



FOR IMMEDIATE RELEASE

October 31, 2014

Media Contact: Richard Samp | 202-588-0302

High Court to Hear Arguments Monday in Securities Fraud Case Based on “Untrue” Statements of Opinion

(Omnicare, Inc. v. Laborers District Council)

“Court decisions making corporate actors liable for any subjective judgments that later turn out to be ‘wrong’ will ... harm the very shareholders whom the plaintiffs’ bar claims to be serving.”—Richard Samp, WLF Chief Counsel

WASHINGTON, DC—This coming Monday, November 3, 2014, at 11 a.m., the U.S. Supreme Court will hear oral argument in a securities fraud case, *Omnicare, Inc. v. Laborers District Council*, that addresses an important unresolved legal issue: when can corporations be held liable for expressing allegedly “untrue” opinions?

Washington Legal Foundation filed a brief in the case, urging the Court to rule that statements of opinion are not “untrue”—and thus not actionable—unless the speaker’s actual opinion was different from the one expressed. WLF Chief Counsel Richard Samp will be available following oral argument to discuss the case and to assess whether the justices’ questioning pointed to a likely resolution.

Federal securities laws authorize lawsuits by shareholders who allege that they suffered losses after relying on “an untrue statement of a material fact” by corporate officials. Lower courts are divided on the issue of when statements of opinion regarding current conditions can be deemed “untrue.” Ahead of oral argument, WLF issued the following statement by Chief Counsel Richard Samp:

“Public company officers who openly share their opinions provide shareholders with valuable information about the company’s business and financial condition. Court decisions making corporate actors liable for any subjective judgments that later turn out to be ‘wrong’ will discourage them from sharing their opinions, thereby harming the very shareholders whom the plaintiffs’ bar claims to be serving.”

WLF is a public interest law firm and policy center that regularly litigates in support of civil justice reform, to ensure that unwarranted lawsuits do not drive up costs for all consumers.

###