

**CASES OF HISTORICAL INTEREST
IN THE UNITED STATES DISTRICT COURT
FOR THE
SOUTHERN DISTRICT OF NEW YORK**



225th Anniversary
1789-2014

The listing of cases of historical interest endeavors to select representative cases from different time periods to illustrate the changing work of the District Court. It does not include all of the many noteworthy financial frauds, organized crime cases, drug conspiracies and terrorism trials that have been conducted in this District. It does not include many cases that have sparked or contributed to national debates on national security, civil liberties, the death penalty and the proper scope of the antitrust, labor and securities laws. It omits the many cases that have reached the Supreme Court and served as the foundation for the legal principles adopted. The listing is merely a sampling of some of the higher profile cases over the decades.

The Catharine

Judge James Duane

Prize cases originated from the wars between France and Britain in the 1790s. Under the First Judiciary Act, all the powers of a court of admiralty “both in instance and in prize” were vested in the District Court. A French frigate captured *The Catharine*, a British brigantine off the coast of New Jersey, and sent it to the port of New York as a prize. Judge Duane held that the seizure took place in American neutral waters and therefore it was not a fair prize. The British owners had the right to claim their property.

J. Morris, Federal Justice in the Second Circuit 16-18 (1987)

United States v. Daniel D. Tompkins

Judge William P. Van Ness

The suit was brought by the government against Daniel D. Tompkins, who was then the sitting Vice President of the United States under President Monroe. In 1805, President Jefferson appointed him to the District Court, a position which Tompkins, then 30 years old, did not accept. He returned the commission to Secretary of State James Madison with the following letter: "My preference for the office of Judge of the Supreme Court of this State, which arises from its tenure being the same, from its emoluments being more and from the greater tendencies of its duties to preserve my health, induces me to decline accepting the office of District Judge." He later served as a state judge. As wartime Governor of New York (1807-1817), Tompkins borrowed and applied moneys from the federal government, the state, and his own pocket, commingled them, pledged his own credit and kept poor accounts, and had protracted disputes, which were exacerbated by his political opponents. Tompkins filed suit to recover money from the federal government. He appeared *pro se* at the trial but also was represented by Thomas Addis Emmet. The Government's claim against him was for \$11,000 but the jury found for him and made the unofficial determination that the federal government owed him more than \$130,000. Later Congressional appropriations provided him with about \$95,000 in recompense.

Information concerning the trial comes from a published report of a member of the jury. Report of Proceedings in the District Court of the United States (C.W. Van Winkle 1822).

The Prize Cases

Judge Samuel Rossiter Betts

During his tenure on the bench, Judge Betts, a veteran of the War of 1812, decided hundreds of “prize of war” cases. Ships aiding an enemy in time of war could be seized by a private party who then could sue for a portion of the cargo of the seized ship. One of Judge Betts’ early and important prize decisions in the Civil War era was *The Hiawatha*, where Judge Betts upheld the constitutionality of the Union blockade as a legitimate means of conducting civil war. The Supreme Court agreed.

Blatchf. Prize Cas., 1, 12 F.Cas. 95 (S.D.N.Y. 1861), aff’d, 12 F.Cas. 94 (Cir Ct S.D.N.Y. 1861), aff’d sub nom. *The Amy Warwick*, 67 U.S. 635 (1862).
<http://www.nytimes.com/1861/07/02/news/united-states-district-court-july-1-before-judge-betts.html>

In re Knickerbocker Steamboat Co. (*The General Slocum*)

Judge George B. Adams

On June 15, 1904, *The General Slocum*, a paddlewheel steamer, was on a pleasure trip up the East River with 1,358 passengers, mostly German-Americans from the Lower East Side. A fire broke out around 10 a.m. near Hells Gate and 1,021 aboard perished. The owner of the vessel brought a limitation of liability proceeding to fix its liability to the representatives of the deceased.

136 F. 956 (S.D.N.Y. 1905)
United States v. Van Schaick, 134 F. 529 (C.C. SDNY 1904), aff’d 159 F. 847 (2d Cir. 1908) (criminal prosecution)
<http://www.nypl.org/blog/2011/06/13/great-slocum-disaster-june-15-1904>

The Titanic Cases

Judges Charles M. Hough, Learned Hand and George C. Holt

Oceanic Steam Navigation Company (a British company) petitioned to limit its liability under the U.S. Limited Liability Act. One claimant, Anna Sofia Slojblom, sought recovery of \$6,200 for her injuries and lost baggage. In her affidavit, she states "affiant at the time of the collision was asleep in her berth, but was eventually awakened and went on deck, when she learned the vessel was in a sinking condition, she became very much frightened and very nervous, and was shoved about in the crowd and over prostrate people for a considerable length of time, and finally picked up by some one and thrown into one of the last lifeboats to leave the Titanic" Judge Holt held that an American statute governing liability should not apply to a British ship and dismissed the Oceanic Steamship Company’s petition for limitation of liability. The Supreme Court held that the statute permits a foreign vessel to limit its liability when sued in the United States. Cases settled on July 28, 1916 for \$664,000.

