

Texas Powerhouse: Ahmad Zavitsanos

By Jeremy Heallen

Law360, Houston (June 16, 2014, 10:12 PM ET) -- Propelled by a dream to build Houston's next great law firm, John Zavitsanos and Joe Ahmad teamed up in 1993 with little more between them than naive optimism. Today, Ahmad Zavitsanos Anaipakos Alavi & Mensing PC is among the most sought-after energy litigation boutiques in town.

From its beginnings as a two-attorney shop headquartered in a shabby law office on the edge of town, AZA now claims 31 of the city's toughest litigators and boasts a client roster that includes Apache Corp., Enterprise Products Partners LP, Air Liquide SA, Halliburton Co. and Liberty Mutual Insurance Co., to name a few.

Having developed a reputation over the last 21 years as a BigLaw slayer in cases where billions of dollars are at stake, it's fitting that AZA finds itself on Law360's list of Texas Powerhouses.

Inspired by a 1985 courtroom battle between Walter Workman and Ron Franklin in a wrongful death case that he had observed as a summer clerk, Zavitsanos was itching to strike out on his own eight years later. Then a Baker Botts LLP associate, Zavitsanos found that his friend Ahmad, whom he'd met at the University of Michigan Law School, was looking to make a move from Crain Caton & James PC. The pair decided to hang out a shingle together.

"I look back on it now and am startled we even made it a week," Zavitsanos said. "We had no business plan, no idea where to set billing rates or even what kind of software we needed. We started out in a neighborhood law office with a roof that leaked so bad, we had to put a bucket on the conference room table to catch the rain."

Zavitsanos and Ahmad never doubted their courtroom talent and figured that with some luck and hard work, paying clients were in the offing. But there were some things that Zavitsanos says they didn't anticipate. While trying to get the firm off the ground, the partners found themselves handling a mountain of ministerial and administrative tasks they'd taken for granted during their days as associates at well-staffed law firms.

Between midnight runs to the post office, making photocopies, answering phones and overseeing their shared secretary, the lawyers had precious little time to practice law or drum up clients, and they weren't making money. Zavitsanos had dropped \$10,000 on a used IBM 486 computer — nearly 70 percent of the cash he and his partner had set aside to start the firm.

Nearly everything Zavitsanos and Ahmad earned was going toward overhead costs, and for several months they were forced to go without paychecks.

“There were many nights where I was thinking, ‘Wow, why am I doing this?’” Zavitsanos said.

AZA’s turning point came in early 1995, when the partners made a pact to take on every case that came through the door and increase their face time at the courthouse. That year, Zavitsanos and Ahmad represented clients in an astounding 14 jury trials, winning 13.

Zavitsanos estimates that he worked more than 3,000 hours that year and says he didn’t appreciate the “economic dynamics” of devoting so much time and energy to cases that promised relatively meager financial rewards.

Still, the gambit paid off. Judges took notice of the lawyers’ professionalism and rabid work ethic, and began recommending the firm to friends and colleagues. Zavitsanos says he and Ahmad also became “really good trial lawyers” as a result of trying all those cases and developing insight about what motivates juries.

From there, AZA began to pick up speed and made national headlines when it scored a win in *Brady v. Fort Bend County*, on behalf of seven police officers fired for supporting an incumbent county sheriff who lost his re-election bid. The Fifth Circuit affirmed the verdict in 1998, concluding that the newly elected sheriff had violated the officers’ First Amendment rights by terminating them.

In 1998, AZA also tried *Mota v. University of Texas Houston Health Science Center*, which is widely cited as the first same-sex sexual harassment case to reach a verdict. Jurors awarded the plaintiff more than \$1 million in damages and attorneys’ fees — an award the Fifth Circuit affirmed in 2001.

Buoyed by its courtroom victories, AZA began aggressively recruiting top young talent from Houston’s biggest law firms. Its first major get was in 2000, when it snagged commercial litigator Demetrios Anaipakos from Vinson & Elkins LLP.

