BEFORE THE BOARD OF DISCIPLINARY APPEALS APPOINTED BY THE SUPREME COURT OF TEXAS

IN THE MATTER OF § ROBERT THEODORE HUME § CAUSE NO. 65567 STATE BAR CARD NO. 10269600 §

AGREED JUDGMENT OF PUBLIC REPRIMAND

On this day, the above-styled and numbered reciprocal disciplinary action was called for hearing before the Board of Disciplinary Appeals. Petitioner appeared by attorney and Respondent appeared in person as indicated by their respective signatures below and announced that they agree to the findings of fact, conclusions of law, and orders set forth below solely for the purposes of this proceeding which has not been fully adjudicated. The Board of Disciplinary Appeals, having reviewed the file and in consideration of the agreement of the parties, is of the opinion that Petitioner is entitled to entry of the following findings and orders:

Findings of Fact. The Board of Disciplinary Appeals finds that:

- (1) Respondent, Robert Theodore Hume, whose State Bar Card number is 10269600, is licensed by the Supreme Court of Texas to practice law but is not currently authorized to practice law in the State of Texas.
- (2) On or about December 1, 2020, an Informal Admonition was entered by the District of Columbia Office of Disciplinary Counsel in a matter styled, In re Robert T. Hume, Esquire, D.C. Bar Membership No. 114132, Disciplinary Docket No. 2018-D346; that states in pertinent part as follows:

This office has completed its investigation of the above-referenced matter. We find that your conduct reflected a disregard of certain ethical standards under the District of Columbia Rules of Professional Conduct. We are, therefore, issuing you this Informal Admonition pursuant to D.C. Bar R. XI. §§ 3, 6, and 8.

We find as follows: In 1994, the Department of Commerce issued an antidumping order for fresh garlic imported into the United States from China. Antidumping orders are issued when the Department determines that goods are being sold in the United States at an unfair low price, i.e., "dumped." After a determination that Chinese garlic was being dumped, the Department instructed the agency now known as the Bureau of Customs and Border Protection to collect a "cash duty deposit" from the United States customers of Chinese exporters of garlic to offset the margin between the dumped price and the fair price. These antidumping orders may be reviewed annually, and the cash duty deposits may be adjusted based on the results of the review. In 2004, the Department determined that garlic imported from the Chinese company, Zhengzhou Harmoni Spice Co., Ltd. ("Harmoni"), was no longer being dumped and so no cash duty deposit was to be collected. For other Chinese exporters, however, the cash duty deposit remained at \$4.71 per kilogram. As a result, Harmoni had a competitive advantage over other Chinese exporters whose United States customers had to pay duties.

For a number of years, you have represented Chinese companies that export garlic to the United States in competition with Harmoni. These companies lacked standing under United States law to request a review of the determination that Harmoni was not dumping. Only Harmoni itself or United States competitors (or importers) could request such a review. The twentieth annual review ("AR 20") began in 2014. You persuaded Stanley Crawford, a small grower of garlic in New Mexico, to file a request for a review of Harmoni. You represented Mr. Crawford in that review request. Harmoni threatened retaliation against one of your Chinese clients. After the review was initiated, Mr. Crawford withdrew it at your suggestion. Subsequently, you paid Mr. Crawford \$50,000.

The next annual review AR 21 would begin in the Fall of 2015. Your law firm, Hume and Associates, employed Joey Montoya, a recent law school graduate. You assigned Mr. Montoya to be in charge of a request to review Harmoni's garlic import prices for AR 21. Your firm's clients requesting this review were Mr. Crawford and Avrum Katz, another small New Mexico grower, who formed the New Mexico Garlic Growers Coalition (collectively "NMGGC"). NMGGC requested a review of Harmoni's cash deposit duty for AR 21. You represented Qingdao Tiantaixing Foods Co., Ltd. ("QTF"), another Chinese exporter of garlic, which was also subject to review in AR 21. Initially, you represented that there would be a wall or screen between your representation of QTF and Mr. Montoya's representation of NMGGC.

Two months after NMGGC requested this review of Harmoni, Harmoni filed a RICO action in the Southern District of California that named, among others, you, Mr. Montoya, Mr. Crawford, and Mr. Katz as defendants. Chinese clients paid your legal fees to defend this suit, which was eventually dismissed in 2019.

