

Aye Aye Captain Jack. Slabbed opens Davy Jones' locker and finds an unethical Ed Rust hired gun.

August 4, 2010

There is a method to the madness here at Slabbed and one of my methods involves periodically revisiting certain news links we post to see if there are any belated comments worthy of follow-up. Such was the case with Anita Lee's recent story on Chris McIntosh that we highlighted and sure enough there was a late comment by one Captain Jack that I could not let pass since it involves information we've been holding onto for at least a year and it is there we begin:

I agree with the other posters here. State Farm should be shut down. The federal government needs to investigate and prosecute. For details about State Farm's bad behavior and the Oklahoma court ruling for sanctions and contempt against State Farm and attorney David V. Jones of San Antonio, Texas, check out <http://badfaithinsurance.org> and <http://truthaboutmold.info/insurancenews>.

Actually Cap there is so much more as the legal profession likes to keep attorneys like Jones as a dirty secret. Fortunately for us we had ring side seats via PACER when Jones enrolled in several Katrina cases involving State Farm in Louisiana including one where the lawyers for the plaintiffs tried to have Jones booted for lying on his pro hac vice affidavit only to have Judge Kurt Engelhardt, David Vitter's former campaign manager, ignore a clear cut ethical violation. We'll circle back to that.

Here is the deal from a layman's perspective since we've written a good bit on the use of out of state hired guns. Sometimes an insurer has a case comes along that needs to go away no matter the means or methods. Since not all of the insurance defense bar are unethical scudda beans sometimes ethical local firms need to be moved out of the way so the right kind of lawyer can come do the dirty work. It worked for a while with James Robie in McIntosh v State Farm. Robie has hung more than a few skins on the wall for Ed Rust and State Farm but is just one man. Another is David Jones of San Antonio Texas.

There is no view like the view from the top moderating Slabbed and I'll add it did not take long for Jones long to figure out we were onto him. Though we never posted the information we are sharing today or mention Jones by name, we did several posts which alluded to him by his nickname "Wiretapper" including this one which got us just the reader response we were looking for. I rather enjoyed knowing he was waiting for the shoe to drop Slabbed style but our contact with some of the other lawyers involved with Jones through time convinced us it was better to not share that info until later. Later arrives today.

So what kind of lawyer is State Farm's David Jones? He is not much different from the whore engineers at Haag Engineering such as Tim Marshall or other outfits that depend on working for State Farm to remain in business, which means he has no compunction about cutting corners, taking short cuts or doing some down right sleazy things in order to win for Rust and the gang. Allow me to summarize Jones' record as a lawyer:

May, 1997: Jones pleads no contest to:

"On or about March 7, 1995, in the Southern District of Texas and within the jurisdiction of this court, Defendant, DAVID JONES did intentionally disclose to Theresa Gutierrez, the contents of a wire

communication, that is, a non-consensually intercepted and recorded telephone conversation between Mark Rains and Paul Kornfuerer, having reason to know that the information was obtained through the interception of a wire communication in violation of Title 18, United States Code, Section 2511(1) (a), all in violation of Title 18, United States Code, section 2511(1) (c) , 4 (b) (ii).”

Jones was working a related case and decided to cut a legal corner or two.

Ed Rust must have heard about Jones because State Farm began using him with regularity. In fact, we find Jones’ name surface in Watkins, a particularly egregious example of how State Farm treated it’s Oklahoma City claimants after the town was struck by an F-5 tornado. 2 things stick out about Watkins, the first being that all the same players for State Farm that hosed people here on the coast after Katrina were present in Watkins such as Haag and Renfro. The second thing is the judge in Watkins, Richard Van Dyck held State Farm’s lawyers accountable for their misconduct. Here is was he had to say in his order finding State Farm in contempt of court:

Defendant State Farm appeared by and through its counsel of record, Tom Cordell, Anton Rupert, Rustin Strubhar, David Jones and LeAnne Burnett.....Upon review of the written legal briefs filed by the parties, after hearing oral arguments, viewing excerpts from videotaped depositions and being otherwise fully advised in the premises this court sustains Plaintiff’s Motion for Contempt and for Sanctions Against Defendant, State Farm Fire and Casualty. In making its ruling, this Court finds the conduct displayed by State Farm and its counsel to be obstructive, contemptuous and in bad faith....

