

1985 - 1995

## MERGER AND MOVE TO FAIR OAKS PLAZA 11350 Random Hills Road, Suite 500, Fairfax

The 1980s were a time of tremendous growth in Northern Virginia. The firm was being approached by larger firms desiring to move into the Northern Virginia area. Twice the Richmond-based firm of Hunton & Williams proposed a union, without success. However, by 1984 significant pressure was brought to bear on the McCandlish firm from several fronts. The firm had certain lawyers representing substantial clients of Hunton & Williams regionally. Meanwhile, Bill Bauknight had forged a connection with the Baltimore-based law firm of Miles & Stockbridge through his successive affiliations with both the McCandlish firm and Miles, resulting in various cross referrals of work.







Peyton Mahaffey and Bob McCandlish, 1987

Ultimately, the McCandlish firm would in effect merge with both. Three partners and two associates would leave to form the Northern Virginia office of Hunton & Williams, 40 and the rest would remain at the Barbour House as the Northern Virginia office of Miles & Stockbridge. 41

<sup>&</sup>lt;sup>40</sup>Randolph W. Church, Jr., Thomas J. Cawley and William E. Donnelly, III, partners; and Grady K. Carlson and Stephen M. Sayers, associates.

<sup>&</sup>lt;sup>41</sup>Robert J. McCandlish, Jr., Rothwell J. Lillard (of counsel), John H. Rust, Sr., John H. Rust, Jr., Jesse B. Wilson, III, Gerald R. Walsh, Peter A. Arntson, Robert H. J. Loftus, Randolph A. Sutliff, R. Peyton Mahaffey, R. Kevin

The majority of the firm (now practicing under the name Miles & Stockbridge) would spend two more years at the Barbour House. "Principals" in the Virginia office now became "Partners" in Miles, which was a Maryland general partnership. Growing pains resulted in the move to the newly constructed Fair Oaks Plaza Building on Random Hills Road, just outside of Fairfax City limits. Lawyers continued to be added, both at the associate and lateral principal levels. 42

The last major Tyson's Corner building site held in private ownership was sold for development in 1984. Sutliff handled the acquisition, financing and governmental development approvals for the developer. Two years later he handled the first major redevelopment in Tysons. Sutliff worked with the developer to acquire a site on Route 7 used as a one-story K-Mart and grocery store with acres of asphalt surface parking, redeveloping it as Fairfax Square, with upscale retail (Tiffany's, Hermes), high end restaurants (Morton's) and high-rise offices and structured parking.

Fairfax County infrastructure had evolved into a network of interconnected highways to accommodate a construction frenzy. The Washington, D.C. metrorail was on its way to Northern Virginia and the Virginia Department of Transportation was studying further methods to control the volume of traffic during rush hours. In the Spring of 1851, Captain F. D. Richardson was a bond holder for the "Providence Branch Plank Road Company". A plank road was being laid from Fairfax C.H. to 'three miles before the Potomac at the Little Falls'. Today, that road is called the Little River Turnpike. Unlike the "Brickyard" in Indianapolis, there remains not one vestige of the old plank road.

Kennedy, Jacqueline K. Boyden, Randolph D. Frostick, Wm. Quinton Robinson, Henry A. Schutz, III, Joel M. Dahnke, Bruce W. Henry, Timothy E. Cupp, Barbara A. Carlson and Ann Bounds Newell.

