

Influential Women In Securities Law: Julie Goldsmith Reiser

By **Jody Godoy**

Law360, New York (April 16, 2016, 12:19 AM ET) -- Julie Goldsmith Reiser of Cohen Milstein Sellers & Toll PLLC has recovered millions of dollars for investors during her illustrious career and won some major court decisions, including a recent appeal against BP, cementing her position among Law360's Influential Women in Securities Law.

In recent years, Reiser has spearheaded several complex securities actions for public pension fund clients that lost money on mortgage-backed securities issued by Countrywide Financial Corp. She also devised a novel argument that led to a \$69 million settlement with MBS trustee banks and is currently at the helm of a securities class action against BP PLC over alleged misrepresentations about the extent of the Deepwater Horizon oil spill.

The Washington, D.C.-based attorney works on case selection and development at her firm, which allows her to start building her trust from the moment she starts working with a client. After seeing her work, clients have asked her to take the lead on cases that might otherwise have been led by more senior partners.

"If I am recommending a case, that is my word," Reiser said. "I want a client to know it's something I think is in their interest and there is a reason why I think this is a good fit for them."

In the BP class action, Reiser and her team are representing New York State Common Retirement Fund, one of the lead plaintiffs. Reiser has headed up the case since before it was filed in 2010, and last year, she successfully defended class certification in the Fifth Circuit.

The investors in that case purchased stock following the April 2010 disaster and argue that BP had withheld information about the magnitude of the spill. U.S. District Judge Keith P. Ellison is now considering a summary judgment motion after February arguments, which Reiser conducted for the investors.

Fellow Cohen Milstein partner Joshua Devore has worked on several cases with Reiser, including the BP appeal, which three Fifth Circuit judges heard in New Orleans last July. The preparation took weeks, Devore said.

The day before arguing in court, Reiser and Devore walked around the city for hours while Reiser rehearsed and refined her arguments and Devore gave feedback.

“We walked up Bourbon Street and through the French Quarter, preparing over and over and over again, going through the arguments for hours,” Devore said.

BP had sought to overturn class certification by picking apart the plaintiffs' damages model — it only took Reiser eight minutes to defend the crucial damages model.

“There is no fracturing of the class. The damages methodology is not broken — it hasn't failed. It does exactly what it is supposed to do,” she told the court.

Reiser's bent for meticulous preparation, along with her eye for a solid case, was something Gregg Schochenmaier, general counsel at the Iowa Public Employees' Retirement System, appreciated in his work with her on the Countrywide case.

“I am a one-person shop here at IPERS — it's a \$28 billion system. If I am going to dedicate my resources as a lead plaintiff in a case, I am not going to waste my time on anything that is questionable,” Schochenmaier said.

IPERS was one of three pension funds Reiser and her colleagues represented in litigation against Countrywide that resulted in a \$500 million settlement approved in December 2013 and blazed a trail for MBS claims in the Ninth Circuit.

Andrew Zivitz, an attorney at Kessler Topaz Meltzer & Check LLP who worked on what was initially a competing case but eventually worked alongside Reiser once the cases proceeded in tandem, said her approach was an important part of their success.

“Even when our views diverged, we would work it out constructively — Julie never used a 'my way or the highway' negotiating style,” Zivitz said. “That interactive and cooperative approach helped us achieve a remarkable result for the investor class.”

Reiser worked with damages experts, took many of the fact depositions and successfully argued against the defendants' motion to dismiss the case. During the case, she also spent days helping Schochenmaier and his colleagues craft search terms and prepare discovery or get ready for depositions.

The general counsel said Reiser's “keen mind” enabled her to recall relevant details from other depositions. When the time came to sit and answer questions from attorneys for the other side, Schochenmaier said Reiser would grin as he shut down lines of questioning.

“But I couldn't do that without her preparation,” Schochenmaier said.

But what he valued most was her ability to listen and her understanding of a pension plan's unique needs. That trust played a role in IPERS pursuing several other MBS cases with the firm.

One of those other litigations involved a novel legal theory advanced by Reiser and her co-counsel. That case alleged Bank of America NA and U.S. Bank had violated the Trust Indenture Act by failing as trustees for MBS trusts made up of loans poorly underwritten by now-defunct Washington Mutual Inc.

“If it wasn't for Julie's insight and understanding of these issues, and recommending why she thought it was a good case for our client to get involved in, we would never have done it,” said Steve Toll, the firm's managing partner.

One of her roles in that case was to work with the statistician for the plaintiffs to figure out a way to test the quality of the loan underwriting. The case ultimately settled for \$69 million in November 2014, less than two months before a Second Circuit ruling that would have undermined the legal theory in the case.

The ability to get results that help a large number of people and rulings that can deter companies from acting unfairly are part of what drives Reiser's practice.

In one of the first cases of her career as a litigator at another firm, Reiser was assigned to an insurance defense case. Realizing her desires to help the plaintiff, she decided to look for a firm focused on representing them. She joined Cohen Milstein in 1999 in her native Seattle, where the firm previously had an office.

"It felt like being on the right side of cases that had a big impact," she said. "But again, it's only the right side of a case if you are selective about it. Not every case is a good case."

In college, Reiser worked in a law office, but after she graduated from Vassar College, she spent time exploring other career options, including working for an economics consulting firm and a bank in Tokyo. However, the atmosphere at a Japanese financial company in the 1990s — when female employees were referred to as "office ladies" and wore company uniforms — came as a shock to the competitive team player who hikes the Olympic Mountains.

She then went back to her interest in the law, earning her J.D. at the University of Virginia School of Law in 1997.

In her practice, Reiser doesn't usually notice that she is one of the only women, if not the only woman, in the room but occasionally gets a frustrating reminder — for example, when she is running a meeting and a male colleague asks if she can send around notes afterwards.

"I think the [important thing] is to remember that you are on a team and try to navigate to the point where you are taken seriously instead of insisting on it," she said.

Reiser tries to teach her children the same sense of collaboration that is essential to her practice. When her 8-year-old daughter bristled at suggestions on a writing assignment, Reiser showed her red-lined copies of briefs she was working on.

"It's hard to be a good learner if you are feeling defensive or that you should have known the answer," Reiser said. "It needs to come much more naturally that part of getting the best possible product is not doing it by yourself."

--Editing by Christine Chun and Philip Shea.
