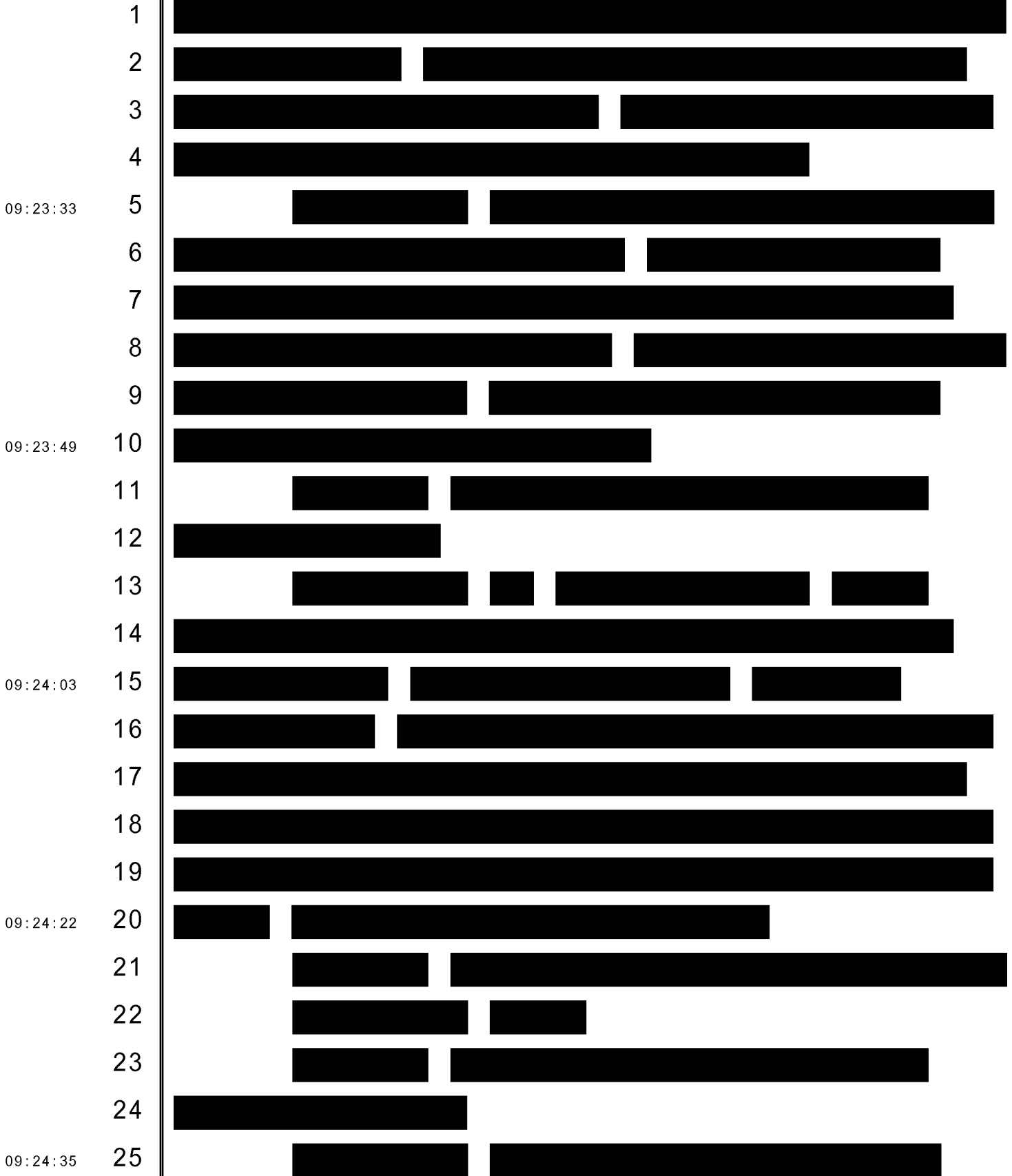


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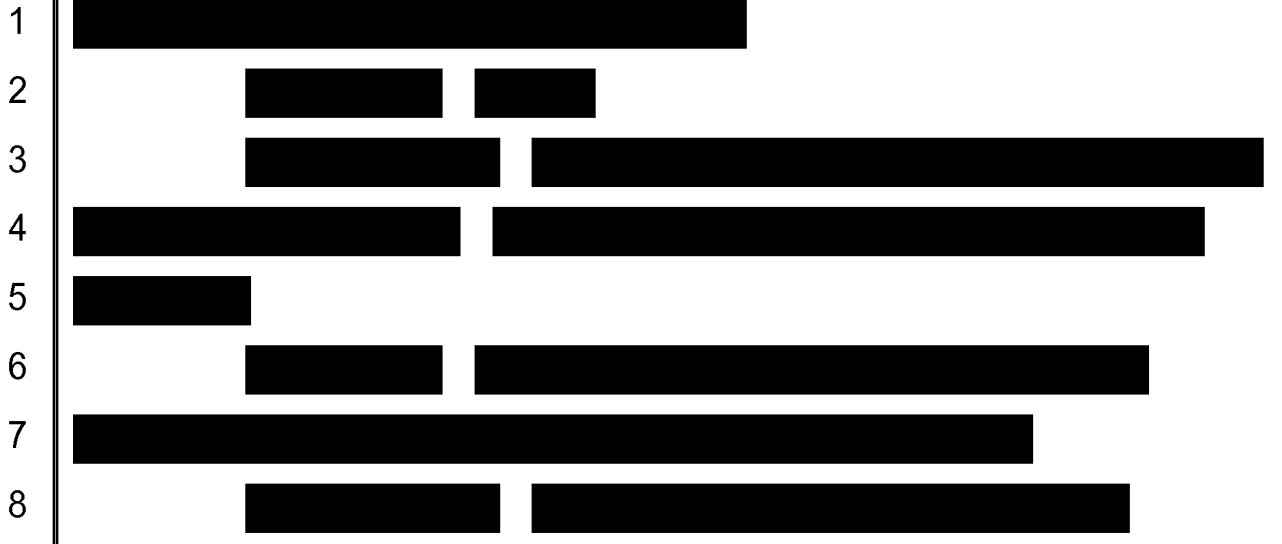
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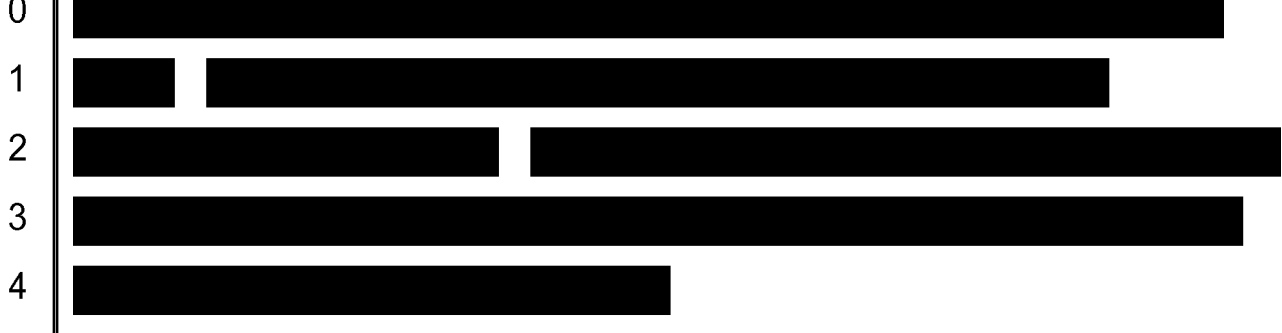
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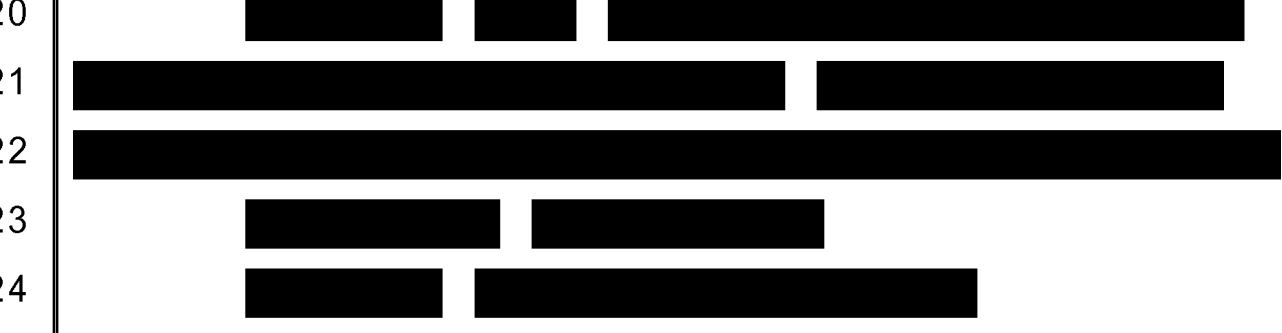
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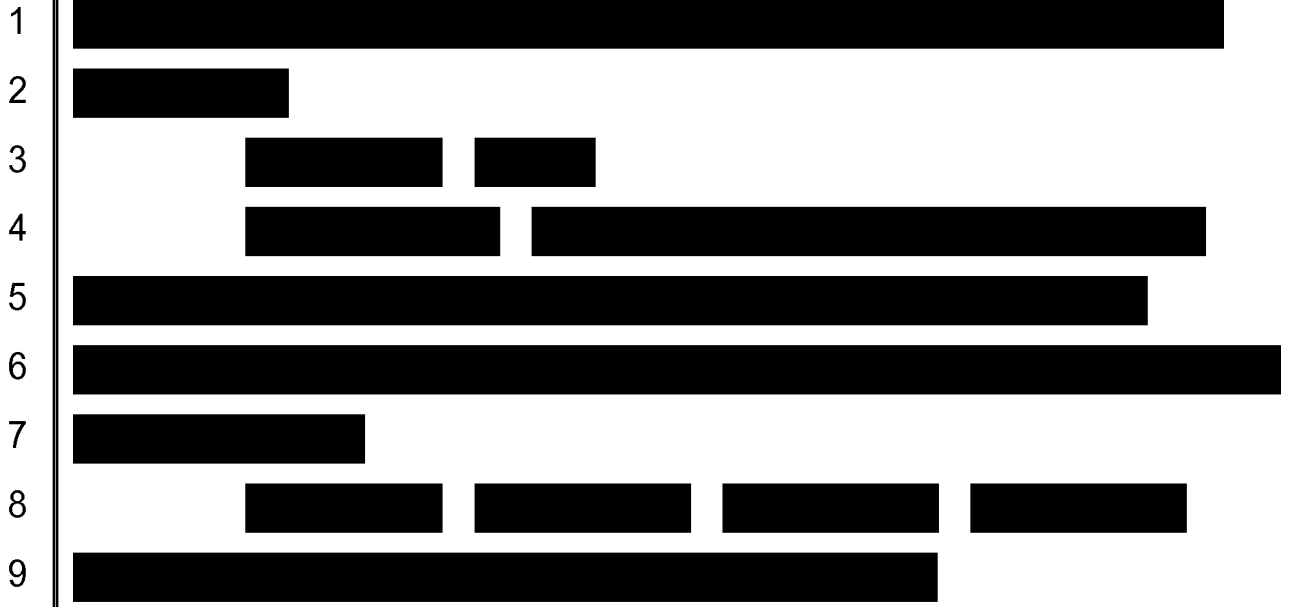


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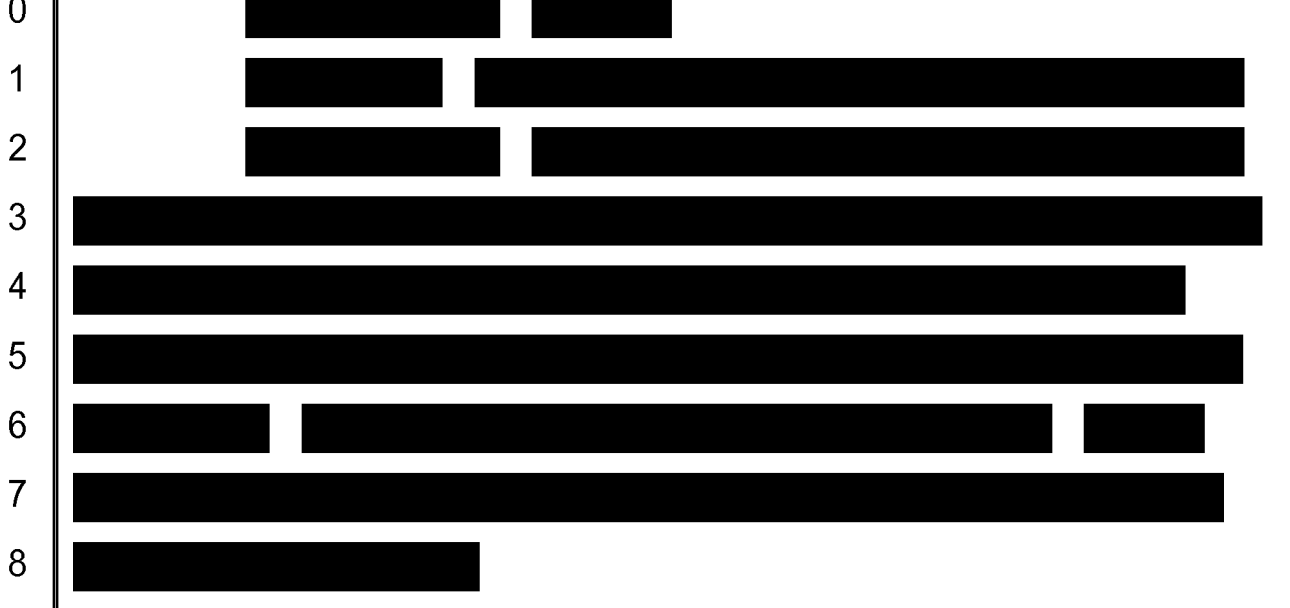


