

# Daily Journal

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PICTURED: Gary S. Lincenberg and Michael C. Landman, Bird, Marella, Rhow, Lincenberg, Dooks & Nessim LLP, Ray Seilie (formerly with Bird Marella). | PHOTO CREDIT: Gianina Monroe

WHITE COLLAR CRIMINAL  
DEFENSE AND GOVERNMENT  
INVESTIGATIONS

**Tech mogul cleared  
of wrongdoing in one  
of state's largest ever  
fraud trials**

## USA V. LYNCH & CHAMBERLAIN

GARY S. LINCENBERG, MICHAEL C. LANDMAN AND RAY S. SEILIE  
BIRD, MARELLA, RHOW, LINCENBERG, DROOKS & NESSIM LLP

In a unanimous verdict that made global headlines, Stephen Chamberlain, former vice president of finance at Autonomy, was fully acquitted of all criminal fraud and conspiracy charges in June 2024.

The verdict concluded a three-month jury trial in federal court in San Francisco, ending what prosecutors called California's largest criminal fraud trial ever. The case stemmed from the 2011 sale of Autonomy to Hewlett-Packard (HP), a transaction that sparked a decade-long legal battle between the tech companies.

Prosecutors alleged that Chamberlain and Autonomy CEO Michael Lynch misled HP into overpaying billions for the acquisition. Both executives faced potential prison sentences exceeding 20 years if convicted. *USA v. Lynch & Chamberlain*, 18-cr-00577 (N.D. Cal., filed Nov. 29, 2018).

Lead defense counsel Gary S. Lincenberg of Bird, Marella, Rhow, Lincenberg, Dooks & Nessim led the team that secured Chamberlain's acquittal. The case received extensive coverage in major news outlets including the New York Times, Wall Street Journal, BBC and The Register.

"I am grateful for this honor because it recognizes the ten years of hard work it took to win against highly-

skilled prosecutors who had unlimited resources," Lincenberg said. "We hope that defendants who believe in their innocence will be brave enough to fight for their freedom even when the odds are against them and other executives and accountants have had verdicts rendered against them."

Co-counsel Michael Landman said he believes the case will be a cautionary tale to the government in deciding whether to add less culpable defendants to a case that they otherwise believe to be righteous.

"Here, the government indicted a case against the CFO of Autonomy and secured a victory," Landman said. "It then expended extraordinary resources to prosecute two individuals that, at the time of the original indictment, it had made the decision not to charge. It should serve as a cautionary tale not to overcharge cases even where the government views multiple employees as bad actors."

Lincenberg said some of the obstacles on the path to victory were how HP paid legal fees for former employees who cooperated with the government but refused to pay legal fees for people like Chamberlain, who maintained his innocence.

"We could never match the resources of HP, the FBI and Department of Justice," he said.

Lincenberg added that witnesses, even those friendly to Chamberlain, met repeatedly with the prosecutors, but refused to meet with the defense team out of fear of upsetting the prosecutors.

Lastly, Lincenberg said the bench officer in the case, U.S. District Judge Charles R. Breyer had already formed certain impressions of the case from the prior trial and conviction of a fellow Autonomy executive and from a parallel civil trial in London.

"Fortunately, Judge Breyer is a man of integrity who believes in ensuring a fair trial for everyone. He put aside his preconceptions and gave us a fair trial," he said.

Co-counsel Ray Seilie, who is now at Kinsella Holley Iser Kump Steinsapir, said the defense team was wary that the jury would be predisposed to believe that complicated accounting necessarily implied trickery and, therefore, fraud.

"In my view, our presentation simplified our client's day-to-day work in a way that allowed jurors to put themselves in his shoes: he was being unfairly accused of criminal conduct for performing a difficult job in good faith," Seilie said. "It helped, of course, that every witness who worked with our client testified that they viewed him as a good faith actor at all times."