He’s a Hired Gun of the Highest Caliber

Wal-Mart’s top outside lawyer is known for limiting punitive damages and defending media access.

In 2004, Wal-Mart Stores Inc. was looking to hire an expert to handle an appeal, not to build a long-term relationship with another big-city attorney.

The world’s largest retailer had plenty of those, paying 250 law firms around the country about $200 million a year to represent its interests.

Then the legal team at Wal-Mart met mild-mannered Theodore J. Boutrous, Jr., a Gibson, Dunn & Crutcher partner. Now, he represents the company on a variety of matters around the U.S.

“I talk to Ted Boutrous more than I talk to any outside lawyer in the world, and there’s not even a close second,” says Tom Mars, Wal-Mart’s top in-house counsel. “We have access to all the best lawyers in the world.... Yet somebody has to be the best of the best, and that’s the way I would describe Ted.”

In the last 20 years, Boutrous has carved out a practice focusing on limiting punitive damages for corporations and defending 1st Amendment rights for media companies. He has represented Ford Motor Co., DaimlerChrysler, the Wall Street Journal and Time Inc. as well as big media coalitions of which the Los Angeles Times has been a member.
His current crop of assignments includes mounting a defense against the state of California, which sued six of the biggest automakers for allegedly causing health problems and contributing to global warming. For his media clients, Boutrous is trying to unseal a special prosecutor’s secret proceedings as part of the investigation into who leaked CIA operative Valerie Plame’s identity to reporters.

“My media practice helps me be a better lawyer in my other practice,” Boutrous says. “It gives me better insight into both sides of the equation.”

Mars, who works at Wal-Mart headquarters in Bentonville, Ark., says he liked Boutrous because the North Dakota native didn’t act much like a “tall-building lawyer” — an Arkansas term for city slickers who drive fancy rental cars and wear suits to rural courts instead of hopping out of pickup trucks in sport coats.

“What I saw in Ted was something quite different,” Mars says. “Ted displayed candor, balance, respect. He was humble.”

Wal-Mart first retained Boutrous to handle the issues, and media glare, that came with the territory of Dukes vs. Wal-Mart, a San Francisco case in which 1.6 million current and former female employees banded together to sue for alleged discrimination.

The case was rough going, with a federal appeals court panel giving Wal-Mart lawyers a cool reception when they tried to block the employees’ class-action effort.

One of the appeals judges, Harry Pregerson, dressed Boutrous down during oral arguments, calling the language in Wal-Mart’s brief “a little arrogant” and “a little offensive” toward the district judge who had ruled against the company.

The panel ruled against Wal-Mart, and the company is appealing. “Like anything with Wal-Mart,” Boutrous says of the scolding, “it got magnified.”

Boutrous was born in Los Angeles, his mother’s hometown, and grew up in his father’s city, Bismarck, N.D. “I always wanted to move back here,” Boutrous says. “I love Los Angeles.”

He spent his first two college years at the University of North Dakota as an English major, dropping out because he wasn’t sure what he wanted to do. “I wasn’t a big planner,” he says. “I got more focused as I got older.”

Ultimately, he graduated from Arizona State University and attended law school at the University of San Diego, where he met his wife, Helen. He graduated No. 1 in his class and was editor in chief of the San Diego Law Review.

After law school, the couple pursued careers in Washington, where Boutrous had his next fortuitous meeting.

Political heavyweight lawyer Theodore B. Olson interviewed Boutrous for a job at Gibson, Dunn & Crutcher. The firm, with more than 800 lawyers, was founded almost 140 years ago in Los Angeles and became a nationwide powerhouse. Boutrous’ name has been linked to the other Ted’s in dozens of cases, most recently representing Time and journalist Matthew Cooper in the Plame case.

Boutrous got his wish to move to Los Angeles in 1999, at the behest of the firm, which wanted to expand its appellate practice here. He and Helen, chairwoman of the political science department at Mount St. Mary’s College, live in Brentwood.

As law offices go, Boutrous’ workspace on the 47th floor of the Wells Fargo building downtown isn’t spacious, just big enough for a wall unit filled with books, a large, wooden desk, two leather high-backed chairs and a long window with views of Disney Hall and the distant Hollywood sign.

On one bookshelf is a picture of a racehorse in the winner’s circle at Hollywood Park. The colt, Boutrous, got his name after the attorney won a big 9th Circuit victory for the horse’s owner, Michael Shustek, chief executive of Vestin Mortgage Group Inc.

A framed courtroom sketch from 2005 is a reminder that you can’t win them all. It depicts Boutrous in profile, the glasses and thick, gray hair giving him away. He’s arguing before Santa Barbara County Superior Court Judge Rodney S. Melville that the media should have access to documents sealed during Michael Jackson’s child-molestation and conspiracy trial. Jackson, his red shirt matching bright red lips, looks on intently.

It was a tough case for the media, with Boutrous losing on some key points. The attorney is philosophical.

“You’re better off fighting for the principle,” he says, “and if you lose, fight harder in the next case.”