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Entrepreneurial Enterprise

Dylan Ruga started Stalwart Law Group to provide high-quality work and flexible terms.



From left, Ian Samson, Dylan Ruga, Ji-In Lee Houck, Patrick Jacobs and Paul Traina of Stalwart Law Group.

LOS ANGELES — Dylan Ruga had spent the bulk of his legal career at a big law firm. Then one day he decided to hang out his own shingle to create a different kind of law firm.

“I was interested in creating a firm that is more entrepreneurial where we can deliver the same high-quality legal work as any big firm in town but in a way that offers more flexibility in terms of our fee structure and allows us to take greater risk and ultimately receive greater rewards,” Ruga said.

He founded Stalwart Law Group in 2016. Commercial litigation, legal malpractice, intellectual property, employment disputes and catastrophic injury matters are the firm’s specialty practice areas.

The firm has offices in New York and in West Los Angeles.

“We have what looks like more of a startup office space than what looks like a law office space,” Ruga said. “What that means is that we all work together in one big room.”

Ruga, a former equity partner at Steptoe & Johnson PLLC, was the sole lawyer when he founded Stalwart Law Group. Today, the litigation boutique firm has six attorneys. Associate Ji-In Lee Houck, also formerly with Steptoe & Johnson, was the next lawyer to join, followed by of counsel Patrick Jacobs. Associate Allen Haroutounian joined Stalwart Law Group last year, as did former Engstrom, Lipscomb & Lack attorneys Paul Traina and Ian Samson, who came on board as partner and associate,

respectively.

“We have more of an open space, which allows us to communicate with each other about cases and get input on a moment’s notice,” Traina said. “I think it’s a big change for me and I think its an advantage not just for me but for everybody else in the firm, to have those open communications where you can just talk to them because they’re right next to you almost.”

Stalwart Law Group already has secured defense verdicts and multimillion-dollar settlements for clients, significant victories for such a young firm.

Reserve Media Inc., a startup that provides a digital dining concierge service for restaurants and customers, relied on Stalwart Law Group for defense in a bet-the-company trademark infringement suit against plaintiff Efficient Frontiers Inc., a software maker for restaurant and hotel reservations.

Efficient Frontiers sent a cease-and-desist letter demanding Reserve Media stop using the “reserve” trademark or pay a license fee. Efficient Frontiers later filed trademark infringement counterclaims, but U.S. District Judge Dean D. Pregerson granted Reserve Media summary judgment, finding that Efficient Frontiers’ family of marks invokes the common word “reserve” in a business context where there is “almost no other substitute.” The case is now on appeal. *Reserve Media, Inc. v. Efficient Frontiers Inc.*, 2:15-cv-05072 (C.D. Cal., filed July 6, 2015). Attorneys did not comment on this case during the interview with the Daily Journal.

In another federal court case, Stalwart Law Group defended a well-known Chinese conglomerate. The plaintiff alleged the goods it received from the firm’s client were different from what was ordered. The case settled confidentially.

“The case is interesting because it required us to take depositions in Hong Kong and travel to China and apply unique areas of international law as it applies to the sale of goods,” Ruga said. “Our client considered it a resounding victory.”

A lawsuit arising from the Bernie Madoff Ponzi scheme saga is one of the firm’s recent matters. Stalwart Law Group represents a group of plaintiffs who accuse Helen Chaitman, a New York lawyer who gave counsel to people defrauded by Madoff, of cheating her own clients through overbilling, discouraging settlements and having conflicts of interest.

“So if you took out from Madoff more than you put in, you were considered a net winner and you had to give back additional money that you took out,” Ruga said. “That money was then distributed to the net losers, the people who put in more money than they took out.

“Ms. Chaitman, however, continued to represent everybody on both sides, net winners and net losers, despite the obvious conflict of interest,” he added.

The proposed class action was filed in New York by trustees of the Florence Shulman Pourover Trust, a client of Stalwart Law Group. The litigation is ongoing. *Shulman v. Chaitman LLP et al.*, 17-cv-

09330 (S.D. N.Y., filed Nov 29, 2017).

The firm has also secured multimillion-dollar personal injury settlements for its clients, but in the beginning Ruga faced risks in starting the firm.

“I was very lucky when I started because I had a very loyal client who decided to stay with me in the first few months of my practice and I also had a wife who also was an equity partner at a big firm,” Ruga said. “Those two things enabled me to take a risk.”

Growing the clientele was another early concern.

“I was surprised that when I let people know that I was out on my own, the phone started ringing almost immediately,” Ruga said. “People that I hadn’t heard from in years reached out and asked for my help on a lot of different things.”

Continuing growth and superb legal work are two of the goals for the firm, Ruga said.

“As we grow the firm, it’s important to me that we do it in a way that promotes the culture that we have built, which works very well for us. “Another goal is to continue to do high-quality legal work and maintain our reputation as the go-to firm for other lawyers who have cases to refer out.”

Michael McNamara, now a partner at Jenner & Block LLP, worked with Ruga, Houck and Jacobs at Steptoe & Johnson. McNamara described them as “very talented” attorneys.

“Dylan really has all the qualities necessary to be a good trial attorney,” McNamara said. “He’s incredibly hardworking, very smart and I think he’s good with people. He’s a really good attorney and I think he’s going to do very well in his own firm.”

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