Here at Katrina ground zero, I’ll add there are maybe just a few federal judges that hold State Farm accountable like Judge Van Dyck but that is another post.

In Rodriguez v State Farm in the year 2000, Jones and State Farm were sanctioned for discovery abuses including withholding requested discovery documents (gee doesn’t this sound like familiar tactic used here on the coast with Magistrate Walker’s blessing).

In Manokoune v State Farm in 2006, Jones’ professional conduct is again called into question this time with the court using the term “constructive fraud”:

State Farm obtained a settlement agreement from Plaintiff without once mentioning the fact that the settlement amount they had agreed upon would not actually represent the amount received by Vichai. State Farm’s attorney stood in a court of law and represented to a judge that the settlement agreement described in the friendly suit pleadings represented the parties’ agreement and agreed in form to an order declaring the mandatory split of that settlement amount between Vichai, a trust account for Vichai, and his attorney. In fact that order did not represent the split of funds contemplated by State Farm because it failed to account for Equity’s claim of more than half of the proceeds. State Farm and its attorney were aware that Plaintiff’s attorney could not, therefore, comply with the court’s order because State Farm had already issued the draft that included Equity’s name. We cannot accede to or condone that conduct and will not say that it does not, as a matter of law, amount to at least constructive fraud....

Jones then was enrolled on State Farm’s behalf in the Louisiana Eastern District in several cases. In Louque v State Farm Jones omitted his no contest plea in Texas from his pro hac vice affidavit. He did likewise in Margiotta v State Farm, another Katrina case in the LAED. Unfortunately for Anna Margiotta, the judge assigned to her case was Kurt Engelhardt, a judicial activist and ideologue that was

also the guy who paid David Vitter's prostitution tabs when he served as Vitter's campaign manager. Engelhardt has never met an insurer he failed to like and when Jones' misconduct involving the omissions from his pro hac vice affidavit was brought to his attention he actually scolded the plaintiff's for filing motions to have Jones disqualified. Kurt Engelhardt amazingly wrote this about Jones omissions:

Having carefully reviewed the parties' submissions, the court recognizes that Mr. Jones could have chosen different, and perhaps more specific, words to describe his 1995 criminal proceeding. Nevertheless, the undersigned, who regularly presides over federal criminal proceedings, was sufficiently informed regarding the matter, and does not find the disclosure to have been inaccurate or misleading

I always wondered how Engelhardt could have known about something Jones himself did not originally disclose. Once the motion to disqualify was filed, Jones filed another affidavit which is the one Engelhardt is evidently referring to above. Once again State Farm and its lawyers flout local federal court rules and are allowed to skate. And what of those "different, and perhaps more specific, words to describe his 1995 criminal proceeding." Well Jones used them again when he filed his pro hac vice affidavit in *Arceneaux v State Farm*. I guess a weak disclosure is better than Jones' original no disclosure. With judges like Engelhardt around to tote State Farm's water I wonder why Jones even bothered since there are generally no consequences for insurance defense lawyers that engage in misconduct in Mississippi Southern District and most of the courtrooms of the Louisiana Eastern District.

So Captain I hope this loads you up along with whomever else is diligently googling David V Jones these days. While we appreciate the faith Google places in this little project called Slabbed we actually are now able to offer the Slabbed Nation the goods on a typical State Farm hired gun. I've taken the liberty of embedding a pdf with all the cases mentioned along with salient court documents to facilitate the research into Jones' checkered past.

- See more at: <http://slabbed.org/2010/08/04/aye-aye-captain-jack-slabbed-opens-davy-jones-locker-and-finds-an-unethical-ed-rust-hired-gun/#more-22789>