

In-House Impressions

# Painful Reality – When In-House Counsel Blow The Whistle

**By [Sue Reisinger](#)** | July 8, 2026, 4:27 PM EDT · [Listen to article](#)

It is exceedingly rare when an in-house counsel snitches on their own company. But when they do, in-house whistleblowers often suffer severe consequences.

Veronica Nannis, a partner at the suburban Maryland law firm [Joseph Greenwald & Laake](#), has been litigating on behalf of whistleblowers for about 15 years. "I don't think you could find even a handful of cases where there was an in-house attorney who was a successful whistleblower," she told me.



Sue Reisinger covers general counsel/chief legal officers for Law360 Pulse.

So Nannis was not surprised last month when the Washington, D.C., [Office of Disciplinary Counsel](#) smacked former [AT&T](#) in-house attorney Theodore Marcus [with charges](#) of violating the rules of professional conduct by allegedly leaking privileged company information to be used in a False Claims Act lawsuit against AT&T.

Marcus leaked the information after trying to strike a deal to have opposing counsel in the qui tam case pay him for the material. AT&T ultimately agreed to a \$55 million settlement in March to end the 18-year-old litigation.

Marcus, who worked at AT&T from 2000 to 2011, claimed the company had overcharged public schools for its communications services by millions of

dollars. He has worked as a legal adviser for the [Federal Communications Commission](#) the past 13 years and did not return my messages.

"There is a clear tension right now in the law, between wanting to protect privilege while at the same time wanting to encourage people and businesses to report corporate behavior that could lead to harm, death or fraud," Nannis said. "Usually, it seems to come down on the side of protecting privilege."

My own experience over nearly 25 years covering corporate legal departments confirms Nannis' view. I can recall about seven high profile cases in which a general counsel or in-house counsel has blown the whistle on their company.

They all lost their jobs, and most suffered other sacrifices – emotional, reputational and financial. Some collected settlements but lost their careers.

At least three of them struck me as heroes – in-house lawyers who saw their companies were harming or even killing people, and who refused to stay quiet about it despite the consequences.

### **Ashley Yablon, [ZTE Corp.](#)**

I first spoke with Ashley Yablon in 2017, shortly after the giant Chinese telecom ZTE Corp. reached a plea deal including a record \$1.2 billion settlement with the federal government for secretly selling American technology to Iran in violation of a U.S. ban. Behind that deal was Yablon's whistleblowing.

Yablon told me that, in 2011 at age 39, he took a job as general counsel for ZTE's U.S. office near Dallas after serving as assistant general counsel in the Texas office of ZTE's biggest Chinese rival, Huawei. He handled mostly transactional work, along with three lawyers from China who were sent to work with him, since he did not speak the language.

Within a year, he faced what his lawyer at the time, Steve Kardell, called "an ethical quandary and professional nightmare that most in-house lawyers could never imagine."

Yablon learned that ZTE was secretly violating U.S. law by selling telecom technology – everything from cell towers to computer chips obtained from U.S. companies – to Iran. It was hiding the sales by passing the products through shell companies it set up abroad, which would then resell them.

The company repeatedly rebuffed Yablon's attempts to convince it to cease the illegal behavior, including during a key trip to its Chinese headquarters. After much soul-searching, consulting a lawyer, and considering the national security implications, he decided to report the misconduct to the Dallas [FBI](#) office.

At the FBI's request, he continued working there to secretly help with the investigation.

After the FBI office leaked his sealed affidavit to a reporter, the company suspended him and he said he feared for his life. He sued for his legal expenses and reached a confidential settlement in 2012.

But the investigation stumbled along for five more years before ZTE finally admitted its wrongdoing.

"I can't tell you the toll it took on me physically, financially, emotionally and on my marriage," Yablon told me at the time. "I don't wish that on anyone."

