

Glutton for Punishment

What do two 60-ounce pitchers and a mess of fried food add up to? One weird defense in a DUI case.

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Clearing the Air

The U.S. Supreme Court has rejected a business-led attack on air quality regulations from the EPA.

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Oh, Brother

If Hugh Rodham were a D.C. veteran probably wouldn't be in a fix over presidential pardons. See Comment

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Mad *about the* Bar



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L.A. pair channels anger over discipline cases into defense work

By MIKE MCKEE
RECORDER STAFF WRITER

Southern California civil rights lawyer Stephen Yagman had a good reason for choosing attorneys Arthur and Susan Margolis to represent him a few years ago after State Bar prosecutors accused him of overcharging five clients.

Very simply, he thought the Los Angeles couple, who specialize in defending lawyers facing

State Bar discipline charges, had done "a really good job" on him in the mid '80s while working the other side of the fence — as State Bar prosecutors.

The Margolises had gotten Yagman, notorious for civil rights suits against the L.A. police, suspended from practicing law for six months and placed on probation for two years, after proving he had sought an unconscionable fee in a 1980 case.

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Judge Symposium Microsoft

By JONATHAN
AMERICAN LAWYER

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Margolis Firm Carves a Niche in Discipline Fights

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"They just left a very favorable impression on me of being appropriately aggressive and sensitive at the same time," says Yagman, a partner in Venice's Yagman & Yagman & Reichmann. "I thought [that] was an admirable combination."

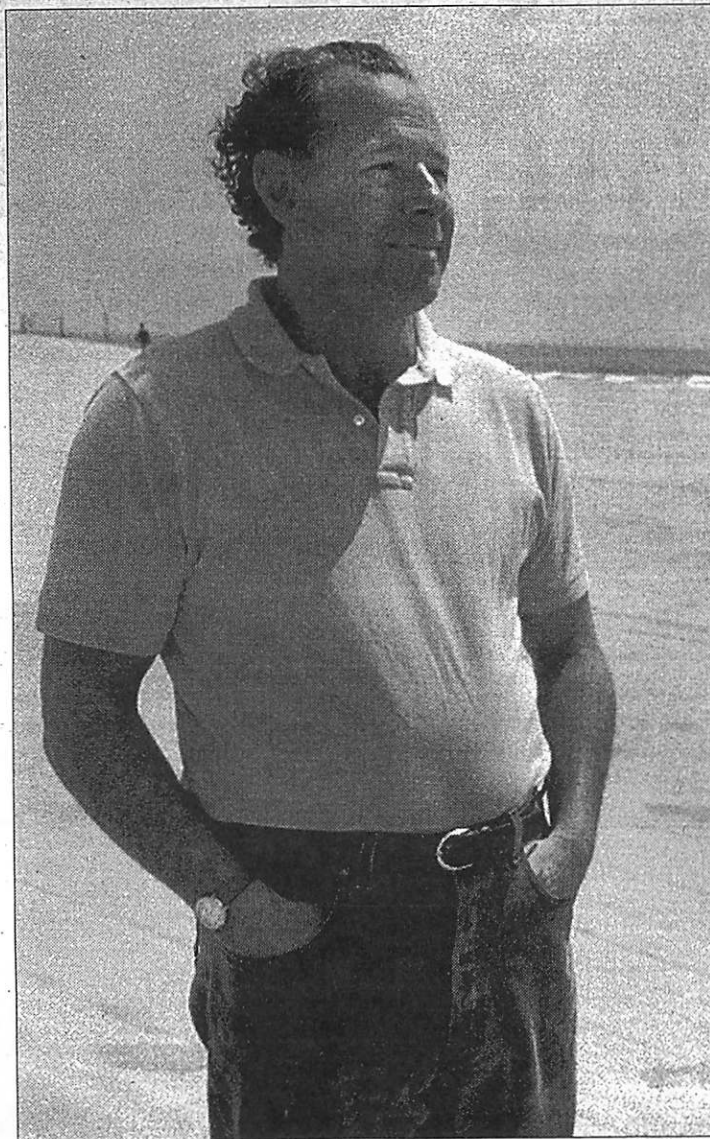
Yagman isn't alone in his praise. Clients, some competitors and many opponents regard the two principals of Margolis & Margolis as the best of the best in their unique field of law.

