

Hon. Randall Newsome (I): Today is October the 28th, 2011, and I'm at the home of Arnold Quittner, and we're here to talk about Arnold's long and distinguished career.

Arnold, what's your date and place of birth?

Q: Los Angeles, February 12, 1927.

I: So you grew up here?

Q: Yes.

I: And what's your first recollection of where you lived?

Q: I think it was Fairfax Avenue.

I: Fairfax. And do you remember the cross street?

Q: Oh, I think it was near Sixth.

I: What was it like growing up in Los Angeles back then?

Q: Well, I think it was more rural than it is now. For example, on weekends, I would try to make maybe \$1.50 for the day if I went to the valley and picked oranges or lemons or something like that. And, of course, I didn't drive a car, so I had to use public transportation to get to the valley. But the valley was almost entirely agricultural and not a suburb. And people had large, many-acre ranches or farms or whatever you might call them, which was very common in those days.

I: After you lived at Fairfax, do you remember, did you move someplace after that? How many times did you moved when you were a kid?

Q: Not many times. Fairfax was a Jewish neighborhood of people who had come from Europe, and so it attracted other families of similar origin. And, for example, if my mother or grandmother, who spoke mostly Yiddish, were here, well, she didn't have a difficult time in that district. She could go to the local market and speak Yiddish. And most of them were, of course, from Europe, a generation or two before.

I: So how long did you live in that house in Fairfax?

Q: I would say more than ten years.

I: Okay. And then, where did you go after that?

Q: Trying to remember whether the war interrupted everything and my older brother went off to the Navy, and I think we pretty much stayed where we were. But my father, who was a traveling

salesmen, had difficulty in those days, 'cause gasoline was rationed. I think he could only get four gallons a week or something like that.

I: This was during the World War II, right?

Q: Yes.

I: So your dad's occupation was a traveling salesman. Did your mother have an occupation?

Q: No.

I: She stayed at home.

Q: Most of them did in those days.

I: Right. And what was their ethnic background?

Q: Well, European Jewish.

I: Mm-hmm. Had they come over here from Europe or -?

Q: No, the grandparents did.

I: The grandparents did.

Q: Yeah, my mother's family came from Russia and my father's family came from Hungary.

I: Now you said you had a brother. Did you have any other siblings?

Q: No, just an older brother, Murphy.

I: I see, uh-huh. And how much older was he?

Q: Five and a half years.

I: Who do you think was the greatest influence on you in your early years?

Q: Ben O'Brink.

I: And that was after - I'm not talking about after you graduated from law school.

Q: Oh.

I: I'm talking about your -

Q: Uncle Frank. Frank Quittner.

I: Uncle Frank?

Q: Yeah.

I: Frank, Frances Quittner?

Q: Yes, Frances Quittner.

I: And he was a very prominent bankruptcy lawyer and trustee in town.

Q: Yes.

I: How was he influential upon you?

Q: Well, my father, who was a traveling salesman, looked at him – he was the youngest brother – as a role model, and thought, “Look how prominent and successful he is. Why don’t you do that?”

I: And so did you spend a lot of time with him when you were younger?

Q: No, I did not. The family wasn’t that close. I saw him occasionally. Maybe every three or four months, there’d be a reason for the family to get together. Otherwise, no. And then I remember very well, going for the interview, I went with Jack Stutman, and he told me, “We don’t have nepotism here, so we don’t hire relatives.”

I: Oh, really?

Q: But I don’t think Frank Quittner knew that.

I: [Laughs]

Q: Yeah,

I: I see. Well, I don’t skip too far ahead, so he was greatest influence on you in your earlier years. Was there anyone else that you can remember that was a great influence?

Q: I think Bob Shutan.

I: We’re talking now back when you were in high school.

Q: Oh, oh, in high school.

I: Any teachers or anybody you can think of?

Q: Oh, I can't remember that well. For example, I had a very good Latin teacher in junior high school, and she influenced me to want to achieve academically.

I: What kind of a student were you?

Q: Sorry.

I: What kind of a student were you?

Q: I was pretty good.

I: What high school did you go to?

Q: Fairfax High. Went to John Burroughs Junior High, Third Street Elementary. And the school, like Third Street, was very divided between the rich, who lived close to the school, and the other people who lived the other side of Fairfax, or I should say between La Brea and Fairfax, for example, which is mostly Jewish immigrant families.

I: Now does anything about high school stand out as far as activities or athletics or anything?

Q: Well, I was in basketball and track. In track, I was a shot putter in Class B, and I played basketball.

I: Uh-huh. And, anything else stand out about those early years?

Q: About what?

I: Those early years? Anything else stand out?

Q: Well, I think the expectation of the family, my mother and father, of academic achievement was very important and was like most of the European Jewish families that immigrated, they had to have a lot of pride in their children's academic achievements. That was the primary thing, not athletics. They didn't care whether you were a football player or anything like that. But –

I: So you would have been graduated from high school. Let's see. You were born in 1927.

Q: I think it was 1944 that I graduated.

I: Well, that woulda been around, yeah.

Q: Okay.

I: So you wouldn't have remembered much of it, but you liked through some of the Depression. Did that have any effect on your family?

