



ALLIANCE *for* CONSUMERS

**CONSUMER
PROTECTION REPORT**

Shady Trial Lawyer Pipeline Update: The Shady Eight Revisited

A Look Into How Trial Lawyers Use Public Contracts With State And Local Governments To Boost Left-Wing Political Efforts While Diverting Money Away From Consumers

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 tax payers with a horrible deal.

Alliance For Consumers launched a series of Shady Trial Lawyer Pipeline Updates in 2022, starting with a look at federal political giving from 2017-2020 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 eight law firms are archetypal participants in the Shady Trial Lawyer Pipeline. Each has been 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 on prominent litigation. Simmons Hanly has represented local governments in major opioid litigation, Motley Rice has won the 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 benefited from state contracts in places like Indiana, Kentucky, Mississippi, New Mexico, and New Jersey.

This Alliance For Consumers Consumer Protection Report builds off that initial report on the Shady Eight, this time looking beyond 2020 to the federal political activity by the so-called Shady Eight up through the recent mid-term elections.

\$18+ MILLION
**in combined
political donations**

These “Shady Eight” firms generated at least \$18 million in combined political donations from 2017-2022 to committees and candidates in the Federal Election Commission (FEC) tracking system. That is the total given by the firms directly, their 1,400 or so combined lawyers, and other employees and staff. Of that, over \$3 million was generated by the firms during 2021 and 2022.

The partisan slant to this money is still unrelenting. The Shady Eight sent 99% of their over \$3 million in combined federal donations during 2021 and 2022 to Democratic campaigns and allied political committees, showing no let up from the 99% slant seen from 2017-2020.

**99% of The
Shady Eight
donations went to
Democrats & allies**

The lowest contribution percentage given by a member of the Shady Eight to Democrats and their allies between 2021 and 2022 was from Grant Eisenhofer, with 97% of donations going to support Democratic campaigns and allied political committees.

On the other hand, three firms showed a 100% commitment to Democrats and their allies in the most recent midterm period. Lieff Cabraser led this pack, registering no money to Republican candidates or allied committees from 2021 through 2022, despite contributing over \$750,000 in total federal donations. And the other two firms, Baron & Budd and Simmons Hanly, generated just \$700 in combined donations to Republican candidates and allied committees in 2021 and 2022, out of over \$700,000 in total recorded giving.

Three of The Shady Eight gave **100%** of political donations to Democrats & allies

As for the specifics of where the millions went, that too reveals quite a bit about the Shady Eight's partisan agenda.

About 40% of the combined money generated in 2021 and 2022 went to the political committees that form the professionalized superstructure of the Democratic Party—party committees at the state and federal level, groups like Emily's List and Giffords PAC, and other similar organizations.

0% Lieff Cabraser political donations to Republicans & their allies

Midterm Senate races were a priority for the Shady Eight, with nearly 45% of the combined federal money generated in 2021 and 2022 going directly to support Democratic candidates for the U.S. Senate. The top recipients of direct monetary support from the Shady Eight for midterm Senate races were: Raphael Warnock (D – GA), Catherine Cortez Masto (D – NV), Chuck Schumer (D – NY), Richard Blumenthal (D – CT), and Maggie Hassan (D – NH). Each of these candidates won re-election in 2022, helping to maintain a Democratic Senate Majority and keep Senator Schumer as the Senate Majority Leader.

TOP RECIPIENTS OF THE SHADY EIGHT POLITICAL DONATIONS

Chuck Schumer (D, NY)
Richard Blumenthal (D, CT)
Maggie Hassan (D, NH)
Catherine Cortez Masto (D, NV)
Raphael Warnock (D, GA)

SHADY EIGHT FIRM-BY-FIRM PARTISANSHIP

MORGAN & MORGAN – 98% of the FEC-recorded donations by the firm and its employees went to Democrats and their allies in 2021 and 2022. The firm generated more than \$400,000 in combined FEC donations in 2021 and 2022, with over 75% of that money going to support organizations that form the professionalized superstructure that supports liberal candidates for state and federal office, including almost \$250,000 to the DCCC.

LIEFF CABRASER – 100% of the FEC-recorded donations from the firm and its employees went to Democrats and their allies in 2021 and 2022. The firm sent more than 50% of its over \$750,000 in combined donations in 2021 and 2022 to support

Democratic candidates for U.S. Senate, including over \$100,000 to Senator Raphael Warnock of Georgia.

MOTLEY RICE – 99% of the FEC-recorded donations from the firm and its employees went to Democrats and their allies in 2021 and 2022. The firm generated more than \$750,000 in combined FEC donations in 2021 and 2022, with over 55% of that money going to support Democratic candidates for U.S. Senate, including almost \$100,000 to Senator Catherine Cortez Masto of Nevada, and over \$50,000 each to Senator Raphael Warnock of Georgia, Senator Maggie Hassan of New Hampshire, and Senator Michael Bennet of Colorado.

BARON & BUDD – 100% of the FEC-recorded donations from the firm and its employees went to Democrats and their allies in 2021 and 2022. The firm sent more than 50% of its combined money in 2021 and 2022 to organizations that form the professionalized superstructure that supports liberal candidates for state and federal office, including sending almost \$30,000 to the DCCC and over \$30,000 each to the DSCC and Blue Senate 2022.