204 F. 295 (S.D.N.Y. 1912), modified sub nom., In re Oceanic Steam Navigation Co.,
204 F. 260 (2d Cir. 1913).

206 F. 500 (S.D.N.Y. 1913).

209 F. 501 (S.D.N.Y. 1913), certification of questions, 209 F. 513 (2d Cir. 1913),
certified questions answered, Oceanic Steam Nav. Co. v. Mellor, 233 U.S. 718 (1914)

R. Peltz, The Titanic's Legacy: The History and Legal Developments Following the
World's Most Famous Maritime Disaster, 12 U.S.F. Mar. L.J. 45 (1999-2000).

M. Zekala, Liability and Salvage: Titanic Jurisprudence in United States Federal Court,
16 Lewis & Clark L. Rev. 1075 (2012).

J. Eaton & C. Haas, Titanic: Triumph and Tragedy 13 (2d ed. 1995).

The Lusitania

Judge Julius M. Mayer

“On May 1, 1915, the British passenger carrying merchantman Lusitania sailed from New York, bound for Liverpool, with 1,257 passengers and a crew of 702, making a total of 1,959 souls on board, men, women, and children. At approximately 2:10 on the afternoon of May 7, 1915, weather clear and sea smooth, without warning, the vessel was torpedoed and went down by the head in about 18 minutes, with an ultimate tragic loss of life of 1,195. Numerous suits having been begun against the Cunard Steamship Company, Limited, the owner of the vessel, this proceeding was brought in familiar form, by the steamship company, as petitioner, to obtain an adjudication as to liability, and to limit petitioner's liability to its interest in the vessel and her pending freight, should the court find any liability.” (From the opening lines of Judge Mayer's Opinion.)

251 F. 715 (S.D.N.Y. 1918).

Masses Pub. Co. v. Patten

Judge Learned Hand

Learned Hand sat as a judge of the Southern District of New York for over fifteen years. One of his memorable District Court cases was brought under the Espionage Act of 1917. Then District Judge Learned Hand enjoined the Postmaster General from disallowing, by reason of the Act, the circulation of *The Masses*, a journal that was alleged to incite resistance to the World War I draft. The Second Circuit did not agree and reversed the injunction, thereby allowing the Postmaster General to prohibit circulation through the mails.

244 F. 535 (S.D.N.Y.), rev'd, 246 F. 24 (2d Cir. 1917)

Prohibition and the Volstead Act (1919-34)

The constitutional amendment prohibiting the sale of alcohol and the legislation that followed created a massive rise of criminal cases in this District. In the three-year period ending June 30, 1930, there were 25,728 criminal cases filed in the District, of which 23,167 related to the sale of alcohol. Judge Knox, who was on the S.D.N.Y. bench throughout the Prohibition era, wrote that “cases came by tens, by hundreds, and then by thousands. The courts came to be so overwhelmed with such work that we were forced, in order to clear the dockets of enormous accumulation, to hold ‘bargain days’ on which almost any one who would plead guilty would be let off with some trifling fine. Such ‘justice’ did the reputations of our courts no good There were not enough judges or juries available to handle properly more than a fraction of the work that came to us.”

J. Morris, Federal Justice in the Second Circuit 125-28 (1987)

J.C. Knox, A Judge Comes of Age 157 (1940)

United States v. Thomas W. Miller and Harry M. Daugherty

Judges Julian Mack and John C. Knox

The former Attorney General of the United States, Harry M. Daugherty, and Thomas W. Miller, the former Alien Property Custodian, were indicted for conspiracy to deprive the United States of their honest services. It was alleged that in exchange for a \$441,000 bribe, Miller had agreed to allow \$7 million of impounded stock to be transferred to a Swiss corporation. Daugherty had been the Attorney General during the Teapot Dome era. Judge Mack, who was a Circuit Judge sitting by designation, presided at the first trial (1926) that resulted in a hung jury. Judge Knox presided at the second trial (1927) conducted for the government by Emory Buckner that resulted in the conviction of Miller and a hung jury on the case against Daugherty.

N.Y. Times, Mar 5, 1927, p.1, col. 1.

