



Edgar G. Sargent Partner

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Overview

“I cannot say enough about Edgar’s skill at trial, from his presentation to his insight and anticipation of the opposition’s thoughts he is the complete trial lawyer. Indeed one rarely experiences the intelligence that Susman Godfrey’s trial lawyers possess. If I find myself at trial in a bankruptcy case or any other high stakes litigation, Edgar and Susman Godfrey will be at the top of the list.”

– Michael Willingham, Chair of Washington Mutual Equity Committee

Sargent represents clients in complex, high-stakes lawsuits in courts throughout the United States. He has years of experience litigating disputes involving cryptocurrency and digital assets. In addition to his cryptocurrency work, Sargent has represented plaintiffs and defendants in a wide range of commercial disputes, from patent infringement to breach of contract and business torts. He has served as litigation counsel to the estate or to major claimants in some of the largest bankruptcies in the country over the past fifteen years. Sargent has been with Susman Godfrey since 2000 and has been a partner since 2005. He has been named a “SuperLawyer” by Washington Law and Politics each year since 2014.

Sargent brought one of the first significant lawsuits in the United States involving the digital currency bitcoin when he was hired by the Seattle company CoinLab to sue the Japanese exchange MtGox. In the suit, filed in May 2013, CoinLab seeks to enforce a \$50 million liquidated damages clause in a contract with MtGox. Under the contract, CoinLab was to serve as the exclusive bitcoin exchange agent for MtGox in the United States and Canada. When MtGox filed for bankruptcy in Japan in 2014, the CoinLab dispute was transferred to the jurisdiction of the Japanese bankruptcy court. The dispute is ongoing in that forum and Sargent has provided several submissions through CoinLab’s Japanese counsel to the bankruptcy court explaining relevant United States legal principles and advocating for CoinLab’s claim.

Sargent’s experience with digital assets and cryptocurrency has continued since filing the CoinLab/MtGox case. He has represented a Seattle-based digital asset consulting firm in a number of confidential disputes. He also represents the plaintiffs in a putative class action against the bitcoin and cryptocurrency mining company GAW Miners alleging securities fraud and related claims. That case is ongoing in Federal District Court for the District of Connecticut.

In 2017, Sargent was the lead trial lawyer for the real estate website Zillow in a three-week jury trial in Federal District Court in Seattle. The case was brought by Chicago-based real estate photography company VHT, which sought \$50 million in damages based on allegations that Zillow had infringed VHT’s copyrights in tens

of thousands of photographs. Sargent and his Susman Godfrey colleagues Ian Crosby, Genevieve Wallace, and Jenna Farleigh obtained orders dismissing the majority of VHT's claims in pre- and post-trial motions. The remaining claims in the case are still being litigated.

In 2014, the City of Seattle retained Sargent to defend the City's new minimum wage law from a Constitutional challenge. The case was filed by former United States Solicitor General Paul Clement on behalf of a franchise trade organization and several franchise businesses. In the Complaint, these businesses allege that Seattle's minimum wage law violates the Equal Protection Clause, the Dormant Commerce Clause, and several other provisions of the United States and Washington State Constitutions. In a fifty-page order, the District Court rejected the plaintiffs' motion seeking to enjoin the minimum wage law from taking effect. After the Ninth Circuit upheld that ruling and the United State Supreme Court denied the plaintiff's petition for certiorari, the plaintiffs voluntarily dismissed the case.

Bankruptcies in which Sargent has represented significant parties include Washington Mutual (representing the Equity Committee), Hostess (the baker's union), Tom Petters' Ponzi scheme (major creditors), Chrysler (the estate), Lehman Brothers (Lehman's European brokerage), Metropolitan Mortgage/Summit Securities (the estate), and Boston Chicken (D&O insurer).

Sargent's successful representation of Washington Mutual's Equity Committee was widely reported in the press, including Reuters, [Bloomberg](#), and the [Wall Street Journal](#). In two multi-week plan-confirmation hearings, Sargent served as co-lead trial counsel, opposing plans that would have wiped out shareholders. Although both plans were supported by the debtor and by all major creditors, the Court rejected both plans after the trials. Sargent then negotiated terms of a new plan that distributed over \$100 million in value to shareholders, including 90% ownership of the reorganized debtor.

Sargent has represented bankruptcy estates in litigating audit malpractice, fraudulent conveyance, officer and director liability, and breach of contract claims. He has led investigations by estates into potential claims in each of these areas as well as securities violations and other causes of action. He has litigated matters in bankruptcy courts across the United States, including Arizona, Washington State, Delaware, and the Southern District of New York.

Sargent is based in Seattle but he represents clients in courts across the United States. A more complete list of Sargent's cases is available below.

Education

- Yale University (B.A. in philosophy, 1986)
- University of Washington (J.D. with high honors, 1998)

Clerkship

Clerked for Judge John C. Coughenour, Chief Judge of the United States District Court for the Western District of Washington.