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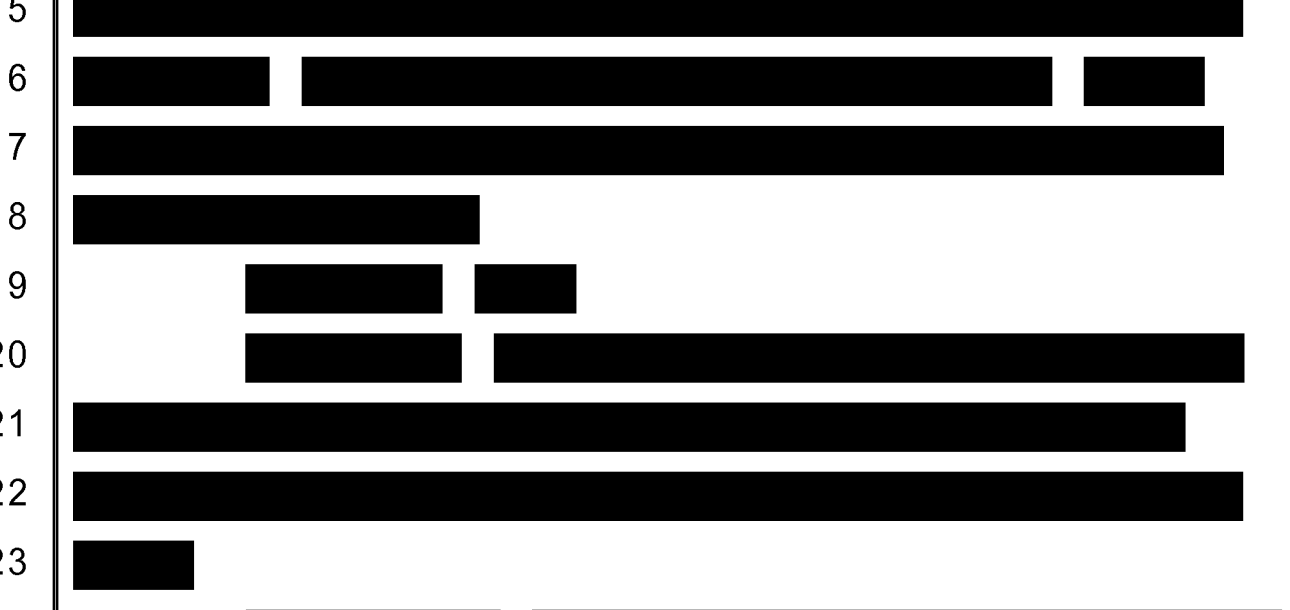
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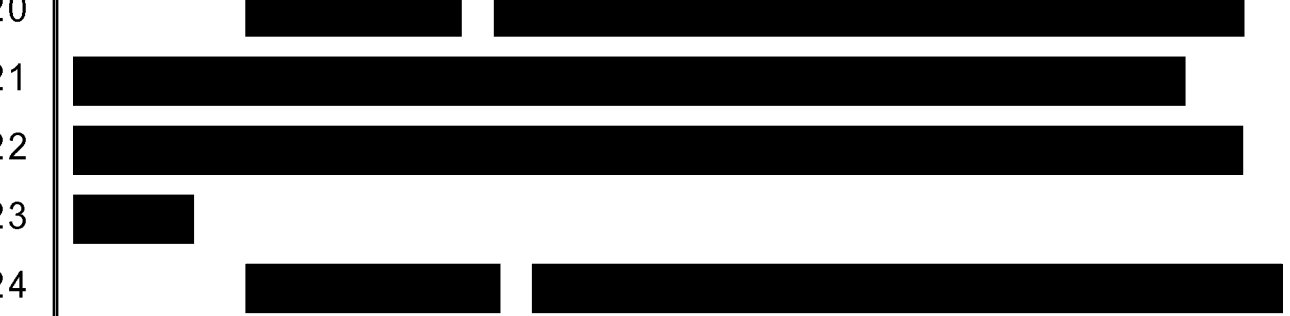
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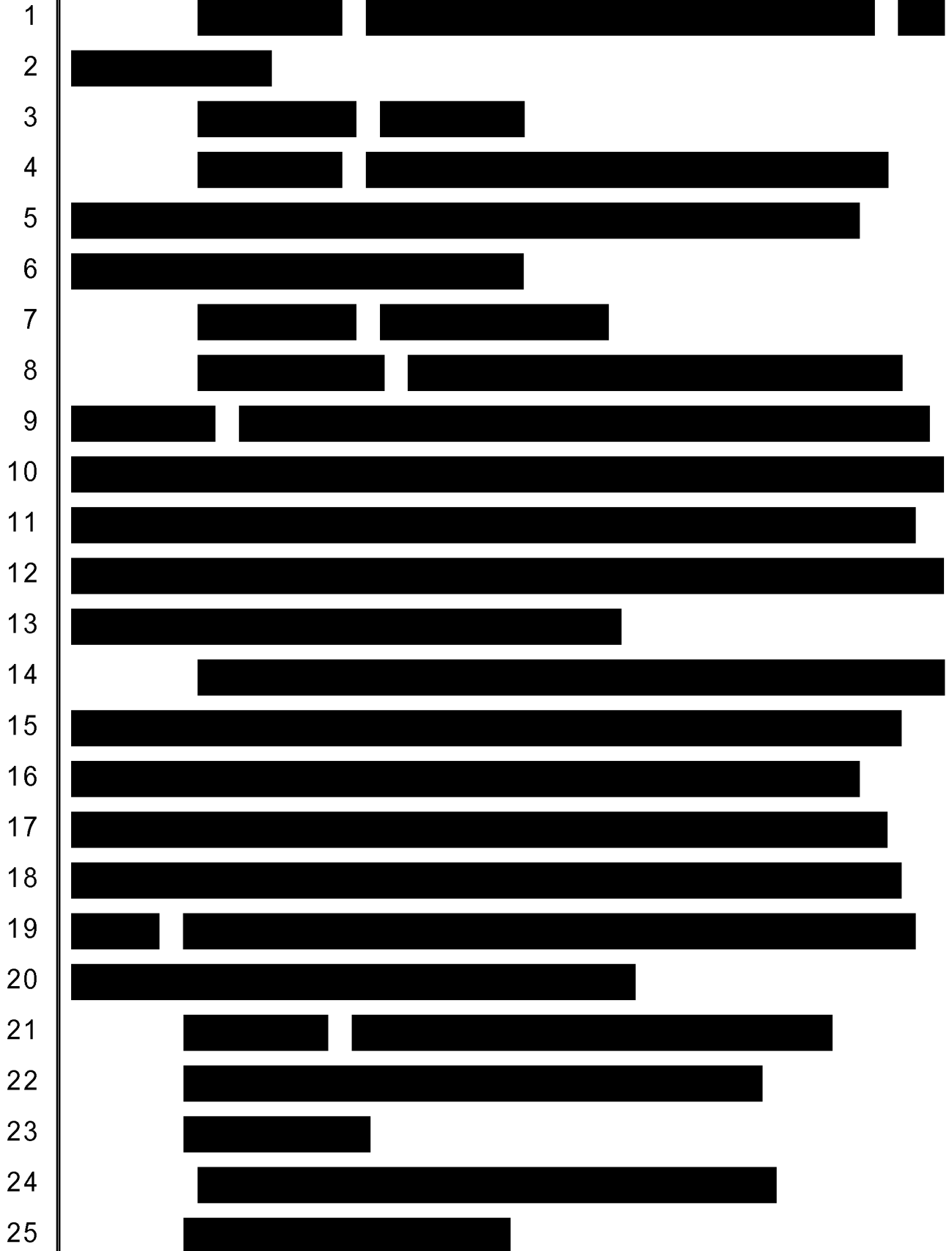
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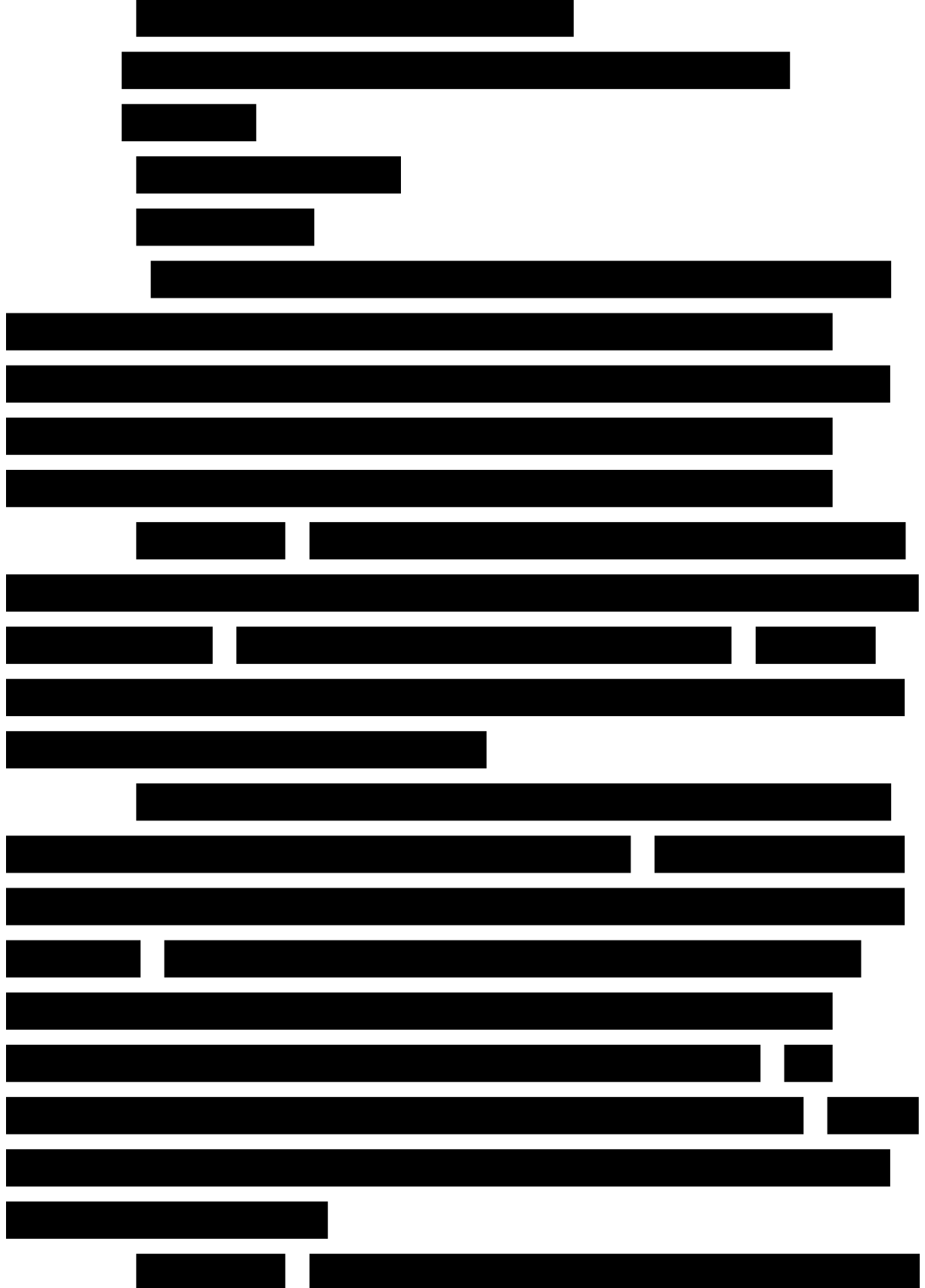
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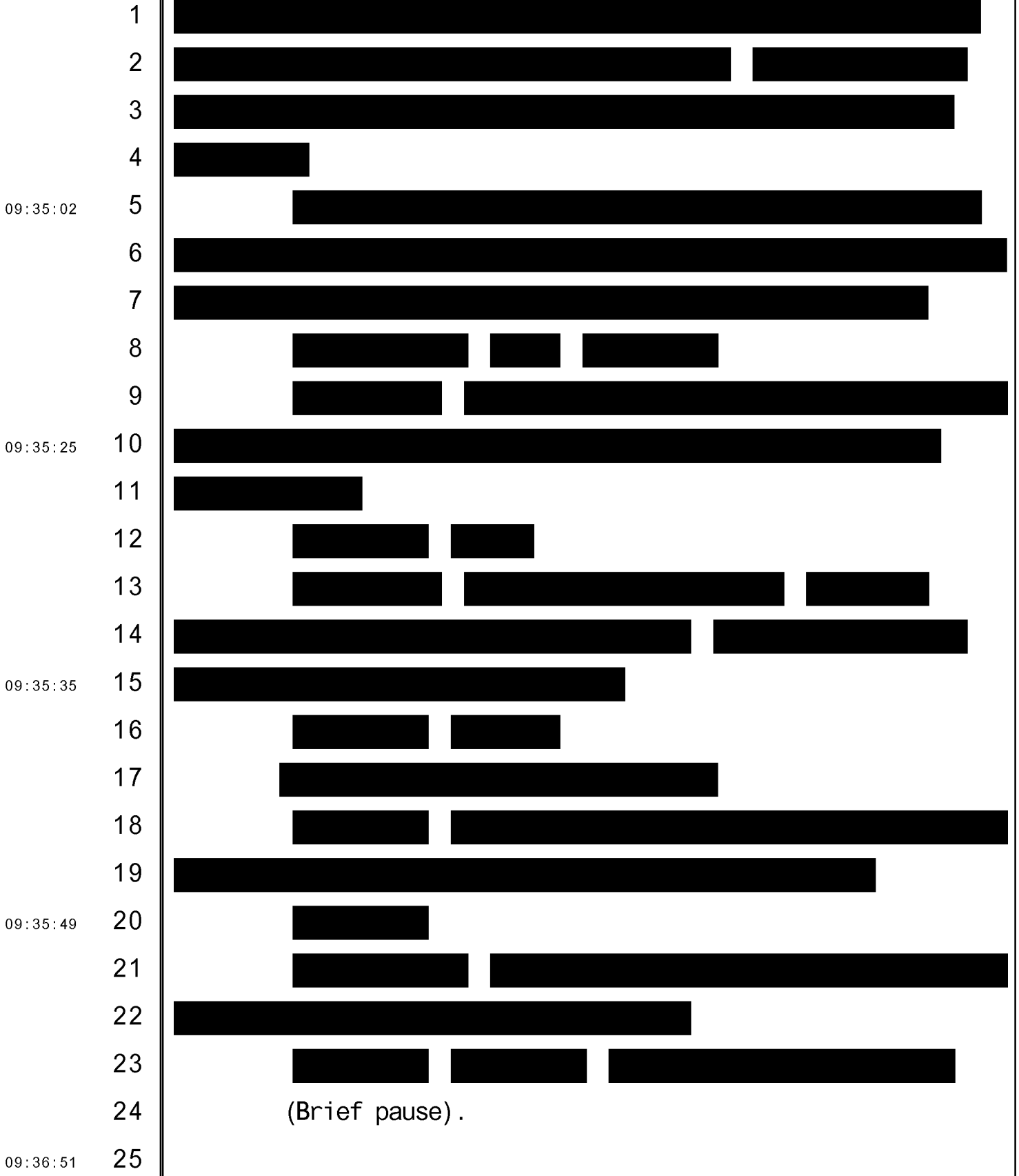
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1 (The following proceedings were had in the
2 presence of the jury in open court:)

3 THE COURT: Thank you very much, ladies and gentlemen.
4 Please be seated. We will resume.

09:37:17

5 You may proceed, sir.

6 MR. RAPOPORT: Thank you, Your Honor.

7 Good morning. The next witness is Michael LoVallo who
8 I believe is on his way into the courtroom.

09:37:30

9 THE COURT: All right. Sir, step up here, please, if
10 you will.

11 (Brief pause).

12 THE COURT: Please raise your right hand.

13 (Witness duly sworn.)

14 THE COURT: You may take the witness stand.

09:37:45

15 You may proceed, sir.

16 MICHAEL A. LOVALLO, PLAINTIFF'S WITNESS, SWORN

17 BY MR. RAPOPORT:

18 Q. Thank you very much. Good morning.

19 A. Good morning.

09:37:51

20 Q. Please state your name again.

21 A. Michael A. LoVallo.

22 Q. Where do you work?

23 A. Reed Smith.

24 Q. How long have you worked there?

09:38:00

25 A. It's been just over 10 years at Reed Smith, but before that

1 at our predecessor legacy firm, Chicago Sachnoff & Weaver,
2 another 21, so 31.

3 Q. All right. And when -- when was it that you met Stu Dolin
4 for the first time?

09:38:18

5 A. 1989.

6 Q. What were those circumstances?

7 A. Stu's smaller firm, Greenbaum Browne Cain & Dolin, had
8 merged into our Sachnoff & Weaver firm in 1989.

09:38:38

9 Q. Okay. And from 1989 until the time that he died, did you
10 and he continuously work together?

11 A. Yes.

12 Q. Let me take a step back then. You're an attorney
13 practicing law in Illinois?

14 A. Yes.

09:38:46

15 Q. When were you first licensed?

16 A. 1980.

17 Q. Do you have a specialty?

18 A. I concentrate on practice and wealth planning.

09:38:59

19 Q. And at what point did you join -- what firm were you with
20 when there was this merger that you described?

21 A. Which merger?

22 Q. The first.

23 A. Sachnoff & Weaver. I came to Sachnoff & Weaver in 1986.

24 The first merger, Stu's firm, was in 1989.

09:39:12

25 Q. Very good. When -- what is your current position at Reed

1 Smith?

2 A. I am Chicago office managing partner.

3 Q. And for how long have you been the Chicago office managing
4 partner of Reed Smith?

09:39:25

5 A. Since the merger with Reed Smith March 1st, 2007.

6 Q. And then going backwards in time, what was your position at
7 the legacy firm at the time of the merger?

8 A. I was president of Sachnoff & Weaver, which functionally
9 was called managing partner from 2002 to 2007.

09:39:47

10 Q. In these positions that you've held in management at the
11 legacy firm and the present firm, have you also continued to
12 practice lawful time?

13 A. I have.

14 Q. And please explain to folks how that works together.

09:40:04

15 A. Well, I'm very busy. And, you know, I'm serving my
16 clients. I probably look at my partners and colleagues in a
17 way as they're also my clients. I'm there to serve them and
18 help their practices and help them serve their clients.

19 Q. Okay.

09:40:23

20 A. But I probably spend now 75 percent of my time on my client
21 matters.

22 Q. So I want to go back in time and then hopefully we'll just
23 move forward from there to this moment when you first met Stu
24 Dolin.

09:40:42

25 Please describe what your relationship was at the

1 beginning and then carry that through the first few years after
2 that.

09:41:00

3 A. Sure. We were both young partners. I was a younger
4 partner than he by a little bit. Ah, we were -- Stu was a
5 corporate business lawyer. I was a wealth planning, estate
6 planning lawyer. Our practices were somewhat complimentary
7 because I -- we were both growing our practices at the time.

09:41:29

8 I was a person who had clients from my estate planning
9 sort of contacts who needed help with the business matters, Stu
10 had business clients who were wealthy, who needed help in
11 estate planning matters.

12 Q. At some point did you develop a personal friendship?

13 A. Yes.

14 Q. And when -- when, roughly, would you say that occurred?

09:41:42

15 A. You know I -- I can't say on a specific date. I would say
16 the friendship grew. It definitely probably accelerated, to
17 some extent. As our practices grew, we had more to do with
18 each other. I would say, though, for well over 10 years before
19 he died, you know, we were very close friends.

09:42:10

20 Q. Okay. And how frequent was your contact with Mr. Dolin in
21 the 10 years before he died?

22 A. It was very regular. Not necessarily every day, but I
23 would say in a typical week I would certainly see him once or
24 twice and probably talk with him, you know, more often than
25 that.

09:42:31

1 Q. So please tell the folks here, they've heard a lot of
2 evidence, but please tell the folks what he was like. They
3 haven't heard much about that yet.

09:42:59

4 A. Stewart was a very well-balanced, thoughtful, sort of kind
5 of a fun person, actually. He was a cheerleader for people.
6 You know, sometimes he would say to me that my role as
7 president, "why are you so dour." And he was energetic and
8 positive. He was a team builder, a coordinator, and a
9 collaborator.

09:43:19

10 Q. And how was he as a performer, and by that I don't mean
11 acting, but in whatever the law firm management valued, how was
12 he?

09:43:39

13 A. Stu was a very strong contributor. He had been on our
14 board of directors at the Sachnoff firm for many years.
15 Actually, it was he -- I had not been on the board of
16 directors, there was a sort of vacancy in our top management
17 and he's the one who first reached out to me to see if I would
18 be willing to do that.

09:43:53

19 So, he had been, you know, leader of the business
20 group at Sachnoff for several years prior to the merger. He
21 became first co-head of corporate securities, then head of
22 corporate securities, then the back to co-head of corporate
23 securities at Reed Smith, that's just American corporate
24 securities, U.S. And he was a strong contributor.

09:44:20

25 Aside from that, and I think more importantly, he had

1 a very strong practice, and a very consistent practice. You
2 know as practice grew, he had -- he had a relationship-oriented
3 practice with clients. They knew him personally, and he knew
4 them. It was a very high-touch practice.

09:44:42

5 Although, he did different kind of work, it was not
6 dissimilar from my kind of practice where there was a lot of
7 personal contact.

09:44:56

8 Q. Okay. In a little while we'll talk in more detail about
9 the last few days of his life and your involvement in that, but
10 before getting there I want to ask you some broad questions
11 about the period from the time you first got to know him until
12 before the last week of his life; okay.

09:45:21

13 So first question, during all your dealings with him,
14 did he appear to be down or depressed at any point in time?

15 A. Not particularly. You know, I think -- Stu was, I would
16 say, in general, more positive and -- and probably happier than
17 the average attorney.

09:45:49

18 Now, the average attorney sometimes gets annoyed, you
19 know, regularly about this or that, but he was a pretty
20 positive person.

21 So, I never really thought -- put it this way, when --
22 when you needed somebody to sort of deflate the intensity when
23 lawyers were debating, Stu was the person who would do that
24 often with humor.

09:46:05

25 Q. Were you aware in all of those years of any either mental

1 health counseling that he was receiving or medications that he
2 may have been on for mental health issues?

3 A. I was not.

4 Q. Now, let's talk before we get to that last few days, let's
5 talk a little bit about his earnings.

09:46:29

6 We've marked as Plaintiff's Exhibit 24 for our trial a
7 summary of Mr. Dolin's earnings that had been prepared by Reed
8 Smith that covered a number of years, as well as an e-mail
9 attached to it that went to you that summarized his last -- how
10 he was doing in 2010.

09:46:51

11 So you know the document that I'm talking about,
12 correct?

13 A. I think so, but may I see it?

14 Q. Yeah. Absolutely. So I'll have somebody bring you a copy.

09:47:10

15 (Document tendered to the witness).

16 (Brief pause)

17 BY MR. RAPOPORT:

18 Q. And while they're assembling that, do you recall a time
19 when you had asked for some earnings history information for
20 Stu?

09:47:20

21 A. Ah --

22 THE COURT: Is that going to be on the screen?

23 MR. RAPOPORT: It'll be on the screen.

24 THE COURT: For the jury?

09:47:30

25 MR. RAPOPORT: Yeah; absolutely.

1 THE COURT: Why don't you just go to the screen then.

2 MR. RAPOPORT: Great. I was going to move to admit it
3 into evidence.

4 MR. BAYMAN: I haven't seen it yet.

09:47:39

5 MR. RAPOPORT: It's Plaintiff's Exhibit 24.

6 Permission to --

7 (Whereupon, there was a conference had between
8 counsel off the record).