M. Mayer, Emory Buckner, p. 209 et seq. (Harper & Row 1968)

United States v. One Book Called "Ulysses"

Judge John M. Woolsey

The government attempted to secure forfeiture of the book *Ulysses*, authored by James Joyce, on the grounds that it was obscene. The forfeiture proceeding was welcomed and, indeed, orchestrated by the publisher, Random House. The matter was heard on stipulated facts. In the words of Judge Woolsey “in ‘*Ulysses*,’ in spite of its unusual frankness, I do not detect anywhere the leer of the sensualist. I hold, therefore, that it is not pornographic.” The decision was affirmed on appeal with Judges Augustus Hand and Learned Hand in the majority and Judge Martin Manton in dissent. United States v. One Book Entitled Ulysses by James Joyce, 72 F.2d 705 (2d Cir. 1934). Bennett Cerf of Random House decided that the full text of Judge

Woolsey's opinion denying forfeiture be included in all editions of *Ulysses*, making it perhaps the most widely read district court opinion in history.

<http://law2.umkc.edu/faculty/projects/ftrials/ulysses/Ulysseslinks.html>
5 F.Supp. 182 (S.D.N.Y. 1933), aff'd, 72 F.2d 705 (1934)(A. Hand)

United States v. Martin T. Manton

Judge W. Calvin Chesnut

As a result of an investigation conducted by Manhattan District Attorney Thomas E. Dewey, assisted by future S.D.N.Y. Judges Murray I. Gurfein and Lawrence E. Walsh, a letter was sent to the House Judiciary Committee exposing misdeeds of Martin T. Manton, then a sitting Circuit Judge and former District Court Judge. Manton resigned and was indicted and prosecuted in this District by U.S. Attorney John T. Cahill. Judge W. Calvin Chesnut of the District of Maryland presided at the trial at which former presidential candidates John W. Davis and Alfred E. Smith testified as character witnesses for Manton. He was convicted of conspiracy to obstruct the administration of justice and to defraud the United States and sentenced to prison, where he served 17 months. The conviction was affirmed by a specially constituted panel of the Second Circuit which included a sitting and a retired Justice of the Supreme Court. In 1940, S. Burton Heath was awarded the Pulitzer Prize for his coverage of the trial for the New York World-Telegram.

107 F.2d 834 (2d Cir. 1939)

Erie R.R. v. Tompkins

Judge Samuel Mandelbaum

Every law student recognizes this famous case as establishing a bedrock principle in actions invoking a federal court's diversity jurisdiction—state law provides the substantive legal principles governing the case. On July 10, 1936, Judge Mandelbaum was sworn in as a judge of the District Court. On October 5, 1936, he commenced his first civil trial: *Erie R.R. v. Tompkins*, an action for damages by a pedestrian, Harry Tompkins, who lost his arm while walking along a railroad pathway and claimed that he was struck from an object protruding from the train. Pennsylvania law, where the accident happened, would have required dismissal of the case. But applying well-established principles, Judge Mandelbaum concluded that Pennsylvania law had no application to a case brought in federal court. The jury awarded Tompkins \$30,000 and the railroad appealed. The Second Circuit affirmed. The Supreme Court reversed and overruled its 96 year-old precedent, *Swift v. Tyson*, 41 U.S. (16 Pet.) 1, 18-19 (1842), a case that arose from a certified question from the United States Circuit Court for the Southern District of New York (Justice Smith Thompson and Judge Samuel Rossiter Betts). *Erie R.R. v. Tompkins*, 304 U.S. 64 (1938) is one of the most cited cases in American legal history.

I. Younger, What Happened in Erie, 56 Texas L. Rev. 1011 (June 1978). 56
R.H. Jackson, The Rise and Fall of *Swift v. Tyson*, <http://www.roberthjackson.org/the-man/bibliography/the-rise-and-fall-of-swift-v-tyson/>

United States v. Dennis

Judge Harold Medina

Eugene Dennis and ten others were convicted of conspiring to organize the Communist Party of the United States as a group to teach and advocate the overthrow of the government of the United States by force and violence. The lead prosecutor was future S.D.N.Y. Judge John F. X. McGohey. The trial lasted ten months, including jury selection and deliberations, and resulted in a conviction of all defendants.

United States v. Dennis, 183 F. 2d 201 (2d Cir. 1950(L. Hand), aff'd sub nom.,
Dennis v. United States, 341 U.S. 494 (1951).

United States v. Julius and Ethel Rosenberg

Judge Irving Kaufman

Julius Rosenberg and his wife Ethel were charged with having conspired between 1944 and 1950 to violate the Espionage Act by communicating national defense secrets to the Soviet Union. After a jury trial before Judge Irving Kaufman, the two were convicted and sentenced to death. The convictions were affirmed. Both were executed on June 19, 1953.