Q: It did have an effect on the family, because my father was dependent upon commissions. And, of course, with the advent of the Depression, and it went on through the 1930s, it definitely affected us. And I think when we once owned a home, I think they had to sell it and move to a small rental place.

I: Uh-huh. So you felt the impact.

Q: Yes.

I: You had enough to eat, I assume.

Q: Yeah. Yes, but you didn't have any extra money. You certainly didn't buy a lotta clothes or anything like that.

I: Uh-huh. What did you wanna do you when you graduated from high school? Did you have any idea at all?

Q: I think that my family, my mother and father, surely expected me to go to university and maybe become academic, but the influence of my uncle and his success and he was kind of famous, influenced my father to tell me I should try to be like Uncle Frank. And that eventually prevailed because Uncle Frank was within our family, very rich and, therefore, there was a role model for achievement.

I: Mm-hmm. Now what made you decide to go to the University of California—

[Crosstalk]

Q: To UCLA? Well, because it was cheap. It was like no tuition. I think we paid like ASUC fees of about \$27.00 a semester, or maybe a year, and we could afford it. In those days, a little money was a lot, and you didn't have any extra money. If it were the tuition today at UCLA, nobody would have been able to go that we knew.

I: So the reason you went to UCLA is because it was cheap.

Q: Absolutely, and a good reputation. And if you were California born or a California resident, I forget which, the tuition was like almost nothing, and you paid ASUC fees of \$27.00 a —

I: ASUC? What's ASCU?

Q: Well, it's a student union. And tuition, I think, was nothing as I recall. So the whole total cost, unless you were in fraternity or something, was like \$25.00 to \$30.00 a semester.

I: And you were still living at Fairfax, that would not have been very far away from your home, with, was it?

Q: No. And then, of course, to UCLA you took the bus.

I: Right. What were your most memorable experiences at UCLA?

Q: Well, I could try to remember the class I was most impressed with, and at the moment, I can't recall, but UCLA basketball was very important, very important. And UCLA, which didn't have much of a football team in those days, had a pretty good basketball team, so that was a sort of influential thing to be proud of.

I: The war would have just about ended by the time you started college. Is that right?

Q: Well, I started college in 1944, 'cause I was 16. So it was a very big influence. And, of course, my brother was away. He was a five and a half years older, and he was in the South Pacific in the Navy. And my father had been in World War I, in a Navy kind of Air Force, not as a pilot, but as a machine gunner sitting in the back seat, I guess you'd call it.

And those things had an influence on you, and so I wanted to be in the Navy, not some Army soldier. And then there was an opportunity, and I can't remember how it arose, to go to the California Maritime Academy, which the Navy had taken over, and you could become a midshipman, and theoretically you could go from being a midshipman to being an **ensign**, as I recall, in like 18 months. And the war ended, and then they extended the time you had to be there into three years.

I: So you went to UCLA first, and then you went to the Maritime Academy?

Q: Yes, because I was only 16 when I went to UCLA.

I: And so how many years did you spent at UCLA?

Q: I came back to UCLA and stayed there until I went to law school. There was no law school –

I: I see. So you came back to UCLA after you went to the Maritime Academy.

Q: Yes.

I: Okay. What was your experience at the Maritime Academy like?

Q: It was very closed society. It wasn't very liberal, and it certainly, depending upon your religion, if you were Jewish, you were not part of the inner group. And there were a couple of teachers that I thought were quite good, and the rest were not. And they looked at your loyalty to the Navy as being the most important thing in the world. And I got along okay, but not very well.

I: So you came back to UCLA. And what did you major in, ultimately, at UCLA?

Q: I think it was business administration.

I: I see. And then you would have graduated from UCLA when?

Q: Well, I didn't graduate from UCLA before I went to law school, and one of the reasons I went to Loyola Law School, is you could go there without having your bachelor's degree. You could go there if you had like three years and passed an exam.

I: Oh, I see. So that's why your degree is an AA degree?

Q: Well, I think that's what it is, yeah.

I: Yeah. You started. Why did you decide to go to Loyola?

Q: It was local. It was cheaper than USC. And there was none at UCLA, no law school then. And they let you in based upon the exam you took so that even if you hadn't gotten your bachelor's degree, you had an opportunity to take a test and get in.

I: Okay. And what was your law school experience like?

Q: I think one or two of the teachers were, I think, people who inspired you. The rest were mostly teaching part time. They were lawyers full time, and then taught maybe twice a week or something. But it was a question of what could you afford to do, and could you get in sooner.

I: Now were you going there to night school, or were you going to –

Q: No, it was regular daytime.

I: Regular daytime?

Q: Yeah.

I: Now, think back on your third year – well, before I ask you that, who was most influential in your life at that point? Was it your uncle, would you say?

Q: Well, I would say yes.

I: Okay. And think back on your third year of law school. What were your major interests in the law at that time?

Q: I think it was more an imitation of my uncle's career in solvency bankruptcy 'cause he had a good reputation and was highly regarded, and I was, kind of, wanting to imitate him and be successful.

I: Do you remember any of the cases? Now I'm talking about back in the '40s, for example. Do you remember any of the cases that he was involved in? Did he ever talk to you about that sort of thing?

Q: I don't think he did.