 $^{42}$ A number of attorneys not previously mentioned arrived and departed the Fairfax office during the Miles years. Wm. Quinton Robinson, an associate at the McCandlish firm, would become a partner of Miles & Stockbridge, but left just prior to the re-establishment of McCandlish & Lillard, and today practices with the firm of Blankingship & Keith in Fairfax, where he serves as Managing Partner. John P. Rowley, III, an associate and later a partner, left to serve in the U.S. Attorney's Office in Charleston, West Virginia and Alexandria, Virginia, and is now practicing with the firm of Holland & Knight in its Fairfax office. Peter Lipresti came to the Fairfax office as a partner and spent five years with the office, primarily representing physicians groups, health care providers, and pursuing a corporate and trust and estate planning practice. He practiced for five years with the firm Jackson & Campbell, P.C. in Washington, D.C., before starting his own solo practice in Fairfax. Celeste E. Burns-Vella was hired as an associate in the Virginia office, and would be elected principal before leaving in 1994. Brian F. Kenney, a principal specializing in bankruptcy matters, remains with Miles & Stockbridge today in its Tyson's Corner offices. Barent L. Fake, Margaret Ann Brown and Richard M. Pollack were all principals in the Virginia office of Miles who have since left that firm for other opportunities. Randolph D. Frostick, an associate at the time of the Miles merger, would leave after a time, and practices today in the firm of Vanderpool, Frostick & Nishanian, P.C. in Manassas. James M. McCauley was an associate for several years before leaving. Since 1990 he has served as the Ethics Counsel for the Virginia State Bar. Other associates during the Miles years included Robert A. Bauman, Marian L. Beckett, Rodney B. Boddie, Randall K. Bowen, Susan L. Bozorth, C. Thomas Brown, Deborah D. Cochran, Kevin M. Fitzpatrick, John C. Holloran, John J. Joyce, Ian C. Markley, Amy S. Owen, Patrick M. Pickett, Laura L. Ratchford, Holly H. Sadeghian, and Mark B. Taylor. Years later, Cochran and Owen formed the firm currently known as Cochran & Owen, LLC.

In 1985, William L. Carey joined the firm as an experienced litigator, particularly in the tort defense and medical malpractice defense areas. Carey clerked for The Honorable James C. Turk, Chief United States District Judge for the Western District of Virginia. During his tenure, Carey developed extensive trial experience as lead counsel in the courts of Northern Virginia, including the Federal Court, with a practice concentrated primarily in the representation of self-insured clients in the medical malpractice, general tort and worker's compensation fields. Carey has been counsel in a number of reported State and Federal decisions. The 1980s were the beginning of the computer age for business. IBM Selectrics gave way to Personal Computers and DOS became the language of business production for consulting firms. Cary became a partner in 1989. In the late 1990s Carey, with support from Jack Rust, spearheaded a move to convert the firm from PC to Apple. Although that change met with great resistance initially, Carey persevered until his departure in 2003. Thereafter, Adam W. Smith took up where Carey left off and serves as an invaluable source of computer knowledge, technical support, and general good humor concerning the networking of the firm, which was still served predominantly by Apple products at the time.

In 1986, R. Kevin Kennedy left to join former principal Jack Rust at the Alexandria firm of Thomas & Fiske. Later that year Marc E. Bettius, <sup>44</sup> Douglas J. Sanderson and John B. Connor joined the firm as partners. Connor left after a short period, while Bettius remained with the firm through 1997. Sanderson helped to reinforce the firm's real estate and commercial practice. Sanderson has represented developers, builders, investors, landlords, tenants, banks and other businesses primarily in real estate and related fields since 1977. He has also represented lenders in the management, negotiation and sale of lender-owned real estate. <sup>45</sup> In addition, Sanderson began in earnest to develop a sub-specialty representing people in matters

