

After Shrimpgate, Going on Defense Former Prosecutor Uses Charm and Tenacity for His Clients

By Linda Rapattoni
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SACRAMENTO - A decade ago, George O'Connell prosecuted Shrimpgate, the last big political corruption scandal in the state Capitol. Today, he is defending the leader of California's Senate in an influence-peddling investigation.

Colleagues who worked alongside O'Connell and those who have opposed him say he is tenacious - whether representing heirs to billionaire tycoon Howard Hughes or pursuing an escaped Soviet spy.

"You also need to recognize that beneath that politeness, decency and charm beats the heart of a very aggressive litigator," said Malcolm Segal, managing partner of Segal & Kirby in Sacramento.

A former U.S. attorney in Sacramento, O'Connell is a partner in the 10-lawyer Stevens & O'Connell firm. His clients include Senate Pro Tem Don Perata, D-Oakland, Turbomeca, a French maker of helicopter engines, and Union Pacific Corp. Perata has been fighting a federal public corruption probe for three years. Turbomeca is defending accusations it made a defective engine in a helicopter that crashed, killing two Sacramento County deputy sheriffs in 2005. Union Pacific is trying to fend off criminal misdemeanor complaints by Merced, Madera and Stanislaus counties alleging pollutants spilled from leaking railroad cars.

"We have, if not a unique practice, a very unusual practice for a firm of our size," O'Connell said. "We represent not just clients in Northern California but throughout the state and region and back East."

In the 1980s, as an assistant U.S. attorney in Sacramento, O'Connell took part in a federal investigation known as Shrimpgate that led to the conviction or guilty pleas of three former Democratic senators, four legislative aides and two Republican lawmakers on political corruption charges. He personally tried four of the cases after he was appointed U.S. attorney.

A decade later, he switched from prosecutor to defender.

In 2004, news broke that Perata was a target of a federal probe into public corruption. No charges have been brought, so far. Subpoenas sought financial records of Perata's business associates, family members and lobbyists.

The San Francisco Chronicle, relying on unnamed sources, reported that investigators were trying to learn if Perata accepted payments for political favors.

Perata paid O'Connell at least \$870,379 in legal fees, including \$140,312 this year, according to reports on the California Secretary of State's Web site. At the end of July, Friends of Don Perata Legal Defense Fund reported just \$2,184 left in the pot.

Jason Kinney, a lawyer and spokesman for Perata, said there hadn't been a lot of activity on the investigation side lately to require O'Connell's services.

"Most of the heavy lifting was at the beginning when we were trying to figure out what this [investigation] was," Kinney said. "Even though we're confident Sen. Perata has always acted appropriately, we always said this investigation is a unique one. It has no clear focus or purpose. Lots of times we're not even sure if it's still going on."

O'Connell declined to talk about the investigation. The U.S. attorney's office also declined to comment.

Perata has vigorously fought to keep details of the probe out of the media. Shortly after news of the investigation broke, O'Connell asked U.S. Attorney Kevin Ryan in San Francisco to investigate whether federal law enforcement personnel leaked information about Perata to the media.

O'Connell said he loves the combination of white-collar crime and complex civil litigation.

"The impression is that civil cases are the boring same ol', same ol'," he said. "Most civil cases we've done are quite interesting. They really don't feel that much different from criminal cases."

O'Connell, 57, graduated from Purdue University and Harvard Law School, where he met his wife, Elizabeth Lewicki, who became a tax lawyer and law professor. They have three sons, ages 21, 18 and 13.

After he graduated, O'Connell worked for Kindel & Anderson of Los Angeles. The firm's clients included potential heirs to the Howard Hughes fortune. They were challenging a handwritten will Hughes purportedly wrote, known as the Mormon Will, leaving part of his estate to the church and a gas-station attendant. The firm proved the will was a fake.

O'Connell said he sorted through various business agreements Hughes allegedly entered into, determining which ones really involved the billionaire and which ones did not.

