

# NewTimes

L O S A N G E L E S

# THE FIRM

*Haight, Brown & Bonesteel, one of L.A.'s most prestigious law firms, stands accused of illegally spying on courtroom foes. Documents in the case, including those sealed by a judge, are explosive. A New Times special report*

**BY SUSAN GOLDSMITH**

**Film:** Moses finds God; Meg falls for Tom (again); and John Boorman bonds with Irish gangsters in *The General*

**Fuzzy thinking:** Jill Stewart praises the state Board of Education for dumping "fuzzy math," and hammers L.A. Mummified for keeping it

**Music:** Franklin Bruno on Gershwin and the new copyright laws; Sara Scribner on porn-star rock



In that case, Haight, Brown was up against Thomas V. Girardi, one of the most successful plaintiff lawyers in California. The L.A. Daily Journal recently dubbed Girardi "The Billion Dollar Gentleman" in a special issue on the 100 most influential attorneys in the state. Girardi has "racked up more than \$1 billion in verdicts and settlements in the last two years alone," the newspaper said.

One of Girardi's biggest wins in recent years was against San Francisco-based Pacific Gas & Electric Co., which he sued on behalf of 650 residents of Hinkley, a small Mojave Desert town near Barstow. The



The "Billion Dollar Gentleman": Attorney Thomas V. Girardi

plaintiffs alleged they had contracted cancer and other serious illnesses from spent chromium that seeped into local drinking water from a PG&E gas pumping station. Girardi contended in the suit that PG&E knew about the problem for years but did nothing about it.

Haight, Brown was one of the firms defending PG&E. While the case was underway in 1996, Ben Ortiz informed Girardi that Haight, Brown investigators had targeted his clients for unlawful intelligence gathering, the attorney told New Times.

"The information I got from Mr. Ortiz was that Haight had consumer credit reports on my clients in the PG&E case," Girardi said.

Girardi refused to disclose more details about his association with Ortiz or the alleged illegal investigation of his clients by Haight, Brown. But New Times obtained a letter Girardi and his partners wrote to the plaintiffs in the case saying that because of the spying, they were able to wring an additional \$58 million

out of PG&E to settle the lawsuit.

Girardi explained in the letter that while he was negotiating with PG&E in June 1996, the utility offered \$275 million to settle the case. But when Girardi and his partners found out about the credit reports, the settlement price shot up.

"We then learned that all 29 plaintiffs during the last trial had been thoroughly investigated by private investigators hired by PG&E's lawyers," the letter said. "In some cases, confidential consumer credit information was obtained illegally. While PG&E claims that work was perpetrated without its knowl-

edge or consent, this was certainly further grounds for us to threaten separate litigation for invasion of privacy."

Girardi went on to say in the letter that on June 12 "PG&E agreed to pay \$333,000,000 cash within 30 days to settle all claims...[but] We must further agree not to initiate any invasion of privacy suits."

Attached to the letter was the settlement agreement and release, which, Girardi wrote, "prevents any of you [plaintiffs] from suing PG&E for the invasion of privacy we mentioned in the above Newsletter. Even though only 29 plaintiffs' privacy appears to have been violated by PG&E, all plaintiffs must agree never to claim or sue for invasion of privacy against PG&E arising out of this litigation."

Two Haight, Brown attorneys who defended PG&E declined to comment. PG&E officials did not return phone calls requesting an interview.