

SHIPBUILDER LOOKS FOR COURT'S WORD OF \$129M VENEZUELA AWARD

...confirm a \$129.9 million award against Venezuela's defense ministry, ... that arose from a \$315 million

IP Group of the Year: Hughes Hubbard

Hughes Hubbard & Reed LLP scored a win for TC Heartland LLC ... in a major patent case that overturned 30 years of established precedent and marked an integral landmark in patent litigation history, landing the firm a spot among Law360's 2017 Intellectual Property Groups of the Year

Panel rules against Venezuela

A US shipbuilder has won nearly \$130 million in a court-ordered arbitration panel with Venezuela's defense ministry over the repair and upgrade of naval frigates, a dispute that began over 15 years ago

Ex-Lehman Workers Can't Cash In Restricted Stock: 2nd Circ.

The Second Circuit told a group of former Lehman Brothers Inc. workers Thursday they can't cash in either the restricted stock units they received in compensation or the cash they were promised for leaving both

Litigation Wrap

First Quarter 2018

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Hughes Hubbard & Reed

1Q2018 Developments

Arb. Victory Against Venezuela

On Feb. 19, Hughes Hubbard led a U.S. shipbuilder to a major arbitration victory against Venezuela's Defense Ministry when a tribunal awarded our client approximately \$129 million in a contract dispute over the repair and refurbishment of two frigates owned by the Venezuelan navy. **John Wood** led the team, which included **Eric Parnes**.

EU Trademark Infringement Win

Paris partner **Stefan Naumann** obtained a resounding victory on Feb. 22 for medical device manufacturer C5 Medical Werks when the Paris Court of First Instance canceled rival CeramTec's three European Union trademarks covering the color pink and the shape of orthopedic implants, holding that CeramTec had acted in bad faith when it filed the trademarks. The decision paves the way for C5 to sell pink-colored hip implant components in Europe.

Securities Class Action Dismissed

Terence Healy and **Sarah Cave** obtained a complete dismissal on motion of a securities class action alleging financial fraud against the former chief financial officer of a

global energy industry equipment and services provider. On Dec. 27, a Texas federal judge, adopting HHR's arguments, found that an alleged failure to follow subjective generally accepted accounting principles did not establish severe recklessness under the federal securities laws.

2nd Cir. Upholds Subordination

On Jan. 25, the Second Circuit affirmed a bankruptcy court's decision to reclassify Lehman claims for approximately \$24 million in restricted stock awards. The court held that the awards should be subordinated to general creditor claims against the LBI estate "because the appellants assumed the reward and risk expectations of shareholders when they agreed to receive compensation in the form of RSUs." **Jason Benton** led the Lehman team and **Karen Chau** argued the appeal.

HHR Wins Debarment Release

In 2014, our client, a Chinese state-owned enterprise (SOE), was debarred from African Development Bank (AfDB)-funded projects for three years related to sanctionable practices. HHR was retained to assist the client in implementing a new compliance program and meeting its obligations

under its settlement with the AfDB. With our assistance, the client obtained early conditional release from its debarment after two years, marking the first time a Chinese SOE was given early release from debarment by the AfDB. In Dec. 2017, our client was fully released from all conditions under the settlement agreement. **Michael Silverman** and **Michael DeBernardis** led the team, which included **Michael Huneke**.

Breach of Contract Suit Win

Bill Maguire and **Fara Tabatabai** scored a big victory for Uranium Energy Corp. (UEC) on March 2 when U. S. District Judge Katherine Forrest agreed with their arguments that anti-dilution provisions in stock warrants for a company that UEC had acquired in 2011 were never triggered and that all rights were extinguished in the merger of the two companies. The judge granted HHR's motion for summary judgment and dismissed plaintiffs' claims.

Mellon Case Favorably Resolved
Ed Little and **Jim Klaiber** settled an SEC proceeding against banking heir Matthew T. Mellon II, which grew out of the SEC's investigation of shareholder fraud by the board

of Medient Studios Inc. on which Mellon had previously served as a director. Mellon's case was settled with no admissions beyond failure to report the receipt of Medient stock in a timely fashion and only the SEC's minimum payment penalty.

IP Team Receives Multiple Awards

HHR's IP Group was named an "Intellectual Property Group of the Year" by Law 360. In a Jan. 26 profile, the publication highlighted HHR's unanimous Supreme Court win for TC Heartland against Kraft Foods, a decision which upended almost 30 years of practice and changed the patent litigation map. The Group also received multiple honors from Managing IP's 2018 Americas IP Awards on March 15 when HHR was named U.S. Appellate Firm of the Year and **Jim Dabney** was named Outstanding Appellate Practitioner and Outstanding Litigator: N.Y. category. Both Dabney and HHR were also recognized by The Benchmark Litigation 2018 US Awards on Feb. 15, with Dabney named IP Attorney of the Year.