9 (Brief pause).

09:47:58

10 (Document tendered to the witness).

11 BY MR. RAPOPORT:

12 Q. You're familiar with that document?

13 A. I am.

09:48:10

14 MR. RAPOPORT: Your Honor, at this time I would like
15 to move Plaintiff's Exhibit 24 into evidence.

16 THE COURT: All right. It may be received.
17 (Plaintiff's Exhibit No. 24 was received in
18 evidence.)

09:48:18

19 MR. RAPOPORT: Thank you very much. We'll display it
20 then.

21 (Exhibit published to the jury.)

22 BY MR. RAPOPORT:

23 Q. Now, just so you get used to the technology in the
24 courtroom, you can look at this in one of two ways -- well, as
09:48:27 25 soon as they project it.

1 You can look at this one of two ways, either in paper
2 or --

3 A. This will be better (indicating).

09:48:36

4 Q. Yeah, paper is better. And we do have zooming
5 capabilities. So I hope it is also on your TV in case I zoom
6 to some things.

7 A. Okay.

8 Q. So, let's go ahead and talk about this a little bit. And
9 I'm just kind of zooming in on top.

09:48:47

10 What is this document?

11 A. It's a historical document with data about historical and
12 current compensation. It's done for each partner as part of
13 the data that is relevant as when compensation is being
14 determined. It's a historical look-back.

09:49:10

15 Q. Great. And I'm calling out, as you can see, some of this
16 in yellow. I'm just going to highlight a sentence here.

17 On the paper next to this, the numbers that I have
18 displayed here on the top line of this, say "actual
19 compensation," is that correct?

09:49:27

20 A. Yes.

21 Q. And to the best of your knowledge, based on how things work
22 over at Reed Smith, is this showing accurately a portion of the
23 compensation that was paid to Stu Dolin in the full years
24 indicated?

09:49:44

25 A. Yes. I'll just note for the record the 2005 and '6 numbers

1 were Sachnoff numbers. Reed Smith tried to do equivalency.
2 So, they were trying to put it in terms of Reed Smith numbers.
3 Sachnoff was a corporation, Reed Smith is a partnership, there
4 were some adjustments.

09:50:08

5 Q. So, and in looking at this, I'm just going to highlight
6 this other -- first of all, there's the label that said we were
7 looking at actual compensation, now I'm highlighting the
8 portion that says "bonus," do you see that?

9 A. Yes.

09:50:25

10 Q. And in order to get at Mr. Dolin's earnings in each of
11 these years, would it be appropriate to add the top line Actual
12 Compensation with the bonus and then come up with the full
13 compensation figure?

14 A. I think so, yes.

09:50:45

15 Q. Okay. Great. What is this Budgeted Compensation all
16 about?

17 A. Budgeted Compensation is, you know, the firm has to do a
18 budget in advance of at the beginning of the year, you know,
19 before it notes how it's going to actually do a year later.

09:51:06

20 You know, people are put in bands of compensation. It
21 does not mean that somebody is going to receive exactly that
22 amount, but it sort of means that relative to everybody else,
23 that's where -- what they would expect to get. If we're over
24 budget, they're going to get more automatically; if we're
25 under, less.

09:51:24

1 And so it's sort of -- you know, it could equate to a
2 percentage, but it's affected by all the other movements of all
3 the other partners up and down, you know, as well.

4 Q. And let's talk about this idea of partner for a moment.

09:51:42

5 At Reed Smith, toward the end of Stu Dolin's life,
6 were there more than one type of partner?

7 A. Yes.

8 Q. How many?

09:51:59

9 A. Essentially two equity partners and fixed share partners,
10 there is also something called the salary partner, which is a
11 very limited group of people, older people.

12 Q. Okay. And which is the higher rank then?

13 A. Equity partner.

14 Q. And is an equity partner an owner, shareholder --

09:52:15

15 A. Yes, that's what it means, you own equity in the firm.

16 Q. And you're sharing profits or losses?

17 A. You're sharing profits, you're sharing risk.

18 Q. So let's just look down. We have other categories here
19 that says "Working Attorney," and it says "Matter Originating
20 Attorney," and it says "Client Responsible Attorney," and it
21 says "Matter Responsible Attorney," a whole bunch of other
22 numbers on here. Are these numbers sort of the a metric that
23 the management tracks of things that are valued?

09:52:36

24 A. Yes.

09:52:54

25 Q. Is there a phrase of any validity to help people that don't

1 know how law firms work understand it by describing people as
2 finders, minders, and grinders?

3 A. That's not a phrase I use regularly. It's a phrase in the
4 literature.

09:53:11

5 Q. Okay. Is there any value to it in kind of explaining these
6 things that we're measuring here for folks that don't work in
7 law firms?

8 A. Is there any value? In terms of understanding?

9 Q. Yeah.

09:53:26

10 A. Okay. I would say a finder is an originator. We use the
11 term "origination" as a person who probably is most connected
12 to attracting and bringing in the business and the clients,
13 and, therefore, the money.

09:53:53

14 Minders are often -- and it is unfair to every
15 category to try to define people like this, but it's fair that
16 I'll try. Minders tend to be more people who are very good
17 lawyers who are, you know, more focused on doing a lot of work,
18 not as focused or perhaps not as successful in actually
19 bringing in clients.

09:54:14

20 And what was your third category?

21 Q. So grinders.

22 A. Well, okay. Yeah, a grinder is typically just somebody who
23 is almost entirely about the work. A minder would probably
24 have more client contact and more responsibility than a
25 grinder, but wouldn't be primarily the person who attracts the

09:54:33

1 business, it would be the finder.

2 Q. You --

3 A. Not my terms.

4 Q. Yeah. And I take it from what you're saying that these are
09:54:46 5 an oversimplification that tell a little but they're not --
6 they're really not, you know, great for capturing the essence
7 of what's happening in the law firm because people are all
8 working hard toward a common goal?

9 A. Yeah. I think each person contributes uniquely, and I
09:55:04 10 think that helps sort out the data, but it -- you know, it is
11 certainly not the whole story. I think you have to come back
12 and then really look at the essence of the contribution.

13 Q. Now, let's just talk for a while about this origination of
14 business. Is that sometimes called rainmaking?

09:55:23 15 A. It is.

16 Q. And in the world of a big law firm like Reed Smith or
17 Sachnoff before it, also a big law firm, how, from a
18 compensation standpoint, how is rainmaking valued, generally
19 speaking?

09:55:39 20 A. It's highly valued. You know, the reality is, you know,
21 nobody can get paid from the copy -- the person in the copy
22 room to the most successful partner unless there's money coming
23 in. So, you know, it's essential. It is not, you know, the
24 only thing that's essential, but it obviously is essential, and
09:56:06 25 very important.

1 And in general, while there are many people who are
2 successful at developing substantial business, they are
3 probably fewer in number than the group of people who are very,
4 very good lawyers who don't do that.

09:56:24

5 Q. In the years that Mr. Dolin was at Reed Smith, were there
6 very many people who weren't rain makers that were making a
7 million dollars --

8 A. No.

9 Q. -- or more a year?

09:56:38

10 A. No.

11 Q. So let's look at the rainmaker aspect of the exhibit that
12 we have here. I know there's some jargon, but which one of
13 these metrics do we pay attention to if we want to see how good
14 of rainmaker he was?

09:56:53

15 A. You would roll forward to MOA and CRL.

16 Q. Great. And so please, then, explain to us what these
17 things are that we're looking at.

09:57:21

18 A. They're really related. You know at Sachnoff we really had
19 one category, it was just called origination. The CRL in our
20 Reed Smith system, as a rule, predominant role, there is only
21 one CRL per client no matter how large the client. We do that,
22 in part, for administrative reasons so that there's one person
23 responsible for billing them, collecting them, dealing with
24 potential ethical conflict situations that could arise. So
25 it's a single person, so we have a single point of

09:57:46

1 responsibility for those important things.

2 It also, though, can represent, but you have to look
3 behind it, but it can represent the person who really is in the
4 client's mind the most important person to the client and why
09:58:07 5 the client is at the firm, not always, but, you know, most of
6 the time.

7 The matter of origination is similar but, you know,
8 sometimes you'll have a client where you're doing multiple
9 things for them, and they look to 18 person for certain types
09:58:29 10 of matters who might be the expert and the one they would, you
11 know, really relate to for those things, and someone else, you
12 know, for others.

13 That is often shared and split, because it may be a
14 person brings in a client beyond his or her expertise, you
09:58:49 15 know, is able to effectively have the client want to use the
16 person to whom he introduces the client in this other type of
17 law, and together they share that origination.

18 Q. And is the term "Book of Business" sometimes used to refer
19 to how much business a lawyer originates?

09:59:10 20 A. It is.

21 Q. So when we look at these two parameters that you've told us
22 about in the years that we're looking at, from 2005 through
23 2009, what do these parameters tell us, in rough terms, about
24 the size of Stu Dolin's book of business?

09:59:32 25 A. In general, Stu was thought to, you know, have consistently

1 around a 3 and a half million-dollar book. I mean, if you had
2 to, you know, say where he's at, obviously there's some
3 variability, but, you know, that would be typical.

09:59:55

4 Q. So it would not be correct to add the MOA and the CRL
5 because there's overlap in there?

6 A. No. No. It would not be correct.

7 Q. But what about, there's an outlier number here that I just
8 want to call out for a moment. There seems to be a 9.2
9 million-dollar figure on that, what's that all about?

10:00:12

10 A. You know, I -- I don't know what it is, but I would be
11 pretty sure if you compare that to the MOA in that same year,
12 what that probably is is a large matter, a matter to my guess
13 is a litigation matter, which was for one of Stu's clients
14 where he was that single person CRL, but he was not getting
15 much, if any, of the origination because the matter involved
16 something that Stu wasn't involved in.

10:00:40

17 Q. Okay. So with roughly 3 and a half million-dollar book of
18 business, a lawyer could start a law firm and employ several
19 other lawyers, legal assistance, and the like, is that the
20 case?

10:01:01

21 A. Absolutely. Yes.

22 Q. Let's talk a little bit -- and throughout the time that you
23 worked with Stu, he could have formed his own law firm, but he
24 chose to continue working on a team, didn't he?

10:01:12

25 A. Yes.

1 Q. And that's a similar choice that many of you who are at the
2 high levels of Reed Smith and other similar law firms have a
3 similar choice that you make?

4 A. Absolutely.

10:01:26

5 Q. Many benefits to that, I would think?

6 A. Well, I think, number one, it's driven by the benefits to
7 your clients. I mean, you -- you -- there are a lot of areas
8 of complexity, you know. No one person or even small group can
9 -- can be fully knowledgeable and effective in all areas.

10:01:49

10 And so -- and I think when you have a large number of
11 lawyers who, therefore, have the opportunity to concentrate the
12 practices more, they become much more experienced and expert,
13 if you will, in what they know. And so you can offer that
14 expertise, provide higher value to clients, justify higher
15 rates and profit as a result.

10:02:12

16 Q. Now, one of the topics that's covered by the partnership
17 agreement at Reed Smith is when an equity partner stops being
18 an equity partner if they age out, correct?

19 A. Uh-huh.

10:02:30

20 Q. And what is that age-out age?

21 A. Under the partnership agreement you can be an equity
22 partner through the calendar year in which you turn 70. So Stu
23 was born in 1952, so his last year as an equity partner under
24 the agreement would have been 2022.

10:02:53

25 Q. And when people reach that age, if they're still

1 practicing, does the agreement that you mention give the
2 executive committee of the law firm some discretion to keep
3 people on in a different capacity?

4 A. Yes.

10:03:07

5 Q. Please tell the folks about that.

6 A. Ah, it's sort of mutual between the lawyer and the firm and
7 based on what the lawyer wants to do and the level of
8 productivity.

10:03:22

9 I work, frankly, closely with a partner who is
10 88 years old, and is very, very productive; that's an outlier.
11 But, you know, people do go on into their 70's as long as they
12 want to be productive and continue on. They can be counsel,
13 senior counsel, fixed share partner, salary partner, you know,
14 there's different categories depending on what the right fit
15 is.

10:03:46

16 Q. And with respect to the agreement, is there a limit on the
17 amount the executive committee can pay in compensation to an
18 attorney who stays on after they are 70 and out?

19 A. There is no limit. No official limit.

10:04:07

20 Q. Okay. Now, let's go ahead, then, we've talked about
21 origination, and so hours worked is a little bit different
22 concept, right? That's the billable hours that you did
23 yourself?

24 A. Yes.

10:04:24

25 Q. And --

1 A. Well, I'm looking for it on here.

2 Okay, "chargeable hours" is the work you did for
3 clients.

4 Q. So that would be under "working attorney"?

10:04:37

5 A. Yes.

6 Q. Right here, "chargeable hours."

7 Now, what is the relationship normally between an
8 equity partner at Reed Smith's billable hours where the equity
9 is a rainmaker versus when the equity partner isn't?

10:04:55

10 A. There's no strict correlation. I think equity partner --
11 the expectation of equity partners is somewhat less in terms of
12 chargeable hours. It's as high or higher in terms of total
13 hours because they're being devoted to both business
14 development and client management, much of which is not
15 billable. Now, if -- you also have a management role, then
16 your hours would definitely be less.

10:05:22

17 Q. And let's take a look at this data under "Chargeable
18 Hours," I'm going to light it up.

19 So we can all eyeball that and see the 5 years from
20 2005 to 2009. And before asking the next question I should put
21 a footnote on this, which is he passed away, as we all know, on
22 July 15th of 2010, so there is no full year data available for
23 2010 on Stewart, correct?

10:05:46

24 A. No full year data.

10:06:02

25 Q. We have partial year data and we'll get to that. That's on

1 this exhibit in another page.

2 But what we're looking at are the 5 full years before
3 his death on this, right?

10:06:20

4 Now, here we see that in 2009 he worked by several
5 hundred fewer hours than what appears to be an average for the
6 4 years before that for billable chargeable hours, correct?

7 A. Yes.

10:06:40

8 Q. And when we look at the column right below it, he increased
9 by a similar amount or more the number of hours that he was
10 working that were nonchargeable, correct?

11 A. Yes.

12 Q. Would it be fair to say that in 2009 Stu Dolin worked
13 full-time whether he was billing it out or working for the firm
14 in management?

10:06:58

15 A. Yes.

16 Q. And do you see, in eyeballing the two columns, "chargeable"
17 and "nonchargeable hours," do you see any material difference
18 in the effort that he was putting forth for the law firm in the
19 5 years before he died?

10:07:16

20 A. No.

21 Q. And are the amount of hours that we're staring at
22 substantial by anybody's measure?

23 A. Yes.

10:07:31

24 Q. I wanted to ask another question, am I correct that there's
25 a provision in the partnership agreement that says that to fire

1 an equity partner it takes 75 percent vote of all the equity
2 partners in the law firm?

3 A. Yes, at least -- at least that was true in 2010.

10:07:52

4 Q. Okay. So, roughly, how many lawyers are we talking about
5 that -- that were equity partners in 2010?

6 A. It would've been a little over 300.

7 Q. So it would take about 200 lawyers voting somebody out?

8 A. A little more than that.

9 Q. A little more than that.

10:08:06

10 And there was -- was there any such effort afoot with
11 respect to Stu Dolin at any time during his life in the law
12 firm?

13 A. No.

10:08:22

14 Q. Was there any threat of ever losing his job at the law
15 firm?

16 A. No.

10:08:36

17 Q. Let's go ahead -- well, first of all, let me make sure we
18 have touched upon, is there other important data on page 1 here
19 for purposes of folks understanding in the metric that the
20 management used how Stu Dolin was doing and what he was earning
21 in the 5 years before he died?

22 A. No, I think it's complete.

23 Q. All right. Then let's go on to the next page.

10:08:57

24 Here we can see at the top of this, this is an e-mail
25 from Mr. Michael C. Lynch to you that was sent on September

1 22nd of 2010.

2 Does that refresh your recollection about how you came
3 into getting this information?

4 A. It does.

10:09:15

5 Q. What was the background on that?

6 A. I was helping Stu's widow handle the affairs of his estate.
7 This was 2 months after he died and Wendy Dolin asked for this
8 information and we got it for her.

10:09:42

9 Q. Okay. And so the first part of this, which talks about
10 compensation history, that's really summarized on the other
11 page and we've kind of gone through that already, would you
12 say?

13 A. Uh-huh.

10:10:00

14 Q. So let's look then at this information down here. I'm just
15 going to blow that up for a minute.

16 And what I'd like you to do is just explain to us what
17 we're looking at and comment about what kind of year on the
18 metric that the law firm valued Stu Dolin was having in 2010.

10:10:23

19 A. Stu was having -- he was having a very strong first half of
20 the year, no question. You know, he was annualizing it at over
21 5 million in CRL, you know well over 3 on MOA. Usually, not
22 always, because I don't know what particularly may have been
23 behind these numbers, but typically the second half of the year
24 is a little stronger than the first half in a law firm just
25 because of the way we tend to collect money, getting it in by

10:10:50

1 the end of the year, but this was a very strong 6 months.

2 "WAR" is working attorney revenue, that's the work for
3 what the lawyer actually does and bills for his or her labor.

4 You know, that was fine, that was stronger too, but really the
5 origination numbers were very positive.

10:11:09

6 Q. Okay. Now, at the bottom it talks about the blue book
7 page, and that's the thing that we looked at first, isn't it?

8 A. Yes.

9 Q. Okay. Now, going back to that blue book page, there were
10 some lower-looking numbers in some respects, I thought, in
11 2009, is that true?

10:11:29

12 A. Yes.

13 Q. And based on everything you know about Stu Dolin, and about
14 the economy, and about your law firm, what would account for
15 those lower numbers in that timeframe?

10:11:45

16 A. Well, there was a recession. I think business activity,
17 you know, really, really slowed down the level of merger and
18 acquisitions. The frequency was a lot less, companies more not
19 taking risks. They were trying to sort of, you know, pull
20 back. I think financing and credit with the banks was very
21 much tightened up.

10:12:09

22 So, you know, business pulled back in that area
23 particularly. So that was part of it, a large part of it. So
24 I think in Stu's case, he was, as in his role, as practice
25 group leader for corporate and securities, was probably

10:12:37

1 spending so much more time than necessary in management, you
2 know, required to deal with a reduction in business and some
3 personnel issues related to that.

4 Q. Okay. So did Mr. Dolin receive a pay cut of some sort?

10:13:01

5 A. He received reduction in his band. His budget and
6 compensation, that would represent one band. Generally our
7 bands are roughly 10 percent apart. And so his expected
8 compensation was -- was reduced.