I: Okay. So you knew you wanted to be a bankruptcy lawyer basically, from the time you were at least a third-year law student.

Q: Yes. From the time that my father told me that he was a role model to follow, Uncle Frank, and he was so successful and he lived in a very exclusive neighborhood.

I: Where was that?

Q: Near Pasadena but not Pasadena. I'm trying to think –

I: San Marino?

Q: No. It's another one like that, but I can't remember anymore the –

I: Okay. Well, what was your first job after law school?

Q: I think it was with Bob Shutan, who had led my uncle's law firm. And I started with him perhaps even before I passed the bar, as a third-year student. And he was very supportive

I: What kind of work were you doing with him?

Q: Insolvency.

I: But was it business or just anything that came in the door?

Q: It wasn't individuals. It was business of one kind or the other.

I: Because he did represent individuals –

Q: Yes.

I: – in his career.

Q: Yes, but not a lot. He was trying to focus on business cases, representing sometimes creditors' committee, sometimes the debtor.

I: Who else was in his firm at the time you started? Do you remember?

Q: Wow. I wanna say Ron Trost.

I: Oh, that early?

Q: It must a been later than, I guess.

I: Well, I'm just asking. I'm not getting the timing down right here –

Q: Yeah, I think it was a little later, but he was influential among young people.

I: Bob Shutan was.

Q: Yeah.

I: And he was contemporary. As a matter of fact, he was in Barney Shapiro's law school class, wasn't he?

Q: Yeah, Boalt.

I: Right, at Boalt. So how long did you stay with Bob Shutan?

Q: I wanna say about a year and a half.

I: How come you left?

Q: There was a major case that Bob was handling. He spent a lot of time of a year and a half on it. Meadowbrink was the bankruptcy judge. Meadowbrink allowed him only about 40 percent of the fees that he asked for and expected, and so he thought, "This is a terrible business to be in. I'm not gonna do this anymore," kinda thing.

I: But he did. For another 30 or so years, he did.

Q: Yes.

I: But he got disenchanted with it at point at least?

Q: Yes.

I: And that woulda been, what, about 1949-50, something like that?

Q: I'm not sure I remember correctly.

I: No, it wouldn't a been, because you graduated from law school in '52, right?

Q: [Laughs] Well, I can't even remember that. Oh, my gosh. Sorry.

I: Well, I've got a copy of your curriculum vitae and I think it says 1952.

Q: Oh, okay.

I: So this woulda been probably 1953-54 –

Q: Exactly.

I: – when you were working with him.

Q: Yes.

I: And that's when he said, "I'm getting outta this business."

Q: Yes.

I: Okay. So you left. Then where did you go after him?

Q: I think I joined Gendel and Raskoff.

I: So you would have joined Gendel and Raskoff. Was it at that point yet, or was it still Gendel and Chichester?

Q: That, I don't remember. Gendel and Raskoff was one I remember.

I: Okay. Well, 'cause Barney said when he joined Gendel it was Gendel and Chichester.

Q: I don't remember.

I: Oh, okay.

Q: I don't remember that name, Chichester, at all.

I: Okay. Well, that's the name he gave me. 'Cause I tried to trace the lineage of the firm, and that's where it came from. And then Miles Raskoff apparently joined the firm.

Q: Yes.

I: What was your impression of the legal community generally in Los Angeles during your early years in practice?

Q: In terms of whether it was financially successful or what?

I: Anything. Just your impressions.

Q: Well, the law firms that were admired in those days were all in the east coast. They were in New York or Washington or even San Francisco. Los Angeles was not thought of in those days as being at the high level of law firms. And the person who most impressed me was Ben O'Brink.

I: And what was it that impressed you so much about him?

Q: That he was a caring person. He had these individual bankruptcies where you could tell that he was so sympathetic for their – and in those days, wow, of the Depression, he cared about them and some of the other judges didn't at all.

I: What was your impression of the bankruptcy bar in those days?

Q: It was a very close community. It had division between the Jewish law firms and not. Insolvency and bankruptcy was mostly by Jewish law firms.

I: Why was that?

Q: I don't know the answer. Just, it apparently started with a couple, and then it spread in that way.

I: Did Jewish lawyers have problems getting jobs –

Q: Yes.

I: – at some of the bigger firms?

Q: Yes. Definitely –

[Crosstalk]

I: That was true in Los Angeles?

Q: Absolutely.

I: Did you ever try to get into one of those firms?

Q: I probably had interviews with a couple, like Gibson, Dunn and Crutcher, something like that. But it was pretty well understood that there wasn't cross hiring, and you had to go to a Jewish law firm if you wanted to get a job or become partner or anything like that.

I: Uh-huh. So there was the Jewish part of the bankruptcy bar and the non-Jewish part of the bankruptcy bar?

Q: Well, the non-Jewish was small.

I: So it was mostly Jewish lawyers.

Q: Yes.

I: And one explanation that has been given to me by someone else is that one of the – well, it was Ron Trost –

Q: Yeah.

I: – who said Jewish lawyers could do one of three things. They could do personal injury. They could do insolvency. And I don't remember the third thing. But he said – oh, and family law - and the opportunities were very limited, he said.

