

SHADY TRIAL LAWYER PIPELINE UPDATE

How A “Shady Eight” Group Of Law Firms Generated \$15 Million For Left-Wing Campaigns With The Help Of Government Contracts

New Series About The Role That Trial Lawyers, Boosted By
Lucrative Public Contracts, Play In Left-Wing Politics

One of the biggest consumer protection problems we face is the growing trend of trial lawyers and public officials diverting money from victims and everyday consumers.

A stark example of this problem is the Shady Trial Lawyer Pipeline—politicians handing out lucrative public contracts to trial lawyers who give millions of dollars to liberal political campaigns. This is often done under the guise of consumer protection. But, while the Shady Trial Lawyer Pipeline helps politicians funnel public money toward left-wing politics, it leaves everyday consumers and taxpayers with a horrible deal.

As the nation’s focus turns to the upcoming mid-term elections, Alliance For Consumers is launching a series of Shady Trial Lawyer Pipeline Updates. This report looks at federal political giving in the last four-year election cycle by eight law firms—referred to as the Shady Eight—that serve as Shady Trial Lawyer Pipeline posterchildren.

THE SHADY EIGHT

Morgan & Morgan
Lieff Cabraser
Motley Rice
Baron & Budd
Grant & Eisenhofer
Berger Montague
Cohen Milstein
Simmons Hanly

These law firms are archetypal participants in the Shady Trial Lawyer Pipeline. Each is ranked by the National Law Journal or Legal500 as a leader amongst plaintiff-side trial firms. And each is powered in part by public contracts with States or local governments on prominent litigation. Simmons Hanly represents local governments in major litigation, Motley Rice won the 2021 Elite Trial Lawyers Award for government representation from American Lawyer Magazine, and Morgan & Morgan, Lieff Cabraser, Baron & Budd, Grant & Eisenhofer, Berger Montague, and Cohen Milstein have state contracts in places like Indiana, Kentucky, Mississippi, New Mexico, and New Jersey.

\$15 MILLION
in combined
political donations

These “Shady Eight” firms generated at least \$15 million in combined political donations from 2017-2020 to committees and candidates in the Federal Election Commission (FEC) tracking system. That is the total given by the firms directly, their 1,300 or so combined lawyers, and other employees and staff.

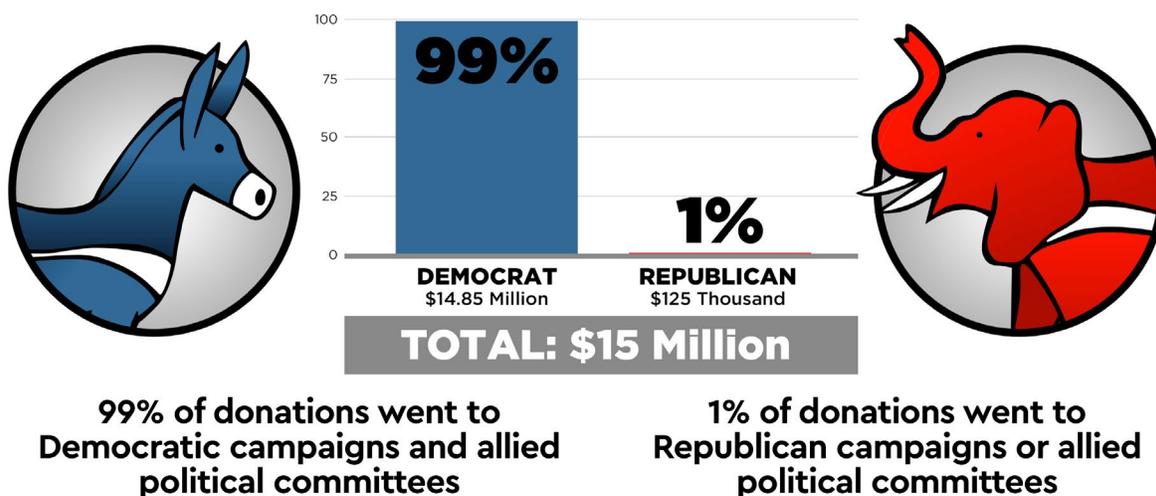
This \$15 million in combined donations out of the Shady Eight dwarfs the federal donations generated by massive American corporations. The donations over the same period generated by Blackrock, the world’s largest asset manager, combined with Nike, the world’s most iconic sports brand, topped off with Twitter, a social-media powerhouse, would total only about half of what the Shady Eight fed to federal committees and

candidates from 2017-2020. These three corporate giants have nearly 100,000 employees combined and are nonetheless far behind the FEC-tracked political giving from by the Shady Eight, which have fewer than 1,500 lawyers between them.