195 F.2d 583 (2d Cir. 1952) (affirming conviction)
109 F.Supp. 108 (S.D.N.Y. 1953), aff'd, 204 F.2d 688
(2d Cir. 1953) (motion to reduce sentence).
<http://law2.umkc.edu/faculty/projects/ftrials/rosenb/rosenb.htm>

United States v. Alger Hiss

Judges Samuel Kaufman and Henry W. Goddard

Alger Hiss was a lawyer who, early in his career, had clerked for Justice Holmes and later became a State Department official and part of the American delegation to the Yalta Conference. Whittaker Chambers publically accused Hiss of transmitting to him classified documents, including the so-called "Pumpkin Papers," so that Chambers could pass them on to a Soviet officer. Hiss was charged with two counts of perjury before a grand jury. The first count charged that he lied when he testified under oath that he had never turned over any of the State Department documents to Chambers. The second count charged him with perjury when he testified that he had not seen Chambers after January 1, 1937. The first trial before Judge Kaufman ended in a hung jury and a second trial before Judge Goddard resulted in convictions on both counts and a five-year sentence. Future S.D.N.Y. Judge Thomas F. Murphy was the lead prosecutor at both trials and future S.D.N.Y. Judge Edward C. McLean worked on the defense team.

107 F.Supp. 128 (S.D.N.Y. 1952).

<http://law2.umkc.edu/faculty/projects/ftrials/hiss/hiss.html>

United States v. Bonanno (The Apalachin Meeting Trial)

Judge Irving R. Kaufman

Twenty defendants were convicted for conspiring to obstruct justice and commit perjury by giving false and evasive testimony regarding a gathering attended by them and at least 39 others at the home of Joseph Barbara, Sr., in Apalachin, New York, on November 14, 1957. The convictions were reversed on appeal on several grounds, including because there was insufficient evidence to support a finding that the defendants knew or should have known that there would be any formal investigation under oath.

177 F.Supp. 106 (S.D.N.Y. 1959)

180 F.Supp. 71 (S.D.N.Y. 1960)

United States v. Bufalino, 285 F. 2d 408 (2d Cir. 1960)

United States v. A Motion Picture Film Entitled "I Am Curious-Yellow"

Judge Thomas F. Murphy

After Bureau of Customs officials seized a copy of the Swedish film *I am Curious (Yellow)*, its American distributor sought a court order declaring that the movie had social value and was therefore not obscene. *I am Curious (Yellow)* included calls for European social activism mixed with sequences depicting nudity and sexual contact. Judge Murphy was no fan: "To me, it was repulsive and revolting, the sexual scenes having no relationship to the story line or plot – if there was one." He nevertheless concluded that "we judges are not critics or censors or literary experts," and held that a trial was required to determine if the movie was obscene. A jury eventually decided that it was, although the Second Circuit reversed and permitted the film's distribution. *I am Curious (Yellow)* went on to gross more than \$20 million in the United States.

285 F.Supp. 465 (S.D.N.Y. 1968)

J. Zirin, The Mother Court, 101-04

<http://www.imdb.com/title/tt0061834/>

United States v. New York Times Co. (Pentagon Papers)

Judge Murray I. Gurfein

On June 13, 1971, The New York Times began publishing a series of articles about a classified Department of Defense study of the origins and conduct of the war in Vietnam. Daniel Ellsberg, an author of the study, had secretly provided the study to The Times and The Washington Post. Attorney General John Mitchell requested The Times to cease publication because it would cause "irreparable injury to the defense interests of the United States." In his first week as a judge of the District Court, Judge Gurfein presided over the case. On June 15, he granted a

temporary restraining order until the application for an injunction could be heard. On June 19, Judge Gurfein denied the government's request for a preliminary injunction. He held that the government had failed to show that the publication would "seriously breach the national security." He wrote, "Security also lies in the value of our free institutions. A cantankerous press, an obstinate press, a ubiquitous press must be suffered by those in authority in order to preserve the even greater values of freedom of expression and the right of the people to know." On June 30, the Supreme Court upheld the right of the Times (and other newspapers) to publish the Papers.

<http://law2.umkc.edu/faculty/projects/ftrials/ellsberg/ellsberghome.html>
328 F.Supp. 324 (1971)

United States v. John N. Mitchell and Maurice H. Stans (Former Attorney General and Secretary of Commerce)

Judge Lee P. Gagliardi

Former Attorney General John N. Mitchell and former Secretary of Commerce Maurice H. Stans were charged in a multi-count indictment alleging conspiracy, obstruction of justice and perjury. The prosecution contended that the defendants interfered with an SEC investigation of financier Robert Vesco in exchange for a \$200,000 contribution to President Nixon's reelection campaign. The case proceeded to trial in the Southern District of New York before Judge Lee P. Gagliardi on February 19, 1974, at the height of the Watergate-era and a mere five months before the President's resignation. Future S.D.N.Y. Judge John E. Sprizzo was one of the trial lawyers defending Mitchell. After a ten-week trial and 27 hours of deliberation, the two defendants were acquitted of all charges.

