



## Joel W. Sternman

Partner

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### Practices

FOCUS: Litigation

Appellate and  
Supreme Court  
Litigation

Securities Litigation  
and Enforcement

Trade Secret  
Protection and  
Litigation

Banking and Finance  
Litigation

Class Action and  
Multidistrict  
Litigation

Fiduciary Litigation

### Industries

Financial Institutions

Entertainment and  
Media

### Education

LLB, Yale Law  
School

BA, Dartmouth  
College

### Bar Admissions

New York

### Court Admissions

US Supreme Court

Joel W. Sternman concentrates his practice in complex commercial litigation with an emphasis on class actions arising under the federal securities laws and related state statutory and common law. He has served as defense counsel to public companies, members of corporate management and underwriters in numerous litigations in federal and state courts throughout the United States.

Joel is best known for his representation of petitioners in *Basic, Inc. v. Levinson*, one of the most frequently cited cases in the securities law field (485 U.S. 224) in which he argued significant legal issues before the US Supreme Court. Following a decision by the Court, the case was settled.

Joel has litigated cases arising under numerous federal statutes including the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA), the Employee Retirement Income Security Act (ERISA) and the Racketeer Influenced and Corrupt Organizations Act (RICO) and has represented parties in Securities and Exchange Commission (SEC) investigations and in litigations incident to bankruptcy proceedings. As counsel to corporate committees, he has conducted internal investigations to evaluate possible violations of federal and state laws.

Joel has represented numerous major corporations including Sony, Phillips-Van Heusen, Dana and ABB.

Joel has been a member of the faculty for programs on corporate and securities litigation presented by the Practising Law Institute and ALI-ABA and has spoken in Japan about the exposure of directors of foreign corporations to litigation in the United States. He is the author of numerous articles, including "Exposure of Japanese Directors to Litigation in Japan and the U.S.," 26 *Jour. of the Japanese Institute of International Business Law* 675 (in Japanese).

### Selected Experience

- Representation of co-lead underwriter in securities class action; motion to dismiss granted and appeal withdrawn. *Havenick v. Network Express, Inc.*, 981 F. Supp. 480 (E.D. Mich. 1997).



