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TOP BOUTIQUES IN CALIFORNIA 2021



**PACHULSKI
STANG
ZIEHL &
JONES
LLP**

LOS ANGELES
SAN FRANCISCO

BANKRUPTCY
RESTRUCTURING

Back Row, Left to Right: Richard M. Pachulski, James I. Stang and Jeffrey N. Pomerantz
Front Row, Left to right: Shirley S. Cho and Debra Grassgreen

NICOLE TYAU/ DAILY JOURNAL

Pachulski Stang is the largest corporate restructuring boutique in the nation, according to partner Jeffrey N. Pomerantz. For instance, he and a partner each in New York and Delaware have represented creditors' committees in the bankruptcies of many retail giants, including Neiman Marcus, J.Crew and the company that owns menswear chains Jos A. Bank and Men's Wearhouse.

The 38-year-old firm primarily represents creditors' committees and debtors. "The only thing the firm doesn't do is represent institutional creditors. We've never represented banks," said partner James I. Stang.

Debra Grassgreen's clients have included many people and companies in the entertainment industry and, during the 2008 real estate crash, many homebuilders. Based in the Bay Area, she also now advises Silicon Valley venture capital funds about their investments, and has represented numerous renewable energy companies (including wind, solar, biofuels) in out of court and

court-supervised restructurings.

Other partners last year settled one of the largest personal bankruptcies in U.S. history for Chinese serial entrepreneur Yueting Jia, who owed more than \$3 billion, mostly to creditors in China. Lead counsel on the turnaround, founding partner Richard Pachulski, said that "the international case was challenging and rewarding and a great representation of the breadth and depth of the firm's practice."

In a case unlike any other he has handled, Pomerantz leads a team of about 10 attorneys representing hedge fund Highland Capital, in its Chapter 11, which was confirmed in February. Liabilities included about \$200 million in legal and related claims. The matter also spawned a couple dozen pieces of litigation, including contempt citations against the CEO and appeals.

In many of the firm's most significant cases, it represents unsecured creditors' committees comprising victims of crime. Grassgreen, for instance, represents about 1,000

victims of a real estate Ponzi scheme that ran from 2007-20. She confirmed a plan in less than a year thanks, she said, to the significant involvement of hundreds of investors.

She also represents the women victimized by disgraced movie mogul Harvey Weinstein.

Stang, however, has developed a unique focus on seeking compensation for victims of sexual misconduct. He got into the area initially by putting on a continuing legal education program for plaintiffs' lawyers when Catholic dioceses began filing for bankruptcy.

Beginning with the Spokane diocese's case in 2004, he represented the abuse survivors in every diocesan bankruptcy filed for the next 10 years. Overall, Stang said, he has represented creditors' committees in about 17 such matters.

He now represents more than 500 gymnasts pursuing USA Gymnastics over abuse by coaches, trainers and imprisoned osteopath Larry Nassar.

And last year, he joined the biggest

of these cases, against the Boy Scouts. "There are slightly over 82,000 filed claims in Boy Scouts," Stang said. "It changes the whole dynamic with the [insurance] carriers and with everybody."

Stang said representing abuse survivors is very meaningful to him. "They touch you in a way that representing some retail or restaurant company doesn't."

The firm traces to Stang meeting Pachulski in 1980. Their firm began three years later. In 2000, when prominent Delaware bankruptcy lawyer Laura Davis Jones joined, "it really put us on the national map."

The firm also has New York and Houston offices plus attorneys in Arizona, Florida and South Carolina.

And lawyers stay with the firm. "In the history of the firm, you can count on one hand the number of partners who left the firm voluntarily to practice law in the same city," Pomerantz said.

— Don DeBenedictis