Q: I think that's right. I probably wouldn't have remembered it that well, until you told me, but there was definitely a religious or racial limitation on the Jewish lawyers going to the other law firms. Gibson, Dunn, and Crutcher, you weren't gonna get a job at Gibson Dunn.

I: And I assume that it was true in Los Angeles that firms like Gibson, Dunn, and Crutcher did do bankruptcy work, either.

Q: They didn't to start with, but then it became –

I: Right. Later they did.

Q: Yeah, sure. It became big money.

I: Yeah. But what are your other impressions of – was it well regarded by the public? The members of the bankruptcy bar?

Q: What was their view by the public?

I: What was the public's view of the –?

Q: The public's view was that it was low-class, low-grade kinda work, and among some of the bigger law firms, that's the kinda work Jews do.

I: I see. And when would you say that started to change?

Q: Maybe 15 or 20 years after I began practicing.

I: Mm-hmm. Was it difficult to break into the practice, this bankruptcy practice as a newcomer?

Q: Well, not for me, 'cause I had a name, and I had Frank Quittner and all that stuff. But I think for other people, it mighta been difficult.

I: Uh-huh. So what led you to take a job at Gendel and Raskoff?

Q: I think that Martin Gendel was close to Frank Quittner, and that that mighta been the connection, but I'm not sure I remember well anymore.

I: Now you indicated that you applied to go to work for your uncle. Is that right?

Q: Well, Jack Stutman said, "We don't have nepotism. We don't hire relatives."

I: But Frank didn't intervene in your behalf?

Q: I didn't tell him what happened.

I: I see. You never did?

Q: No.

I: Huh. By the way, he was involved in a number of cases, apparently with very prominent cases –

Q: Oh, yeah.

I: – in Los Angeles.

[Crosstalk]

Do you remember any of those? Do you remember a case called ARA Records?

Q: No.

I: Because if you go on the Internet – just parenthetically – if you go on the Internet, you'll find his name in Billboard, the entertainment, at that time newspaper, and he apparently had a number of very large entertainment-oriented cases.

Q: Yes.

I: And he served as trustee back in those days.

Q: Both, trustee and lawyer.

I: And the lawyer. Well, what sort of work did you start out doing at Gendel and Raskoff?

Q: It was not individual bankruptcies, but I think it was probably representing a creditor or secured creditor or an unsecured creditor, then trying to represent the committee and so on. But when you started out, you certainly weren't gonna represent a DIP.

I: No. When – excuse me. Go ahead.

Q: Sorry?

I: Barney told the story about, and said that all of the referees had their own receivers and their own trustees.

Q: Yes.

I: Is that your recollection as well?

Q: Yes.

I: And how did you become one of the referees, trustees, or receivers?

Q: Well, since I never did that, I don't know. But it was a close connection. You were dependent upon the referee appointing you, and giving you your compensation, allowing your compensation. So there were, I think, close relationships. Maybe they belonged to the same club or something like that.

I: Was there any political influence that was involved, I mean, party politics that got you those kinds of jobs?

Q: I think it might have been more religious affiliation involved. I don't recall a lot of politics in terms of democratic/republican.

I: Yes.

Q: I don't recall that being a factor.

I: I see. How 'bout the district court? How involved were the district court judges in trying to influence who became trustees and receivers?

Q: Well, I think it depended upon the bankruptcy judge and how much he relied upon the district court to reappoint him every five years, or whatever it was in those days. And they would cater very strongly to district judges who had so much power. Then there was the problem of district court judges reversing the bankruptcy judges. That went on for quite a while, before there was a bankruptcy court of appeals kinda thing. They were very powerful.

What I can't now remember is I think you had to be reappointed every five years, or I'm not sure about that anymore.

I: I think it was six, but it's something like that.

Q: Oh, okay. Yeah.

I: It mighta been five back in those days. What bankruptcy lawyers most impressed you during those early years in your practice? At lawyers impressed you the most?

Q: Bob Shutan, Treister.

I: George Treister?

Q: George Treister.

I: He woulda been just a few years older than you.

Q: Yes.

I: Younger than Barney, but just a little older than you.

Q: Yes. Yes. And then I'm trying to think of the Stanford graduate. Oh, darn.

I: Let me go through some names with you. Tell me about Jack Stutman.

Q: Well, Jack was very important in terms of political influence and power. And although he wasn't viewed as an intellectual genius, he was very good at developing relationships which led to developing business. He was very good at that. I'm not sure, 'cause I think I told you that Jack Stutman is the one who rejected me.

I: Right.

Q: Yeah. Said, "We don't hire – nepotism." He was a powerful force in his law firm, Quittner, Stutman, Shutan, and I forget.

I: Well, at one point, it was Quittner, Stutman, and Treister.

Q: Yeah.

I: Shutan had left, I guess.

Q: Shutan was out before Treister.

I: Right.

Q: Yeah.

I: And why did your uncle leave that firm eventually? Do you remember?

Q: I don't remember. I can't recall why.

I: Okay. Tell me about George Treister.

Q: Oh, well, he was viewed certainly by me and by most of the people that I knew, as the intellect in the community. He was a brilliant lawyer. He cared more about integrity and quality than about fees. He was a role model for many.

I: Do you have anything particularly memorable he was involved in? Any cases that you can remember?