Todd Mensing, also from Vinson & Elkins, followed in 2001, and in 2002, Amir Alavi left his general counsel position with Comsys Information Technology Services Inc. to join the growing ranks at AZA.

Today, the firm’s bench also includes two former partners from Yetter Coleman LLP, the former managing partner of Dewey & LeBoeuf LLP’s Houston office, and attorneys from Baker Botts, White & Case LLP and Latham & Watkins LLP, among others.

With energy and intellectual property disputes on the rise in the Lone Star State, AZA plans to continue expanding and hopes to reach 50 attorneys in the next 12 to 18 months. But the firm has shifted its sights from targeting laterals to recruiting top law school grads, and has already signed four who will join AZA in August, according to Zavitsanos.

“Now that we’ve reached a critical mass, we want to start growing organically so we can bring them up and not have them relying on these 75-year-old conventions about how to practice law taught at big firms,” he said.

Zavitsanos says drawing interest from potential candidates has been easy because AZA offers aspiring litigators something most firms don’t: a guarantee that they will get to handle a jury trial within 12 months. But it doesn’t hurt that the firm pays its first-year associates a New York-beating \$170,000 annual salary.

“The challenge is finding the right lawyers,” Zavitsanos said. “We tend to look for a very specific type of person. Many are first-generation, self-made people who had to work through school. There are no country club members here.”

As AZA’s talented bench grew, so did the firm’s courtroom wins. Among the firm’s more notable early successes include its 2002 representation of a whistleblower in litigation against Baker Hughes Inc., which resulted in the oil field service company agreeing to pay \$44 million to federal authorities.

In 2008, AZA assisted Columbia Gulf Transmission Co. with a \$50 million dispute over its interest in one of the largest offshore natural gas pipeline systems in North America. That same year, the firm scored a victory for A&B Valve & Piping LP in a \$40 million trade secrets dispute involving National Oilwell Varco Inc.

More recently, last year AZA helped Noble Energy Inc. beat back a \$93 million real estate pollution suit brought by ConocoPhillips Co. After taking over as lead counsel for Noble, AZA successfully argued that Noble was not bound by indemnity contracts ConocoPhillips held with a company Noble acquired out of bankruptcy.

AZA also saved Plains All American Pipeline LP tens of millions of dollars in 2013, when it convinced a Texas judge to throw out BP Oil Pipeline Co.’s suit alleging Plains had agreed to indemnify it against landowners who claimed BP trespassed on their property to use a pumping station without paying rent for 26 years.

Also in 2013, AZA successfully defended Italian energy giant ENI SpA from \$6.4 billion suit filed by Brenham Oil & Gas Inc. over an oil concession from the government of the African nation of Togo. Arguing that the Texas court lacked jurisdiction over ENI and that the case should have been filed overseas, AZA was able to get the suit thrown out.

And earlier this year, a Texas federal judge upheld a \$391 million patent infringement judgment for AZA client Versata Software Inc., in the face of a ruling SAP had won from the U.S. Patent and Trademark Office invalidating the patent-in-suit under the America Invents Act.

AZA’s victories are continuing to pile up in 2014, with the firm having won five favorable jury verdicts to date, including an \$11.4 million award for Function One Consulting Group LLC. In that case, jurors found that Accudata Systems Inc. attempted to provoke the Internal Revenue Service, the FBI and the Texas Workforce Commission to launch investigations based on inaccurate claims that Function One misclassified its employees as independent contractors to avoid paying taxes.

Along the way, AZA has bested some of the top lawyers BigLaw has to offer — a point that Zavitsanos, who emigrated from Greece when he was eight, takes personal pride in.

“I guess I still have a chip on my shoulder,” he said. “I love taking on lawyers from big firms that had every privilege in the world growing up. It’s much more satisfying beating someone from prep school if you’re just as smart. I always outworked the next guy, and I don’t think I’ll ever stop doing that.”

--Editing by Elizabeth Bowen and Edrienne Su.