

Cahill Secures Dismissal on Behalf of S&P, Ending One of Last Financial Crisis-Era Cases

Date: 10/13/23

A Cahill litigation team prevailed on behalf of long-time client S&P Global, securing the dismissal of a case seeking to challenge certain credit ratings issued by S&P in 2005-2007 prior to the Financial Crisis. The case was filed in 2009.

U.S. District Judge Paul G. Gardephe issued an order on October 12, 2023 granting S&P's motion to dismiss for failure to state a claim. The court held that retailer-plaintiffs American Signature Inc. and SEI Inc. failed to adequately plead their fraud, negligent misrepresentation and state law claims based on S&P's credit ratings. Among other points, the Cahill team argued that S&P's credit ratings are opinions and thus only actionable if plaintiffs adequately pled that S&P did not believe its opinions at the time that they were issued. The court agreed and found that plaintiffs failed to meet this pleading requirement.

Attorneys

- Tammy L. Roy
- Floyd Abrams