

# Daily Journal

OCTOBER 24, 2018

## TOP BOUTIQUES 2018

### SECURITIES LAW

## Shustak Reynolds & Partners P.C.

SAN DIEGO • IRVINE  
LOS ANGELES • SAN FRANCISCO

**E**rwin J. Shustak founded the firm 40 years ago in Manhattan. Two decades later he relocated to Southern California. “One of the smartest moves I’ve made,” he said. “It was a combination of some personal preferences and business reasons. I lived a great life in New York, so I went from one great place to another. We’d built up a successful firm. I pointed out to my partners there that we had more and more clients on the West Coast. They had no interest. Some people are just New Yorkers.”

Earlier West Coast cases had led Shustak to take the California bar exam. “I got admitted. I saw the world was going global and the internet connected everything. Technology had gotten to the point where it would work for us to have multiple offices.”

Twenty years ago, San Diego was entering a growth spurt, Shustak saw. “There was a lot of wealth here, and San Diego is close to the border, close to our wealthy South American clients. There were very few firms here doing what we did. It had become a very sophisticated city without the sophisticated legal talent. I realized the opportunities here were growing. There was not a lot of competition for Wall Street work. I thought I might semi-retire out here, but we got busy very quickly.”



Tom Kurtz / Special to the Daily Journal

From left, Jonah Toleno, George Miller, Erwin Shustak, Paul Reynolds and Richard Weintraub of Shustak Reynolds & Partners PC.

**“Erwin [Shustak] and I had a yearlong talk and decided to combine forces. I remain very happy with my decision to come in together with him.”**

Paul A. Reynolds

In San Diego Shustak met Paul A. Reynolds, who had been a partner at DLA Piper and had left to start his own firm. “Erwin and I had a yearlong talk and decided to combine forces,” Reynolds said. That was in 2015. “I remain very happy with my decision to come in together with him.”

Today, Shustak Reynolds & Partners has 13 attorneys and offices in Irvine, Los Angeles, San Francisco and New York. The firm motto is “Better Lawyers. Better Results.”

Reynolds deals with court cases, while Shustak’s focus is largely on matters before FINRA, the Financial Industry Regulatory Authority

that polices member brokerages and exchange markets.

In one recent major case involving the emerging marijuana industry, Reynolds obtained the pretrial dismissal of multimillion-dollar claims against Stuart W. Titus, the president and CEO of San Diego-based Medical Marijuana Inc., the first publicly traded cannabis company in the U.S. Titus was named in a federal securities class action complaint by investors against CannaVest Corp., which markets the hemp extract cannabidiol or CBD, and for whom Titus was a consultant. *In re: CannaVest Corp. Securities Litigation*, 14-cv-

2900 (S.D. N.Y., filed April 23, 2014).

“The judge kept our motion to dismiss under submission for two years before granting it in March,” Reynolds said. “The court found the complaint did not adequately allege that our client made any of the challenged statements under applicable federal securities case law or that he culpably participated in the issuance of those statements.”

Reynolds noted that the CannaVest case was venued in New York, where Shustak got his start, even though his client was in San Diego. The case bridged the two locales. “I’ve always had a lot of cases in New York. I love New York,” he said. “But I’m pleased and humbled to live and work here in San Diego. I walk to the office from my place in Little Italy. Not many lawyers can do that in New York.”

— John Roemer