<sup>&</sup>lt;sup>43</sup>William L. Carey's Reported Cases: Tony Guiffre Distributing Co., Inc. v. Washington Metropolitan Area Transit Authority, 740 F.2d 295 (4th Cir. 1984); John Driggs Co., Inc. v. Somers, 228 Va. 729, 324 S.E.2d 694 (1985); Hunt v. Erie Ins. Group, 238 Va. 74, 380 S.E.2d 631 (1989); Board of Sup'rs of Fairfax County v. Thompson Associates, 240 Va. 133, 393 S.E.2d 201 (1990); Chesapeake & Potomac Telephone Co. of Virginia v. Murphy, 13 Va. App. 304 (Va. App. 1991), 411 S.E.2d 444; Chesapeake & Potomac Telephone Co. of Virginia v. Murphy, 12 Va. App. 633 (Va. App. 1991), 406 S.E.2d 190; Com., Dept. of Transp. v. Fairbrook Business Park Associates, 244 Va. 99, 418 S.E.2d 874 (1992); Weichert Co. of Virginia, Inc. v. First Commercial Bank, 246 Va. 108, 431 S.E.2d 308 (1993); Bell Atlantic Network Services v. Virginia Employment Com'n, 16 Va. App. 741 (Va. App. 1993), 433 S.E.2d 30; Dulles Corner Properties II Ltd. Partnership v. Smith, 246 Va. 153, 431 S.E.2d 309 (1993); Reliance Ins. Co. v. J.W. Burress, Inc., 247 Va. 418, 443 S.E.2d 143 (1994); In re: Peterson v. Fairfax Hospital, 1994 WL 1059284, (Va. Cir. Ct. 1994); Fairfax Hosp. By and Through INOVA Health System Hospitals, Inc. v. Curtis, 254 Va. 437, 492 S.E.2d 642 (1997); Economopolous v. Kolitis, 259 Va. 806, 528 S.E.2d. 714 (2000).

<sup>&</sup>lt;sup>44</sup>Marc E. Bettius' Reported Cases: Resource Conservation Management, Inc. v. Board of Sup'rs of Prince William County, 238 Va. 15, 380 S.E.2d 879 (1989); Com., Dept. of Transp. v. Fairbrook Business Park Associates, 244 Va. 99, 418 S.E.2d 874 (1992); Dulles Corner Properties II Ltd. Partnership v. Smith, 246 Va. 153, 431 S.E.2d 309 (1993); Weichert Co. of Virginia, Inc. v. First Commercial Bank, 246 Va. 108, 431 S.E.2d 308 (1993); Tauber v. Com., 255 Va. 445, 499 S.E.2d 839 (1998).

<sup>&</sup>lt;sup>45</sup>Douglas J. Sanderson's Reported Cases: Dart Drug Corp. v. Nicholakos, 221 Va. 989, 277 S.E.2d 155 (1981).

of divorce, equitable distribution and property and separation agreements. Sanderson has also continued the firm's tradition of public service.<sup>46</sup>





**Conference Room 3** 

On March 5, 1987 Chief Judge Barnard F. Jennings entered an Order appointing Jesse B. Wilson, III as Commissioner of Accounts for the Circuit Court of Fairfax County. In the same Order, the Court recognized and approved the resignation of Robert J. McCandlish, Jr. as Commissioner of Accounts, effective April 1, 1987, and further appointed McCandlish as Deputy Commissioner of Accounts. Nine other judges of the Circuit Court also signed the Order. On April 1, Wilson and McCandlish appeared before the Clerk of Court, Warren E. Barry, to take the oaths prescribed by law. In the Fall of 1987, Paul W. Boyer and Eric J. Berghold, just out of law school, joined the firm as associates. Boyer would leave to take a position with the Export-Import Bank in Washington after less than five years with the firm, while Berghold remained and would pursue his interest in worker's compensation, and different types of litigation.<sup>47</sup>

By the end of the 1980s Tyson's Corner would be glutted with speculative office space by hundreds of thousands of square feet. The proximity of Fairfax and the surrounding counties to Capitol Hill, combined with the surplus of available office space, caused corporations to open

<sup>&</sup>lt;sup>46</sup>**Douglas J. Sanderson** was a member of the Board of Directors of the Legal Services of Northern Virginia (President, 1993 – 1995) from 1991 – 1998, volunteered as legal counsel to The Arts Council of Fairfax County, Inc. since 1992, has lectured frequently in Continuing Legal Education seminars, has volunteered with numerous community organizations and is listed in Who's Who in American Law, Who's Who in the South and Southwest and Who's Who in America.

