

(The following is an excerpt from The Legal Intelligencer)

Ben Present June 26, 2012

Lawyers Await Freeh Report in Potential Civil Actions Against PSU

Lawyers representing the victims of former Penn State assistant football coach Jerry Sandusky said an external investigation's results and Penn State's willingness to resolve each claim individually will affect the university's ability to avoid litigation related to the scandal.

If the accounts of those who testified against Sandusky were any indication, the attorneys agreed the claims would be worth millions, if not tens of millions of dollars.

The university currently awaits a report from an investigative team headed by Louis J. Freeh, a former FBI director and federal judge, which it billed as a no-stone-left-unturned examination of its policies and controls dating back to 1975, two years before Sandusky started the charity through which he met his victims.

Accepting the job last November, Freeh promised to reveal who knew what and when pertaining to Sandusky's abuse, and to turn over "any evidence of criminality" to police authorities if and when it comes up.

The university declined to comment on the status of Freeh's investigation and the prospect of settlements. James A. Keller of Saul Ewing represents the university and declined to comment.

For the victims' lawyers, now that Sandusky has been convicted of 45 of 48 charges related to sexually abusing boys, the Freeh report is the next step and several said it could come as early as July.

Philadelphia plaintiffs attorney Thomas R. Kline, who represents a man identified as Victim 5, called

the Freeh report a "resource manual and guidebook" for settlement discussions and a "roadmap" for litigation ...

If it doesn't unearth any smoking guns, said Victim 1's attorney, Slade McLaughlin, the next step is a settlement or sweeping discovery.

"The alternative is to let me, Tom Kline, and the rest of the victims' lawyers root around in Penn State's files and depose a hundred of their employees to uncover all of the dirty laundry that has, to date, been kept from public view," McLaughlin said.

Sandusky's eight-day trial was largely focused on the former coach, which lead prosecutor Joseph E. McGettigan promised in his opening statement on the trial's first day.

"Penn State is not on trial," he said.

But after Sandusky was found guilty on nearly every charge he faced, the focus now shifts to the university, which has already suggested it wants to resolve the victims' claims out of court. No more than an hour after Sandusky was convicted on 45 of 48 counts of child sex abuse on Friday, Penn State issued a release signed by university President Rodney Erickson announcing a "program" to resolve claims "privately, expeditiously and fairly."

For McLaughlin, the timing of the statement was significant.

"If their review led them to believe that they had no liability here, they would not have made a statement like that shortly after the verdict," McLaughlin said.

If and when the university will appear in court is unknown.

Only two civil suits related to the scandal have been filed against the university so far, and both were facing implications of the statute of limitations. Assuming victims can prove "forcible compulsion," they have until they are 30 to file a claim.

One of the accusers, Travis Weaver, made his story public last week on NBC's Rock Center. Weaver was not one of the 10 victims for whom Sandusky faced charges, but was the first to file a lawsuit against The Second Mile and Penn State. Another plaintiff, identified in a praecipe for writ of summons as C. Miller, has also filed against Penn State, Sandusky and The Second Mile.

Other claims will arise strategically, Kline said.

"I am interested in Penn State's accepting accountability and culpability and fully laying all of the facts and circumstances in the Freeh report," Kline said. "Then you can move to a discussion with the lawyers for the various victims."

"Any process, so far as I'm concerned, will need to be bilateral," he added.

Regardless of what comes out in the Freeh report, the lawyers expected the university to try to settle.

"Through whatever channels they have available to them, they determined that it is not in their best interest to open themselves up to discovery," McLaughlin said.

He noted high-ranking administrators would be prepared for depositions. But, he asked, what happens when high-powered plaintiffs attorneys start deposing secretaries?

"You're dealing with the best of the best lawyers who are going to dig into every nook and cranny and get all of the information that has not yet been made available," McLaughlin said. "Penn State is in the best position to assess its own liability."

Though McLaughlin said he has not had a sit-down discussion with his client about a lawsuit, he has sent Penn State a spoliation letter in order to preserve discoverable materials.

He said discovery could unearth who at the university knew about Sandusky's abuse, the circumstances surrounding his retirement and even what other universities to which he applied for coaching jobs knew, if anything.

Two administrators — former athletic director Tim Curley and former vice president of business and finance Gary Schultz — face charges for not reporting allegations that Sandusky abused a boy and perjury.

"It could go from the black eye to a virtual knockout," McLaughlin said.