Galella v. Onassis (The "Paparazzi" Case)

Judge Irving Ben Cooper

Ron Galella, a photographer, initially sued Jacqueline Kennedy Onassis and three Secret Services agents for false arrest, malicious prosecution and interference with his photography business, and those claims were dismissed on summary judgment by Judge Edward C. McLean. Mrs. Onassis and her daughter then sought and were granted a temporary restraining order by Judge Irving Ben Cooper prohibiting Galella from "harassing, alarming, blocking the path, or touching the person of Mrs. Onassis and her children." Galella was held in civil contempt for violating the order. After a six-week trial at which 25 witnesses testified, Judge Cooper granted a permanent injunction against Galella. The scope of the injunction was modified on appeal. Former S.D.N.Y. Judge Simon H. Rifkind and future S.D.N.Y. Judge Lewis A. Kaplan represented Mrs. Onassis.

353 F. Supp. 196 (S.D.N.Y. 1972)

Bright Tunes Music Corp. v. Harrisongs Music, Ltd. (George Harrison’s “My Sweet Lord”)

Judge Richard Owen

In 1970, shortly after the break-up of The Beatles, George Harrison, one of its members, penned a hit song titled “My Sweet Lord.” Ronald Mack, a composer, sued Harrison for copyright infringement, claiming that Harrison copied the music for “My Sweet Lord” from Mack’s “He’s So Fine.” “He’s So Fine” was recorded in 1962 by The Chiffons and had been widely played, reaching No. 1 on the Billboard charts for five weeks in the United States. After a bench trial, at which both songs were played by a pianist, Judge Owen found that, though it may not have been deliberate, Harrison had plagiarized “He’s So Fine” in creating “My Sweet Lord.” Judge Owen’s copyright finding was affirmed by the Second Circuit.

420 F. Supp. 177 (S.D.N.Y. 1976)

Westmoreland v. CBS Inc.

Judge Pierre N. Leval

Former U.S. Army Chief of Staff General William Westmoreland sued CBS and reporter Mike Wallace for libel for airing the documentary “The Uncounted Enemy: A Vietnam Deception.” Judge Leval ruled that, under New York Times Co. v. Sullivan and the First Amendment, Westmoreland, a public figure, must prove that CBS acted with actual malice in gathering evidence and producing the documentary. A trial commenced in Courtroom 118 of 40 Foley Sq., but the parties settled before the jury could reach a verdict.

596 F. Supp. 1170 (S.D.N.Y. 1984)

United States v. Castellano

Judge Kevin Thomas Duffy

On October 4, 1984, the government filed a 78-count indictment naming 24 defendants and alleging 11 different conspiracies. Judge Duffy severed various counts and defendants and proceeded with the trial of Paul Castellano, the alleged head of the Gambino Crime Family, and nine others on charges of participating in a car theft conspiracy. Two and a half months into the trial, on December 16, 1985, at approximately 5:30 p.m., Castellano and his driver were shot and killed in front of Sparks Steak House on 46th Street between Second and Third Avenues. (In 1992, Salvatore Gravano admitted to the murder and testified that it was on orders of John Gotti, Sr.) After extensive questioning of the jurors as to the impact of publicity, Judge Duffy denied the remaining defendants’ motion for a mistrial. The judge dismissed the charges against one defendant at the close of the government’s case, the jury acquitted two of the defendants and six

were convicted. The convictions of two of the defendants on one of the charges were vacated, but the convictions of the six were otherwise affirmed.

United States v. Gaggi, 632 F. Supp. 1019 (S.D.N.Y. 1986),
aff'd in part, 811 F.2d 47 (2d Cir. 1987).

Sharon v. Time, Inc.

Judge Abraham D. Sofaer

In 1982, Israel became involved in the Lebanese Civil War and invaded southern Lebanon. During the war, members of a Christian Phalangist militia allied with Israel entered the Sabra and Shatilla Palestinian refugee camps in Beirut and killed hundreds of Palestinian civilians, many of them women and children. The killings were purportedly in revenge for the assassination of the Lebanese president, Bashir Gemayel, himself a Phalangist. An Israeli investigation found that Israeli Defense Minister Ariel Sharon was indirectly responsible for the incident, as he failed to consider the possibility of revenge. Sharon resigned from his post. After the investigation concluded, Time Magazine published an article titled “The Verdict is Guilty: An Israeli commission apportions the blame for the Beirut massacre,” claiming that Sharon “discussed . . . the need for the Phalangists to take revenge for the assassination” and implying that Sharon knew of, and condoned, the killings. Claiming that the statement was false, Sharon sued Time Magazine for libel. After a month-long trial, a jury found that Time did not act with malice in publishing the article, leading to a verdict in Time’s favor. In an unusual step, Judge Sofaer allowed the jury foreman to read a statement saying that the jury felt that, notwithstanding their verdict, Time had acted “negligently and carelessly”.