10:13:31

9 And -- and he -- now, it might've been -- you know, a
10 lot of people were reduced. In a year where there's a
11 recession, and the law firm, you know, didn't make its budget
12 in 2008, you know, we're all being reduced, because the total
13 budget for the law firm was going to be less projected at that
14 point too. So, yeah, he did receive a reduction.

10:13:53

15 Q. Now, was that reduction in band some sort of personal to
16 him or was this a more widespread thing because of the economic
17 factors that you mentioned?

10:14:19

18 A. It was definitely widespread. I think it might've been
19 more so a little bit for people in his practice group where,
20 you know, the economy had a more projectable impact than in
21 other practice areas, which like 9, for example, you know, what
22 they say said debt and taxes. My practice is more immune to
23 the economic cycles than a business practice would be. It
24 would be a little bit more than the average affected by the
25 economic cycle.

10:14:48

1 Q. Did you and Mr. Dolin talk about this band reduction or his
2 bonus amount from that year?

3 A. We did.

4 Q. And tell the folks what was his reaction to all of that.

10:15:01

5 A. He was disappointed by the reduction, you know, certainly.
6 He -- he had worked hard and put in a lot of effort. He was
7 disappointed initially at the lack of a bonus.

8 We have an appeals process. He did appeal and then he
9 was awarded a bonus on appeal. I think it made him less
10 unhappy, but, yeah, he wasn't happy.

10:15:32

11 Q. So if somebody in here has been saying his appeal was
12 denied, that would be wrong?

13 A. Ah, I think that would be an inaccurate statement.

14 Q. Because he appealed and he got an extra \$75,000?

10:15:51

15 A. Right. Now, did he get everything he requested on appeal?
16 I don't -- my guess is he didn't.

17 Q. Right. So that's all a question of characterization, but
18 the point is he got \$75,000 by making an appeal.

19 A. To your question, whether any of this was personal, you
20 know to the extent that it relates to a reduction in his
21 practice as a corporate lawyer, I mean, it's -- it's personal
22 in relation to his practice, and its expectations for the next
23 year was not personal as an evaluation of him as a lawyer. It
24 was just related to the amount of money that he was going to be
25 expected to bring in in the next year based on what we knew of

10:16:40

1 the economy.

2 Q. Did he -- did you and he discuss any kind of action plan
3 that he had in mind for what to do about this?

4 A. Yeah.

10:16:51

5 Q. What was that?

6 A. He did tell me that he, you know, really thought he wanted
7 to develop more time to his practice and his business
8 development, and he felt a responsibility to do that, both for
9 himself and actually for the people in our group, because he
10 was somebody who could be effective doing that and get them to
11 be busier as well.

10:17:15

12 You know, his practice group happened to be a very
13 large one. Some practice groups have 25 people in it, his
14 practice group, in corporate and securities, was probably
15 something like 175 or something, very large group. It sort of
16 lent itself to a co-head. We have some co-heads. He had a
17 good relationship with a person who was called his deputy who
18 he was -- they had a very good relationship. He was
19 comfortable with him being co-head. And he would be able to
20 develop more time to his practice if he shared that job in a
21 more direct way. Not that Paul didn't share it to some extent,
22 his deputy, but, you know, they could split it up more
23 effectively.

10:17:34

10:17:58

24 Q. And the Paul you referring to is Paul Jaskot?

10:18:16

25 A. It is.

1 Q. And was Mr. Dolin upset when Jaskot became a co-head?

2 A. No, he was not. He was -- it's something he was very
3 comfortable with. You know, there may have been mutuality to
4 it, but he was very comfortable with that.

10:18:40

5 Q. Do you know whose idea it was?

6 A. I heard it from him well before it happened, and right
7 around the time of compensation decisions, that that is
8 something he had in mind.

10:18:58

9 Q. Now, how did that work out for him, the business of having
10 a co-lead?

11 A. Well, you know, they divided much of the job. I think it
12 was probably -- Paul was one of these, you know, from Chicago,
13 to California, and riding it out that way, certainly reduced
14 travel. And I think it also allowed Stu to develop more time
15 to his practice, which, you know, based on the numbers, seemed
16 to be working out. I don't know if that's coincidence or not,
17 but, you know, his practice clearly picked up.

10:19:19

18 Q. Yeah. In looking at that large number of hours that Stu
19 had that were nonchargeable in 2009, would it be -- that's

10:19:42

20 nearly 1400 hours, would it be reasonable to think that the
21 addition of the co-head should have enabled Mr. Dolin to
22 dedicate fewer hours to management and more to either building
23 or developing business?

24 A. Yes.

10:20:00

25 Q. And was he happy about that?

1 A. Yeah, I think he was -- he was pleased by it. He was --
2 yeah.

3 Q. There's been some talk about this addition of a co-head as
4 being some sort of a stressor for Mr. Dolin. What is your view
5 about that?

10:20:21

6 A. I -- I just do not think it was.

7 Q. Why not?

8 A. Well, first of all, he raised it for the first time with me
9 really coincidental with the comp. decisions in terms of where
10 he wanted to place his energies, then it was working, you know,
11 at least as far as a lot stronger, and he could see that he was
12 going to have a very good year. So I don't think so, I never,
13 never got any sense that that was a stress point.

10:20:39

14 Q. All right. Now, I want to call your attention next to a
15 topic having to do with Standard Rate Parking.

10:21:05

16 A. Standard Parking.

17 Q. Standard Parking.

18 Did that issue start before the last few days of Stu
19 Dolin's life?

10:21:20

20 A. I don't think so.

21 Q. So then, in general, I'm going to take you to that point in
22 your life when it's a few days before Mr. Dolin died.

23 We all know that he died on a Thursday. Do you work a
24 normal business week in the office? I know lawyers work all
25 kinds of crazy hours, but were you working Monday through

10:21:37

1 Friday that week or was that your intent?

2 A. I was. I didn't get a lot of work done on Friday.

3 Q. Yeah. Clearly.

4 So I want to zero in on that last few days of his life
10:21:56 5 with special reference to two different situations, one
6 involving standard rate and the other --

7 A. Standard Parking.

8 Q. -- Standard Parking and the other involving Mini-At.

9 So if you would, I'd like you to just take yourself to
10:22:15 10 -- well, did you first deal with either of those issues on
11 Monday of that week or Tuesday, or you're not sure?

12 A. I don't remember. It was dealing with both of them during
13 the week. Standard Parking, I don't remember whether it was
14 Monday or Tuesday. I think it was Monday afternoon.

10:22:40 15 Q. All right.

16 A. I -- I -- but I'm not sure.

17 Q. Fine. And we won't worry about the exact timing very much,
18 but did Mr. Dolin tell you about this problem or did it come to
19 your attention in another way?

10:22:53 20 A. He told me. He e-mailed me. I was in a meeting at lunch,
21 that I do remember, Monday or Tuesday with the associates. He
22 e-mailed me that, you know. And he sent an e-mail that -- an
23 e-mail from Robert Sacks, he wanted to see me about it. So I
24 saw him right after that lunch meeting.

10:23:15 25 Q. The folks have already seen the e-mail and I want to keep

1 things moving forward, but the gist of it was that a big client
2 was aware that some company that they had client -- that the
3 client had a relationship with got sued by a client of the Reed
4 Smith's law firm, something like, right?

10:23:36

5 MR. BAYMAN: Objection, Your Honor. Mr. Rapoport is
6 testifying about what the e-mail says.

7 MR. RAPOPORT: Trying to avoid bringing out the e-mail
8 and getting all the details.

9 THE COURT: Just ask him what he remembers about it.

10:23:48

10 BY MR. RAPOPORT:

11 Q. Yeah. Tell us what you remember about that situation that
12 came to your attention, and also about the discussion you had
13 with Mr. Dolin about it.

10:24:08

14 A. Robert Sacks, who then was either general counsel or an
15 executive vice president of Standard Parking, e-mailed Stu that
16 he had been informed by another law firm that we on behalf of a
17 client sued a client, not Standard Parking, but sued a client
18 that Standard Parking had a relationship with where the effect
19 of that lawsuit if the client, Standard Parking had a
20 relationship with lost, it would hurt Standard Parking,
21 secondarily because it would then lose the business of
22 operating the garage for that client.

10:24:40

23 He expressed annoyance. And he expressed annoyance
24 about having to hear it from another law firm. And was annoyed
25 that we would treat an important client that way or allow an

10:25:06

1 important client's business to be affected, potentially, in
2 that way.

3 Q. And what, if anything, did you notice about Mr. Dolin when
4 he was explaining these things to you?

10:25:27

5 A. He -- he was very annoyed. He was very annoyed that this
6 happened without his knowledge, that he wasn't told about it,
7 so that he could've, at a minimum, been the one to inform the
8 client, and, you know, help manage the issue.

10:25:52

9 This was not an ethical conflict obviously, because we
10 continued to represent our client, but it could've been a
11 business conflict in the sense that, you know, it could hurt
12 the client's business, and that was something that we should at
13 least have talked about before doing it.

10:26:13

14 Q. Now, was this situation that occurred in any respect Mr.
15 Dolin's fault?

16 A. No. No.

17 Q. And was the client in any respect blaming Mr. Dolin
18 personally?

10:26:26

19 A. He was -- he was, you know, probably holding Stu on behalf
20 of the firm responsible. Stu was the CRL for that client. So
21 he would be the one who would, you know, hear it out, the
22 client's displeasure.

10:26:47

23 Q. All right. And let's just walk through the rest of the
24 Standard Parking -- the Standard Parking situation, where did
25 that go, where did that go from there?

10:27:21

1 A. Stu wanted to raise this as an issue with our conflicts
2 people as an example of where we should try to find a way to do
3 more to identify business conflicts, obviously not -- maybe not
4 "obviously," but for a law firm, for lawyers, you know, we have
5 very thorough procedures in place to identify ethical
6 conflicts, but when there's a business conflict he felt that we
7 should have things that are red flags so that before the matter
8 is open, at least it's considered if it in any way could --
9 could affect a business relationship that a client might have.

10:27:40

10 Q. And the sued party there was not called Standard Parking,
11 was it?

12 A. No. No.

13 Q. So this made it a little tricky?

10:27:58

14 A. Well, I'm no computer expert. It's difficult to do, you
15 know, because this is done by computer match. So it would be
16 difficult to do, but, you know, it's something worth -- worth
17 considering, you know, but it's difficult to do.

10:28:20

18 Q. All right. Now, by the end of the week -- I don't want to
19 go to Thursday, but later in the week did this issue continue
20 to be hot in any way?

21 A. I think it did for a day.

22 Q. And then?

10:28:41

23 A. And then when I saw Stu Thursday morning, I asked him about
24 it that morning. And, you know, he seemed to think it probably
25 had blown over, that -- that Mr. Sacks, you know, had his

1 moment of -- of bluster, and that it seemed to subside, because
2 I did ask him about it.

10:29:05

3 Q. Now, I want to jump ahead for a second just to follow this
4 Standard Rate story to -- Standard Garage story to it's
5 completion -- Parking, I'll get that straight. I'll try again.

6 So at the time of Mr. Dolin's death, Standard Parking
7 remained a client of Reed Smith, correct?

8 A. Yes.

10:29:24

9 Q. And Mr. Dolin had a kind of second-in-command for that
10 client relationship, didn't he? Todd Ackerbauer

11 A. Yes. I think you're referring to Todd Arkebauer.

12 Q. Okay. And was Mr. Arkebauer at some point left to the Reed
13 Smith firm completely unrelated to anything having to do with
14 Mr. Dolin, would that be true?

10:29:43

15 MR. BAYMAN: Objection; leading.

16 MR. RAPOPORT: Well, withdrawn.

17 THE COURT: You are leading, sir.

18 MR. RAPOPORT: Yes.

19 BY MR. RAPOPORT:

10:29:49

20 Q. With respect to that client, what happened to it?

21 A. Todd continued to work for the client. I think we had
22 another colleague, Angela Maciejewski (Phonetic), who did
23 trademark work with the client. It continued on with Todd.
24 Todd left I don't know if it was at the end of 2010 or 2011.

10:30:16

25 He -- his wife was also an attorney, actually a former partner

1 of ours, he had gone into practice with her, and that's, you
2 know, what he decided to do.

3 Q. And what happened to the client?

10:30:33

4 A. It went with Todd to the extent -- you know, I don't think
5 it stayed with us.

6 Q. Did that have anything -- in your opinion, did that have
7 anything to do with this situation about the lawsuit?

8 MR. BAYMAN: Objection; he's asking for an opinion now
9 and it calls for speculation, Your Honor.

10:30:45

10 THE COURT: Yeah, sustained. Just stay with the
11 facts. Let's get on.

12 MR. RAPOPORT: That's fine.

13 BY MR. RAPOPORT:

14 Q. Did the loss of that client have anything to do with Mr.
15 Dolin?

10:30:55

16 MR. BAYMAN: Same objection, Your Honor.

17 THE COURT: The loss of the client? The objection is
18 sustained.

19 MR. RAPOPORT: Okay.

10:31:04

20 BY MR. RAPOPORT:

21 Q. All right. Now, let's go over to this other situation,
22 Miniatt. Tell us about that.

23 A. Miniatt is a long-term client that Stu and I shared
24 initially in the mid '90s. I was brought in as an estate
10:31:29 25 planning client. And then with -- with then partner Barry

10:31:53

1 Cain, it was, you know, Greenbaum Browne Cain & Dolin, he had
2 come over with Stewart years earlier. Barry left the law firm
3 a couple of years later, I think in 1997. At the time I
4 thought Stu would be a good fit for that client. And Stu
5 became involved with the client when Barry left.

10:32:18

6 The client is a business client but he had a lot of
7 estate-planning work. You know, I tended to handle the
8 personal side of it. And when you have a family business,
9 there's -- you know, that's part of the representation, and Stu
10 handled the business work.

11 Q. Okay. So let's talk about what occurred during the last
12 week of his life with respect to Miniat.

13 A. Ah, I want to be careful because, you know, Miniat is still
14 a client --

10:32:39

15 Q. Yeah.

16 A. -- and while that, it's privileged.

17 We were working on a recapitalization of the company
18 to create a class of non-voting stock, Miniat is an S
19 Corporation, a special kind of corporation for tax purposes.

10:33:00

20 The non-voting stock is often created because it adds
21 flexibility to the planning, which is something I do where
22 people can give away equity but not control. They keep the
23 voting stock, but might give the non-voting stock to their
24 children or grandchildren so that they can get the benefit and
25 also that they won't have to pay estate taxes on it when they

10:33:25

1 die they have value.

2 And so it's a fairly -- it's a pretty standard thing
3 to do in family companies. So we were working on that
4 recapitalization, and I think it was on the agenda for a
5 meeting that was to occurred on Friday, July 16th.

10:33:50

6 And we talked about it early in the week. And -- and,
7 you know, one kind of went through the mechanics of it, and
8 then we talked about it for about 45 minutes in my office in
9 the morning of the day that Stu died.

10:34:15

10 Q. Tell us about that.

11 A. Ah, Stu came to my office, which is not unusual, about
12 8:15, I think. He and I spent about 45 minutes together going
13 over it again. This was a family company with siblings and
14 cousins. There might've been one shareholder in particular who
15 generally was a challenge for management. And he happened to
16 be lawyer as well. He was not functioning as a lawyer, but he
17 was a lawyer. And it was kind of clear he was going to try to,
18 you know, just create an obstacle to what was -- what the
19 objective was.

10:34:44

10:35:07

20 So we talked it through again. We talked through, you
21 know, the mechanics of this again and how it would work and how
22 it should work based on the number of votes who we thought were
23 in favor of it, it should pass. And, you know, just kind of
24 reviewed it, pretty thoroughly, though.

10:35:31

25 Q. Was there -- what, if anything, unusual did you notice

1 about him at that time?

2 A. Ah, Stu in -- he -- he was having a difficult time, and
3 this was the second substantive conversation we had that week.
4 And I know from -- you know, I had conversations with others
5 knowing he was talking to them about this as well. He was
6 having difficulty sort of understanding and having confidence
7 in his understanding of, you know, how this would work.

8 He needed a lot of confirmation. It did surprise me,
9 you know, because this is almost standard operating procedure.

10 I mean, you know, he would have done this many times. I --
11 frankly, he should know more about it than I would because it's
12 a corporate particularity, technically, but that I did notice
13 that being unusual.

14 Q. Okay. So tell us a little bit more about the particular
15 family member who was difficult. First of all, what's his
16 name?

17 A. Kevin Miniati.

18 Q. And in what -- secondly, tell us a little bit about how
19 well you knew him and over what period of time did you have the
20 observations yourself.

21 A. I knew more of him than him himself. I actually don't
22 think I ever met him until a few weeks after Stu died.

23 THE COURT: You don't have to go into the details of
24 that personal relationship if you don't want to --

25 THE WITNESS: Thank you.

1 THE COURT: -- for professional reasons. Just tell
2 the jury what the problem was.

3 BY THE WITNESS:

10:37:34

4 A. Okay. You know, from a legal point of view, I don't think
5 there was a problem. There was going to be a vote for a
6 recapitalization. I think they had the necessary votes, which
7 I think were 67 or two-thirds majority. They thought they had
8 them. It was not a complicated matter. There was going to be
9 a shareholders meeting and you have a sort of a recalcitrant or
10 sort of angry, ornery shareholder. He was going to try to make
11 this difficult, but I don't think there was any real issue.

10:38:04

12 Q. And is that the sort of thing in the normal life of Mr.
13 Dolin that would've come up times, many times before in his
14 practice or is this a real outlier?

10:38:22

15 A. I would not say it's normal, but it's not unusual.

16 Q. Did you have any further contact with Mr. Dolin after the
17 meeting that you told us about that Thursday morning?

10:38:57

18 A. Ah, well, Stu sent me an e-mail. So I received contact
19 from him. I was not -- I was at lunch, so I -- I was not able
20 to return or call him back or respond to his e-mail.

21 Q. What was his e-mail about in general terms?

22 MR. BAYMAN: Objection, Your Honor. We've never seen
23 this e-mail.

24 THE COURT: I didn't hear you.

10:39:09

25 MR. BAYMAN: We've never seen this e-mail, so this is

1 news to me.