In late 1979, O'Connell joined the U.S. attorney's office in Los Angeles. He negotiated a plea deal to return to prison convicted Soviet spy Christopher Boyce, who escaped from the Lompoc Correctional Institution in 1980,

while serving a 40-year term.

In 1983, O'Connell's wife accepted a teaching job at McGeorge School of Law, and her husband transferred to the U.S. Attorney's office in Sacramento.

David Levi, then U.S. Attorney for the Eastern District, had started an undercover investigation later known as Shrimpgate into alleged graft among California legislators and enlisted O'Connell's help. The investigation got its name from the bogus shrimp processing company FBI agents created so they could pose as businessmen seeking political favors to help the fake company.

Now dean of Duke Law School, after 17 years as a Sacramento federal judge, Levi remembers the young prosecutor as "a truly gifted trial lawyer."

"He is a devastating cross-examiner," Levi said. "He is highly ethical. He is well read, particularly in history, and he puts this learning into effective use, even in the midst of trial."

After four years in the U.S. attorney's office, O'Connell returned to Los Angeles to found a white-collar criminal law practice, Miller & O'Connell, in 1987 with Steve Miller.

They pared down a 35-count indictment alleging bribery against the chief financial officer of Teledyne Corp. to a single count of a false statement, limiting incarceration to a three-month stay in a halfway house, O'Connell said.

When Levi was appointed to the federal bench in 1990, O'Connell applied to be the U.S. attorney in Sacramento. He got the appointment the next year with the help of then Sen. Pete Wilson, just before Wilson became governor.

O'Connell took over the Shrimpgate investigation. He personally prosecuted state Sen. Alan Robbins, and former legislative aides Tyrone Netters and Darryl Freeman.

His office also successfully sought convictions of Sens. Paul Carpenter and Joseph Montoya, former lobbyist Clay Jackson, former California Coastal commissioner Mark Nathanson and legislative aide Karin L. Watson.

In 1993, President Clinton took office and demanded the resignations of all U.S. attorneys.

O'Connell insisted on staying another month to clear his office's reputation after Democrats accused him of targeting only Democratic lawmakers in Shrimpgate. The prosecutor said he had been awaiting approval to bring indictments against Republican Assemblymen Pat Nolan and Frank Hill, both later convicted on bribery charges.

"It reflected on the honor and credibility of the office," O'Connell said. "I told them, 'I'm staying to do this until you fire me.'"

O'Connell finally resigned and joined Downey Brand in Sacramento.

In the mid 1990s, the FBI conducted Operation Rezone, a six-year probe of bribes and kickbacks by Fresno-area builders seeking favorable zoning decisions. Sixteen local officials and developers were convicted.

O'Connell represented Fresno developer Jon C. Thompson, who was granted immunity for cooperating with investigators.

Stephen J. Meyer, the Downey Brand partner who hired O'Connell, said he is a formidable advocate "diligent almost to the point of relentless" and "fearless."

O'Connell left Downey in 1997 to form Stevens & O'Connell with Charles Stevens, who had followed O'Connell to the U.S. attorney post in 1994. They share a friendship despite their political differences. O'Connell is Republican; Stevens is a Democrat.

Clyde Blackmon, a Sacramento criminal defense lawyer, said it's "a lot more fun" to have O'Connell on your side than at the opposing counsel's table.

"When he's in the lawsuit, he's all business," said Joe Genshlea, a founding partner of Weintraub Genshlea Chediak in Sacramento who has opposed O'Connell. "Outside he's a very affable guy."

O'Connell helps clients make well-analyzed decisions with his real world judgment, said Robin Taylor, an assistant U.S. attorney, who is a close friend.

"I think more than extremely smart, he's a very clear thinker," she said. "He is able to identify gaps or deficiencies in legal strategy and he will pursue them to his client's and his advantage in an above board way."
