

Titan Of The Plaintiffs Bar: Susman Godfrey's Bill Carmody

By **Matthew Perlman**

Law360 (May 16, 2018, 5:43 PM EDT) -- Bill Carmody of Susman Godfrey LLP helped investors in the sprawling multidistrict litigation over alleged manipulation of Libor land a \$130 million settlement with Citigroup last year, and also scored a judgment worth more than \$100 million for General Electric after a jury verdict in a contract dispute, landing him among Law360's 2018 Titans of the Plaintiffs Bar.

With roots as a Texas trial attorney, Carmody has helped run Susman Godfrey's New York office for more than a decade. His practice has expanded to include work on both sides of the bar and he's often called into a case shortly before trial — which was the case when he defended Uber in its trade secrets row with Waymo earlier in 2018.

But Carmody also has spent years handling long-running, complex class actions for plaintiffs, like litigation that stretches back to 2011 over claims that some of the world's biggest banks manipulated the London Interbank Offered Rate, a key benchmark used to price trillions of dollars worth of securities worldwide.

He describes the theory in that case as simple — that the banks colluded to manipulate the Libor rate in the midst of the financial crisis as a way to stay afloat — but said progress in the litigation has been sluggish because of the enormous number of people and entities that invested in instruments tied to Libor.

“At its core, it's not a complicated case, but it's just been procedurally unwieldy because of a ton of parties involved, and all the purported classes,” Carmody said. “It's just a monster, monster case. The court has just been inundated.”

In that suit, Carmody serves as co-lead counsel for a recently certified class of over-the-counter investors — who purchased instruments tied to Libor directly from the big banks accused of manipulating the benchmark — alongside Michael D. Hausfeld of Hausfeld LLP. After a trip to the



BILL CARMODY ON EXPLAINING COMPLEX ISSUES TO A JURY: “Our job is to try to get to the essence of it, what it's really about.”

Second Circuit, the OTC investors reached an ice-breaker deal with Barclays PLC in late 2016 for \$120 million, followed by a \$130 million deal in August last year with Citigroup Inc.

The most recent settlements with HSBC Bank and Deutsche Bank AG earlier this year totaled \$340 million and the class is now preparing to move the litigation ahead against the remaining banks.

In addition to managing complex, longstanding matters, Carmody also has a knack for simplifying complicated concepts in a way that makes it easy for juries to understand, according to Shawn J. Rabin, a Susman Godfrey partner who has worked with Carmody since 2004.

“He’s a storyteller. Whether it’s sitting together over drinks or at dinner, or before a jury, he’s someone that you want to be around and that juries want to relate to,” Rabin said. “He has a way of just connecting with people that I really haven’t seen, among either the plaintiff or defense bar.”

Rabin worked with Carmody last year on a case brought by General Electric over a contract dispute with the Nebraska Investment Finance Authority.

The suit involved what are known as guaranteed investment contracts, which were financial instruments popular in the 1990s that were bought with the proceeds of municipal bond offerings. NIFA claimed it was entitled to continue receiving interest payments on the contracts even though the underlying bonds had been redeemed. GE sought a declaratory judgment finding that the contracts had terminated as well as other relief.

A jury sided with GE in November, and the company was awarded \$28 million in damages and \$11 million in interest. The result also wiped out around \$100 million in future interest payments that NIFA had claimed it was owed.

During opening arguments, Rabin said Carmody was able to break down the complicated issue in a way that was easy for the jury to digest, centering on a refrain that got their client’s point across with memorable clarity: “When the bonds go, the contracts go.”

“It was just one of those things, where everyone remembered it,” Rabin said. “We talked to the jury afterwards, and they said they were on our side since opening, that Bill got them right from the start.”

Carmody said he repeated the refrain several times, “like a rock-n-roll song,” during openings and also employed a visual aid that resembled a stop sign and included the same simple words to help drive it home. The difficulty in the case, he said, was breaking down a dry and esoteric issue in a way that would get the jury intrigued enough to want to learn about it — and then convince them that there was a simple answer.

“I find myself almost like a translator at times,” Carmody said. “But our job is to try to get to the essence of it, what it’s really about.”

And, he said, he often finds himself impressed by the jury’s eagerness to learn what he’s trying to teach.

“It’s truly amazing the level of attention they pay, the notes they take, the interest they have, to really do justice,” Carmody said. “To honor their roles as citizens, to really do the right thing.”

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