2 THE COURT: You have not seen it?

3 MR. BAYMAN: We have not, Your Honor.

10:39:19

4 MR. RAPOPORT: I can't answer either. It's in the
5 witness' knowledge.

6 THE COURT: You haven't seen it either. So go on. He
7 sent you an e-mail.

8 BY MR. RAPOPORT:

9 Q. Yeah. Tell us about it.

10:39:25

10 THE COURT: What happened?

11 MR. BAYMAN: Your Honor, I object. It's not in the
12 case.

13 THE COURT: What happened.

14 BY MR. RAPOPORT:

10:39:30

15 Q. All right. That's the question, what happened.

16 A. There was an e-mail from Kevin -- Kevin, I think. It was
17 either directly to Stu with a copy to one of the other client
18 shareholders or forwarded to Stu. I think that -- we had
19 decided that morning that whether there was no issue because
20 Kevin was clearly trying to throw roadblocks, that they would
21 table from the agenda the issue of the recapitalization to a
22 later date.

10:40:04

23 That was communicated to -- to Kevin, he responded
24 back that that was unacceptable to him, it was on the agenda,
25 he was coming in from out of town to be at the shareholder

10:40:35

1 meeting, and he was insistent that it be discussed.

2 Q. Before learning about what happened to Mr. Dolin, did you
3 have any further contact either with him or with that issue
4 that you just told us about?

10:40:57

5 A. No, I just received the -- the e-mail and a phone call. He
6 had called and left a message with my secretary.

7 Q. Did that have any substance in it?

8 A. No, he just wanted me to call him.

10:41:16

9 Q. Okay. And did you attempt to get back to him at some
10 point?

11 A. I did.

12 Q. And what happened then?

13 A. Well, he -- he -- he wasn't there.

10:41:27

14 Q. All right. So then let's move forward to that moment in
15 your life when you found out anything about what had happened
16 to him.

17 A. Okay.

18 Q. And just how did you find out. And I'm going to make this
19 quick.

10:41:37

20 A. Coincidentally, my neighborhood across the street is the
21 cousin of one of Stu's very close friends. They -- she came
22 over to my house at about five to 10:00. I was still up,
23 barely. And rang the bell, and my wife opened the door, and
24 she came in, and walked into my kitchen and she said, you know,

10:42:13

25 "Stu died, Wendy needs to talk to you, she can't find your

1 number." I guess she called my neighbor to come over because
2 she couldn't find my number.

3 MR. BAYMAN: Your Honor, I object.

4 THE COURT: Yes, this is unnecessary, sir.

10:42:28

5 BY MR. RAPOPORT:

6 Q. So what I want to get to is when you heard about what
7 happened, however that went down, initially what was your
8 reaction, emotionally?

9 A. Well --

10:42:44

10 MR. BAYMAN: Again, I object.

11 THE COURT: The objection is sustained as to his
12 reaction.

13 BY MR. RAPOPORT:

10:42:56

14 Q. Well, the zeroing in on the work issues that we have talked
15 about so far today, being a change in compensation, a co-head,
16 the Standard Parking, and the Miniatic situations, based on
17 everything you knew about Mr. Dolin and based on everything you
18 knew about each of those situations, what is your view about
19 any connection between those things and the death?

10:43:24

20 MR. BAYMAN: I'm going to object on speculation, Your
21 Honor.

22 THE COURT: He may answer.

23 BY THE WITNESS:

24 A. Would you restate the question, please?

10:43:34

25 THE COURT: Read it back.

1 (Question read.)

2 MR. BAYMAN: I'm renewing my objection also to the
3 extent he's asking for opinion. He has no basis for his
4 opinion.

10:44:08

5 THE COURT: He may answer.

6 BY THE WITNESS:

7 A. Let me ask for clarification. Are you -- are you asking,
8 which I think you were before, what I thought immediately that
9 night? Or what I thought since? I'm not sure.

10:44:26

10 BY MR. RAPOPORT:

11 Q. I'm asking you today.

12 A. Ah, I -- I have gone through this, of course, in my mind,
13 for a long time, certainly more so right after Stu passed away
14 and to try to sort this out, you know, how this could've
15 happened, how I missed it.

10:44:57

16 Ah, and I -- I -- I don't believe there was anything
17 regarding, you know, work that -- that would've resulted in
18 this. Just, you know, he had a challenging week, sorted it
19 through.

10:45:26

20 You know, you practice for 30 years, you have lots of
21 challenging weeks. I mean, that's why we get paid is to manage
22 these challenges. And, you know, sort of immediately after his
23 death I searched for anything else in his office, what might
24 there -- what could it be. I -- I don't -- I don't think it
25 was related to anything that was work-related that would've

10:45:54

1 caused, resulted in this.

2 Q. Thank you.

3 One more topic, and it's an easy one. Tell us about
4 the Stu Dolin award.

10:46:10

5 A. Yeah. The Stu Dolin award was created, you know, before
6 our first annual partners meeting after Stu died. That
7 would've been, you know, spring of 2011. It's an award for
8 teamwork. It's commemorating Stu's sort of example of building
9 teams, fostering teams. It's awarded annually at our partners
10 meeting to a team for a particular client that worked, you
11 know, very well together on behalf of the client and as a team
12 to promote teamwork.

10:46:46

13 And that award is every year that's awarded. There
14 is, in our Chicago reception area, there is a statue, you know,
15 on a pedestal with Stu's picture and a listing of all the
16 recipients over the years.

10:47:09

17 Q. You also prominently displayed it on the Reed Smith
18 website, right?

19 A. Yes.

10:47:21

20 MR. RAPOPORT: We've marked that page as Plaintiff's
21 Exhibit 25, Your Honor, at this time I would like to move to
22 admit that into evidence and display it to the jury.

23 MR. BAYMAN: I object to this, Your Honor. You ruled
24 this out pretrial.

10:47:34

25 THE COURT: Yeah, I don't see the reason for it.

1 MR. RAPOPORT: I'm sorry. I hadn't recalled that.

2 BY MR. RAPOPORT:

3 Q. Did you give a eulogy at Mr. Dolin's funeral?

4 A. I did.

10:47:47

5 Q. And was that in which there were more than one eulogy
6 there?

7 A. There were probably 5 or 6, I was the first.

8 MR. RAPOPORT: That's been marked as Plaintiff's
9 Exhibit 66. I would just move to admit that into evidence.

10:48:02

10 MR. BAYMAN: Objection, Your Honor.

11 THE COURT: Sustained. The objection is sustained.

12 MR. RAPOPORT: I don't have any further questions for
13 you, but thank you for coming in.

14 THE COURT: All right. You may inquire, sir.

10:48:11

15 MR. BAYMAN: Thank you, Your Honor.

16 CROSS EXAMINATION

17 BY MR. BAYMAN:

18 Q. Mr. LoVallo, good morning.

19 A. Good morning.

10:48:34

20 MR. BAYMAN: Ladies and gentlemen; counsel.

21 BY MR. BAYMAN:

22 Q. I wanted to ask you a little bit about your job at Reed
23 Smith. You're the managing partner of the Reed Smith Chicago
24 office, correct?

10:48:45

25 A. That is correct.

1 Q. And the jury has heard from Dr. Glenmullen that you head of
2 the firm. You're not head of the firm, are you?

3 A. No, I'm not.

4 Q. That would be Sandy Thomas, correct?

10:48:55

5 A. At the moment, yes.

6 Q. Okay. And you manage the lawyers in only the Chicago
7 office, correct?

8 A. That's correct.

9 Q. And how many offices does Reed Smith have?

10:49:07

10 A. About 25.

11 Q. The -- when you met Mr. Dolin when his firm merged into
12 Sachnoff & Weaver, Sachnoff & Weaver was a bigger firm than
13 Mr. Dolin's firm, correct?

14 A. It was.

10:49:27

15 Q. And when Mr. Dolin was at Sachnoff & Weaver, he was head of
16 the business group, correct?

17 A. Yes.

18 Q. And he was also on the firm's board of directors, correct?

19 A. Yes.

10:49:41

20 Q. Your friendship with Mr. Dolin extended beyond the office,
21 correct?

22 A. Yes.

23 Q. You did things outside the office?

24 A. We did.

10:49:57

25 Q. And at the time of his death, in 2010, you would describe

1 Mr. Dolin as a close friend, correct?

2 A. I would.

3 Q. And during the course of the 20 years that you knew Mr.

4 Dolin, you became closer over time, correct?

10:50:10

5 A. Yes.

6 Q. You would say that you were one, if not, the closest friend

7 Mr. Dolin had at the law firm, correct?

8 A. I -- I was definitely one of them.

9 Q. And as an estate-planning lawyer, you performed the

10:50:30

10 administration of Mr. Dolin's estate, correct?

11 A. Ah, I did in the months immediately after his death.

12 Q. And if there's future work to be performed on that estate,

13 you would expect to handle that, correct?

14 A. I -- I -- I would think Wendy would want me to handle it.

10:50:50

15 Q. Since Mr. Dolin death, you've been in contact with

16 Mrs. Dolin, correct?

17 A. Yes.

18 Q. You see her three or four times a year, is that right?

19 A. Yes.

10:50:58

20 Q. And you've invited Mrs. Dolin, the client of Reed Smith,

21 correct?

22 A. Yes.

23 Q. You said that you were one of Mr. Dolin's closest friends

24 at the firm. He had other strong relationships at the firm,

10:51:16

25 correct?

1 A. I believe so.

2 Q. And one of those relationships was with his secretary or
3 his assistant, Laura Krueger, correct?

4 A. They had a good attorney-secretary working relationship.

10:51:27 5 Q. And they worked together for over a decade, is that right?

6 A. I think so.

7 Q. And you mentioned Paul Jaskot in response to Mr. Rapaport's
8 question. He was also a friend of Mr. Dolin's, correct?

9 A. Yes.

10:51:41 10 Q. And Mr. Jaskot was the individual who worked with Mr. Dolin
11 and later became co-chair of the corporate and securities
12 practice at Reed Smith?

13 A. Co-head.

14 Q. Yes. And you often worked with Mr. Dolin on legal work for
10:51:58 15 the same clients, correct?

16 A. Yes; regularly.

17 Q. One of those clients was a man named Ronald Spielman,
18 correct?

19 A. Yes.

10:52:10 20 Q. And I think in 2010 you probably saw Mr. Dolin in person
21 two or three times a week?

22 A. That wouldn't be unusual. I would say at least once --
23 once or twice, maybe three times, but, you know, it wasn't --
24 it was as we crossed each other's paths.

10:52:32 25 Q. And you also might talk to him on the phone?

1 A. Yeah.

2 Q. And e-mail with him, correct?

3 A. In our case probably more phone than e-mail, but both.

4 Q. I want to take you back to the Sachnoff & Weaver merger
5 with Reed Smith.

10:52:50

6 At the time of the merger Sachnoff & Weaver had about
7 125 attorneys, is that right?

8 A. Yes.

9 Q. And all of those 125 attorneys were in one office in
10 Chicago, correct?

10:53:00

11 A. Yes.

12 Q. And Sachnoff & Weaver at the time had about 125 staff
13 members?

14 A. Maybe more.

10:53:09

15 Q. And the business group that Mr. Dolin headed at Sachnoff &
16 Weaver, that was about 50 or 60 attorneys?

17 A. You know, it would've been close to half the office.

18 Q. So around 60?

19 A. Probably.

10:53:26

20 Q. And your clients at Sachnoff & Weaver, those were mostly
21 Chicago-based clients, correct?

22 A. Mostly.

23 Q. And you had initial talks of a merger between Sachnoff &
24 Weaver and Reed Smith in around March of 2005, correct?

10:53:48

25 A. Our initial introduction was in March, in 2005 it was, you

1 know, an hour visit.

2 Q. And then that process played out over time, correct?

3 A. Over time, yeah.

4 Q. And there was some anxiousness on the part of some of the

10:54:09

5 Sachnoff & Weaver attorneys about merging into a global law

6 firm, correct?

7 A. It -- it's not the word I would use, but yes, there was

8 excitement, uncertainty, anxiousness. There was a lot of --

9 there were a lot of questions to be asked and answered.

10:54:33

10 Q. Because there was going to be change, correct?

11 A. Yes.

12 Q. And change brings uncertainty, correct?

13 A. Yes.

14 Q. And you recall Mr. Dolin had a lot of questions about the

10:54:43

15 merger, correct?

16 A. Every -- everyone -- yes. Well, we all had a lot, you

17 know. We were in regular dialogue as board of directors

18 discussing it.

19 Q. And whereas Sachnoff & Weaver had 125 attorneys, Reed Smith

10:55:02

20 had about 1500 attorneys at the time, correct?

21 A. I think so.

22 Q. And Reed Smith had about 3,000 total employees at the time,

23 correct?

24 A. I think so.

10:55:12

25 Q. Reed Smith is a global law firm, correct?

1 A. It is.

2 Q. And with offices in several different countries around the
3 world, correct?

4 A. Yes.

10:55:23

5 Q. And Reed Smith had a much more structured and larger
6 management structure than you had at Sachnoff & Weaver,
7 correct?

8 A. Yeah. It definitely more layers, more people.

10:55:37

9 Q. And that merger became effective on March 1, 2007, is that
10 right?

11 A. Yes.

12 Q. And a number of Sachnoff & Weaver partners left at the time
13 of the merger, correct?

14 A. At the time? I mean, more over time.

10:55:59

15 Q. About how many?

16 A. That -- that I don't remember. Very few equity partners.
17 There was a much higher number of what we then called income
18 partners.

10:56:14

19 Q. You would agree more than 20 former Sachnoff & Weaver
20 partners left Reed Smith over time?

21 A. Over what period of time?

22 Q. Since the merger.

23 A. Oh, over the past 10 years, probably.

10:56:28

24 Q. The first year the firm in Chicago was called Reed Smith
25 Sachnoff & Weaver, correct?

1 A. Yes.

2 Q. And that was just for the first year?

3 A. Yes.

4 Q. And after that the firm --

10:56:34

5 A. First 10 months, actually.

6 Q. Okay. And after that the Chicago office then was called

7 Reed Smith, correct?

8 A. Yes. Yes. That was -- yes.

9 THE COURT: All right. We will take a recess at this
10 time, ladies and gentlemen.

10:56:45

11 You may step out.

12 (The following proceedings were had out of the
13 presence of the jury in open court:)

14 [REDACTED]

10:57:17

15 [REDACTED]

16 [REDACTED]

17 [REDACTED]

18 [REDACTED]

19 [REDACTED]

11:18:25

20 [REDACTED]

21 [REDACTED]

22 [REDACTED]

23 [REDACTED]

24

11:18:29

25 (The following proceedings were had in the

1 presence of the jury in open court:)

2 THE COURT: Thank you very much, ladies and gentlemen.

3 Please be seated.

4 Proceed, sir.

11:19:45

5 MR. BAYMAN: Thank you, Your Honor.

6 BY MR. BAYMAN:

7 Q. Mr. LoVallo, before the break we were talking about the
8 merger between Sachnoff & Weaver and Reed Smith. And although
9 we've been talking about a merger, it would be correct to say

11:19:57

10 that Sachnoff & Weaver ultimately became part of Reed Smith,
11 correct?

12 A. Yeah, we combined with Reed Smith.

13 Q. And, in fact, Sachnoff & Weaver became the 21st office of
14 Reed Smith, correct?

11:20:08

15 A. Sounds about right.

16 Q. And your role at Reed Smith was different than leading
17 Sachnoff & Weaver, correct?

18 A. Yes.

19 Q. You became part of one of several elements of an integrated
20 management of a very big firm, correct?

11:20:23

21 A. Yes.

22 Q. And then it was upon completion of the merger that Mr.
23 Dolin was made the co-head of the corporate and securities
24 group at Reed Smith, correct?

11:20:35

25 A. Yes.

1 Q. And the other corporate and securities co-head was a man
2 named John Ilino out in California, correct?

3 A. I think so.

11:20:47

4 Q. And then ultimately Mr. Ilino became head of what was
5 called the business and finance department, correct?

6 A. Yes. He did for a while, yes.

7 Q. The business and finance department was a larger umbrella
8 that covered all the transactional practices in the firm,
9 correct?

11:21:00

10 A. Yes, all the non-litigation practices.

11 Q. And one of those was corporate and securities?

12 A. Yes.

11:21:15

13 Q. So Mr. Dolin, even though he was the practice group leader
14 of corporate and securities, he would report up to the chain to
15 the head of the business and finance group, correct?

16 A. In the context of firm management, yes.

17 Q. And in 2010 there would've been roughly 180 lawyers in the
18 corporate and securities group that Mr. Dolin co-lead?

19 A. Sounds about right.

11:21:34

20 Q. And across about 10 different offices, is that right?

21 A. Probably.

22 Q. So Mr. Dolin managed a lot more lawyers at Reed Smith than
23 he had as head of Sachnoff & Weaver's business group, correct?

24 A. Yes.

11:21:48

25 Q. And, in fact, the corporate and securities group that Mr.

1 Dolin managed was on of the bigger practice groups at Reed
2 Smith, correct?

3 A. Yes.

11:22:01

4 Q. And as practice group leader he had some responsibility for
5 hiring and firing, correct?

6 A. Yes.

7 Q. And he had some responsibility for managing the group's
8 performance, correct?

9 A. Somewhat.

11:22:10

10 Q. He would, as practice group leader, he would be the lead in
11 personnel decisions and also the development of the management
12 of the team, correct?

13 A. He would be a key person in that dialogue and
14 collaboration.

11:22:30

15 Q. He would also be responsible for formulating strategy for
16 growing the team, correct?

17 A. Again, in collaboration, a key person.

18 Q. And despite all of those management responsibilities,
19 practice group leaders were still expected to practice law,
20 correct?

11:22:46

21 A. Yes.

22 Q. In fact, I think you said earlier on direct that 75 percent
23 of your time is spent on working on client work as opposed to
24 management, correct?

11:22:56

25 A. Currently.

1 Q. And you still are the managing partner in the Chicago
2 office, correct?

3 A. I am.

11:23:08

4 Q. And practice group leaders were expected to build a minimum
5 of 1400 billable hours, correct?

6 A. That was what was budgeted.

7 Q. Is --

8 A. I agree that was the budget.

9 Q. That was an expectation, correct?

11:23:19

10 A. Well, I -- I think the amount was -- was -- the typical
11 amount was somewhat less than that, but I think that is a goal,
12 it's an expectation with perhaps an aspirational element.

13 Q. And on top of the billable hours, which yields revenue to
14 the firm, correct?

11:23:46

15 A. Yes.

16 Q. A partner was supposed to contribute another 1,000
17 nonbillable hours doing practice development and other things
18 like you talked about with Mr. Rapoport, correct?

11:24:04

19 A. It depends on your role. I mean, a -- a -- an equity
20 partner who did not have a management role would have more
21 expected billable hours and fewer expected nonbillable hours,
22 but I think the overall expectation of an equity partner
23 between billable and nonbillable would probably be 23- to
24 2400 hours.