<http://www.nytimes.com/1984/11/14/nyregion/libel-trial-begins-in-sharon-v-time.html>

http://articles.latimes.com/1985-01-25/news/mn-9288_1_libel-suit

599 F. Supp. 538 (S.D.N.Y. 1984).

The La Cosa Nostra Commission Trial

Judge Richard Owen

The indictment alleged the existence of a RICO enterprise known as the “Commission” of La Cosa Nostra that operated in the New York City area through five organized crime “families.” Judge Owen presided over an eleven-week trial that resulted in the convictions of eight defendants, four of whom received sentences of 100 years. According to the New York Times, the case “attained national significance as the first case to focus on the commission of top crime leaders, portrayed by the prosecution as ‘the board of directors’ of the Mafia, or La Cosa Nostra.”

<http://www.nytimes.com/1986/11/20/nyregion/us-jury-convicts-eight-as-members-of-mob-commission.html>

United States v. Marcos

Judge John F. Keenan

Former Philippine President Ferdinand Marcos, his wife, Imelda, and others were indicted on charges of racketeering, conspiracy, obstruction of justice and mail fraud. Prosecutors alleged that Mr. Marcos embezzled more than \$100 million from the Philippine government and that the money was used to buy, among other things, Manhattan real estate. Saudi businessman Adnan Khashoggi was charged with a fraudulent scheme to conceal the interests of the Marcos family. Mr. Marcos (who would die in 1989) was too ill to stand trial, but the case proceeded against Mrs. Marcos and Khashoggi. The trial lasted for three months, and 95 witnesses were called by the prosecution. Future Second Circuit Judge Debra A. Livingston was part of the prosecution team. After five days of deliberations, on July 2, 1990, both defendants were acquitted.

United States v. Badalamenti (Pizza Connection)

Judge Pierre N. Leval

Thirty-five defendants were charged with engaging in a drug-trafficking and money-laundering conspiracy to import and distribute millions of dollars of cocaine and heroin through pizza parlors in New York City. Twenty-one defendants proceeded to trial, but, as recounted in the November 30, 2009 issue of the *New Yorker*: “In the middle of trial, one of the defendants, Gaetano (Tommy) Mazzara, who was out on bail, was found stuffed in a garbage bag on a street corner in Brooklyn. . . . The jury was told only that he died.” The trial began on September 30, 1985 and continued for more than seventeen months. It is the longest criminal trial in the history of the U.S. judicial system. More than 275 witnesses testified and the trial transcript exceeded 40,000 pages. The proceedings featured wiretapped transcripts read by actors and exhibits consisting of pounds of confiscated drugs and a number of seized weapons. On March 2, 1987, the jury returned guilty verdicts against eighteen of the named defendants. Gaetano Badalamenti was sentenced to 45 years imprisonment. Future S.D.N.Y. Judge Louis C. Freeh was lead prosecutor in the case.

USFL v. NFL

Judge Peter K. Leisure

The struggling U.S. Football League alleged violations of sections 1 and 2 of the Sherman Act and sought relief including \$1.7 billion in damages from the NFL. The jury trial before Judge Leisure lasted more than 40 days; featured testimony from Donald Trump, all three major television networks and the parties; and resulted in 17 published opinions and a jury verdict, later affirmed, against the NFL. The USFL was awarded only \$1 in damages, plus legal fees.

704 F. Supp. 474 (S.D.N.Y), aff'd,
887 F.2d 408 (2d Cir. 1989)

United States v. Boesky

Judge Morris E. Lasker

Ivan F. Boesky was one of Wall Street's most powerful stock speculators and arbitrageurs. After extensive cooperation with federal prosecutors, Boesky was charged with a single count of conspiring to make false filings with the Securities and Exchange Commission. On April 23, 1987, Boesky appeared before Judge Morris E. Lasker and pled guilty to the one-count indictment, which related to a scheme in which Boesky conspired to raid and take over the Fischbach Corporation. Judge Lasker said of Boesky's crime: "Its scope was too great, its influence too profound, its seriousness too substantial merely to forgive and forget." The investigation and conviction of Boesky helped to expose widespread corruption in the financial world.

United States v. Helmsley

Judge John M. Walker, Jr.

