

## **Keeping attorneys busy**

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*By Dan McCue*

CHARLESTON -- While it's still too early to tell how the investment fraud case against economist Al Parish will stack up in the annals of Charleston legal history, one thing is clear: Scores of attorneys both around town and throughout the Southeast are being kept busy by the case.

Already at least two dozen members of the bar—counting those representing clients in related civil matters that are currently stayed by order of U.S. District Judge David C. Norton—have filed complaints or other documents in federal and state court in Charleston.

All this within two months after the U.S. Securities and Exchange Commission logged its initial five-count civil complaint against Parish.

But what will it all mean in the long run to Charleston's legal community? And where will it all go from here?

A trio of the attorneys involved in the case, Andrew Savage, Parish's defense attorney; Paul Reynolds Thurmond, who has been retained by Yolanda Parish, Parish's wife and business partner; and J. David Dantzler, the Atlanta-based attorney working with the court-appointed receiver in the case, recently offered a behind the scenes look at the case and described what it has meant for their practices.

"It's certainly a big case, but the thing about cases is that they never seem to be what they appeared to be at the outset," Savage said.

Shortly after that comment, the other shoe dropped on Parish with the announcement of an 11-count federal indictment on charges of mail and wire fraud and making false statements to the U.S. Securities and Exchange Commission that could land in him in prison for as much as 205 years.

Parish also faces criminal penalties of up to \$2.5 million. He was expected to be arraigned on the criminal charges on May 23 at the federal courthouse in Charleston.

### **Attorney in publicity spotlight**

Securities and Exchange Commission v. Parish, et al, had already been filed and the initial blaring newspaper headlines have been written before attorney Andrew Savage returned from an overseas trip and received his first phone call from the Parish family.

A one-time prosecutor, Savage was elected to two four-year terms as a member of the Charleston County Council, and is a retired lieutenant colonel judge advocate general

with the United States Air Force Reserve.

His private practice, however, has always been squarely focused on criminal defense.

“I was aware of the case, obviously, because of the headlines it was generating, and I knew of AI because he’s been such a prominent member of the community, but I had never met him,” Savage said. “About the closest I ever came, until this case came along, was seeing one of his seminars at the Charleston Harbor Club a number of years ago.”

While Savage works on the case every day and speaks often with Parish at the Charleston County Detention Center, it’s not the only legal matter on his plate, he said.

“It’s not really an all-consuming case at this time from a legal standpoint. I think the play the matter has received in the press is disproportionate to what has been transpiring on the legal side,” he said.

From the start, given Parish’s highly publicized amnesia and history of diabetes, heart disease and other weight-related health problems, Savage said his overriding concern was the longtime economist’s well-being.

“That’s why I thought it so important to get forensic psychiatrist, Susan J. Hardesty of MUSC, involved,” Savage said. “I thought it was very necessary that we get a handle on what his mental state is.”

In mid-May, after weeks of being hesitant about discussing the case with his client for fear of worsening Parish’s amnesia, the attorney received a preliminary report from forensic psychiatrists working with the economist that said such hesitancy is unwarranted.

On the heels of receiving that report, Savage facilitated a meeting between his client and J. David Dantzler, the attorney working with receiver Hays Financial Consulting, at the Charleston County Detention Center.

“I was only there as an observer, but I can confirm that my client was able to discuss matters freely with Dantzler and respond in some detail to his questions,” Savage said. “It’s just a first step in a long process, but I think a significant one. AI was able to fill in a lot of blanks.”

After weeks of work with psychiatrists, work that included exercises intended to improve his memory, Parish’s recall of events has “improved dramatically,” Savage said.

“His memory is not 100% back, but I’d be hard-pressed to determine the rhyme or reason behind what he can’t remember,” Savage said. “Much of his ongoing memory loss seems to be about things that have absolutely no connection to the case.”

Savage has been encouraged by the team of psychiatrists, who have been treated Parish at MUSC, to show his clients documents related to the case and strive to remind him of events he may still not remember.

“I haven’t actually seen the government’s criminal case against my client, but I feel much better now; at least the door’s been opened to allow me to discuss the allegations with my client,” Savage said.

### **On the road, in the air**

Dantzler, the attorney for the receiver, described how the case figures in the scheme of his work as a partner in the Atlanta office of Troutman Sanders LLP.