**The Federal Money
The Shady Eight
Generates **Dwarfs**
The Federal Giving
Generated By Blackrock,
Nike, or Twitter**

The partisan bent to the \$15 million coming out of the Shady Eight is likewise in a class of its own. The Shady Eight sent 99% of their combined federal donations from 2017-2020 to Democratic campaigns and allied political committees. That means that of the \$15 million of combined donations, over \$14.85 million went to Democrats and their allies. The lowest percentage given to Democrats and their allies amongst the Shady Eight was from Motley Rice and Berger Montague, with only 98% of donations going to support Democrats. The other end of the spectrum is Loeff Cabraser, where only \$30 went to any Republican candidate or committee from 2017-2020; Loeff Cabraser generated over \$30,000 per-lawyer in federal political giving from 2017-2020, over \$2.5 million altogether, and yet only \$30, total, went to a Republican candidate or committee.

SHADY EIGHT POLITICAL DONATION BREAKDOWN



*This data is collected from FEC filings covering 2017-2020

As for the specifics of where the \$15 million went, that too reveals quite a bit regarding the Shady Eight's partisan commitment. About 40% of the money (approximately \$6 million) went to the political committees that form the professionalized superstructure of the Democratic Party—party committees, funds linked to House Speaker Nancy Pelosi or Senate Majority Leader Chuck Schumer, groups within the American Bridge ecosystem, and other similar organizations.

Over \$4 million of the money generated by the Shady Eight went to the Biden Presidential campaign effort and the Democratic National Committee (DNC). Over \$4 million flowed into Democratic candidates for U.S. Senate and the Democratic Senatorial Campaign Committee (DSCC) that supports them. And over \$2 million went to Democratic candidates for the U.S. House of Representatives and the Democratic Congressional Campaign Committee (DCCC) that bolsters those candidates.

~\$6 MILLION
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Democratic Party

**OVER \$4
MILLION**
to Biden campaign
and the DNC

**OVER \$4
MILLION**
to Democratic
Senate candidates
and the DSCC

**OVER \$2
MILLION**
to Democratic
House candidates
and the DCCC

SHADY EIGHT FIRM-BY-FIRM PARTISANSHIP

MORGAN & MORGAN – 99% of the FEC-recorded donations by the firm and its employees went to Democrats and their allies from 2017 through 2020. The firm generated over \$4 million in FEC donations from 2017 through 2020, putting over \$2.2 million toward Biden campaign efforts and the Democratic National Committee. Founder John Morgan gave \$1 million of those donations personally, including a \$355,000 check to the Biden Victory Fund in August 2020.

LIEFF CABRASER – 100% of the FEC-recorded donations from the firm and its employees went to Democrats and their allies from 2017 through 2020. The firm generated over \$2.8 million in FEC donations from 2017 through 2020, with \$250,000 going to the DSCC and \$70,000 going to the Nancy Pelosi Victory Fund.

MOTLEY RICE – 98% of the FEC-recorded donations from the firm and its employees went to Democrats and their allies from 2017 through 2020. The firm generated more than \$1.75 million in FEC donations from 2017 through 2020—over \$16,000

per lawyer on average—and sent over \$900,000 to Democratic Senate candidates and related political committees.

BARON & BUDD – 100% of the FEC-recorded donations from the firm and its employees went to Democrats and their allies from 2017 through 2020. The firm generated more than \$1.2 million in FEC donations from 2017 through 2020—over \$15,000 per lawyer on average—with over \$350,000 going to Democratic Senate candidates and related political committees and over \$35,000 to the Nancy Pelosi Victory Fund.

GRANT & EISENHOFER – 99% of the FEC-recorded donations from the firm and its employees went to Democrats and their allies from 2017 through 2020. The firm generated more than \$1.15 million in FEC donations from 2017 through 2020. Founder Jay Eisenhofer gave over \$800,000 of that amount himself, including \$150,000 to the Biden Victory Fund and \$100,000 to the House Senate Victory Fund.

BERGER MONTAGUE - 98% of the FEC-recorded donations from the firm and its employees went to Democrats and their allies from 2017 through 2020. The firm generated more than \$1.3 million in FEC donations from 2017 through 2020—nearly \$20,000 per lawyer—and sent at least \$100,000 to American Bridge 21st Century.

COHEN MILSTEIN - 99% of the FEC-recorded donations from the firm and its employees went to Democrats and their allies from 2017 through 2020. The firm generated more than \$750,000

in FEC donations from 2017 through 2020, with over \$250,000 of that going to Democratic Senate Candidates.

