

## W.Va., Other States Settle With Movie Rental Companies

Two bankrupt movie rental companies that allegedly used abusive debt collecting and negative credit reporting have reached a settlement with West Virginia and 49 other states in **U.S. Bankruptcy Court** in Richmond, Va.

According to a news release from the **West Virginia Attorney General's** office, the state settled allegations of unfair debt collection practices with **Movie Gallery** and **Hollywood Video**.

Attorney General Darrell McGraw's office reports the two movie rental companies allegedly turned over 3 million accounts to the debt collection agency **National Credit Solutions**. The companies had several stores in West Virginia before filing for bankruptcy in 2010.

NCS reported negative credit information to credit bureaus "without providing consumers advance notice or the opportunity to challenge the debt."

The release said the companies' actions impacted thousands of West Virginians.

The settlement will help customers by rescinding all negative information from the credit bureaus related to those accounts, the release stated.

In addition to this, the two companies will not collect fees or interest rates that were part of the debt amounts, will not submit any future credit reports and are ordered to comply with the Fair Debt Collection Practices Act.

## Nicholas County Man Sentenced In Pill Ring

CHARLESTON — A 55-year-old Nicholas County man who admitted to being a member of an Oxycodone distribution enterprise was sentenced May 5 to 46 months in prison.

**Jerry Lee Hanna**, of Nettie, appeared before **U.S. District Court Judge Thomas Johnston** on charges of possession of firearms by a convicted felon and money laundering. In addition to this sentence, the court ordered Hanna to forfeit two pieces of real property, \$9,000 and more than 40 firearms.

According to a news release from the **U.S. Attorney's office**, Hanna admitted to being a part of a Nicholas County Oxycodone distribution enterprise from 2007 through 2008. He also admitted to using the proceeds to buy 24 acres of property and nine acres of unimproved hunting property.

Hanna had the deed to the property directed to a third party to conceal who owned the land and the source of the money used to buy it, the release stated.

The release said Hanna convinced the seller of the 9 acres of unimproved hunting property to list the price as \$7,000 on the deed, which was well below the \$20,000 purchase price listed.

When investigators searched his Craigsville house in 2009, they seized approximately 79 firearms and other items. Because Hanna had been convicted on federal charges of conspiracy to distribute marijuana, he is a prohibited firearm carrier.

# THE LAW

www.statejournal.com  
May 13, 2011 • Page 19

## Spilman Recognized for Continued Work for DuPont

By **JIM ROSS**

jross@statejournal.com

**Paula L. Durst** works a flexible schedule as an attorney. Some months she's in court defending a client, **DuPont**, in asbestos-related lawsuits. At other times she works from home. Some weeks she has more than 40 billable hours. Some weeks she has none.

Durst is one of several attorneys at **Spilman Thomas & Battle** who represent DuPont's interests throughout the United States. And this year, the firm again won DuPont's "Meeting the Challenge Award" for its outstanding legal work and its commitment to fostering a flexible work environment that encourages a life/work balance.

"Most years, we look at leadership and teamwork and collaboration as guideposts as to which firms are excelling. Spilman rose to the top," said **Lyn Brantley**, DuPont's global managing counsel for operations and partnering.

She described Spilman as "business-focused, long-term visionaries, not just focused on what's on the plate today, but what might come in the future."

Spilman is a full-service law firm with 135 attorneys in four states. Its offices are in Charleston, Morgantown and Wheeling in West Virginia, Mechanicsburg and Pittsburgh, Pa., Winston-Salem, N.C., and Roanoke, Va. The firm is one of 40 that handle the bulk of DuPont's legal work.

Durst and her husband, **Niall A. Paul**, are partners in the firm. Their actual titles in the firm's account with DuPont are engagement partner or account manager, but they prefer to see themselves as relationship managers.

Paul handles litigation in West Virginia and elsewhere. He also co-chairs DuPont's tort practice group along with its in-house legal counsel, and he puts together national legal conferences for the company.

"We like to think of ourselves as partly filling the role



JIM ROSS / The State Journal

**Paula L. Durst and her husband, Niall A. Paul, are partners at Spilman Thomas & Battle. Their actual titles in the firm's account with DuPont are engagement partner or account managers, but they prefer to see themselves as relationship managers.**

of an in-house lawyer. Spilman works to prevent lawsuits against DuPont, but it does function as a trial lawyer if DuPont does get sued," he said.

And Durst handles asbestos litigation.