GRANT & EISENHOFER – 97% of the FEC-recorded donations from the firm and its employees went to Democrats and their allies in 2021 and 2022. The firm sent over two-thirds of its combined money in 2021 and 2022 to support organizations that form the professionalized superstructure that supports liberal candidates for state and federal office, including sending over \$25,000 to the DSCC and over \$25,000 to the American Association for Justice Political Action Committee, the primary trial lawyer political committee.

BERGER & MONTAGUE – 98% of the FEC-recorded donations from the firm and its employees went to Democrats and their allies in 2021 and 2022. The firm generated almost \$400,000 in combined FEC donations in 2021

and 2022, with over 50% of that money going to support organizations that form the professionalized superstructure that supports liberal candidates for state and federal office, including \$100,000 to the Democratic National Committee and over \$60,000 to the DSCC.

COHEN MILSTEIN – 99% of the FEC-recorded donations from the firm and its employees went to Democrats and their allies in 2021 and 2022. The firm generated more than \$200,000 in combined FEC donations in 2021 and 2022, with over 50% of that money going to support organizations that form the professionalized superstructure that supports liberal candidates for state and federal office.

SIMMONS HANLY – 100% of the FEC-recorded donations from the firm and its employees went to Democrats and their allies in 2021 and 2022. The firm generated only \$150 of combined donations to Republican candidates or allied organizations and sent nearly 70% of its almost \$500,000 in combined FEC donations in 2021 and 2022 to support Democratic candidates for U.S. Senate, including nearly \$100,000 to Senator Tammy Duckworth of Wisconsin, and over \$50,000 each to Senator Chuck Schumer of New York and Senator Richard Blumenthal of Connecticut.

This partisan political giving is supported by money from public contracts signed by politicians and public officials; money that belongs to the taxpayers and consumers.

PERCENTAGES OF THE SHADY EIGHT DONATIONS TO DEMOCRATS AND ALLIED COMMITTEES

MORGAN & MORGAN	LIEFF CABRASER	MOTLEY RICE	BARON & BUDD
98%	100%	99%	100%
GRANT & EISENHOFER	BERGER MONTAGUE	COHEN MILSTEIN	SIMMONS HANLY
97%	98%	99%	100%

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 long, 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 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.

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

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

These contracts make sense if the goal is to fund Left-wing campaigns. But they do NOT help protect consumers or 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 99% of their political donations to liberals and will happily turn around and pump millions of dollars into left-leaning candidates, committees, and allied organizations.

Good governance and honest stewardship call for better. The consumer should never be on the losing side of a left-wing political money game like what is on display in the Shady Trial Lawyer Pipeline.

“SHADY 8” DONATIONS 2017-2022

FIRM	TOTAL DERM	% DERM	GOP	OTHER	OVERALL TOTAL
Baron & Budd	\$1,479,329.08	99.67	\$4,845.00	\$0.00	\$1,484,174.08
Berger Montague	\$1,761,441.22	98.21	\$16,535.69	\$15,497.00	\$1,793,473.91
Cohen Milstein	\$966,500.75	99.11	\$3,960.00	\$4,676.93	\$975,137.68
Grant Eisenhofer	\$1,275,751.48	99.10	\$11,600.00	\$0.00	\$1,287,351.48
Lieff Cabraser	\$3,581,282.71	99.96	\$30.00	\$1,375.00	\$3,582,687.71
Morgan & Morgan	\$4,481,967.22	99.31	\$31,121.05	\$0.00	\$4,513,088.27
Motley Rice	\$2,482,552.32	98.15	\$46,794.76	\$0.00	\$2,529,347.08
Simmons Hanly	\$2,219,486.68	99.29	\$15,700.00	\$250.00	\$2,235,436.68
TOTAL	\$18,248,311.46	99.17	\$130,586.50	\$21,798.93	\$18,400,696.89

“SHADY 8” DONATIONS 2021-2022

FIRM	TOTAL DERM	SENATE (D)	HOUSE (D)	DEM ORGS	% DEM	GOP	OVERALL TOTAL
Baron & Budd	\$241,493	\$81,700	\$34,450.00	\$125,343	99.77276762	\$550	\$242,043
Berger Montague	\$383,104	\$90,401	\$70,210	\$222,493	97.52188335	\$9,735	\$392,839
Cohen Milstein	\$203,655	\$66,370	\$30,638	\$106,646	98.77533914	\$2,525	\$206,180
Grant Eisenhofer	\$82,382	\$16,405	\$9,220	\$56,757	97.05473134	\$2,500	\$84,882
Lieff Cabraser	\$771,915	\$392,438	\$81,268	\$298,208	100	\$0	\$771,915
Morgan & Morgan	\$417,378	\$55,884	\$30,037	\$331,458	97.93077276	\$8,819	\$426,197
Motley Rice	\$751,573	\$438,160	\$141,415	\$171,998	98.61467306	\$10,558	\$762,131
Simmons Hanly	\$464,980	\$323,989	\$77,983	\$63,008	99.96775098	\$150	\$465,130
TOTAL	\$3,316,479	\$1,465,346	\$475,222	\$1,375,911	98.96049816	\$34,837	\$3,351,316



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