SIMMONS HANLY - 99% of the FEC-recorded donations from the firm and its employees went to Democrats and their allies from 2017 through 2020. The firm generated more than \$1.75 million in FEC donations from 2017 through 2020—nearly \$20,000 per lawyer—with over \$750,000 of that going to Democratic Senate Candidates and related political committees

This partisan political giving is supported by money from lucrative public contracts signed by politicians and public officials, money that really belongs in the pockets of taxpayers and consumers

SHADY EIGHT % DONATIONS TO DEMOCRATS AND ALLIED COMMITTEES

MORGAN & MORGAN

99%

LIEFF CABRASER

100%

MOTLEY RICE

98%

BARON & BUDD

100%

GRANT & EISENHOFER

99%

BERGER MONTAGUE

98%

COHEN MILSTEIN

99%

SIMMONS HANLEY

99%

THREAT TO CONSUMERS AND TAXPAYERS

This partisan political giving is supported by money from lucrative public contracts signed by politicians and public officials, money that really belongs in the pockets of taxpayers and consumers.

Consumers and taxpayers lose out from the Shady Trial Lawyer Pipeline in many ways, but one particularly dire aspect is how the public contracts that are the gateway to the Shady Trial Lawyer Pipeline are so often missing basic protections (including basic ethics protections) that should be in all outside-counsel contracts. The contracts can be only a few pages, sometimes look like they were

written by the trial lawyers themselves, and have glaring weaknesses, such as:

- The contracts often have no expiration date or clear language tying the engagement to a particular defendant or case;
- The contracts rarely include appropriate conflicts protection, even though trial lawyers often represent multiple governments that may have very different interests in the same case;
- The contracts usually fail to require that the trial lawyers provide the best pricing terms that the lawyers are offering to any other governmental client on the same matter; and
- The contracts almost never ensure that contingency fees for the trial lawyers will not be taken out of money set aside for restitution to victims.

The Shady Eight are stark examples—although far from the only ones—of how the Shady Trial Lawyer Pipeline works

These types of weak, underprotective, giveaway contracts make some sense if the goal is to fund left-wing campaigns—as the activities of the Shady Eight demonstrate—but they make no sense if your goal is to help consumers and protect taxpayers.

Alliance For Consumers is focused on putting more money in the pockets of everyday consumers and ensuring that consumers and the rule of law are not left behind by trial lawyers and public officials. Raising concern about the Shady Trial Lawyer Pipeline is central to the mission of Alliance For Consumers because the Shady Trial Lawyer Pipeline undercuts this mission. The Shady Eight are stark examples—although far from the only ones—of how the Shady Trial Lawyer Pipeline works, with politicians feeding sweetheart

contracts to trial lawyers who give 98% or more of their political donations to liberals and will happily turn around and pump millions of dollars into Democratic candidates, committees, and allied organizations.

Good governance and honest stewardship call for better. The consumer should never be the loser in a left-wing political money game like what we see in the Shady Trial Lawyer Pipeline.

	Total Giving	Dem-Aligned	Biden+DNC	Senate	Congressional	Liberal Orgs	GOP-Aligned
Morgan & Morgan	\$ 4,086,891	\$ 4,064,589	\$ 1,847,400	\$ 205,132	\$ 144,941	\$ 1,788,981	\$ 22,302
Lieff Cabraser	\$ 2,804,665	\$ 2,803,260	\$ 240,256	\$ 865,003	\$ 213,771	\$ 1,412,896	\$ 30
Motley Rice	\$ 1,763,139	\$ 1,726,932	\$ 119,317	\$ 877,007	\$ 389,898	\$ 327,033	\$ 36,207
Baron & Budd	\$ 1,242,131	\$ 1,237,836	\$ 260,186	\$ 246,305	\$ 55,565	\$ 659,406	\$ 36,207
Grant Eisenhofer	\$ 1,167,036	\$ 1,157,936	\$ 172,599	\$ 224,983	\$ 65,400	\$ 688,598	\$ 4,295
Berger Montague	\$ 1,389,960	\$ 1,366,538	\$ 344,270	\$ 225,651	\$ 145,533	\$ 628,064	\$ 7,926
Cohen Milstein	\$ 768,273	\$ 762,161	\$ 182,444	\$ 259,858	\$ 88,177	\$ 220,032	\$ 1,435
Simmons Hanly	\$ 1,770,241	\$ 1,754,441	\$ 338,340	\$ 777,020	\$ 294,997	\$ 330,539	\$ 15,550
	\$14,992,337	\$14,873,693	\$3,504,812	\$3,680,960	\$1,398,281	\$6,055,550	\$123,952



**Ensuring That Consumers
And The Rule Of Law Are Not
Left Behind By Trial Lawyers
And Public Officials ...**

O.H. SKINNER

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