Q: I probably have forgotten them now, but if in those days you had asked me to refer somebody with a complicated case to the best there was, I'd give you George Treister.

I: Ron Trost.

Q: Yes.

I: What about him? What do you remember about Ron?

Q: Well, Ron was a very aggressive, very – his eyes were really on business and business development, and HE didn't have the same one-on-one feeling that others did. The feeling, for example, I think had was, well, yeah, Ron's very good, provided you would refer cases to him and then he'll refer cases to you. But otherwise, that'll be the measurement.

I: Mm-hmm. Tell me about Barney.

Q: Oh, well, Barney was I think viewed universally as a real scholar, and Barney had, as I recall, teaching part of the time at Berkeley at Boalt Hall, and was viewed as an intellectual, as one who was very good writing legal briefs, whose interest was much more in aspects of law development than in fees. And he had I think the admiration of most of the community.

I: When did Gendel and Raskoff become Gendel, Raskoff, Shapiro & Quittner?

Q: Oh, after many years. I mean, and then Barney Shapiro didn't get his name in the firm until after I'd been there a couple of years, or whatever. It was ridiculous. And then there was the question or suspicion that the only reason they changed the firm name was to get Quittner and to confuse other people who would refer cases. And that became, "No wonder he changed the firm name and hired you." That was called reality, maybe.

I: [Laughs] Tell me about Miles – excuse me about Gendel.

Q: Well, Martin was a powerful figure. He certainly was a very strong voice within the bankruptcy community. He did not cater to anybody. He was strict in terms of the law firm and what he expected from you, so I think most of the people who worked with him or who worked at the law firm thought of him as a very strong personality, intellectually brilliant. He had all the qualities, but

he was very strict in terms of his expectations of you. You couldn't slough off things or do an average/mediocre job, otherwise you'd hear from him.

I: I hear that a reputation he had was that he was tough as hell.

Q: Yes.

I: Is that fair?

Q: Yes, his expectations of your qualities and abilities was that.

I: Do you have any specific memories about incidents involving him?

Q: Oh, well, I don't think I can recall accurately now, but you grew up knowing that his expectations of you were that you had to be the best.

I: Mm-hmm. How 'bout Miles Raskoff?

Q: Miles is easygoing. Yeah.

I: I see. He was a contemporary of Barney's wasn't he?

Q: Yes. They were law school classmates.

[Crosstalk]

I: – another classmate. That's right.

Q: Yeah.

I: And anything else you can tell me about him?

Q: About Barney or about Miles?

I: Miles.

Q: Miles' wife was active in terms of socializing, expanding their contacts. She was more focused on creating business than Miles was.

I: They had a garden and so forth and some other things, very community-minded, I guess she was.

Q: That's probably true, and I don't remember any more specifically about that. But she was socially prominent and climbing.

I: Mm-hmm. Well, so did you work on very many cases with Barney?

Q: Yes.

I: Can you remember any of 'em?

Q: Oh, my gosh.

I: Did you work on Yuba Industries?

Q: I don't recall.

I: Okay. Well, let me go back and let's talk a little bit about the bankruptcy referees for a second, and then we'll come back and talk some more about some of the lawyers that you knew. Do you remember John Bergner?

Q: No, I don't.

I: Howard Calverley?

Q: Yes.

I: What can remember about him?

Q: Well, he was gracious in court. He listened, I would say sympathetically, to these poor people who had difficulties. I think that his views were respected. Of course, I grew up with a role model of Ben O'Brink as being the ideal bankruptcy judge and that he listened carefully to the testimony of the bankrupt, and he appeared to do it with a VERY sympathetic/empathetic kind of viewpoint.

I: What about Hershhal Champlain?

Q: I don't remember him

I: Okay. Do you remember Jim Dooley?

Q: Yes, vaguely, but not –

I: Okay. William Hyer?

Q: William who?

I: Hyer.

Q: No.

I: Ray Kennison?

Q: Yeah.

I: What do you remember about Ray Kennison?

Q: That's the trouble; I'm just trying to think as you mentioned the name. Very little.

I: Okay. Do remember Bill Lazaro?

Q: No.

I: Okay. Jim Moriarty.

Q: Yes, but not very –

I: What do you remember about him?

Q: – much. Hmm. Not accurately. I can't – Ben O'Brink was the standout who made the greatest impression on me at the youngest age, and I retained that impression of Ben O'Brink.

I: How 'bout Norman Newcomb?

Q: Vaguely, but not a lot.

I: Aaron Phillips?

Q: No.

I: Robert Powell?

Q: No.

I: Joseph Rifkind?

Q: Who?

I: Joseph Rifkind?

Q: No.

I: Russ Seymour?

Q: The names ring a bell, but I can't remember anything.

I: Okay. That's all right. What was your overall impression of bankruptcy referees before they became judges, which woulda been in 1973?

Q: That they were secondary choices. They were not – well one by one finishing, but they were not universally regarded very well. There were exceptions, but it was one on one. For example, and I thought Ben O'Brink was great, and others may not have thought so, but I would have thought, gee, if I think he's great, he is great. Then there were several appointments that were just third rate. I think they came out of what us attorney's office maybe. I may not be remembering that accurately.