"They are considered to be lawyers' lawyers," Yagman says, "and what I mean by that is that when a lawyer has a problem of any kind or needs an ethics opinion, the first person [he or she calls] is Arthur Margolis."

The Margolises' success seems even more remarkable in that they stayed together as a legal team even after their marriage of seven years ended a few years back. If any personal baggage remains from their divorce, it's kept out of sight and hasn't prevented the two from snagging clients ranging from the famous to the infamous.

Well-known New York lawyer and DNA expert Barry Scheck turned to the Margolises after State Bar prosecutors accused him of practicing law without a license during part of O.J. Simpson's 1995 murder trial. So did Riverside lawyer Duncan Campbell Webb, who with the Margolises' help, got his law license reinstated in 1991 even though he had been found guilty of being an accessory to murder in Alaska.

For his part, Yagman eventually was found culpable of taking an unconscionable 45 percent contingency fee from five clients in a case against the L.A. Police Department and then seeking more than \$378,000 in additional fees from the court. Even so, the Margolises in 1997 got Yagman a relatively light punishment of three years stayed sus-



RECORDER FILE

STEPHEN YAGMAN: The Los Angeles civil rights lawyer hired Arthur and Susan Margolis to defend him in a discipline case even though they had prosecuted him in a previous State Bar discipline matter.

"Inscrutable is the word to describe Art Margolis," Fishkin says with a laugh.

Since many of their clients are jobless, the Margolises say about 25 to 30 percent of their work is pro bono. For those who can pay, though, the hourly rate is \$225. They're also on call as expert witnesses in legal malpractice cases, charging \$250 an hour for that work.

Arthur Margolis' reputation as the lawyers' lawyer grew quickly. In 1989, just three years after he went out on his own, *Los Angeles* magazine touted him as one of the city's "hottest lawyers," and to this day troubled attorneys of all stripes troop to the Margolis & Margolis offices in a nondescript building along Interstate 5 in north-eastern L.A.

Scheck came calling after State Bar prosecutors, at the height of the O.J. trial, charged him with practicing without a license. Scheck, who Arthur Margolis says had forgotten to pay \$450 in yearly dues, eventually paid up and signed a public re-approval.

"The whole thing was silly, and the Bar didn't have the courage to handle it appropriately," Margolis says. "That's an example of abuse of power."

In yet another high-profile case, the Margolises got two years' probation for former Los Angeles Deputy District Attorney Lawrence Longo for failure to disclose improper connections to a man he was prosecuting.

Longo, now a partner in Beverly Hills' Longo & Longo, was prosecuting an assault case against Death Row Records chief Marion "Suge" Knight while Longo's family was simultaneously renting the gangsta rap purveyor a Malibu beach house. In addition, Longo's daughter, Gina, had signed a

pension and three years probation.

Few who know the Margolises, particularly Arthur, were surprised — even though State Bar Court judges, ironically, used the two lawyers' earlier prosecution victory as aggravating evidence against Yagman.

"When [Arthur] was a prosecutor, he prosecuted full-bore," says San Francisco solo practitioner Jerome Fishkin, another former State Bar prosecutor who also defends lawyers facing discipline. "When he got into defense work, he defended full bore."

To say that clients are usually thrilled with the results puts it mildly. Just ask famed divorce lawyer Marvin Mitchelson, who won back his law license last year after a seven-year absence, thanks to the Margolises.

"On my dying breath, I would speak up for them," says Mitchelson. "They are very devoted to their clients, and they know how to stand up to the Bar."

Do they ever. Ask the Margolises their opinions of the State Bar's prosecution team and sit back for a rant. "There are a small number [of prosecutors] who are crazy and take things personally," Arthur Margolis says. "And there are some who think their sole job is to win ... no matter what the merits of the case."

He contends that upper management in the State Bar's prosecution division pushes through cases that underlings don't believe should be pursued. "There is a real need to clean house," Arthur Margolis says, "as far as management goes."