In March of 2016, after the review had been requested, Mr. Montoya withdrew as counsel for NMGGC and left your firm. While still representing QTF in AR 21, you also entered your appearance for NMGGC. Both QTF and NMGGC wanted a cash duty to be assigned to Harmoni, and in that regard, their interests were the same. In June 2016, you withdrew from representing QTF. NMGGC intended to support a methodology of calculating duty amounts, which if adopted by the Department of Commerce, would increase the duty for QTF. American competitors such as the members of NMGGC benefited from higher prices for Chinese importers, but higher prices were not in QTF's interest.

In June 2016, the Department of Commerce determined that NMGGC had standing to request the review of Harmoni, and in December, it made a preliminary finding that Harmoni would be reviewed. The Department eventually reversed that determination and concluded that representations made on behalf of NMGGC lacked candor and therefore that NMGGC lacked credibility. It rescinded its administrative review of Harmoni. NMGGC challenged this decision in the Court of International Trade. That Court ruled in the Department's favor, and the Federal Circuit affirmed that decision in March of 2020.

Your conduct in this matter violated the rules prohibiting conflicts of interest, specifically Rules 1.7(b)(2) & (4) and Rule 1.8(d). Rule 1.7(b)(2) prohibited you from representing NMGGC in AR 21, when that representation was or was likely to be adversely affected by your representation of another client, QTF, in its AR 21 review. QTF had an interest in lower duties on its exports, while NMGGC stood to benefit from higher duties for all Chinese exporters. You appeared to recognize this conflict at the outset because you purported to establish a wall or screen between yourself and Mr. Montoya, but this screening failed when you gave Mr. Montoya instructions as to how to represent NMGGC.

In AR 20, your representation of Mr. Crawford violated Rule 1.7(b)(4) because your professional judgment on behalf of Mr. Crawford was adversely affected by your on-going responsibilities to your Chinese clients. When Harmoni pressured one of your clients in China, you persuaded Mr. Crawford to withdraw his request that Harmoni be reviewed. You prioritized your Chinese client's interest over Mr. Crawford's interest in having the review conducted.

Rule 1.7(b)(2) & (4) conflicts may be waived, pursuant to Rule 1.7(c). You have maintained that Mr. Crawford and Mr. Katz were aware that you represented Chinese exporters of garlic, including QTF in AR 21. We accept your representation but being aware of your other clients does not constitute informed consent to the conflict. To obtain their informed consent, you

needed to have informed Mr. Crawford and Mr. Katz of the nature of the possible conflict and the possible adverse consequences of your representing them despite the conflict. You would also have had to make your Chinese clients aware of these same factors and obtained their consent to represent Mr. Crawford in AR 20 and NMGGC in AR 21. Representing two or more clients with adverse interests cannot be undertaken without full and complete disclosure and informed consent from all clients, and that did not occur here.

Rule 1.8(d) prohibited you, in connection with a pending or contemplated administrative proceeding, from advancing financial assistance to your client, in this case the \$50,000 that you paid Mr. Crawford. You have represented that this was your own money, and we cannot prove the contrary. But you were prohibited from providing financial assistance to Mr. Crawford except to advance expenses in the administrative proceeding or where such expenses are necessary to permit the client to maintain the proceeding. Here, you made the payment to Mr. Crawford after the AR 20 review had been withdrawn but when your representation of him in the AR 21 review was imminent.

This letter constitutes an Informal Admonition pursuant to D.C. Bar Rule XI, §§ 3, 6, and 8, and is public when issued.

- (3) Respondent, Robert Theodore Hume, is the same person as the Robert T. Hume who is the subject of the Informal Admonition entered by the District of Columbia Office of Disciplinary Counsel; and
- (4) The Informal Admonition entered by the District of Columbia Office of Disciplinary Counsel is final.

Conclusions of Law. Based upon the foregoing findings of facts the Board of Disciplinary

Appeals makes the following conclusions of law:

- This Board has jurisdiction to hear and determine this matter. Rule 7.08(H), Texas Rules of Disciplinary Procedure;
- (2) Reciprocal discipline identical to that imposed by the District of Columbia Office of Disciplinary Counsel is warranted in this case.

It is, accordingly, ORDERED, ADJUDGED, AND DECREED that Respondent, Robert Theodore Hume, State Bar Card No. 10269600, is hereby PUBLICLY REPRIMANDED as an attorney at law in the State of Texas. Signed this 23rd ay of March

CHAIR PRESIDING BOARD OF DISCIPLINARY APPEALS

2022.

APPROVED AS TO FORM AND CONTENT:

JKH - Letat

Robert Theodore Hume State Bar No. 10269600 Respondent

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Judith Gres DeBerry Assistant Disciplinary Counsel State Bar No. 24040780 Attorney for Petitioner

Agreed Judgment of Public Reprimand Hume Page 5 of 5