A 47-count indictment charged defendants with conspiracy to defraud the United States and the Internal Revenue Service, tax evasion, filing false corporate and personal tax returns, and mail fraud. A separate indictment charged Leona Helmsley with conspiracy to commit extortion. On August 30, 1989, after a ten-week trial, Helmsley was convicted of conspiracy to defraud the U.S., tax evasion, filing false personal tax returns, and mail fraud. She was acquitted of extortion. Following an appeal, she was resentenced to 30 months' imprisonment. During sentencing, Judge Walker said to Ms. Helmsley, who was referred to in the press as the "Queen of Mean," "I trust that the sentences today will make it very clear that no person, no matter how wealthy or prominent, stands above the law." Future S.D.N.Y. Judge Cathy Seibel was a prosecutor in the case.

United States v. Milken

Judge Kimba M. Wood

Michael Milken spent much of his career at Drexel Burnham Lambert where he was credited with developing a market in high-yield, below-investment-grade securities, known as "junk bonds." On April 24, 1990, he pled guilty to counts of conspiracy, securities fraud, mail fraud, market manipulation and tax fraud. Judge Wood sentenced Milken to 10 years in prison. He also paid fines or restitution in the amount of \$600 million, and was permanently barred from the

securities industry. In 1992, Judge Wood, with the support of prosecutors, reduced his prison sentence to two years, following Milken's cooperation.

1990 WL 264699 (S.D.N.Y. Nov. 21, 1990)

United States v. Abdel Rahman

Judge Michael B. Mukasey

Omar Abdel Rahman, known in the press as the "The Blind Sheikh," and nine other defendants were charged with seditious conspiracy and other offenses related to alleged plots to bomb office buildings, tunnels, and bridges in New York City, and assassinate the president of Egypt and an Israeli citizen. On January 17, 1996, after a nine-month trial, all defendants were convicted on multiple counts. Abdel Rahman and El Sayyid Nosair were sentenced to life imprisonment.

1995 WL 739524 (S.D.N.Y. Dec. 14, 1995).

189 F.3d 88 (2d Cir. 1999) (affirming all convictions and all but one sentencing)

United States v. Salameh (1993 WTC Bombing)

United States v. Yousef (1993 WTC Bombing and Bojinka Plot)

Judge Kevin Thomas Duffy

Two trials arose out of the 1993 bombing of the World Trade Center, and a third trial involved a failed plot to blow up 11 commercial airliners (Boeing 747s) over the Pacific Ocean. The evidence showed that on February 26, 1993, the co-conspirators drove a bomb-laden van into the parking level of the World Trade Center Complex and, using a timer, set the bomb to detonate. The van exploded, killing six people and injuring more than a thousand others. In the first trial, four men were convicted of participating in the plot. The trial lasted six months and involved more than 1,000 exhibits and the testimony of more than 200 witnesses. The defendants were convicted on all counts and each was sentenced to 240 years' imprisonment. The second trial took place in 1997. Ramzi Yousef and another man were tried on charges related to the World Trade Center bombing. In a third trial, Yousef and others were accused of plotting to blow up airliners destined for the United States (the "Bojinka Plot"). The second WTC trial and the Bojinka Plot trial resulted in convictions of all defendants.

152 F.3d 88 (2d Cir. 1998) (affirming convictions of all four defendants in first trial)

327 F.3d 56 (2d Cir. 2003) (affirming convictions in second WTC and Bojinka Plot trials)

United States v. Bin Laden (East Africa Embassy Bombings)

Judge Leonard B. Sand

Judge Sand presided at a five-month trial arising out of the 1998 synchronized attacks on the United States Embassies in Dar-es-Salaam, Tanzania, and Nairobi, Kenya, resulting in the deaths

of 224 people and injuries to over 4,000. The four defendants were convicted in May 2001 and sentenced to life in prison. The case greatly heightened public awareness of Osama bin Laden and the group al-Qaeda. Future S.D.N.Y. Judge Kenneth M. Karas was a lead prosecutor in the case.

126 F.Supp.2d 256 (S.D.N.Y. 2000)
109 F. Supp.2d 211 (S.D.N.Y. 2000)

United States v. Stewart

Judge Miriam Goldman Cedarbaum

The popular television personality Martha Stewart sold 3,928 shares of stock in the biotech company, ImClone Systems, just before the stock plummeted as a result of the FDA's rejection of the company's application for approval of its highly touted cancer-fighting drug. Stewart was charged with conspiracy, making false statements, obstruction of agency proceedings and securities fraud. She was found guilty. Reportedly, over 1,500 letters from supporters were sent to the Court. Judge Cedarbaum sentenced her to five months in prison and two years of supervised release.