11:24:25

25 Q. We're going to look at those hours in a little bit.

1 A. Again, the averages might be somewhat less than the
2 budgeted amounts.

3 Q. And you recall that the economic downturn that hit the
4 larger economy starting in 2008, correct?

11:24:46

5 A. I do.

6 Q. And so a year so after the merger, Reed Smith began to feel
7 the effects of that downturn, correct?

8 A. I think we started to feel some effects in 2008 and they
9 continued on.

11:25:01

10 Q. Correct. In fact, in 2008 Reed Smith didn't make its
11 budget, correct?

12 A. That's correct.

13 Q. And that was the first time in history Reed Smith had not
14 made its budget?

11:25:10

15 A. Certainly the first time in history that I know of and, you
16 know, I only -- you know, I don't know.

17 Q. First time that you knew of?

18 A. Yes.

11:25:24

19 Q. And as a result the firm took steps to remedy that in order
20 to make sure it would meet the budget the next year, correct?

21 A. Yes.

22 Q. One of those steps was to increase collection efforts, is
23 that right?

11:25:39

24 A. I -- I don't remember that specifically, but it must have
25 been among others.

1 Q. You mentioned with Mr. Rapoport that December is an
2 important month in big law firms, correct?

3 A. Yes.

11:25:53

4 Q. Partners are encouraged to collect by year-end because the
5 firm posts its year-end metrics, its revenues, its profits,
6 things like that, correct?

7 A. Well, it's more because your compensation is going to be
8 based on your total for the year. It's not just the posting,
9 it's the reality of it.

11:26:10

10 Q. So partners are encouraged to collect in December, correct,
11 before year end?

12 A. We're encouraged to collect year round. There is a
13 tendency to push more at the end of the year.

14 Q. Fair enough.

11:26:24

15 Another of the steps Reed Smith took to deal with the
16 economic downturn was to lay off some lawyers, correct?

17 A. Yes.

18 Q. Including some lawyers in the Chicago office, correct?

19 A. A few.

11:26:38

20 Q. And there were layoffs beyond just Chicago, correct?

21 A. Yes.

22 Q. And there were layoffs in the corporate securities practice
23 group, correct?

24 A. Yes.

11:26:49

25 Q. And Mr. Dolin had the responsibility of laying off those

1 lawyers, didn't he?

2 A. He did.

3 Q. And one of the lawyers Mr. Dolin had to lay off was the son
4 of a close friend, correct?

11:27:00

5 A. Yes.

6 Q. Mr. Dolin found having to lay off lawyers to be really
7 hard, correct?

8 A. Yes, he did.

9 Q. And he told you that, correct?

11:27:12

10 A. We talked about it.

11 Q. And there were -- there were multiple rounds of layoffs at
12 the firm in 2008 and 2009, correct?

13 A. Of attorneys, I don't know. Of staff, there were -- there
14 were multiple.

11:27:31

15 Q. You would agree that the 2009 timeframe was as difficult an
16 economic climate as you have ever seen in your career, correct?

17 A. Certainly in a long time. I think from, you know, I go
18 back a while, 1990, '91 was similar.

19 Q. 2009 was a very difficult year for business, correct?

11:27:58

20 A. Yes.

21 Q. And it was a particularly difficult year for lawyers in
22 transactional practices who were doing corporate work like Mr.
23 Dolin, correct?

24 A. Transactional or financial.

11:28:11

25 Q. And Reed Smith, to be fair, wasn't the only big firm doing

1 layoffs at this time, correct?

2 A. No.

3 Q. And in addition to the layoffs some partners lost their
4 equity or their ownership in the firm, correct? They were
5 moved from an equity partner to a fixed share or income
6 partner?

11:28:26

7 A. That almost inevitably happened that year, but it happens,
8 frankly, every year, and I don't recall it happening -- that
9 particular thing happening more than any other year.

11:28:46

10 Q. You recall firm management decided that the tough economic
11 times the firm was going through was going to be reflected in
12 everyone's compensation, correct?

13 A. Yeah. Presumptively, yes.

14 Q. And, in fact, Reed Smith cut associates' salaries in 2009?

11:29:02

15 A. We did.

16 Q. And the economic downturn also had an impact on partner
17 compensation expectations, correct?

18 A. It did.

19 Q. So, we're clear, you've never been a member of the
20 corporate and securities practice at Reed Smith, correct?

11:29:18

21 A. Right now I am part of the corporate and transactional
22 advisory group, which now includes the tax benefits and wealth
23 planning group, but it's just the organization of the
24 practices.

11:29:36

25 Q. Okay. The period of 2007 to 2009, you were not part of

1 corporate and securities --

2 A. I was not.

3 Q. And you would agree John Ilino would be in a better
4 position to provide information about the group's performance
5 during those years, correct?

11:29:49

6 A. I would think he would have, you know, very good
7 information.

8 Q. He would be in a better position than you, really, to speak
9 to the group's performance during that time period?

11:30:04

10 A. In terms of the group's performance?

11 Q. Yes.

12 A. Probably. Yes, he ought to be.

13 Q. I want to move now to Mr. Dolin's clients at Reed Smith and
14 specifically you talked about Standard Parking and Miniatic.

11:30:16

15 Standard Parking and Ed Miniatic, Inc, were two of Mr.
16 Dolin's biggest clients, correct?

17 A. Yes. I would say Standard Parking was larger than Miniatic.

18 Q. But they were both two of Mr. Dolin's biggest clients?

19 A. Yeah, big clients.

11:30:35

20 Q. And, in fact, Standard Parking was one of the largest
21 clients in the Chicago office, correct?

22 A. Definitely been one of the larger ones.

23 Q. And Miniatic was in the top 25 or 30 in the Chicago office?

24 A. Probably, when you add in all the personal family and
25 business together.

11:30:51

1 Q. And you mentioned earlier this term "CRL," is that client
2 responsible lawyer?

3 A. I think now we call it client relationship leader, but it's
4 -- it's the same concept.

11:31:08

5 Q. As the name implies, it's the partner who manages the
6 relationship of the client, correct?

7 A. Ah, yes, to the extent that we always have one person. Now
8 there may be other people involved with it, but it depends on
9 the client, but structurally there is one person.

11:31:28

10 Q. And Stewart Dolin was the CRL client relationship lawyer
11 for Standard Parking, correct?

12 A. Yes.

13 Q. And he was also the CRL for Ed Miniati, Inc., correct?

14 A. For the company.

11:31:43

15 Q. And both had been clients of Mr. Dolin's when he was at
16 Sachnoff & Weaver?

17 A. Yes.

18 Q. You don't recall Mr. Dolin getting any significant new
19 clients in in 2010, do you?

11:32:01

20 A. I don't recall.

21 Q. You recall we talked about Robert Sacks, the executive vice
22 president and general counsel of Standard Parking?

23 A. (No response.)

24 Q. Do you recall in your direct?

11:32:07

25 A. Yes. Yes.

1 Q. You would describe Mr. Sacks as an asserted client,
2 correct?

3 A. Asserted person.

4 Q. He's not a relaxed person, correct?

11:32:15

5 A. No.

6 Q. And you learned about the issue with respect to the
7 conflict involving Standard Parking from Mr. Dolin himself,
8 correct?

9 A. I did.

11:32:28

10 Q. And he either called you or e-mailed you, you don't
11 remember?

12 A. Well, both. He did both.

13 Q. And he told you that he had -- he had had a conversation
14 with Mr. Sacks, correct?

11:32:44

15 A. Yes. Yes.

16 Q. In which Mr. Sacks had expressed his displeasure about the
17 situation, correct?

18 A. Yes.

11:32:57

19 Q. And, in fact, Mr. Dolin got a call at home on Monday night
20 from Mr. Sacks, correct?

21 A. That I don't remember.

22 Q. You don't recall him telling you that he got a call at home
23 Monday night?

24 A. I don't.

11:33:10

25 Q. You are not disputing that, are you?

1 A. Oh, no, I'm not disputing it at all, I just don't recall
2 that.

3 MR. BAYMAN: The jury has seen and it's in evidence
4 Defendant's Exhibit 3064 B. Can you put that up, please.

11:33:26

5 (Brief pause).

6 MR. BAYMAN: Sorry. 3064 A, excuse me.

7 BY THE WITNESS:

8 A. Can you expand that?

9 MR. BAYMAN: Blow that up.

11:33:45

10 (Brief pause).

11 MR. BAYMAN: May I approach, Your Honor?

12 (Document tendered to the witness).

13 THE WITNESS: Thank you.

14 BY MR. BAYMAN:

11:34:16

15 Q. Have you had a chance to look at that, Mr. LoVallo?

16 A. Uh-huh.

17 Q. This is an e-mail chain that you were copied on, correct?

18 A. Yes.

11:34:34

19 Q. In which Mr. Dolin forwarded Mr. Sacks's e-mail, as well as
20 an e-mail -- he sends an e-mail from himself to you and others
21 in the firm, correct?

22 A. Yes.

23 Q. And there were further e-mails following these two e-mails,
24 correct, about the Standard Parking situation?

11:34:51

25 A. I think so.

1 (Document tendered to the Court and the
2 witness.)

3 BY MR. BAYMAN:

11:35:23

4 Q. I'm handing you what has been marked as Defendant's
5 Exhibit 3064 B and ask you if you are familiar with this e-mail
6 chain.

7 A. I am.

11:35:42

8 Q. And the e-mail chain starts, if you look at the bottom of
9 the second page, with the same e-mail from Mr. Sacks that's
10 shown on 3064 A, correct?

11 A. Yes.

12 Q. And then it has Mr. Dolin's e-mail to you and others,
13 correct?

14 A. Yes.

11:35:56

15 MR. BAYMAN: Your Honor, at this point I would ask
16 permission to publish Exhibit 3064 B.

17 THE COURT: You may proceed.

18 (Exhibit published to the jury.)

19 BY MR. BAYMAN:

11:36:06

20 Q. Let's go back, if you would, to Mr. Sacks's e-mail if you
21 see it.

22 You got that?

23 A. I'm reading it.

24 Q. Okay.

11:36:32

25 (Brief pause).

1 BY THE WITNESS:

2 A. Okay.

3 BY MR. BAYMAN:

11:36:46

4 Q. Okay. The jury has heard this, I'm not going to belabor
5 it, and you talked about it on direct, but this is the e-mail
6 that started it all, correct?

7 A. Yes.

8 Q. Where Mr. Sacks learned about the lawsuit and expressed his
9 frustration and annoyance?

11:36:59

10 A. Yes.

11 Q. It mentions Ed Walsh and Robert O'Meara, they were Reed
12 Smith attorneys at the time, correct?

13 A. They are.

14 Q. They're not at the law firm anymore, correct?

11:37:11

15 A. Correct.

16 Q. Mr. Walsh expresses his concern that if Reed Smith prevails
17 in this lawsuit --

18 A. Mr. Sacks.

19 Q. Mr. Sacks, excuse me. Thank you.

11:37:21

20 If Reed Smith fails to prevail in the suit that
21 Standard Parking would be, in his words, "screwed out of the
22 contract," correct?

23 A. Hold on. It sounds like Robert. I'm looking for the
24 words.

11:37:33

25 Oh, yes, that's what it says.

1 Q. And he says -- suggests this might be a conflict and he was
2 displeased that he had to hear about it from another law firm,
3 correct?

4 A. Yes.

11:37:42

5 Q. Okay. And then Mr. Dolin forwarded that e-mail on to you
6 and others in the firm, correct?

7 A. Yes.

8 Q. And he says in his words "what a nightmare," correct?

9 A. Yes.

11:38:01

10 Q. And he also says, "bottom line, we are hanging on to this
11 client by our finger nails," correct?

12 A. Yes.

13 Q. Mr. Dolin was -- reached out to you about this because he
14 wanted to talk to you about how it happened and to strategize

11:38:18

15 about what you could do to make sure that Reed Smith's
16 processes consider potential business conflicts like this,
17 correct?

18 A. Yes.

19 Q. But it's fair to say that he was -- he was annoyed by the
20 situation, correct?

11:38:32

21 A. Correct.

22 Q. And Mr. Dolin told you that Mr. Sacks had expressed his
23 displeasure to him about this situation, correct?

24 A. Yes.

11:38:46

25 Q. And, Mr. Sacks was the person at the client who sent work

1 to law firms, correct?

2 A. Yes.

3 Q. And as the relationship partner, Mr. Dolin took the brunt
4 of the criticism from Mr. Sacks, correct?

11:38:59

5 A. Yes.

6 Q. Okay. And then one of the recipients of the e-mail from
7 Mr. Dolin was a fellow named James Gallatin, correct?

8 A. Yes.

11:39:22

9 Q. And he was the practice group leader for the global
10 regulatory enforcement group, is that right?

11 A. Yes.

12 Q. And Mr. Walsh worked in Mr. Gallatin's group, correct?

13 A. Yes.

11:39:38

14 Q. And the e-mail that Mr. Dolin sent to Mr. Gallatin, and to
15 you, and to others was sent then on Tuesday, the 13th, and Mr.
16 Dolin acknowledged that Reed Smith could lose the client as a
17 result of this, correct?

18 A. Hold on.

19 (Brief pause).

11:39:58

20 BY THE WITNESS:

21 A. I don't see those words, but yeah, I think that's the gist
22 of his e-mail.

23 BY MR. BAYMAN:

11:40:12

24 Q. It's your sense that he was frustrated with the way the
25 firm was handling an important client to him and to the Chicago

1 office, correct?

2 A. Yes; or the way it was not considering it.

3 Q. And what he said is, even though it may not be an ethical
4 conflict, we need to look at the business ramifications of
5 doing things like filing a lawsuit like this, correct?

11:40:28

6 A. Yes.

7 Q. And he was frustrated because he didn't know about the
8 lawsuit until after it had been filed, correct?

9 A. Correct.

11:40:39

10 Q. And then, Mr. Gallatin, if you will look up in the e-mail
11 chain, responds to Mr. Dolin, correct?

12 A. Yes.

13 Q. And he adds some other names to the complain who were
14 lawyers who handle conflicts at your firm, correct?

11:40:55

15 A. Conflicts and other -- and other things. The other people
16 are people who at the time had positions as either chair or
17 vice chair of the litigation department.

18 Q. And he says:

19 "I've discussed this with Ed and Stu by e-mail
20 and phone."

11:41:18

21 Correct?

22 A. Yes.

23 Q. You weren't involved in those discussions?

24 A. No.

11:41:22

25 Q. And he says:

1 "I understand that there's no ethical conflict
2 but Ed should've called Stu to give him a
3 heads-up."

4 Correct?

11:41:32 5 A. Yes.

6 Q. And says in the last sentence:

7 "There is no reason to continue that discussion
8 further, please."

9 Correct?

11:41:43 10 A. Yes.

11 Q. And it was his practice group that was being challenged,
12 correct?

13 A. Yes. Or -- yes, a member of his practice group.

11:41:53 14 Q. Okay. And then he goes on to say that, the second
15 paragraph:

16 ".. with certain industry and issue exceptions,"
17 and he gives some examples, "I understand that
18 we don't agree to avoid nonethical conflicts
19 generally."

11:42:07 20 Correct?

21 A. It says that.

22 Q. And he ends his e-mail by saying:

23 "Barring major revenue damage, I understand that
24 we will not stop a suit solely because another
11:42:17 25 client would be torqued. We are simply too big

1 to do that."

2 Did I read that correctly?

3 A. You did.

4 Q. "We" being Reed Smith, right?

11:42:27

5 A. Yes.

6 Q. And by "torqued" you thought Mr. Gallatin was referring a
7 client getting burned, correct?

8 A. Yes.

11:42:39

9 Q. And you thought Mr. Gallatin's e-mail had a sharp tone to
10 it, right?

11 A. I did.

12 Q. And then if we look at the end of the first page of this
13 e-mail 3064 B, you responded just to Mr. Gallatin alone,
14 correct?

11:42:49

15 A. I did.

16 Q. And you wanted to make sure that Mr. Gallatin understood
17 the dynamic in the fuller context, correct?

18 A. I did.

11:43:03

19 Q. You were responding to him because you thought he might not
20 have been fully aware of some of the context in the situation
21 that you thought he should know, correct?

22 A. Yes.

23 Q. And you said in your e-mail:

11:43:20

24 "The Chicago office, while financially
25 successful, at least on the B and F side,"

1 that's business and finance?

2 A. Uh-huh.

3 Q. (Reading:)

4 "... is mostly built upon clients who pay us 5
11:43:31 5 or sometimes 6 figure fees a year. There are
6 very few clients who pay us 7 figures on a
7 consistent basis annually and Standard Parking
8 is one of them."

9 Correct?

11:43:41 10 A. Yes.

11 Q. And then you say:

12 "If the standard is barring major revenue
13 damage, as you say however, this at least by
14 Chicago office standards may present that risk
11:43:54 15 and some sort of filter for these kinds of
16 clients and situations could be constructed to
17 enable us to make good business decisions."

18 Did I read that correctly?

19 A. Yes.

11:44:04 20 Q. You thought Standard Parking was a big enough client to
21 meet the test for causing revenue damage, correct?

22 A. I thought it was bigger than Jim likely knew. I thought it
23 was a good example that we and the -- more on the business side
24 of the firm, with Jim being on the litigation side of the firm,
11:44:31 25 could see each other's points of view with litigators like Jim

11:44:52 1 wanting to bring in work and people on the business side
2 wanting to preserve their client relationships. And I was
3 giving him the perspective of both the Chicago office and the
4 perspective of non-litigators as these kinds of situations
5 arise. I knew Jim pretty well, probably better than Stu, and I
6 thought I could be constructive.

7 Q. And he used the phrase "you know, barring major revenue
8 damage" you wanted him to know that Standard Parking was a
9 client that, if they went away, could bring major revenue
10 damage, correct?

11 A. Yeah. So -- yeah, that it was something that should've
12 been considered. Is worthy of consideration.

13 Q. And Mr. Gallatin wasn't from Chicago, correct?

14 A. No.

11:45:30 15 Q. And he didn't know that Standard Parking was --

16 THE COURT: All right. Let's move on, counsel. I
17 think it's been fully covered very thoroughly. Move on,
18 please.

19 BY MR. BAYMAN:

11:45:41 20 Q. Of all the people that was annoyed by the situation, it's
21 fair to say Mr. Dolin was the most annoyed?

22 A. Yes; naturally.

23 Q. And you said that this whole situation caused pain,
24 correct?

11:45:59 25 A. I don't think I used the word "pain." It definitely caused

1 annoyance.

2 Q. Well, the jury will have a chance to look at your e-mail.

3 A. Well --

4 Q. It --

11:46:15

5 THE WITNESS: If I can say now --

6 THE COURT: No, sir. There's no question pending.

7 Wait until you get a question.

8 THE WITNESS: Okay.

9 BY MR. BAYMAN:

11:46:20

10 Q. Mr. LoVallo, you would agree that it was a fairly unusual
11 event that Mr. Dolin encountered for a major client to complain
12 to him about a lawsuit that the firm had filed, correct?

