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## **'All-star team' of federal prosecutors says merit of cases outweighs hardship**

**By MARY FLOOD**

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The team of prosecutors that won five convictions here in the first Enron criminal trial said the ridiculous hours, family separation and taxing complexity were worth it. That's a good thing because there's a lot more to come in 2005.

"To parrot the commercial — traveling away from your family for months? Disaster. Staying up all night working on briefs? Tiring. The ability to stand before a Houston jury in the first Enron trial and say this case is about the integrity of our public markets? Priceless," said Matt Friedrich, 38, one of three trial prosecutors in the Nigerian barge case. The two-month trial that ended in November with five convictions and one acquittal was the first case involving Enron executives and is the prelude to the longer Enron trials likely to take place here in 2005.

The trial of five former members of Enron's Internet division is set to start April 1 and could last three to four months, while the trial of ex-chieftans Ken Lay and Jeff Skilling will likely take longer and is expected to be scheduled for 2005 as well.

Enron Task Force Director Andrew Weissmann, a 46-year-old prosecutor loaned to this investigation from a New York office three years ago, and two of his prosecutors sat down in Washington, D.C., recently for a conversation with the Chronicle.

### **'Company on steroids'**

"The barge case was a microcosm of all Enron cases. It's about a company on steroids, artificially enhanced with side deals and other methods, appearing to be something it wasn't. But unlike steroids in the sports world, there are many, many more victims here," Weissmann said. He said it's an enormous challenge for the prosecutors who need to "be on all four burners constantly."

He credits his barge case trial team of three prosecutors with creating such a potent case that it made the defense attorneys look lost at times. A defense attorney who watched the case agrees that "prosecutors tried a smart case. They honed it down to the bare minimum ... precluding some possible defenses."

Of the one acquittal, ex-Enron accountant Sheila Kahanek, Weissmann said, "Obviously we thought that person was guilty and that we could prove it beyond a reasonable doubt. At the same time, we thought the jury was smart, fair and extremely attentive."

## **Getting colleagues to turn**

Weissmann came to the Enron case after supervising more than 100 attorneys in the Brooklyn U.S. attorney's office and after trying several high-profile organized crime cases, including those involving Vincent "The Chin" Gigante and high-ranking members of the Colombo and Gambino crime families.

He said there are some similarities between mob and Enron cases, particularly the challenge in getting people to admit wrongdoing and turn against others.

He said the basic cordiality in the courtroom in the barge case and the mob cases is the same, though, noting one mobster always said good morning to him.

"His attitude was, 'You do your job; I do mine.' Unfortunately his job was whacking people," Weissmann said.

The barge trial prosecutorial team included Friedrich, from a Virginia office, Kathryn Ruemmler, from a Washington, D.C., office and John Hemann, from the San Francisco office. Hemann is leaving the team, as have several others before him after putting in a year or two of traveling to Houston, where many witnesses live, and Washington, where the task force is based.

Ruemmler and Friedrich, who also tried the Arthur Andersen obstruction case in 2002 with Weissmann, will now both work on the prosecution of Lay, Skilling and ex-Chief Accounting Officer Rick Causey.

## **Knowing the local terrain**

Friedrich attended law school at the University of Texas and clerked and worked in Texas as a prosecutor before going to a Virginia office. He knew the local cultural terrain well enough to teach his fellow prosecutors how to suck crawfish at a local Cajun spot.

He's had previous task force experience with a national campaign fraud task force, his wife is also a prosecutor, and his daughter was born between the Andersen and barge trials.

Friedrich said the complexity of the Enron cases appeals to him, as does the challenge of weaving an explanation of financial markets into the case.

"It's a case that is more sophisticated than saying the money was here and it went into the defendant's pocket," Friedrich said. "This requires a level of commitment and understanding to portray to a jury, to make them understand why it's a crime."

"The jury has to understand a lot of predicate facts such as the whole public reporting system — why does it matter that companies report earnings, how does Wall Street follow what companies report, why does that matter to investors and why that would all that create an incentive for these defendants to do something false in terms of the books?" Friedrich said.

## **Being on task force a luxury**

Ruemmler, 33, was working out of the Washington office.

Before becoming a prosecutor, she represented corporate clients in criminal defense cases and served as associate counsel to the president of the United States in 2000 and 2001.

Ruemmler said working on the task force has been a luxury, in that it focuses on one set of cases, and a challenge because of the complexity.

But she noted it's also been physically exhausting, most of the team got sick at some point, and it was seldom the team had time to take a run around Memorial Park or attend a baseball game.

Before coming to the Enron case, she was involved in violent crime prosecutions in Washington and last tried a three-person conspiracy to commit an armed carjacking.

"Defendants and suspects understand that if you're selling drugs or if you rob somebody or if you take their car, that that was wrong. The question becomes who did it," Ruemmler said.

"But the issue we face first in Enron is, was this conduct criminal? When dealing with violent crime cases or even narcotics cases, that's never a question. That's always very, very black and white. Here we have to spend a lot of time figuring out what was done and figuring out whether that was a violation of the criminal law."

## **No shortage of applicants**

Christopher Wray, assistant attorney general heading the criminal division of the Justice Department, said he's pleased with the quality of cases and speed that the Enron Task Force has brought them. He calls them an "all-star team."

"The prosecutors are among the very best from around the country," Wray said. "When we need somebody, there is no shortage of top-notch applicants. People always have to juggle personal lives to do this. But there's a great level of excitement on these cases."

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