I: I think that's probably true. Did the quality of referees start to improve over time?

Q: Yes.

I: And what do you think was responsible for that?

Q: I think in part, is that the practice of bankruptcy law had greater respect in the legal community, and big cases made big fees, and that drew respect. And there were some big cases that came along in those years.

I: And we're gonna get into some of those in a second. Do you think anything changed in 1973 when referees became judges and they started wearing robes? Did that add, you think, to the –

Q: Prestige?

I: Yes.

Q: Yes.

I: And did it change the referees themselves?

Q: I think to some extent, it did, not completely, and some, of course, couldn't change. But some had the ability to recognize the greater responsibility and prestige, and wanted to live up to it.

I: Uh-huh. Now let's move into the 1978 Bankruptcy Code, and judges were then appointed for 14-year terms. Did you start to see a greater improvement in the quality of the judges after the bankruptcy code came into effect?

Q: Yes.

I: And, of course, at first, they were appointed by district court judges, but then later, after the Marathon decision, the Court of Appeals eventually became – do you think the Court of Appeals appointing bankruptcy judges improved the quality?

Q: I think it's a case-by-case situation. You had some bankruptcy judges appointed by a district court that was just based not on quality, but on relationship, friendship. Maybe, he's in the law firm I used to be in or things like that.

I: How did debtors change over time? I'm talking now about Chapter 11 debtors, which is what you would have had the most contact with –

Q: Well, it changed from small- and medium-sized cases to occasionally the big New York Stock Exchange listed kinda company, and that made a very attractive kind of business for the bigger law firms to try to get into, the ones who wouldn't have touched bankruptcy, wouldn't have wanted anyone to have it as their list of expertise that changed with the size of the case, the prominence, the fees, that kind of thing.

I: Would a law firm like Paul Hastings or Gibson, Dunn, and Crutcher, or Latham & Watkins, for example, ever come Gendel Raskoff and say, "We want you to do the bankruptcy work in this particular matter"?

Q: In the beginning, it happened occasionally. Later, they got their own people in, and they didn't wanna lose that big fee case.

I: Uh-huh. So it wasn't like in New York where you had Levin and Linetrout, for example, who you may or may not remember.

Q: Yes, I remember.

I: They were a boutique firm, and when Davis Polk, for example, had a problem, that's who they called to do bankruptcy work, as I understand.

Q: Yes.

I: That wasn't quite the situation in Los Angeles?

Q: No, I don't think so.

I: Okay. Do you remember before we had bankruptcy rules in 1973, we had the Supreme Court's general orders? Do you remember those?

Q: Yes.

I: Did anybody pay any attention to those general orders?

Q: I don't recall that much attention was paid, but I may be wrong.

I: Okay. Well, how has Chapter 11 practice changed over the years? How did it change over the years between let's say under the act OF the code?

Q: It became much more attractive to big law firms. They now wanted to get into that business. The cases were much larger in terms of the amount of money involved, and, therefore, the fees that could be earned and charged. And that took it away from it being the Jewish law firm kind of specialty, to being of interest to Gibson, Dunn, and Crutcher.

I: Mm-hmm. Let me ask you about a few other people on the list of people I've got here, and then see if there are others that you remember that stand out in your mind. We've talked about George Treister and Jack Stutman, and your uncle, and Barney, and Ron Trost. Did you know Augie Rothschild in San Francisco?

Q: Yes, very good.

I: And, yeah, what was your impression of him, just as a person and as a—

[Crosstalk]

Q: Oh, as a person, he was very respected. He was thoughtful, had high integrity. Didn't have a big law firm to support him. But I would think of him as being a role model.

I: In San Francisco?

Q: Yes.

I: Were there other people in Los Angeles or San Francisco, or anywhere in California, that stand out in your mind that we haven't talked about yet?

Q: Oh, gosh. I'm sure there are, and my problem is I just don't — unless you told me the name, I probably wouldn't remember.

I: Do you remember a guy by the name of Reuben Hunt?

Q: The name sounds familiar, but I don't remember anything.

I: Well, he was a very prominent guy, but very, very early, I mean, early in the 20th Century. He was one of the first — he was involved in the drafting of the 1938 amendments, the Chandler Act. Barney remembered —

Q: 1936, wasn't it?

I: Whatever year.

Q: Yeah, I think '36.

I: Whatever year it was, but Barney mentioned his name and I wondered if you knew anything about him.

Q: Doesn't recall.

I: Well, that's been quite a while ago. Tell me about Jerry Nemer.

Q: I'm trying to remember [Laughs].

I: Bucalder Nemer, Fields. Remember the law firm, Bucalder Nemer, Fields, and Jerry Nemer.

Q: Yeah, but I can't recall him, Nemer.

I: Okay. How 'bout Bob White? Do you remember Bob White of O'Melveny and Myers?

Q: I don't. What firm was he with?

I: O'Melveny.

Q: Oh, yeah.

I: Okay. Let's see. Do you remember Norman Nachman?

Q: Yes, in Chicago.

I: Right.

Q: Yes, we did a lot of programs together, and I had a lot of respect and regard for him. He was thoughtful. He was brilliant. He was very ethical.

I: He was kinda the standout in Chicago, I guess.

