



Republic Services Hires Oprah's Lawyer, Denies Charges

by Joe Hyde

Aug 1, 2014

Republic Services responded to the lawsuit filed by Acme Metal and Mayfield Paper that hopes to recover Republic's surcharges the plaintiffs argued are unauthorized by City of San Angelo ordinance. Representing Republic is Charles "Chip" Babcock of Jackson Walker LLP of Dallas. Babcock is a "big gun" in state legal circles.

Babcock represented Oprah Winfrey, and won, in the Mad Cow Disease lawsuit in Amarillo in the early 2000s. He was also President George W. Bush's lawyer when Bush was the owner of the Texas Rangers.

Bob Gregory and family of San Angelo, who also own Texas Disposal Systems, own plaintiff Acme Metal. Babcock is no a stranger to facing Bob Gregory and Texas Disposal Systems. He represented Waste Management when TDS sued them for defamation in Austin. Babcock lost the case, but managed to strip out all of the monetary damages (over \$20 million) in the process.

During the bidding process for a 10-year trash contract in March, Republic's competitor, Texas Disposal Systems, claimed that Republic Services has been overcharging commercial dumpster customers for fuel and environmental recovery fees for at least 10 years. Law allows only a small amount of the fee, TDS said. The overcharges amounted to approximately 32 percent of the total trash bill. TDS estimated that the cumulative overcharges to San Angelo businesses could be as high as \$9.2 million.

Before the trash contract was awarded (and signed) by the City and Republic, Republic issued a statement promising to investigate the suspect fees, and offer a refund if they found themselves to be in violation of ordinance rates.



The Republic Services sign at the San Angelo landfill. (LIVE! Photo/Joe Hyde)

In a court filing Wednesday, Republic issued a general denial of owing anything at all, at least to the plaintiffs. The response said:

1. Plaintiffs' claims and the relief sought are barred in whole or in part by the applicable statutes of limitations.
2. The voluntary payment doctrine precludes Plaintiffs' claims and the relief sought.
3. Plaintiffs' claims cannot be maintained as a class action on behalf of the putative class alleged in the Petition.

"General denials" like this are not uncommon in these types of cases. Lawyers begin their arguments offering no acceptance of guilt, and then argue their case from that starting point.

In addition to offering Republic's general denial, Babcock and team petitioned to move the case to federal court on Wednesday. In federal court, the process slows to a snail's pace and the chances for a successful outcome for TDS and Mayfield is reduced. The next news in this case will be the plaintiffs and defense arguing whether federal court is the proper venue.

For now, at the state level, the lawsuit is "stayed."