<sup>&</sup>lt;sup>47</sup>Eric J. Berghold's Reported Cases: Chesapeake & Potomac Telephone Co. v. Williams, 10 Va. App. 516 (Va. App. 1990), 392 S.E.2d 846; Cohen v. Fairfax Hosp. Ass'n, 12 Va. App. 702 (Va. App. 1991, 407 S.E.2d 329); Chesapeake & Potomac Telephone Co. of Virginia v. Murphy, 13 Va. App. 304 (Va. App. 1991), 411 S.E.2d 444; Chesapeake & Potomac Telephone Co. of Virginia v. Murphy, 12 Va. App. 633 (Va. App. 1991), 406 S.E.2d 190; Com., Dept of Transp. v. Fairbrook Business Park Associates, 244 Va. 99, 418 S.E.2d 874 (1992); Weichert Co. of Virginia, Inc. v. First Commercial Bank, 246 Va. 108, 431 S.E.2d 308 (1993); Carter v. Williams, 246 Va. 53, 431 S.E.2d 297 (1993); Broyhill v. DeLuca (in re: DeLuca); 194 B.R. 65 (E.D.Va 1996); Economopolous v. Kolitis, 259 Va. 806, 528 S.E.2d. 714 (2000).

offices or to move their entire operations into Northern Virginia. Communications and information technology firms were about to take hold.

Peyton Mahaffey earned partnership on January 1, 1988. With few exceptions since joining the firm in 1980, he has actively litigated business, corporate and commercial matters on a continuing basis. He developed broad experience as a trial lawyer and lead counsel in State and Federal cases and has tried numerous jury and non-jury cases. He has written and argued several appellate briefs to the Virginia Supreme Court and 4th Circuit Court of Appeals, and has been the principal attorney on reported State and Federal decisions. As Mahaffey has successfully brought and defended fraud, business conspiracy and tortious interference with contract claims, minority shareholder oppression actions and suits involving partnership dissolutions, non-solicitation and non-competition agreements. He has represented builders, developers and individual purchasers of real estate with many cases involving declaratory, injunctive or other emergency relief. He has successfully represented local, regional and national businesses, banks and mortgage companies in major corporate and contract litigation, as well as individuals, physicians, architects, and other professionals in their practice groups. Like many of the firm's attorneys, Mahaffey has been active in Bar and Continuing Legal Education activities.

The "baby boomers" were becoming middle-aged, soon to be senior citizens, and Washington was listening to the arguments of insurers and health care providers. Simultaneously, research sought cures for cancer, heart disease and the latest threat, AIDS. The average life expectancy had risen to the late 70s and continues to rise. These good things seemed to be too much, and a new trend developed toward law suits directed at doctors and hospitals. Whether a provider of a product or a service, liability and the potential for being sued became a matter of great concern.

<sup>&</sup>lt;sup>48</sup>R. Peyton Mahaffey's Reported Cases: Cox v. Com., 227 Va. 324, 315 S.E.2d 228 (1984); Fullerton Aircraft Sales and Rentals, Inc. v. Beech Aircraft Corp., 842 F.2d 717 (4th Cir. 1988); Norton 72 Ltd. Partnership v. Resolution Trust Corp., 962 F.2d 7 (4th Cir. 1992); McIntyre v. Crouch, 23 F.3d 402 (4th Cir. 1994); American Title Ins. Co. v. Burke & Herbert Bank & Trust Co., 25 F.3d 1038 (4th Cir. 1994); Sibay v. Sibay, 101 F.3d 695 (4th Cir. 1996); Prospect Development Co., Inc. v. Bershader, 258 Va. 75, 515 S.E. 2d 291 (1999).