Q: Yes.

I: At that time.

Q: Yes. And in the National Bankruptcy Conference.

I: Right.

Q: Oh, yeah.

I: Were you in the National Bankruptcy Conference?

Q: I think so.

I: Oh. Okay.

Q: I'm not sure anymore [laughs].

I: How 'bout Jerry Munitz? You remember Jerry.

Q: Sure, Chicago.

I: He did a lot of programs with you.

Q: Oh, yeah.

I: And since we're talking about people outside of California, tell me about Lou Kruger.

Q: Well, Lewis Kruger was, of course, Stroock, Stroock & Lavan in New York, and we were in the same law firm together, and we were very close with his family, like Laura Kruger, his wife. And Marjorie would occasionally go with me to New York to visit with Laura.

I: Mm-hmm. Why is it that Gendel Raskoff dissolved?

Q: Oh, my gosh.

I: It would have dissolved in about – let's see if I can pinpoint it for you. It would have dissolved in about '91, 1991.

Q: Wow. I don't –

I: Gendel and Raskoff would have been gone probably, or close to it, by then, I would think.

Q: I can accurately remember that.

I: Okay. But then you became a partner at Stroock, Stroock & Lavan in 1991.

Q: Yes.

I: And Barney went to Murphy, Weir, & Buck*.

Q: Yes.

I: By the way, do you remember much about Pat Murphy?

Q: Sure.

* Probably Murphy, Weir, and Butler

I: What can you tell me about him?

Q: Oh, well, Pat was very likable. I think we were good friends. He was a real competitor. He had a lot of respect and history in doing major bankruptcy cases.

I: Okay. Let's go through some of the more memorable cases that you were involved in. And I'm sorry you didn't get the letter that I sent you, because this would have give you an opportunity to – do you remember any of the Los Angeles trustee cases that Barney was involved in, the cases back in the '70s?

Q: No.

I: Do you remember Christ Church of the Golden Rule?

Q: It sounds very familiar. But do I remember specifically, no.

I: Okay. Well, are there any cases that stand out in your mind, that you worked on?

Q: I wish I could remember them with some accuracy.

I: Apex Oil might stand out.

Q: Yes.

I: Do you remember anything about Apex Oil?

Q: Very little. I can't remember who referred it or anything.

I: It was in St. Louis.

Q: Mm-hmm.

I: I think Bob Moore, one of your partners, ended –

Q: Yes.

I: – up working on it quite a bit.

Q: Yeah, he was a young associate at the time.

I: Right. Do you remember a case called Web – I don't know why you'd remember this – a case call Webcore? That was a case that you had with Norman Nachman in Chicago. And just to try to jog your memory a little bit, this was an act case, and it involved a situation where there was an

offer to purchase and the debtor was dragging its feet. It was in Chapter XI. The debtor was dragging its feet, so they converted it to a Chapter 10.

Q: Ten.

I: And then they wanted to reconvert it back to 11 when this buyer came along, and Norman Nachman was representing the debtor, and you were representing –

Q: The trustee?

I: – the other side. It wasn't a trustee. It was a creditor that apparently – or either that or the buyer. It was Dynamic something or other was the name of the company. Does any of that sound familiar to you?

Q: No.

I: It as the Seventh Circuit case.

Q: Mm-hmm.

I: Okay. Well, I thought I'd give it a shot. Do you remember why is it that you went with the Stroock firm in '91? Do you have a recollection of them?

Q: Hmm.

I: Gendel and Raskoff had dissolved and I just wondered why it was that you ended up – was it because of your association with –

Q: I knew Lewis Kruger so very well. He was a partner at Stroock in New York, and I'm sure that was the connection.

I: Uh-huh. And then you went in '95 with Pachulski, the Pachulski firm.

Q: Mm-hmm.

I: And what made you decide to leave Stroock and go there?

Q: I wish I could remember accurately, but I don't think I can. I don't remember why.

I: And then you went to the Peitzman firm, Larry Peitzman's firm.

Q: Yeah.

I: And that would have been –

Q: When I was almost retired.

I: Right, in 2004, I guess.

Q: Yeah.

I: You were with Pachulski from '95 until 2004, and then went to Peitzman, Weg and Kempinsky.

Q: As a retirement place.

I: I see. How did you get involved in Asian and solvency business? How did that come about? Do you have a recollection of that?

Q: I don't think I have an accurate recollection, but I knew Shinjiro Takagi, who was a Japanese lawyer that became a judge.

I: Do you think you could spell the last name?

Q: T-A-K-A-G-I.

I: Okay. And who was he?

Q: He was a very prominent lawyer in the insolvency field, and then I think became a judge in Japan in the insolvency field. And it was very unusual to go from being a practicing lawyer in Japan to being a judge. Normally, you went sort of the academic route to judge, and didn't go to private practice and go from private practice to a judgeship. I can't remember how it all began now.

I: Well, does a case called Maruko ring a bell?

Q: Yes.

I: And that would have been in about 1991.

Q: Okay. It was a Japanese case.

I: Right.

Q: Yes. And Maruko had, I think, subsidiaries in the United States.

I: Lots and lots of real estate development.

Q: Yes.

I: And you were their lawyer in the United States.

Q: Yes.