13 A. Could you restate that?

14 THE COURT: Read it back, please.

11:46:30

15 (Question read).

16 BY THE WITNESS:

17 A. That is unusual, correct.

18 BY MR. BAYMAN:

19 Q. It's not part of the plan, is it, Mr. LoVallo?

11:46:47

20 A. It is not part of the plan.

21 Q. And you were of the impression that Mr. Dolin was uncertain
22 about how this lawsuit would affect his or the firm's
23 relationship with Standard Parking, correct?

24 A. He was uncertain.

11:46:59

25 Q. And the firm went forward with the lawsuit, correct?

1 A. It did.

2 Q. All right. Now, you've also talked about the Miniatic
3 client. I want to turn to that.

4 The jury has heard some names, but to be clear, Miniatic
5 was a family company, correct?

11:47:20

6 A. Yes.

7 Q. And one of the shareholders was a woman named Susan Miniatic
8 Kolavo?

9 A. Yes.

11:47:27

10 Q. Who was also a board member?

11 A. Yes.

12 Q. And all of the shareholders of the company are family
13 members, correct?

14 A. Yes.

11:47:33

15 Q. And that included siblings and cousins, correct?

16 A. Yes.

17 Q. You would agree that representing family companies presents
18 unique challenges, doesn't it?

19 A. It does.

11:47:43

20 Q. Within a family business there can be disagreements or
21 different perspectives?

22 A. Yes.

23 Q. And that was the case with the Miniatic family, correct?

24 A. Yes.

11:47:52

25 Q. And there was one particular shareholder who you talked

1 about on direct who you would describe as a regular malcontent,
2 Kevin Miniati, correct?

3 A. I don't know if I would use those words, but he was -- he
4 was regularly contrarian.

11:48:10 5 Q. And he was -- he was the cousin of Susan Kolavo, correct?

6 A. Yes.

7 Q. And he had created problems prior to 2010, correct?

8 A. I think so.

11:48:24 9 Q. In fact, he filed a lawsuit against the company in the
10 2000's, correct?

11 A. Yes.

12 Q. Kevin Miniati challenged Mr. Dolin's bills for the work Mr.
13 Dolin was doing for the Miniati company, correct?

14 A. I think so.

11:48:34 15 Q. In fact, he said that instead of the board wasting time
16 trying to justify Mr. Dolin's charges, he wanted the board to
17 actually go out and solicit bids for the company's legal work
18 from other firms, correct?

11:48:53 19 A. I believe I heard that. I'm not sure I would know that
20 firsthand, but I've heard that.

21 Q. Mr. Dolin shared discussions with you about Kevin Miniati's
22 complaints about him and his bills, correct?

23 A. I think so.

11:49:10 24 Q. Let's turn to the summer of 2010. And you were saying that
25 the company was trying to create another class of stock,

1 non-voting stock, is that right?

2 A. Yes.

3 Q. That's something that they've been considering doing for a
4 while?

11:49:19 5 A. I -- I had raised it over the years a number of times, but
6 I think it was only getting focus, you know, in the months
7 preceding that.

8 Q. You were aware that a vote was scheduled on July 16th,
9 2010, correct?

11:49:40 10 A. Yes.

11 Q. In fact, you said on direct that you and Mr. Dolin were
12 kind of reviewing and counting the votes to see if there were
13 enough votes for the measure to pass, correct?

14 A. Yes. Yes.

11:49:52 15 Q. You weren't expected to attend that meeting, right?

16 A. I was not expected to.

17 Q. But Mr. Dolin was expected to attend, correct?

18 A. Yes.

19 Q. You mentioned on direct exam that you met with Mr. Dolin on
11:50:07 20 the morning of July 15th, 2010, correct?

21 A. I did.

22 Q. He visited your office at about 8:00 in the morning?

23 A. I think around 8:15.

24 Q. And you were together about 45 minutes?

11:50:18 25 A. Yes.

1 Q. It wasn't a planned meet, he just showed up, correct?

2 A. Yes.

3 Q. But that wasn't unusual, right?

4 A. No.

11:50:27

5 Q. And during that meeting you discussed the Miniat meeting
6 the next day, correct?

7 A. Yes.

8 Q. And during that meeting Mr. Dolin expressed to you concerns
9 about that meeting, correct?

11:50:37

10 A. Yes.

11 Q. He was concerned that Kevin Miniat was going to be
12 obstructive at the meeting, correct?

13 A. Yes.

14 Q. Okay. Obstructive about the non-voting stock?

11:50:51

15 A. I think that was his topic, yes. That was the topic he was
16 going to be raising.

17 Q. And he was concerned that Kevin would also be obstructive,
18 in general, correct?

19 A. Well, I think this was the matter on which Kevin was
20 seeming to pick to be obstructive.

11:51:07

21 Q. But in that meeting Mr. Dolin appeared to you to be in
22 control in that meeting, correct?

23 A. In our meeting?

24 Q. Yes.

11:51:20

25 A. Yeah, I think he was that morning, you know, calm, but --

1 but he was not intellectually focused.

2 Q. And --

3 A. I had to work -- I had to refocus him a number of times,
4 and it did surprise me.

11:51:42 5 Q. He was business-like, correct?

6 A. Yes.

7 Q. He was deliberate, correct?

8 A. Deliberate? He was business-like.

9 Q. In fact, Mr. Dolin asked you to join him at the Mini
11:51:57 10 meeting the next day, correct?

11 A. He did.

12 Q. But you thought that would send the wrong message for you
13 to join him at that meeting, correct?

14 A. I thought that since I ordinarily would not attend that
11:52:09 15 particular meeting, that my presence there would have, you
16 know, given perhaps a concept that we were more concerned about
17 the objection that Kevin would be raising than we needed to be.

18 Q. You thought your presence would make it a bigger deal than
19 it really was?

11:52:31 20 A. I thought it could be perceived that way, at least to raise
21 questions as to why, and speculation perhaps, as to why I was
22 there.

23 Q. You thought it would feed Kevin Miniat's need for attention
24 if you went when you wouldn't otherwise go, correct?

11:52:47 25 A. I probable did.

1 Q. And you thought Mr. Dolin was having some difficulty
2 concentrating that morning?

3 A. Yes.

4 Q. But he was able to function, correct?

11:52:59 5 A. Yes. I mean function, yeah, he was --

6 Q. Ah --

7 A. He appeared to be fine.

8 Q. And other than the issue you noticed about him not
9 processing the legal issues, you didn't notice anything else

11:53:11 10 out of the ordinary in Mr. Dolin's physical appearance or
11 behavior that morning, correct?

12 A. No. In fact, I commented to him that I thought he looked
13 very well that day.

14 Q. In fact, you said, "you look better than you looked earlier
11:53:29 15 in the week," didn't you?

16 A. Yeah.

17 Q. And he wasn't pacing, correct?

18 A. No.

19 Q. He wasn't sweating?

11:53:37 20 A. No.

21 Q. Didn't have any trouble sitting still, correct?

22 A. No.

23 Q. Was not moving his hands in any unusual way, correct?

24 A. Not as -- no.

11:53:46 25 Q. And he had told you that he had a good night's sleep and

1 had exercised that morning, correct?

2 A. I asked him, because I said, "you know, you're looking well
3 rested." And he said, "yeah, I had a good night's sleep," and
4 he had already exercised.

11:54:08 5 Q. You thought he looked fresh, correct?

6 A. I did.

7 THE COURT: Keep your voice up, sir.

8 THE WITNESS: I did.

9 BY MR. BAYMAN:

11:54:14 10 Q. And, in fact, you said, "you seem calmer this morning"?

11 A. Yeah, I think I did.

12 Q. And you thought he looked fit, correct?

13 A. Yes.

14 Q. He looked crisp, in your words, correct?

11:54:20 15 A. Yes.

16 Q. He was well-dressed and well put together, correct?

17 A. Yes.

18 Q. He was not expressing any agitation, correct?

19 A. Other than at the topic of Kevin Miniatt, no.

11:54:33 20 Q. He was calm and not expressing agitation, correct?

21 THE COURT: It's covered, sir. Go ahead.

22 BY THE WITNESS:

23 A. I don't know what you mean by "agitation."

24 THE COURT: Wait a minute, sir.

11:54:47 25 Another question.

1 BY MR. BAYMAN:

2 Q. And you thought he looked better than he did earlier in the
3 week when he was focused on the Standard Parking issues, right?

4 A. Yes.

11:54:58

5 Q. And you are aware that he was to have lunch on that day
6 with an accountant, a business associate, correct?

7 A. I don't think I was aware of that morning what his lunch
8 plans were, but I am aware that he did have lunch with an
9 accountant.

11:55:15

10 Q. And you're aware that he returned to the office after that
11 lunch?

12 A. Yes.

13 Q. And, in fact, from what I understand on direct examination,
14 he actually forwarded an e-mail to you that he had received
15 from Kevin Miniati, correct?

11:55:27

16 A. He did, either directly or indirectly from Kevin.

17 MR. BAYMAN: If I may approach, Your Honor?
18 (Document tendered to the witness).

19 THE WITNESS: Thank you.

11:56:00

20 BY MR. BAYMAN:

21 Q. Sir, I'm showing you what's been marked as Defense
22 Exhibit 32.

23 MR. BAYMAN: Your Honor, that's in evidence.
24 (Exhibit published to the jury.)

11:56:08

25 BY MR. BAYMAN:

1 Q. You see an e-mail at the top from Kevin Miniati?

2 A. Uh-huh.

3 Q. Is that e-mail that he forwarded to you?

4 A. Yes.

11:56:17

5 MR. BAYMAN: Let's go ahead and zoom in on that.

6 (Brief pause)

7 BY MR. BAYMAN:

8 Q. And the jury has seen this where Kevin Miniati says:

9 "... this is not acceptable, I have scheduled

11:56:28

10 2 days out of my office to vote on this

11 proposal. I expect a vote at 8:00 o'clock as

12 scheduled."

13 Did I read that correctly?

14 A. Yes.

11:56:35

15 Q. And not only did Mr. Dolin forward this e-mail to you, he

16 also left a message for you to call him about it, correct?

17 A. Yes, he did.

18 Q. And you knew that the vote had been cancelled for the next

19 day, correct?

11:56:50

20 A. I knew that the intention was to table it.

21 Q. Now, you testified that you learned of Mr. Dolin's suicide
22 that evening, correct?

23 A. Yes.

24 Q. And you called Mrs. Dolin, correct?

11:57:12

25 A. Yes.

1 Q. And when you called Mrs. Dolin, there was a police
2 investigator there, correct?

3 A. A policeman.

4 Q. And you spoke to that policemen, correct?

11:57:22

5 A. I did.

6 Q. And you related to the investigator that there were two
7 different client incidents that Mr. Dolin was dealing with that
8 week, correct?

9 A. I did.

11:57:32

10 Q. And you said there were couple of matters that were causing
11 Mr. Dolin's stress, correct?

12 A. I -- I think he asked me what was going on in the office,
13 is there anything going on that, you know, was going on, and
14 those were the two things I thought of.

11:57:50

15 Q. You told Mr. Dolin -- I mean, you told the police officer
16 that two of Mr. Dolin's current clients may have been upset,
17 correct?

18 A. He may have encapsulated it that way. I would say one was
19 upset, the other, Miniatic, Kevin Miniatic was upset or at least
20 expressing agitation, but, you know, I think that's what I
21 said.

11:58:10

22 Q. The two clients you were referring to were Standard Parking
23 and Miniatic, correct?

24 A. Yes.

11:58:21

25 Q. Do you -- do you dispute that you told the police officer

1 that there were two clients that were upset with Mr. Dolin?

2 A. I would -- I think I would've made a distinction between
3 Standard Parking and Miniatic, with Standard Parking being upset
4 and with Miniatic being a client problem. There was an upset
5 shareholder, but I would not have said that the client was
6 upset.

11:58:46

7 (Brief pause).

8 BY MR. BAYMAN:

9 Q. Have you seen the police report in this case?

11:59:19

10 MR. RAPOPORT: Your Honor --

11 BY THE WITNESS:

12 A. Not in a while.

13 MR. RAPOPORT: I object to where this is going.

14 THE COURT: Is this the report discussed the other
15 day?

11:59:28

16 MR. BAYMAN: Yes, Your Honor. I intend to impeach him
17 with statements --

18 THE COURT: Well, wait, wait --

19 MR. RAPOPORT: So the issue is a little bit different
20 than --

11:59:36

21 THE COURT: Has it been resolved as to what should be
22 in and what should be out in the report?

23 MR. RAPOPORT: No; there has been some consideration,
24 but this is not the issue we discussed the other day, this is
25 an intent to --

11:59:48

1 THE COURT: No, no, no, I don't want you to tell me
2 what it is, I just want to know if that issue is resolved.

3 MR. RAPOPORT: That one isn't.

4 THE COURT: It's still open?

11:59:55

5 MR. RAPOPORT: Yes.

6 THE COURT: But you're using this report now for
7 another purpose?

8 MR. BAYMAN: Different purpose, Your Honor.

9 THE COURT: To refresh recollection?

12:00:07

10 MR. BAYMAN: Well, prior inconsistent statement, which
11 you can do under the Rule --

12 THE COURT: But it's not his report, sir.

13 MR. BAYMAN: But it's a correct he made.

14 THE COURT: It's not his report.

12:00:17

15 MR. BAYMAN: That's correct.

16 THE COURT: You can refresh his recollection with it.

17 BY MR. BAYMAN:

18 Q. Have you had a chance to look at the report?

19 A. You need to give it to me.

12:00:27

20 THE COURT: After you've read it, tell us whether it
21 refreshes your recollection, sir.

22 (Document tendered to the witness).

23 BY THE WITNESS:

24 A. Okay.

12:00:36

25 (Brief pause).

1 BY MR. BAYMAN:

2 Q. I could help you. Turn to page 7 of 8, down to the third
3 paragraph from the bottom where it talks about you.

4 (Brief pause).

12:01:00

5 BY THE WITNESS:

6 A. Okay. I've read it.

7 BY MR. BAYMAN:

8 Q. Does that refresh your recollection about your conversation
9 with the police officer?

12:01:10

10 A. Yes.

11 Q. And you told the police officer that there were two current
12 clients may have been upset and Stu was supposed to meet one of
13 them, the clients, the following day, Friday in the morning,
14 correct?

12:01:29

15 A. That is his summary, and as a summary I -- I have no reason
16 to believe it wasn't intended to be a good summary. I -- I
17 perhaps having a more nuance understanding, and I think really
18 specific recognition of what was going on, would not have
19 described the Miniat client as being upset. I can understand
20 why that would be expressed that way in a summary.

12:02:00

21 Q. But that was the Miniat client that was to be the meeting
22 the next day, correct?

23 A. Yes.

24 Q. So he got that right, correct?

12:02:13

25 A. Yes.

1 Q. All right. I want to now talk to you about what Mr.
2 Rapoport asked you about, which is what I would, for lack of a
3 better word, call the metrics of the law firm; do you
4 understand that term?

12:02:32

5 A. I do.

6 Q. Okay. Equity partners at Reed Smith have access to one
7 another's individual performance data, correct?

8 A. Yes.

12:02:43

9 Q. So, that data that was shown on Plaintiff's Exhibit 24,
10 which we'll look at, that was available to you?

11 A. That would've been available to me, yes.

12 Now, most equity partners wouldn't have had the 5-year
13 summary. They would have the report for the year.

14 Q. Just the year?

12:02:59

15 A. Yes.

16 Q. Now, it was the senior management team that evaluated Mr.
17 Dolin's performance, correct?

18 A. Yes; along with input and then approval of the executive
19 committee.

12:03:14

20 Q. The executive committee is like a larger board, correct?

21 A. Somewhat like a larger board.

22 Q. And then there's a smaller management committee or what's
23 called a senior management team, right?

24 A. Yes.

12:03:25

25 Q. And the senior management team interviews equity partners

1 every year and makes recommendations about compensation,
2 correct?

3 A. Yes.

4 Q. You've never been on the senior management team, correct?

12:03:35

5 A. I have not.

6 Q. Have you ever been on the executive committee?

7 A. No, I have not.

8 Q. And the way it works is a member of the senior management
9 team comes to an office like Chicago in January and interviews

12:03:47

10 the equity partners, correct?

11 A. Yes.

12 Q. In addition to the interviews there's also an evaluation
13 process, correct?

14 A. There's number of them.

12:03:58

15 Q. My question wasn't very artful. Equity partner submits
16 self-evaluation, correct?

17 A. Request yes. Yes.

18 Q. And with respect to practice group leaders, the firm does
19 what's called 360 evaluations where other partners are allowed
20 to evaluate the performance of the practice group leader,
21 correct?

12:04:12

22 A. Yes.

23 Q. And the evaluation process at Reed Smith was a more formal
24 process than had been at Sachnoff & Weaver, correct?

12:04:23

25 A. Yes.

1 Q. It involved more layers of management, correct?

2 A. Yes; there were more layers.

3 Q. You never saw any of Mr. Dolin's reviews or his
4 self-evaluations, correct?

12:04:37

5 A. I don't believe so.

6 Q. So you're not aware that Mr. Dolin regarded 2009 to be,
7 without a doubt, the most challenging year of his professional
8 career?

12:04:52

9 A. I'm not aware that he said that, but it wouldn't surprise
10 me.

11 Q. He never expressed any concern to you that he might not
12 have a strong enough pedigree to be a partner or practice group
13 leader at Reed Smith?

14 A. No, he did not.

12:05:03

15 Q. He never relayed to you that he found his years at Reed
16 Smith to be most difficult and trying of his professional
17 career?

18 A. I don't think so.

12:05:15

19 Q. He never expressed any concern to you that he might be
20 terminated at Reed Smith?

21 A. Definitely not.

22 Q. He never expressed any concern that he might lose his
23 equity ownership in the firm and drop from equity partner to
24 fixed share partner?

12:05:26

25 A. Not at all.

1 Q. You were not aware that as early as 2007 Mr. Dolin
2 expressed thoughts of leaving Reed Smith and that he might be
3 happier at another firm?

4 A. I was not aware of that.

12:05:41

5 Q. You are not aware that as of May of 2010 he was questioning
6 his position at the firm and assessing whether he wanted to
7 continue at Reed Smith?

8 A. I was not aware of that.

12:05:55

9 Q. You were not aware of that he was not enjoying being
10 practice group leader?

11 A. Oh, I think I was aware that that was not an entirely
12 enjoyable function.

12:06:09

13 Q. You were not aware that as of June 3, 2010, he was confused
14 about his feelings regarding his job and was questioning
15 whether he should stay at Reed Smith or leave?

