

# BELL NUNNALLY'S JEFFREY CASH AND SYDNE SHIMKUS ON D MAGAZINE CONSIDER CORPORATE LEGAL LESSONS FROM SUCCESSION

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**Bell Nunnally Partner Jeffrey J. Cash and Associate Sydnie A Shimkus authored the *D Magazine* article “Wealth and Power at the Hands of a Dysfunctional Family: Where Are the Lawyers?” looking at legal lessons for companies that can be found in the HBO TV show *Succession*, including:**

## **Hostile Work Environment**

Several workplace relationships at Waystar (the central, fictional company in *Succession*) are beyond toxic, hostile, and disturbing.... Any unwelcome conduct on the basis of a protected class may give rise to a hostile work environment. While appearing broad in theory, a line exists between petty slights and annoyances on the one hand and consistent vulgar comments or racial slurs, yelling and ridiculing employees, and quid pro quo propositions on the other.... *Succession* is a reminder that even if temporarily buried, bad acts can appear at any time causing even greater problems than when the bad act actually occurred.

## **Government Investigations**

[W]hen the DOJ initiates an investigation into a company, things are officially serious. Unlike Waystar, a business should not attempt to bribe its way out of an investigation, ignore federal subpoenas, doctor and/or destroy documents relevant to an investigation, or falsely posture a fall guy for any criminal or unethical behavior because when the DOJ is investigating criminal matters, prison time may be on the line.... Ignoring a criminal investigation on any level, like Waystar attempts, is never a strong strategy, but investigations into civil matters, for example, by the SEC, or by a state regulatory agency, like the Texas State Securities Board, are less serious in terms of consequences.

## **Fiduciary Duties**

Board members, officers, and control shareholders, each have certain fiduciary duties to the company. The mere ownership of shares cannot vitiate lawful fiduciary duties, such as good faith and fair dealing, loyalty, care, and to act lawfully.

### **Mergers and Acquisitions**

During Season 3, Waystar seeks acquisition targets to bolster its bottom line, distract the on-going criminal investigation, and fend off a potential hostile takeover while the share price is trading at a low value.... Companies often engage in acquisitions and divestitures to increase value. When a company engages in merger and acquisition discussions, it is imperative that the company's interests are placed first.

In Succession, Gerri, the General Counsel, is the only officer or director who seems to understand her obligations. (At one point she comments,) "I am focused on whatever outcome best serves the financial interests of the shareholders of the company." That is solid legal advice that everyone should follow.

To read the full article, please click [here](#).

## Related Practices

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