

SUPREME COURT OF IOWA

Jane Doe, by John Doe and Mary Doe, Her Father and Mother and Next Friends, and John Doe and Mary Doe, Individually v. Perry Community School District, Arthur Pixler, and Russell Gronewold

650 N.W.2d 594 (Iowa 2002) · No. No. 01-1883 · Decided September 5, 2002

SUMMARY

The Supreme Court of Iowa held that a law firm must be disqualified from representing a school district and principal when an attorney who previously represented the plaintiffs in the same litigation joined the firm. The court concluded that the representations were substantially related and that screening procedures, or a Chinese Wall, could not overcome the resulting imputed disqualification and strong appearance of impropriety. The court reversed and remanded.

CASE DETAILS

COURT	Supreme Court of Iowa
WRITING FOR THE COURT	Streit, Justice
JURISDICTION	Iowa
DECIDED	September 5, 2002
DOCKET	No. 01-1883
DISPOSITION	reversed_and_remanded
PROCEDURAL POSTURE	Interlocutory appeal from denial of the plaintiffs' motion to disqualify the defendants' law firm based on an attorney's prior representation of the plaintiffs in the same litigation.
STANDARD OF REVIEW	Abuse of discretion. A ruling is an abuse of discretion when it is based on clearly untenable grounds.
PRECEDENTIAL VALUE	Published Iowa Supreme Court opinion; precedential.
PARTIES	Jane Doe, by John Doe and Mary Doe, her father and mother and next friends, John Doe and Mary Doe, individually v. Perry Community School District, Arthur Pixler, Russell Gronewold

TOPICS

civil procedure

PRACTICE AREAS

legal ethics

attorney disqualification

conflicts of interest

civil procedure

civil rights litigation

QUESTIONS PRESENTED

1. Whether a law firm must be disqualified when an attorney who substantially represented the plaintiffs in a lawsuit joins the firm representing defendants in that same lawsuit.
2. Whether a Chinese Wall or other screening mechanism can prevent imputed disqualification under these circumstances.

HOLDINGS

1. When a former client establishes a substantial relationship between the former representation and the current adverse representation, the attorney is presumed disqualified, and the former attorney's knowledge is imputed to the attorney's new law firm.
2. A Chinese Wall cannot avoid imputed disqualification when the former and current representations are substantially related and the attorney had substantial involvement in the former representation.
3. The district court abused its discretion by denying the Does' motion to disqualify the Bradshaw firm.

KEY QUOTATIONS

“This determination alone requires disqualification of the Bradshaw firm.” (599)

“The presence or absence of a Chinese Wall does not enter into our analysis of whether there is a substantial relationship between two representations.” (600)

“We approve of the use of Chinese Walls under certain circumstances to overcome imputed disqualification of a law firm. Such circumstances do not exist in this case.” (601)

FACTUAL BACKGROUND

Jason Palmer represented Jane Doe and her parents in a civil action arising from a teacher's sexual abuse of Jane Doe. Palmer attended a pre-petition conference, reviewed the clients' file and confidential materials, communicated with the Does, signed the petition, and participated substantially in preparing the lawsuit. After joining the Bradshaw firm, Palmer's new firm represented the school district and principal in the same litigation, leading the Does to seek disqualification.

PROCEDURAL HISTORY

Palmer initially represented the Does in their civil sexual-abuse action against the school district, Pixler, and Gronewold. After Palmer joined the Bradshaw firm, that firm appeared for the school district and Pixler in the same case. The district court denied the Does' motion to disqualify the Bradshaw firm, finding its screening procedures adequate, and the Supreme Court of Iowa granted interlocutory review.

DISPOSITION

REMAND INSTRUCTIONS

Remand for further proceedings consistent with the opinion, including disqualification of the Bradshaw firm from representing the school district and principal.

CASES CITED

- Richers v. Marsh & McLennan Group Assocs., 459 N.W.2d 478 (Iowa 1990)
- Iowa Supreme Ct. Bd. of Prof'l Ethics & Conduct v. Walters, 603 N.W.2d 772 (Iowa 1999)
- Hoffmann v. Internal Med., P.C., 533 N.W.2d 834 (Iowa Ct. App. 1995)
- State v. Vanover, 559 N.W.2d 618 (Iowa 1997)
- Clinard v. Blackwood, 46 S.W.3d 177 (Tenn. 2001)
- United States v. Smith, 653 F.2d 126 (4th Cir. 1981)
- Roberts v. Hutchins, 572 So. 2d 1231 (Ala. 1990)
- Lansing-Delaware Water Dist. v. Oak Lane Park, Inc., 248 Kan. 563, 808 P.2d 1369 (Kan. 1991)
- Koch v. Koch Indus., 798 F. Supp. 1525 (D. Kan. 1992)