I: Do you remember, was that your first big cross-border –

Q: Yes, first big cross-border. Yes, I'm sure of that. And I'm trying to remember how it all came about, but I –

I: And you were involved with the Asian Institute of International Finance?

Q: Yes. Uh-huh.

I: And Japan Institute of International Law?

Q: Yeah. And I taught in Japan, seminars in English. It's usually translated. But I had friends at the Tokyo Bar Association and they would invite me to come over and lecture.

I: You also lectured in China, didn't you?

Q: Yes, I forget where. Guangzhou, I think

I: Yes. Yeah. That was the name of the place. Going back to cases you might remember, do you remember John Martin Musumeci?

Q: No.

I: Oh, well, that was a case that was in front of me.

Q: I can't remember.

I: I'll never forget it.

[Laughter]

Q: I don't remember.

I: He was a guy that had had – do you remember the historical ComputerLand?

Q: Vaguely.

I: And he had a, I don't know, a 38-percent in the stock in ComputerLand at one time, and he had fractionalized the interest and sold it to [laughs] all of the garbage men in San Francisco.

Q: Oh, my gosh.

I: You don't remember that, I guess.

Q: No.

I: Well, you were I think about his third lawyer in that case.

Q: Okay.

I: All right. Well, I'm sure there are questions that I should have asked you, but I haven't.

Q: Send me an e-mail. Whatever questions you've got.

I: Well, I could do that, except that you don't have e-mail here.

Q: Oh, wow.

I: Because I would have e-mailed that letter to you if I could have.

Q: Oh, darn.

I: But, do you communicate with your law firm much –?

Q: Not much, but occasionally.

I: Yeah. 'Cause I know Larry called you about doing this, setting this up.

Q: Yes.

I: Well, let me just kinda close this then. Maybe we can just make this the first installment, and if you think of other things, you can always write me a letter.

Q: Alright. Love to.

I: What in your career, what were your greatest achievements? What are you proudest of?

Q: I think teaching was the most important thing because teaching at the seminars is entitled to much more attention than the biggest fee. And so, I think I had more pride in lecturing at the seminars, especially overseas, than cases.

I: And you did that for PLI for many, many years, 25 or more years, didn't you?

Q: Yes.

I: You were the chairman of the –

Q: Current development.

I: Current development to the reorganization.

Q: Right. Yeah.

I: You had on your – well, I was on your panel a few times, and you had Jerry Munitz was a regular on your panel.

Q: Chicago, yeah.

I: Out of Chicago. And Sheri Bluebond was a regular on your panels.

Q: Yes.

I: Now a judge in Los Angeles.

Q: Right.

I: What are the other teaching assignments that you can recall other than PLI and the Asian teaching assignments? Any others?

Q: Well, I think they would have come out of the IBA, International Bar Association, 'cause I was, I think, chair of the Insolvency Committee of the IBA. But in terms of actually recalling specifically, no.

I: Okay. What was your greatest disappointment in practice?

Q: Lack of integrity within the legal community.

I: And what do you mean by that?

Q: Well, they would trade off principles for fees. Could I trust everybody in the insolvency practice? No. Were cases manipulated, for example, to become attorney for the creditors' committee? Did people show up at the meeting of credits at CMA –

I: CMA being?

Q: Credit Managers Association – and make representations that they represented some of the biggest credits when it wasn't true at all?

I: And this was under the Act.

Q: Yes.

I: Under the Bankruptcy Act.

Q: Yes. So that sort of thing went on in Los Angeles as well, then, huh?

Q: Yes. Not as much as Delaware [laughs], but, yes.

I: Or New York at that time.

Q: Yes.

I: So that was your greatest disappointment, having to deal with that sort of practice.

Q: Yes.

I: Were you somebody that would continue a case even if it meant that you weren't – a case that maybe you could have settled, you just went forward with it because there was principle involved?

Q: Because of the what?

I: There was principle involved and you went forward with it even if you could have settled it?

Q: I can't recall specifically a case like that.

I: Okay. Were there any other disappointments that come to mind in terms of your practice, your career?

Q: Well, importance of the relationship between the bankruptcy referee or bankruptcy judge and the person who's filing the fee application. I mean, in some cases, as I recall, the judge could have come out of your old law firm. Now normally, I think he would have _____ himself, but I'm not sure that happened all the time.

I: I see. Fees were a big problem under the Bankruptcy Act, weren't they?

Q: Yes.

I: It became less of a problem, I guess, under the code.

Q: I think that's true.

I: Uh-huh. Well, do you have any advice or messages for future generations who might review this oral history?

Q: Hmm, I would say there are some role models, like George Treister that you should look to. The problems, of course, that occur with CMA, Credit Management Association, and who gets the creditors' committee employment is not entirely clean and ethical. But on the other hand, you gotta

generate business if you want to go anywhere in your firm. You expect to become partner, it'll be based largely, if not entirely, on what you can generate in terms of new cases and employment.

I: Anything else, any other advice you could give to future folks listening to this?

Q: I wish I could think of something constructive.

I: Okay. Well, thanks very much for taking the time to talk to me.

Q: What a delight for me.

I: It's been fun. Thanks very much, Arnold.

Q: Thank you.

[End of Audio]