US Court of Appeals,  
Second Circuit

US Court of Appeals,  
Sixth Circuit

US Court of Appeals,  
Ninth Circuit

US District Court,  
Southern District of  
New York

US District Court,  
Eastern District of  
New York

US District Court,  
Eastern District of  
Michigan

- Representation of company in related securities class and derivative actions alleging issuance of materially misleading statements, including financial statements, relating to online merchandise business; both actions settled. *Alloy Securities Litigation and Chan v. Diamond*, Nos. 03 CV 1597; 03 CV 8494 (S.D.N.Y.).
- Representation of company in securities class action alleging material misrepresentations in connection with a merger; settled. *Basic, Inc. v. Levinson*, 485 U.S. 224, 108 S. Ct. 978, 99 L.Ed.2d 194 (1988); related decisions: 871 F.2d 562 (6th Cir. 1989), 786 F.2d 741 (6th Cir. 1986), and Fed. Sec. L. Rep. (CCH) 91,801, 1984 WL 1152 (N.D. Ohio 1984).
- Representation of defendants in related securities class and derivative actions alleging issuance of materially misleading statements concerning performance of motion picture division prior to write-off of goodwill; following limited discovery, derivative action dismissed on *forum non conveniens* grounds and class action, as well as related SEC investigation; settled. *Brandwine v. Sony Corporation*, 1995 U.S. Dist. LEXIS 19496 (C.D. Cal.).
- Representation of former officer/director in securities class action alleging issuance of materially misleading statements relating to deceptive business practices; settled. *NTL, Inc. Securities Litigation*, 347 F. Supp.2d 15 (S.D.N.Y. 2004).
- Representation of former CEO and CFO in securities class action alleging issuance of material misstatements leading to financial restatements; following reversal on second appeal and denial of certiorari, matter remanded to district court (pending). *Frank v. Dana Corp.*, 525 F. Supp.2d 922 (N.D. Ohio 2007), *vacated*, 547 F.3d 564 (6th Cir. 2008), *dismissed following remand*, 649 F. Supp.2d 729 (N.D. Ohio 2009), *reversed*, 646 F.3d 954 (6th Cir. 2011), *cert. denied*, 132 S.Ct. 559 (2011). *See also Casden v. Burns*, 504 F. Supp.2d 272 (N.D. Ohio 2007), *aff'd*, 306 Fed. Appx. 966, 2009 WL 103620 (6th Cir. 2009) (dismissing related derivative action); in addition, following completion of SEC investigation, no claims asserted against former CEO and CFO.
- Representation of underwriter in securities class action arising from initial public offering of biotech company; following dismissal of most claims on motion, remaining claims settled.) *Glosser v. Cellcor Inc.*, Fed. Sec. L. Rep. (CCH) 98,708, 20 Del. J. Corp. L. 745, 1995 WL 106527 (Del. Ch. 1995); and 20 Del. J. Corp. L. 341, 1994 WL 593929 (Del. Ch. 1994).
- Representation of officers and directors in securities class action alleging failure to disclose material information concerning Federal Trade Commission charges; motion to dismiss class action granted and no appeal taken; related derivative action voluntarily dismissed. *Cross Media Marketing Corporation Securities Litigation*, 314 F. Supp.2d 256 (S.D.N.Y. 2004).



- Representation of special litigation committee in internal investigation of insider trading claims against officers and directors of generic pharmaceutical company; following issuance of special litigation committee report concluding that the allegations had no merit and that claims should be dismissed, action settled. *Burke v. Burr*, No. RG04176541 (Alameda Sup. Ct. 2006).
- Representation of defendants in securities class action alleging issuance of materially misleading statements denying pendency of merger negotiations; settled. *Columbia Securities Litigation*, 155 F.R.D. 466 (S.D.N.Y. 1994); and 747 F. Supp. 237 (1990).
- Representation of intervening plaintiff, second-largest victim of a criminal Ponzi scheme, in action by SEC. *SEC v. Credit Bancorp, Ltd.*, 290 F.3d 80 (2d Cir. 2002); 2000 WL 968010; 2000 WL 1752979, 43 UCC Rep. Serv. 2d 397; 109 F. Supp.2d 142; and 194 F.R.D. 457, *reconsideration denied*, 103 F. Supp.2d 223 (S.D.N.Y. 2000).
- Representation of former COO in securities class action alleging failure to disclose improper billing practices; settled. *Steiner v. MedQuist Inc.*, 2006 WL 2827740 (D.N.J. 2006).
- Representation of underwriter of convertible debentures in securities class action alleging materially misleading statements in registration statement and prospectus; following entry of default judgments against and settlements by other defendants, underwriter awarded summary judgment and, while appeal pending, claims against it mediated and settled. *Melridge Securities Litigation*, 1992 WL 311185 (D. Or. 1992); 1992 WL 58265; 1991 WL 238269; 1990 WL 117822; 1989 WL 155691.
- Representation of widow of Carl Sagan and her company in actions alleging breach of publication and motion picture financing agreements (settled).
- Representation of Big Four accounting firm as third party witness in connection with Securities and Exchange Commission investigation and related class action involving restatements arising from certain "roundtrip transactions" and violations of Generally Accepted Accounting Principles (GAAP).
- Representation of diversified multinational industrial corporation in defense of actions alleging (i) breach of contract involving cruise ship propulsion system; and (ii) misappropriation of robotics trade secrets (settled).
- Representation of major clothing manufacturer (Phillips-Van Heusen) in class and derivative actions, and (together with Brooks Brothers, Calvin Klein and Donna Karan) in action alleging violations of the Racketeer Influenced and Corrupt Organizations Act (RICO) in connection with working conditions in Saipan (settled).