16 A. I was not aware of that.

17 Q. Now, you were asked about the retirement age for an equity
18 partner at Reed Smith under -- retirement from the equity
19 partnership?

12:06:22

20 A. Right.

21 Q. The partnership agreement provides that at age 70 an equity
22 partner can no longer remain an equity partner at the firm,
23 correct?

24 A. Yes.

12:06:34

25 Q. But you have no reason to dispute that Mr. Dolin was

1 planning to retire around age 65 or 67, correct?

2 A. I don't know. Yeah, I have no reason to dispute that. I
3 would say --

4 Q. You don't dispute --

12:06:48

5 A. I would say -- you know, look, he was 57, you know, I don't
6 know what he was thinking about 67. I'm 62, I can't tell you
7 now what I think --

8 THE COURT: All right, sir, you just don't know. Move
9 on.

12:07:03

10 MR. BAYMAN: Fair enough.

11 BY MR. BAYMAN:

12 Q. You don't dispute that large law firms like Reed Smith will
13 commonly reduce partner's compensation as they near retirement
14 age to be able to provide more compensation to younger
15 partners, do you?

12:07:15

16 THE COURT: All right, sir, this is covered and let's
17 move on.

18 MR. BAYMAN: I don't think this question was covered,
19 Your Honor.

12:07:20

20 THE COURT: No, I don't think it needs to be covered.
21 Proceed. Another question.

22 BY MR. BAYMAN:

23 Q. Compensation was set every year annually at Reed Smith,
24 correct?

12:07:27

25 A. Yes.

1 Q. And a partner's compensation can go up and down, correct?

2 A. Yes.

3 Q. Primarily based on the partner's performance, correct?

4 A. Yes.

12:07:34

5 Q. And in addition --

6 A. And projected performance.

7 Q. And projected performance.

8 In addition to compensation, some partners are given

9 bonuses to reward them for things like being a practice group

12:07:48

10 leader, correct?

11 A. Yes.

12 Q. And as I understand it, at Reed Smith equity partners are

13 put into groups or what are called bands, correct?

14 A. Yes.

12:07:58

15 Q. How many bands are there in the Reed Smith compensation
16 system?

17 A. I don't know. There's probably more than 20. You know,

18 it's a little bit like a Christmas tree, but, you know, there's

19 a few people in the bands at the top and then the bands in the

12:08:15

20 middle are lower have more people in them.

21 Q. So band one would be very few people, correct?

22 A. Perhaps only one.

23 Q. And then the lowest bands would have a lot of people,

24 correct?

12:08:25

25 A. Well, I'd say in the middle. In the middle.

1 Q. And where was Mr. Dolin? What band was he?

2 A. He was upper middle.

3 Q. But his band was reduced in 2010, correct?

12:08:43

4 A. Yes. Although, I think in 2010, as I'm trying to remember,
5 everybody -- all the bands were reduced by 10 percent, that's
6 where we started.

7 Q. Actually that was 2009, correct?

8 A. You're right, that's 2009.

12:08:57

9 Q. In 2009 all the equity partners took a 10 percent cut in
10 compensation, correct?

11 A. Yes.

12 Q. But in 2010 Mr. Dolin was reduced to a lower compensation
13 band, correct?

14 A. Yes.

12:09:04

15 Q. So, his 2010 budgeted compensation was lower than his 2009
16 budgeted compensation, correct?

17 A. Yes.

18 Q. And you found that out by looking at the data on your own
19 computer, correct?

12:09:17

20 A. Yes.

21 Q. Because Reed Smith partners have access to other partners'
22 compensation?

23 A. Yes.

12:09:27

24 Q. And you discussed the fact that Mr. Dolin's compensation
25 had been reduced with him, correct?

1 A. Yes.

2 Q. And he told you that he was disappointed, correct?

3 A. Yes.

4 Q. Were you aware that Mr. Dolin had been struggling with his

12:09:44

5 compensation in his role since well before the compensation

6 schedule had been posted?

7 A. I'm not sure what you mean by "well before."

8 Q. Before it was posted.

9 A. Well, I think, you know, the week before it comes out we're

12:10:03

10 all anxious.

11 Q. You were aware that Mr. Dolin appealed --

12 A. Yes.

13 Q. -- the drop in band of his compensation in 2010, correct?

14 A. Yes, and the lack of bonus.

12:10:19

15 Q. And?

16 A. And the absence of a bonus.

17 Q. And he told you that he was going to appeal, right?

18 A. Yes.

19 Q. You did not see his memo, though?

12:10:28

20 A. I did not.

21 Q. You are not aware that he described his compensation

22 reduction as a seismic shock, are you?

23 A. I'm not aware of that.

24 Q. Pardon?

12:10:40

25 A. I was not aware of that.

1 Q. You never known him to appeal his compensation before,
2 correct?

3 A. I don't think he had.

12:10:54

4 Q. And isn't that a fact that the decision to drop his
5 compensation by a band of which he appealed, that appeal was
6 denied, correct?

7 A. Yes, the band portion was denied.

12:11:26

8 Q. And you're aware that if the senior management teams
9 general practice was to not reduce the partner's compensation
10 more than one band in a current year, correct?

11 A. I -- I -- there are examples every year where people move
12 up or down by more than one band. I would say the majority of
13 the movements are one-band movements, but there are numerous
14 examples, both up and down, of more than one-band movements.

12:11:54

15 Q. So you not aware that was the senior management team's
16 general practice?

17 A. It was -- as I said, it was the majority of the moves and
18 the presumption was one band unless -- but there are examples
19 where it was more than one band.

12:12:12

20 MR. BAYMAN: Can we put up Plaintiff's Exhibit 24.

21 (Brief pause).

22 (Exhibit published to the jury.)

23 BY MR. BAYMAN:

12:12:35

24 Q. Do you recall this document that you looked at on direct
25 examination?

1 A. Yes.

2 MR. BAYMAN: Can you blow up the actual compensation.
3 Very first line.

4 (Brief pause).

12:12:46

5 BY MR. BAYMAN:

6 Q. All right. Now, you mentioned on direct examination that
7 this was Mr. Dolin's -- these are Mr. Dolin's compensation
8 figures -- his compensation, correct? His base compensation?

9 A. Yes.

12:13:21

10 Q. And I think you said '05, when he made a 1,114,966, that
11 was at Sachnoff & Weaver, correct?

12 A. That was.

13 Q. And that line is what's called actual compensation,
14 correct?

12:13:54

15 A. Ah --

16 Q. You want a copy?

17 A. I have one.

18 (Brief pause).

19 BY THE WITNESS:

12:14:02

20 A. Yes.

21 BY MR. BAYMAN:

22 Q. That's what he actually made, correct?

23 A. Yes. I don't -- I don't think it includes bonuses, if
24 that's what you mean by "actually made."

12:14:25

25 Q. So you're saying that in 2005 at Sachnoff & Weaver he

1 would've had base compensation of 1,114,966 plus a bonus of
2 155-?

3 A. As I said, for 2005 and '6, Reed Smith tried to put it into
4 Sachnoff terms. Our structure at Sachnoff was very different.

12:14:51

5 His budgeted and compensation, I think actually in 2005, was
6 600,000. And we budgeted more conservatively than the larger
7 firm. So it's -- it's a little bit of apples and oranges, but
8 the bottom line number, the numbers would be correct, it's just
9 I wouldn't refer to budgeted and compensation at Sachnoff &

12:15:14

10 Weaver as a meaningful -- meaningful term.

11 Q. But he made more money at Sachnoff & Weaver than he made at
12 Reed Smith, correct?

13 A. In 2005, yes.

12:15:32

14 Q. And then we see Reed Smith, he joins in 2007, so that
15 would've been a part year, but that would've been income he
16 earned from Sachnoff & Weaver and Reed Smith in 2007, right?

17 A. 2 months of Sachnoff and 10 months of Reed Smith.

18 Q. Mostly Reed Smith?

19 A. Yes.

12:15:45

20 Q. And then we see that in 2008 his budgeted compensation was
21 actually higher than his -- his actual compensation, that's
22 because the firm didn't meet its budget, right?

23 A. Correct.

24 Q. And in 2009 there was across-the-board cut of all partners,
25 correct?

12:16:12

1 A. Yes.

2 Q. And he received a bonus in 2008 of 125,000?

3 A. Yes.

12:16:32

4 Q. And then he was in 2010 awarded a bonus of 75,000 for his
5 work as a practice group leader in 2009, correct?

6 A. He was awarded a 75-thousand-dollar bonus.

7 Q. That's why that --

12:16:52

8 A. You know, it was -- it was for just total performance, it
9 could've been related to practice group leader service, but,
10 you know, it's not like -- it's not that specific.

11 Q. And we know in 2010 he was reduced a band, so his
12 compensation in 2010 would go down, correct?

13 A. Ah, yes.

14 Well, his budgeted compensation would go down.

12:17:37

15 Q. Correct.

16 (Document tendered to the witness).

17 BY MR. BAYMAN:

12:18:11

18 Q. I've handed you a document where I attempted to track the
19 various compensation and bonuses over the period 2005 to 2010
20 and to show the change.

21 So I'd like you to take a look at that.

22 (Brief pause).

23 BY THE WITNESS:

12:18:36

24 A. I don't -- you're going to need to explain the 2010 number
25 to me, because he didn't live for all of 2010. So I -- I don't

1 know what that reflects.

2 BY MR. BAYMAN:

3 Q. Well, that was -- that was what his budgeted compensation
4 was in 2010, correct?

12:18:50

5 A. No, his budgeted compensation would not have been a number
6 like that. It would've been a round number. 9-4-9-0-5-0 would
7 not have been a budgeted compensation number.

8 Q. Well, I'm sorry. That would've been what he was actually
9 in in 2010, correct?

12:19:14

10 A. I don't think so. He -- he lived for 7 months -- well, he
11 lived for 6 and a half months. I believe he was given
12 seven-twelfths of a year representing the 7 months, and then he
13 was given 100-thousand-dollar bonus retrospective for the year.
14 So I don't know what the 9-4-9-0-5-0 means.

12:19:43

15 Q. Okay. You would agree --

16 THE COURT: That's not an actual number, 949-?

17 MR. BAYMAN: I'm going to have to check it, Your
18 Honor, when we take a break.

19 THE COURT: You are saying that's not the actual
20 number?

12:19:57

21 THE WITNESS: It's --

22 THE COURT: In your opinion now.

23 THE WITNESS: I do know he was paid for
24 seven-twelfths.

12:20:06

25 THE COURT: Sure. But I'm asking you if that is an

1 actual number, if you know.

2 THE WITNESS: I'd be very surprised that it's an
3 actual number.

4 THE COURT: Okay. You got your answer.

12:20:15

5 BY MR. BAYMAN:

6 Q. The partnership agreement provides for payments to cover,
7 correct?

8 A. Wait. Wait. Wait. Let me recall something.

9 Q. Okay. Please do.

12:20:24

10 A. I know what that may reflect. Under our partnership
11 agreement if an equity partner dies, for 36 months thereafter
12 the estate receives a payment based on 40 percent of budgeted
13 compensation per year. So what would -- what I think -- well,
14 what it could represent is a total of seven-twelfths of his
15 budgeted compensation, plus a percentage beyond that. Then we
16 were over-budge for 2010. Plus his 100-thousand-dollar bonus,
17 plus the 40 percent of budgeted compensation for the last
18 5 months. That would make sense to me as a total for the
19 7 months of the year, plus the payout for the estate.

12:20:55

12:21:19

20 MR. RAPOPORT: Your Honor, I just have to move to
21 object -- or excuse me, object to testimony about that gets
22 into the collateral source rule. I don't think I want to say
23 more right here, but that answer about 36 months and all that
24 goes right into an area that's off or out.

12:21:40

25 MR. BAYMAN: I don't think it's a collateral source,

1 Your Honor.

2 THE COURT: Well, it may stand, but my concern is is
3 that number is not correct, apparently according to the
4 testimony of the witness.

12:21:51 5 MR. BAYMAN: Well, I think he just said --

6 THE COURT: And you haven't closed that to the jury
7 so --

8 MR. BAYMAN: No, I've been showing it to the jury,
9 Your Honor, and --

12:21:57 10 THE COURT: All right. So, don't until that number is
11 correct.

12 MR. BAYMAN: I won't. I'll check it at the lunch
13 break.

14 BY MR. BAYMAN:

12:22:03 15 Q. You agree with me that if you look at --

16 MR. BAYMAN: Let's put up Exhibit 24 again.

17 (Exhibit published to the jury.)

18 THE COURT: What's your question?

19 BY MR. BAYMAN:

12:22:26 20 Q. His compensation is going down over that time period,
21 correct?

22 A. I thought there was -- modestly, yes.

23 Q. And there was the decision you mentioned was made in 2010
24 to elevate Mr. Jaskot from deputy chair to co-chair, correct?

12:22:57 25 A. He was -- he was named as co-chair with Stu, yes.

1 Q. Are you aware that Mr. Dolin went into therapy after that
2 decision was made?

3 A. I -- I -- I've heard that he was in therapy.

4 Q. Not from him though, right?

12:23:16

5 A. No.

6 Q. Your understanding -- and is it not your understanding that
7 that decision to elevate Mr. Jaskot to co-chair was made by Mr.
8 Ilino who is head of business and finance at the time?

12:23:36

9 A. I think he officially would've made it, but I know that Stu
10 was -- was looking for the change as well. I don't think there
11 was any lack of consensus over it.

12 Q. But you're not disputing that Mr. Ilino made the decision?

13 A. Officially, yes.

12:24:02

14 Q. You will agree that Mr. Dolin expressed to you his
15 frustration about being the practice group leader and that it
16 took time away from his practice?

17 A. Yes.

18 Q. Reed Smith has laid off partners since Mr. Dolin's death,
19 correct?

12:24:20

20 A. Yes.

21 Q. In fact, in 2016 Reed Smith laid off approximately 40
22 partners and counsel, correct?

23 A. Yeah, I think for share partners and counsel.

12:24:40

24 MR. RAPOPORT: Your Honor, I object to the
25 introduction of evidence of any but equity partners. That's

1 what we're dealing with here. We could be talking about
2 associates too, it's all irrelevant. What is relevant is Mr.
3 Dolin's --

4 THE COURT: Well, let's go on. There's no question
5 pending now.

12:24:54

6 BY MR. BAYMAN:

7 Q. Taking you back to up to PX 24.

8 MR. BAYMAN: Could you go to the chargeable hours
9 line, Mr. Holtzen. Blow that up, please.

12:25:09

10 (Brief pause).

11 BY MR. BAYMAN:

12 Q. The jury has heard the term "billable hours," that's the
13 same thing as chargeable hours, correct?

14 A. Yes.

12:25:24

15 Q. And for the jury's benefit, a billable hour means an hour
16 that an attorney spends working and billing his time to the
17 client, correct?

18 A. Yes.

19 Q. And that's a very important metric in a law firm, correct?

12:25:37

20 A. It is particularly as it relates to revenue derived
21 therefrom.

22 Q. That's how law firms --

23 THE COURT: That's enough, sir. We've got it. The
24 jury has heard it before several times. Let's proceed.

12:25:52

25 BY MR. BAYMAN:

1 Q. So if an attorney billed 8 hours a day, 5 days a week, that
2 would be 40 hours a week, correct?

3 A. Yes.

4 Q. And this would be 160 hours a month?

12:26:02

5 A. Yes.

6 Q. Is that, right?

7 And in 2005 Mr. Dolin billed 1430 hours, correct?

8 A. Yes.

9 Q. In 2006 he billed 1283, correct?

12:26:17

10 A. Yes.

11 Q. In 2007 he billed 1159 hours, correct?

12 A. Yes.

13 Q. And in 2008 he billed 1196 hours, correct?

14 A. Yes.

12:26:27

15 Q. And in 2009 he billed 733 hours, correct?

16 A. Yes.

17 Q. All of those years, except for 2005, were below the Reed
18 Smith expectation of 1400 hours for practice group leaders,
19 correct?

12:26:45

20 A. Yes.

21 Q. And --

22 A. Or the Reed Smith expressed standard.

23 Q. Correct. Because Reed Smith expressed -- expects practice
24 group leaders to practice law and to do their management job,
25 correct?

12:26:59

1 A. We do.

2 Q. And, in fact, for lawyers who are not practice group
3 leaders, that expectation is higher than 1400 hours, correct?

4 A. It is.

12:27:07

5 Q. It's like 1750, is that right?

6 A. I think 1750 for equity partners.

7 Q. Another 350 hours more to be billed for lawyers who are not
8 practice group leaders, correct?

9 A. Yes.

12:27:23

10 Q. And did you -- are you aware that in -- strike that.

11 Mr. Rapoport -- you told Mr. Rapoport on direct that
12 Mr. Dolin was having a better year in 2010, correct?

13 A. Yes.

12:27:43

14 Q. Were you aware that in the first half of 2010, from January
15 to June, he billed 460 hours?

16 A. I was not. I may have been aware of it at some time, but I
17 don't recall that.

18 Q. And if we take that same number and expect he might bill
19 that for the second half, that would be 920 hours, correct?

12:27:59

20 A. Yes.

21 Q. So he was really not much busier in 2010 on his on work, on
22 his own time, than he was in 2009, correct?

23 A. No, I think he was somewhat busier. He had about 24
24 percent busier than 733. You know, he was a couple hundred
25 hours busier, but not as high as before.

12:28:27

1 Q. A couple hundred hours busier?

2 A. Yeah.

3 Q. He wasn't anywhere near 1400 hours, though, was he, in
4 2010?

12:28:40

5 A. No. 920 is not near 1400.

6 Q. And to the extent that he had improved revenue in 2010,
7 that was really revenue from work other lawyers were doing for
8 clients in which he was the relationship partner as opposed to
9 work that Mr. Dolin was doing, correct?

12:28:58

10 A. It's a significant part.

11 Q. Just like you mentioned --

12 MR. BAYMAN: Mr. Holtzen, go back to the revenue for
13 CRL for 2009.

14 (Brief pause).

12:29:13

15 BY MR. BAYMAN:

16 Q. You mentioned with Mr. Rapoport that that number of
17 9,237,042 that was really a litigation -- revenue from a
18 litigation matter that Mr. Dolin wasn't working on, right?

12:29:44

19 A. For 2008, I'm surmising, it almost inevitably had to have
20 been.

21 Q. And that would've -- going on in 2010, that there was
22 revenue that Mr. Dolin was -- that his clients were generating
23 but he wasn't working on, right?

12:30:01

24 A. Not just that he wasn't working on, that he would not have
25 been primarily responsible for bringing it in.

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/s/Blanca I. Lara

April 3, 2017

12:31:56