Honors and Distinctions

- Named a "Super Lawyer" by Washington Law And Politics (2014 – 2022, Thomson Reuters)
- Fraternities: Order of the Coif
- Editor in Chief, Washington Law Review, 1997-1998

- Law Clerk to the Honorable John C. Coughenour, Chief Judge of the U.S. District Court for the Western District of Washington, 1998-2000
- Part-time lecturer, University of Washington School of Law, summer term 2000
- Named "Rising Star" by Washington Law & Politics (Thomson Reuters), 2006

Professional Associations and Memberships

State Bar of Washington

Notable Representations

- Sargent represents investors in bitcoin mining company GAW Miners who have brought claims for federal and state securities fraud. Sargent has had primary responsibility for technical aspects of the case, including working with fact witnesses and experts on issues related to bitcoin mining. The case is on file in the Federal District Court for the District of Connecticut and is ongoing.
- Sargent represented Seattle consulting firm New Alchemy in a dispute with a former client involving the distribution of digital tokens. The dispute was resolved on terms favorable to Sargent's client New Alchemy after a confidential mediation.
- Sargent represented the plaintiff widow in claims against General Motors alleging that her husband had been killed in an accident caused by a defective ignition switch. The case was one of hundreds filed across the country and consolidated in the Southern District of New York based on allegations that GM's ignition switches had rotated unexpectedly, causing accidents. Sargent was retained to assist with this case after the Court identified it as a bellwether to provide guidance for resolution of the remaining cases. After extensive expert and fact discovery, the case was settled on confidential terms favorable to Sargent's client.
- Representing a class of derivatives investors in insider trading claim against hedge funds Pershing and Valeant related to Valeant's acquisition of pharmaceutical company Allergan. The case is ongoing in the Federal District Court for the Central District of California.
- Representing China Privatization Fund in claim against Macau casino owner Galaxy Entertainment for common stock due under provisions of convertible debt instrument. The case is ongoing in the Supreme Court for the State of New York.
- Lead trial counsel for real estate website Zillow in fifty million dollar copyright infringement claim asserted by real estate photography company. The case is ongoing.
- Represented large Seattle technology company in dispute with former executive over severance compensation. Resolved favorably in a confidential proceeding.
- Represented the City of Seattle in defense of minimum wage ordinance challenged on constitutional grounds by franchise businesses and the national franchise trade association. The City won on all claims in the District Court and in the Ninth Circuit Court of Appeals and the case has now been dismissed.
- Represents Coinlab Inc. in case against Japanese Bitcoin exchange, Mt. Gox. The suit alleges that Mt. Gox breached a contract granting Coinlab exclusive rights to perform Bitcoin exchanges for Mt. Gox customers in the United States and Canada.
- Represented Washington Mutual Liquidating Trust in investigation into potential claims against third-parties, including claims against major brokerage firms for short-selling Washington Mutual Stock and claims against auditors and others for professional malpractice.
- Represents Internet marketing firm Selling Source in arbitration concerning valuation of acquired businesses and implementation of contractual earn-out provision.
- Represented Equity Committee in the Washington Mutual bankruptcy in two successful challenges to

reorganization plans and negotiation of confirmed plan awarding equity ownership of reorganized company and other assets.

- Represents Liquidating Trustee for several investment funds that lost money in the Petters Ponzi scheme in claims against U.S. Bank for aiding and abetting breaches of fiduciary duty by the funds' former managers.
- Represented mortgage broker in confidential arbitration against bank that had agreed to underwrite and acquire mortgages from broker.
- Represented Baker's Union in Hostess Bankruptcy in opposition to sale terms in proposed plan of reorganization.
- Represents Mexican manufacturing company in dispute with competitor over assertion of intellectual property rights in Mexico.
- Represented Chrysler bankruptcy estate in multi-billion dollar fraudulent conveyance claims against Chrysler's former parent, Daimler, and several former directors.
- Represented SuperSpeed Software in patent infringement claims against IBM. The case settled on confidential terms favorable to Mr. Sargent's client three months before trial was scheduled.
- Represented the bankruptcy estate of Metropolitan Mortgage, a formerly \$2 billion financial company from Washington State, in claims against auditors and other professionals. Claims against PricewaterhouseCoopers settled for \$30million on the eve of trial. Claims against a second audit firm were resolved in a confidential arbitration.
- Counsel for ACE Insurance Ltd. in coverage claims brought by the Boston Chicken, Inc. bankruptcy trustee under a Directors & Officers policy.
- Counsel for Forgent Networks in patent infringement claims against over thirty defendants, including Microsoft, Apple, Kodak, and Hewlett Packard, related to the JPEG image compression algorithm.
- Represented SuperSpeed Software, Inc. in a patent infringement claim against Oracle Corporation. The case was settled on confidential terms in December 2005, shortly after the Court issued a claim construction ruling highly favorable to SuperSpeed.
- Counsel for Gateway Computers in developing antitrust and related claims against Microsoft. After extensive negotiations in which Gateway was represented by Susman Godfrey attorneys Parker Folse, Mr. Sargent, and Brooke Taylor, Gateway's released its antitrust claims against Microsoft as part of an agreement under which Microsoft will pay Gateway \$150 million.
- Counsel for Seattle-based software company in confidential contract and intellectual property dispute with a prominent East-Coast technology company. The case settled on terms favorable to Mr. Sargent's client after a mediation.
- With a team of Susman Godfrey attorneys led by Steve Susman, Mr. Sargent represented a consortium of eighty financial institutions in claims against a big-four accounting firm. Mr. Sargent's clients had loaned \$2.1 billion to fund a merger and later learned that the borrower's financial statements had been inaccurate. The case settled the day before jury selection was to begin on terms favorable to Susman Godfrey's clients.
- Successfully defended major manufacturer of building materials in trademark, trade dress, and related claims by competitor claiming that product patterns had been copied.