<sup>&</sup>lt;sup>49</sup>R. Peyton Mahaffey is a past Member of the Board of Governors of the Virginia State Bar, Young Lawyers Conference (1986 – 1990), and Fifth District Disciplinary Committee, and Past President of the Northern Virginia Young Lawyers Association (1984). He has served on the Civil Litigation Section of the Virginia Bar Association since 2002. He has lectured on "Covenants Not to Compete" for the Fairfax Bar and published the Virginia section of *State Variations of Commercial Law* (Commercial Law Digest, 1994). With Daniel P. Lyon of the firm, he co-authored published articles entitled *When is Raiding a Competitor's Employees Illegal?* (Virginia Business Law Journal, 1996) and *Seller Beware – The Impact of Prospect Development Co. v. Bershader on the Sale of Real Estate in Virginia* (The Fee Simple, Virginia State Bar Association – Real Property Section, Vol. XX, No. 1 (1999)). He also is listed to "The Legal Elite" by *Virginia Business* magazine for 2000 – 2008, to the "Top Lawyers" in the Washington metropolitan area by *Washingtonian Magazine* in 2004, and to the "Super Lawyers" in 2006 – 2008. In 2007, Mahaffey succeeded Randolph Sutliff as President and managing partner of the firm.



Left to right: Eric J.
Berghold, Robert J.
McAllister, William
McCauley Arnold, Adam
W. Smith, Gary W. Brown,
R. Peyton Mahaffey,
Regina P. Newman, Daniel
P. Lyon, Vicky Layman,
Ralph M. Tener, Douglas J.
Sanderson, Randolph W.
Sutliff, Anne R. Jones,
Robert H.J. Loftus, Peter A.
Arntson, Jesse B. Wilson III

The firm added three attorneys in 1990, including Gary W. Brown, a highly experienced D.C. and Virginia medical malpractice defense litigator. Brown would expand the firm's growing Medical Malpractice Defense Group. <sup>50</sup> He was joined by an associate, Adam W. Smith, and another partner, Edward J. Longosz, II. Born and raised in Oklahoma, Brown entered the private practice of law in the Washington, D.C. area in 1970 and has continuously engaged in an active civil trial practice ever since. He concentrates in the area of medical malpractice, legal malpractice, product liability and employer discrimination, and is a trained arbitrator and mediator. In addition to being active in community affairs, bar activities and church activities, Brown heads up the Medical Malpractice Defense Group of the firm. In 1983–84 he served as President of the D.C. Defense Lawyers Association. In 1996 he was named "Lawyer of the Year" by that organization. Brown served as Chairman of the firm from 1998 to 2007.

Effective December 31, 1991, after nearly 56 years of practice, Robert J. McCandlish, Jr. formally retired from the practice of law. The Fairfax partners, led by Jesse B. Wilson, III, organized a formal retirement celebration which was held on February 21, 1992 at the

<sup>50</sup> Gary W. Brown's Reported Cases: Thunberg v. Thunberg, 283 A.2d 444 (D.C. 1971); Oler v. Liberty Mut. Ins. Co., 297 A.2d 333 (D.C. 1972); S. Kann's Sons Corp. v. Hayes, 320 A.2d 593 (D.C. 1974); Frager v. Pecot, 327 A.2d 306 (D.C. 1974); Winter v. Brown, 365 A.2d 381 (D.C. 1976); Statler Hilton Hotel Corp. v. Wells Fargo Armored Serv. Corp., 370 A.2d 1358 (D.C. 1977); Westinghouse Elec. Corp. v. Nutt, 407 A.2d 606 (1979); Sponangle v. Pre-Term, Inc., 411 A.2d 366 (D.C. 1980); Jones v. Maddox, Inc., 413 A.2d 1288 (D.C. 1980); Jones v. Maddox, Inc., 430 A.2d 488 (D.C. 1981); Hill v. McDonald, 442A.2d 133 (D.C. 1982); Edwards v. Bechtel Assoc. Professional Corp., 466 A.2d 36 (D.C. 1983); General Elevator Co. v. District of Columbia, 481 A.2d 116 (D.C. 1984); O'Connell v. Maryland Steel Erectors, Inc., 495 A.2d 1134 (D.C. 1985); Peacock v. J.C. Penney Co., 764 F.2d 1012 (4th Cir. 1985); Donohoe Constr. Co. v. Mount Vernon Assoc., 235 Va. 531, 369 S.E.2d 857 (1988); Triplett v. George Hyman Constr. Co., 565 A.2d 83 (D.C. 1989); Magnuson v. Peak Technical Services, Inc., 808 F.Supp. 500 (E.D. Va. 1992); Stokes v. Children's Hosp., 805 F.Supp 79 (D.D.C. 1992), aff'd, 308 U.S. App. D.C. 313, 36 F.3d 127 (1994); Fairfax Hosp. System, Inc. v. Curtis, 249 Va. 531, 457 S.E.2d 66 (1995).

