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TOP BOUTIQUES IN CALIFORNIA 2022

MANCINI SHENK LLP

LOS ANGELES
INVESTOR & SHAREHOLDER
LITIGATION, CANNABIS
LITIGATION



MICHAEL V. MANCINI AND JOHN W. SHENK

Michael V. Mancini and John W. Shenk describe the cases they handle as business litigation with a focus on disputes between investors and management. They are “agnostic as to industry,” Shenk said, but about half their matters involve cannabis businesses.

They describe the way they handle their cases as highly technical. They resolve cases through “studious pro-cedural approaches that lock our opponents into a corner,” Shenk said. “We pride ourselves on paying closer attention to the details of the cases and the people involved to get a result.”

That’s how they succeeded in their first case after launching their firm in 2018. Their clients were investors in cannabis businesses whom they had previously represented jointly while at separate firms. The investors returned to them when another investment went sour. This time, the deal was “a napkin contract” with someone claiming special abilities to distill cannabis oil.

But instead of doing that, the fellow used their money to buy a house and put the title in an offshore trust.

Several other investors pursued the man, but Mancini Shenk identified the trust, sued it, served it, filed a lien and reached a good settlement. *OBM Holdings LLC v. Refined Processes LLC*, 37-2018-00026760 (S.D. Super. Ct., filed May 31, 2018).

The firm has grown since then to have five lawyers and a second office in Pasadena. And Mancini and Shenk have continued to use their procedural prowess to win cases.

In particular, Mancini said, the firm is skilled with derivative lawsuits. “We have studied and litigated the ethical rules and the fiduciary rules that apply to the parties and to their counsel in those disputes,” he said. “We have developed a facility for taking advantage of those.”

In one derivative case last year, they succeeded in an arbitration against a large cannabis company in Santa

Barbara by piercing opposing counsel’s overly aggressive claim of attorney-client privilege. That allowed them to obtain withheld documents. “Because that attorney did not have the skill with these disputes that we do, we were able to identify where he had misstepped and use that as a basis for a settlement,” Shenk said.

Their clients had made “a mid-eight-figure investment” in the company, making the case “one of the largest fiduciary duty and real estate management disputes in the cannabis industry that we are aware of,” Mancini said.

In August, they had a lawsuit alleging money laundering dismissed against an Atlanta law firm for lack of jurisdiction. *Orange Coast Title Company of Southern California v. Metro Escrow, Inc.*, 30-2022-01248478 (O.C. Super. Ct., filed March 4, 2022).

Also in August, the lawyers got a lawsuit allegedly worth “hundreds of millions of dollars of damages” dismissed against their clients for lack of prosecution. The plaintiff had accused the clients and others of conspiring to steal the opportunity to run a cannabis company in Santa Barbara. Mancini and Shenk first moved the lawsuit to Los Angeles and then “diligently attacked the pleadings”

and showed how the plaintiff had failed to follow discovery rules and court orders, Mancini said. *SBG Holdings LLC v. Acosta*, 20SMCV00055 (L.A. Super. Ct., filed March 17, 2020).

“We practice in a way that is often highly technical because those are the rules of the game, and they’re not that simple,” he said. “We enjoy figuring out the game in each case.”

The two typically evaluate a new case separately and then compare notes. Their insights tend to complement each other well, Shenk said. In fact, he added, they often are able to figure out the other side’s best argument before opposing counsel does.

“It’s sort of like ham & eggs. It just works.”

— DON DEBENEDICTIS