"Those usually come from employees and contractors who have worked on DuPont sites," she said. "DuPont does three trials a year with two to six plaintiffs per trial. I work in court during trials, and between trials I work from home."

Paul said, "She gets more work done, cheaper, on a flexible work schedule."

Durst said she manages to work a lower number of hours than budgeted. Sometimes she works no billable hours one week and follows that with a week of 10-hour work days.

Paul said others in the firm handle labor litigation for DuPont in West Virginia and nationally. Some deal with workers comp matters, and others work cases in environmental law.

"We're happy at Spilman to have a lot of people that have the relationship with DuPont. We're asked to look out for DuPont's interest, period, not just when they're being sued," she said.

As one example, Spilman reviewed taxes DuPont was paying in West Virginia and found significant savings, Paul said.

Brantley said DuPont has had a convergence system of outside law firms for almost 20 years, and it has used Spilman for most of those 20 years.

About 40 firms do the majority of legal work for DuPont. Normally, a company the size of DuPont would use hundreds, she said.

"Not only do we have outstanding firms working for us, but they are firms that know us well and have an interest in us doing well," she said.

One year, Spilman got a \$75,000 cash award from DuPont for its work. Spilman donated that money to **West Virginia State University** to fund scholarships for pre-law students, Paul said.

**Skip Lineberg**, Spilman's chief innovation officer, said Spilman works for **Fortune 500** companies from all over North America. Only two of Spilman's 10 largest clients are based in West Virginia, he said.

That came from a decision several years ago when Spilman decided to go outside West Virginia so it could shield itself

from the cycles of the West Virginia economy, he said.

Paul said Spilman goes into communities similar to Charleston. Thus, it has an office in Winston-Salem, but not in Charlotte. In Roanoke, but not in Richmond.

Paul said his proudest moment as an attorney came in a lawsuit filed against DuPont in federal court in Virginia. DuPont had banned divisive symbols, such as the Nazi swastika and the Confederate flag, from its property. Seven DuPont employees who called themselves "Southern Confederate Americans" sued, claiming the ban amounted to discrimination based on race, religion and national origin.

Paul said the legal outfit representing the plaintiffs worked for the **Ku Klux Klan**. The court tossed the suit, saying it was frivolous, and awarded a \$10,000 judgment to DuPont. DuPont didn't want the money, and neither did Spilman, so they donated the award to **Dr. Benjamin Hooks** and the **Urban Health Forum** to help fund an organization to deliver health services to impoverished inner-city children, Paul said.

## Shareholders Sue over ICG/Arch Merger

By **ANDREA LANNOM**

alannom@statejournal.com

A class action lawsuit seeking equitable relief against **International Coal Group, Inc.** and **Arch Coal Inc.** alleges that the proposed acquisition will undervalue shareholders.

The lawsuit was filed Monday in Putnam County Circuit Court by class action representative and ICG shareholder **Damian Walker**.

Defendants are listed as **International Coal Group Inc.; Bennett K. Hatfield; Wilbur L. Ross Jr.; Maurice E. Carino Jr.; Cynthia B. Bezik; William J. Catacosinos; Stan-**

**ley Gaines; Samuel A. Mitchell; Wendy L. Teramoto;** and Arch Coal.

The complaint states that the offer price of \$14.60 per share "materially undervalues the company and is unfair to its shareholders."

In fact, plaintiffs state the offered price merely represents a premium of "just 32 percent over ICG's closing share price of 11.03."

According to the complaint, plaintiffs allege that defendants tilted the sales process in favor of Arch and that the merger agreement's no solicitation of transaction clause "discour-

ages the company from considering alternative proposals from other bidders and contains a \$115 million termination fee," which they say discourages individual defendants from rejecting the acquisition.

The suit cites an article by an investment analyst from "The Motley Fool," which states that ICG's profits along with its share price have been increasing. This article states the share price has increased "109.1 percent versus an S&P 500 return of 13.7 percent" over the past year.

ICG also announced recently that it had experienced substan-

tial profits for this year's first quarter.

According to a **Bloomberg** article, a suit was also filed against ICG in Delaware Chancery Court in Wilmington by another ICG shareholder, **Teri Kirby**. Kirby also sued certain executives such as ICG chairman and investor **Wilbur Ross**, the article states.

ICG and Arch Coal announced its \$3.4 billion proposed acquisition in which Arch would acquire ICG in a joint press release on May 2. There are approximately 200 million shares of common stock outstanding, the complaint states.