Washington Golf & Country Club. In addition to the partners and spouses of the Fairfax Office, the McCandlishes were joined by family members and a large number of Mr. McCandlish's old friends from the Fairfax bar, including Judge Arthur Sinclair, Judge Franklin P. Backus, Judge James Keith, William C. Bauknight, Jr., Edgar A. Prichard, F. Sheild McCandlish, A. Hugo Blankingship, Jr., Randolph W. Church, Jr., Henry C. Mackall and Douglas S. Mackall, III. Ann Lillard (Mrs. Rothwell J. Lillard) and Anne Van Dyck (Mrs. E. Calvin Van Dyck), also attended. Mrs. Josephine McCandlish recalled the event as "The perfect formal ending to Bob's career, as well as a very happy evening with ... many beautiful toasts." Wilson read a letter of tribute and friendship from Chief Justice Harry L. Carrico before presenting the original to Bob McCandlish.

In 1992 the firm welcomed Stephen K. Fox as a partner. Fox rejoined his old colleagues, Marc E. Bettius and Douglas J. Sanderson. He brought to the firm broad experience in general and commercial civil litigation, land use litigation, eminent domain litigation, zoning and construction law. Prior to his private practice, Fox was an Assistant Commonwealth's Attorney and Assistant County Attorney for Fairfax County. Continuing the firm's tradition of service to the bar, Fox served on the Board of Governors of the Virginia State Bar Litigation Section from 1988 to 1995 (Chairman, 1992 – 93) and the Board of Directors of Legal Services of Northern Virginia. In addition, he was a member of the Judicial Screening and Professionalism Committees of the Fairfax Bar Association.<sup>51</sup>

In the Fall of 1992 the firm hired its clerk of the previous summer, Daniel P. Lyon, as an associate. Lyon had had a brief career as a Certified Public Accountant and consultant for KPMG Peat Marwick from 1986–89 before attending law school.

"Partners" became "principals" once more when the Virginia office, which had been part of a Maryland general partnership since the merger with Miles & Stockbridge in 1984, once again became a professional corporation. The formal change in the firm's status was effective on January 1, 1994.

In 1994 R. Kevin Kennedy, then a principal at Hazel & Thomas (the successor to Thomas & Fiske), left them and returned to the firm as a principal, to pursue a banking and commercial lending practice. A new development spurred by the savings and loan crisis was the creation of the Resolution Trust Corporation (RTC). Banks nationwide were being dissolved and the loans that they held were being bundled and sold to the highest bidder. Foreclosure on commercial and residential properties was occurring at a rate not before witnessed. Businesses and individuals alike were being affected, and restructuring was the rule of the day. The firm's business and commercial attorneys were well-positioned to handle substantial and complex workouts and re-structurings. However, the reorganizations throughout the banking industry would portend more challenges in the firm itself.

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<sup>&</sup>lt;sup>51</sup>Stephen K. Fox's Reported Cases: Obenshain v. Halliday, 504 F.Supp. 946 (E.D. Va. 1980); Fox v. Custis, 712 F2d 84 (4th Cir. 1983); Fox v. Custis, 236 Va. 69 (1988); Board of Supv'rs v. Group Health Ass'n., 243 Va. 296 (1992).