Dantzler, one of 600 attorneys employed worldwide by the 100-year-old firm, is an expert in securities litigation, mergers, acquisitions and business ventures, as well as securities and corporate governance.

“In respect to a case like Parish’s, you don’t need to be a large firm to deal with all the questions it raises, but it certainly helps,” he said. “One of the reasons I’ve come to specialize in these kinds of situations is we’ve got the people, the computer systems and all kinds of things that make it possible to take a Parish case on without bringing the practice to a screeching halt.”

Dantzler illustrated his point by saying while the Parish case, and the almost constant travel it has required between Atlanta and Charleston, has affected his ability to meet with clients, he has a team of attorneys he works with that “can keep a case rolling when I have to pay attention to other things.”

Having completed a number of receiverships in the past, he knew coming into the Parish case it would involve an enormous amount of time early on, he said.

“What’s markedly different about this case is Dr. Parish had his fingers in a lot of different pies and had a lot of business relationships outside of the investment pools he ran,” Dantzler said. “He had real estate investments, loans from banks, owned the AJ Davis Clothing stores, and all of that activity makes getting to the bottom of things transpire a little more slowly.”

Prior to his meeting with Parish, Dantzler had begun to think he was going to be able to spend more time in Atlanta.

“I don’t know how long the full-employment aspect of the case will last, but you know early on, it’s par for the course: There’s a lot of anxiety attached to a new case, a lot of emergency type of activity and, honestly, a lot of figuring out who’s who,” he said.

“I think as time goes on, we’ll be able to separate ourselves from the case a bit and let others do the field work, but even then there will still be a lot of supervisory work, deciding what’s important and what doesn’t have to be dealt with,” he added.

Until the outstanding questions in the case begin to get answered, Dantzler predicted it won’t be a very court-intensive case.

“We’ve filed some documents as we’ve reached certain benchmarks in the case, but receivers typically work for a long while before there’s a lot of activity in court,” he said.

It may take years to provide investors and creditors with some kind of return on their investments with Parish, said Dantzler. He is not hopeful that any investors will be made whole.

“Unless we find significant liquid assets, which we have not so far, Parish’s other assets, some of which are highly eccentric and therefore complicated to value, will have to be sold,” Dantzler said.

“I understand that there’s a market for animated art, but I just don’t know yet how big a market there is for high-end watches, writing instruments and Red Skelton clown paintings,” he said.

### **Minding the uncharged interests**

Paul Reynolds Thurmond, who has been retained by Yolanda Parish, Parish’s wife is a defense attorney in something of a holding pattern.

Yolanda Parish has not been charged with any crime and has been cooperating with the authorities from the beginning.

Still Thurmond is keeping close tabs on the case as it develops.

“The U.S. attorney’s office is not going to leave any stone unturned, so we’re effectively awaiting their decision (as to whether any charges will be filed against Yolanda Parish),” he said. “In light of that uncertainty, our position has been to be as helpful as we possibility can be to the investigation.”

Thurmond believes the Parish case is big and, ultimately, a lot of different aspects of law will be addressed as it moves forward.

“We may even ultimately see other people investigated, people who advised others to invest in Parish’s funds, and so forth, and as a result, from a legal standpoint Charleston is going to be very busy —it already is,” Thurmond said.

What troubles Thurmond is some of the headlines that have accompanied that activity.

“I understand that the press has a job to do, but I think what’s been overlooked is the impact some of these stories have had on Mrs. Parish and their four children. Remember, these are four young children who are attending school and exposed to other students who are also reading all these things about their father. So I think there has been an affect there that probably wasn’t anticipated,” he said.

“On the other hand, I believe the press do their best to report the news, report it accurately, and that reporters have their own investigative process that will probably prove very helpful in this case as it moves forward.”

From Savage’s perspective, all of the attorneys involved in the Parish matter are experienced and savvy enough not to get caught up in the “tangentials” that come with a high profile case.

“There’s no such thing as a cut and dry case,” Savage said. “That’s why I think my caseload stays pretty consistent, no matter what else is going on and how high profile one client might be, you still have to evaluate every call that comes in, and when you accept one as a criminal defense attorney, you immediately start considering possible defenses – no matter what the headlines say.”