323 F.Supp.2d 606 (S.D.N.Y. 2004).

<http://law2.umkc.edu/faculty/projects/ftrials/Stewart/Martha%20Stewart%20Trial.html>

United States v. Jones (“Lil’ Kim”)

Judge Gerard E. Lynch

On February 25, 2001, at least one person was seriously wounded in an exchange of gunfire outside of the Hot 97 radio station in Manhattan. Rapper Kimberly Jones, who performs as “Lil’ Kim,” was tried and convicted of conspiracy to commit perjury, perjury and false statements. She was sentenced to a year and a day of imprisonment.

United States v. Butler, 2004 WL 2274751 (S.D.N.Y Oct. 7, 2004)

United States v. Madoff

Judge Denny Chin

Bernard Madoff was the founder and chairman of the Wall Street firm, Bernard L. Madoff Investment Securities LLC. In 2008, he was arrested and accused of running a multi-billion dollar Ponzi scheme. He pled guilty to eleven counts of securities fraud, investment advisor fraud, wire and mail fraud, money laundering, making false statements, perjury, filing false documents with the SEC, and theft from employee benefit funds. Judge Chin sentenced Madoff, who was 71, to 150 years in prison. On the sentencing, the *Wall Street Journal* reported: “Mr.

Madoff, dressed in a charcoal gray suit and wearing rimless glasses, appeared without a single member of his family in attendance. He kept his back to the victims as they spoke. But for a brief moment during his remarks, he turned around to face them and said: ‘I’m sorry. I know that doesn’t help you.’”

2009 WL 3347945 (S.D.N.Y. Oct. 13, 2009)

United States v. Shahzad (“42nd Street Bomber”)

Judge Miriam Goldman Cedarbaum

Shahzad was charged with various terrorism-related crimes, including conspiracy and attempted use of a weapon of mass destruction. He admitted that he drove an SUV containing improvised explosives into Times Square, parked it, and attempted to remotely detonate the explosives. He was sentenced to life in prison. At his sentencing Judge Cedarbaum said “the defendant has repeatedly expressed his total lack of remorse and his desire, if given the opportunity, to repeat the crime.”

United States v. Muse (Somali Pirate)

Chief Judge Loretta A. Preska

In 2009, Somali pirates hijacked the container ship Maersk Alabama and held hostage the captain, Richard Phillips, for five days. Somali pirate Abduwali Muse was taken into custody after U.S. Navy snipers shot and killed his three accomplices. Muse pled guilty to two counts of hijacking a maritime vessel and two counts each of kidnapping and hostage taking. He was sentenced to 33 years, 9 months in prison.

In re September 11 Litigation

Judge Alvin K. Hellerstein

Two weeks after September 11, 2001, Congress passed the Air Transportation Safety and System Stabilization Act to provide a cause of action for damages “arising out of the hijacking and subsequent crashes” of the airlines on September 11. The act gave exclusive jurisdiction for all cases to the Southern District of New York. All cases involving claims from the terrorist-related plane crashes on that day—against airlines, an airport security company and the Port Authority of New York and New Jersey—were consolidated. Claims included personal and respiratory injury, wrongful death, property damages and business loss. It is considered the largest mass tort case in United States history.

811 F. Supp. 2d 883 (S.D.N.Y. 2011).

Windsor v. United States (DOMA)

Judge Barbara S. Jones

Edith Windsor and Thea Spyer were a same-sex married couple living in New York. Spyer died in 2009 and left her entire estate to Windsor. Windsor sought to claim a federal estate-tax exemption as the surviving spouse. The IRS found that the exemption did not apply to same-sex marriages, citing section 3 of the Defense of Marriage Act (DOMA), which states that “spouse” only applies to a marriage between a man and a woman. Windsor sued in the S.D.N.Y. for a refund of the federal estate tax on Spyer’s estate, claiming that section 3 of DOMA deprived her of the equal protection of the laws under the Fifth Amendment of the United States Constitution. Judge Jones ruled that Section 3 of DOMA was unconstitutional under the equal protection clause of the Fifth Amendment. The Second Circuit affirmed. The Supreme Court ruled that section 3 of DOMA is unconstitutional because it violates the right to equal protection of same-sex couples who are legally married under state law.

833 F. Supp. 2d 394 (S.D.N.Y. 2012)

United States v. Abu Ghayth

Judge Lewis A. Kaplan

Sulaiman Abu Ghayth was indicted on charges of conspiring to kill U.S. nationals, conspiring to provide material support or resources for such conspiracy and for providing such material support or resources. He was alleged to be a spokesperson for Osama bin Laden and al-Qaeda. These charges stemmed from the defendant’s involvement with al-Qaeda beginning in the summer of 2001. The defendant was convicted of conspiring to kill U.S. nationals and for providing material support to terrorists, and sentenced to life in prison.

2014 WL 1613197 (Apr. 22, 2014)