Bar leaders say the Margolises, Arthur in particular, continue to hold onto ancient grudges from their days on the staff. The twosome's "tone and mantra" has been the same for years, they say, and don't represent the feelings of most defense lawyers who oppose State Bar prosecutors.

"Many of them are effective without the emotional and frequent antagonism that [Arthur] Margolis occasionally brings to his representation," says Francis Bassios, the

State Bar's San Francisco-based acting chief trial counsel. "He personalizes many of the issues and the processes.

"I would rather [the Margolises] focus on how much has changed dramatically over the last two years," Bassios adds. "Half the staff is new. I think that would be an opportunity to develop new relationships."

Most attorneys interviewed were more familiar with Arthur Margolis than Susan. While everyone lauded the team's legal

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— Marvin Mitchelson, Margolis client

skills — Susan, it was noted, worked with L.A. lawyer Diane Karpman to co-author one of California's leading guides to legal ethics — they made it clear that Arthur has the stronger resume.

It's also evident that Arthur — a strongly opinionated man who fights for animal rights and is actively involved in UFO circles — is the powder keg when it comes to State Bar relations.

"It's unfortunate that he baits many of the staff," Bassios says, "and then when the staff utilizes the same techniques, he attacks them personally and professionally."

Arthur Margolis apparently always had a contentious relationship with Bar management. Friends say he was one of the leading forces in getting the State Bar unionized in the early '80s, and was also prominent in a 1986 strike over State Bar salaries and other benefits.

That same year, Arthur Margolis left the State Bar. A senior trial counsel at the time, he complained about what he viewed as a

growing "professionalism" of the organization that placed emphasis on the quantity of prosecutions rather than the quality.

"Even worse, they instituted a dress code," says Arthur, who favors jeans, sneakers and a rumpled shirt with no tie.

If it wasn't for the State Bar, though, Arthur, who just turned 60, and Susan, 46, might not have met. Susan joined the Bar's prosecution staff shortly before Arthur resigned.

"He was my supervisor for about a

month," says Susan.

They didn't work together again until September 1990, after Arthur was savagely mugged in L.A.'s Silver Lake district. Arthur says he was out after midnight feeding stray cats — as part of his animal rights activism — when he saw a boy and a young man walking toward him on a dark street.

"The older kid grabbed me," Arthur recalls, "and the first thing I thought was, 'Holy shit, this is it.'"

Margolis was stabbed 12 times. His spleen and one of his lungs, among other things, were punctured. He staggered to a nearby bookstore, where he lay bleeding on the floor until help arrived. Three weeks in the hospital was followed by a long recovery at home.

Realizing that Arthur needed help to keep his law practice afloat during his recovery, Susan left the Bar's prosecution office. The two have been a team ever since, a fact that Fishkin jokingly says should earn Susan "sainthood."

son, Longo's daughter, was involved in a recording deal with Death Row and received a \$25,000 advance.

"We were able to convince the Bar there was no conflict, but maybe an appearance of impropriety," Arthur Margolis says. "It was bad judgment on his part."

While some lawyers might think getting two years' probation isn't a good result, Longo was thrilled, just as Yagman was happy with three years' probation.

"You have to understand what winning means," says Santa Monica's Robert Hinerfeld, a former State Bar referee who's now senior of counsel for L.A.'s Manatt, Phelps & Phillips. "If you get discipline that says a lawyer, after suspension, can come back and practice law, I would often call that a win."

The Margolises say most of their clients are good people who just messed up.

"A majority of the time your client has done something wrong, but there is no evil intent," Susan says. "Most lawyers get in trouble because they didn't have the proper training on running a law practice."

State Bar prosecutors say they would like the Margolises, especially Arthur, to be as understanding with them.

"There are other former employees who work hard to maintain good relations with the staff because they believe that's important for their client," Acting Chief Trial Counsel Bassios says. "You're part of the reform or you choose to remain distant and be a critic."

Bassios shouldn't get his hopes up. Arthur Margolis sees nothing from his old employers to merit a change in attitude. In fact, he's ready to joust for years to come.

"The adrenaline rush I get dealing with the Bar's misconduct and unreasonableness is the only thing keeping me alive," Arthur says.

"He loves getting paid," Susan quickly adds, "for being mad at the Bar."

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