

BIG SUITS, BIG DEALS

VERDICT — Kem-Solv, Inc. v. Deep Run Design, Inc.: A jury in the Eastern District of Pennsylvania returned a defense verdict in one of the rare civil-RICO cases to go to trial. Kem-Solv and two of its principals claimed to be the inventors and developers of a new technology for the disposal of municipal solid waste by pyrolysis in abandoned coke ovens. The complaint charged that Deep Run had been formed by two former Kem-Solv employees — a consultant and an attorney — claiming to have the right to use Kem-Solv's technology. The complaint went on to allege that Deep Run engaged in a venture similar to Kem-Solv's. Also named as defendants were D.H. Blair & Co., Inc. and XOIL Energy Resources, Inc., New York-based investment banking firms, who had been involved in attempts to arrange financing for Kem-Solv and later for Deep Run. Alleging that the defendants had conspired to gain control of Kem-Solv and its technology through a pattern of mail and wire fraud, the plaintiffs claimed damages in the amount of \$94 million before trebling. The two-and-one-half-week trial brought to an end an action which had been commenced in early 1986. U. S. District Court Judge Norma Shapiro presided.

James A. Scarpone, a partner with Scarpone & Edelson in Newark, represented the D.H. Blair defendants. Assisting in their defense was Ellen Nadler, a partner with Kramer, Levin, Nessen, Kamin & Frankel in New York, and Ellen Rogoff, an associate with Bolger, Picker & Weiner in Philadelphia. The Deep Run defendants were represented by A. Richard Gerber and John F. Hellegers, partners with Gerber & Gerber in Norristown, Pa. Mark Turetsky, a solo practitioner, also of Norristown, represented John Q. Bingaman. Lead counsel for the plaintiffs was Alexander Kerr, a partner, and associates John Kopesky and Elizabeth Chamberlain of Hoyle, Morris & Kerr in Philadelphia. Also, Thomas McBride, a partner with McBride, Ruch & Gontram; and Jeffrey Spangler, an associate of Robert Welch, P.C., both of Philadelphia.