He eventually found another general counsel job at a small company, and more recently began working in private practice near Dallas. In 2022, he wrote a book about his experiences, "Standing Up to China: How a Whistleblower Risked Everything for His Country."

The biggest lesson, he told me, is that "whistleblowing isn't for everyone. You may be the person who needs to put your hand down and just find another job."

**Dimitrios Biller, [Toyota Motor Corp.](#)**

One of the darkest cases, at least for in-house counsel, involved Dimitrios Biller, a lead in-house litigation lawyer for Toyota Motor Corp. during its runaway accelerator scandal starting in the early 2000s. I became aware of Biller when he filed a federal racketeering and wrongful termination suit in 2009 against Toyota USA in California.

The suit accused the automaker of withholding evidence in hundreds of death and injury suits and then firing him when he complained about the alleged coverup.

Biller left his job in 2007 and signed a confidentiality agreement in exchange for a \$3.7 million severance package. But he took about 6,000 internal documents with him.

In various news interviews after he filed suit, Biller talked about experiencing mental health issues, which he claimed was related to the stress of his internal battle with the company. "There was an onslaught of depression that I sustained while I was at Toyota," he told [ABC News](#) in 2010, adding that he had improved since leaving.

Toyota countersued Biller for breaching his confidentiality and severance agreements. The case ultimately went to arbitration, which ended with a victory for Toyota in 2011. The arbitrator, saying nothing about Toyota's conduct, focused only on Biller's disclosure. He was ordered to return all the stolen files and pay Toyota \$2.6 million in damages. But he had already turned most of the documents over to a U.S. House investigating committee,

which subpoenaed them.

The government continued to use Biller's documents to pursue Toyota, and in 2014 the company reached a \$1.2 billion deferred prosecution agreement with the [U.S. Department of Justice](#) over its safety violations.

Meanwhile Los Angeles County Superior Court Judge John Segal, who handled a separate bid from Toyota for an injunction to stop Biller from exposing confidential information, referred him to the state bar over potential attorney-client privilege violations. That resulted in a long-running legal dispute, with Biller eventually filing a civil rights lawsuit against the bar in 2021 before voluntarily dismissing it in March 2022. The State Bar never took action nor filed formal disciplinary charges against him.

Having lost his federal case to Toyota, Biller continued his battle with depression and, unable to find a job, began his own private practice in California. When I tried to reach him for an interview for this column, I learned he passed away on July 4, 2023, at age 60. There was no obituary, and the family has kept his cause of death private.

### **Sanford Wadler, [Bio-Rad Laboratories](#)**

On a brighter note, Sanford (Sandy) Wadler, who served as general counsel of Bio-Rad Laboratories for 25 years until he was fired in 2013, won the kind of landmark whistleblower victory that has eluded many of his peers. Now nearly 80, he still has a private practice in San Ramon, California, and refers to himself as a whistleblower "unicorn."

I started covering Wadler in 2015, shortly after he filed his retaliation lawsuit against Bio-Rad for firing him over disclosing possible foreign bribery and corruption in China under the Sarbanes Oxley and Dodd Frank Acts. Bio-Rad, based in the San Francisco Bay area, provides medical equipment, software and instruments for research and testing.

Wadler's initial disclosures were internal, but he was fired when he tried to go over the CEO's head to the board. That's when he made the allegations public in his wrongful termination lawsuit.

His case marked the first time that a court allowed an in-house counsel to disclose privileged information to prove wrongful termination under SOX.

Bio-Rad ended up signing a nonprosecution agreement in 2014 with the DOJ and the [Securities and Exchange Commission](#) over self-reported violations of the Foreign Corrupt Practices Act in Russia, Vietnam, and Thailand. It agreed to pay a \$55 million settlement.

In 2019 Wadler [walked out of court](#) with a hard-fought victory and \$8 million in damages.

I spoke with him recently to tell him about the Marcus case in D.C. He noted that, in his own case, the bar had not gone after him because the court explicitly ruled that he could break attorney-client privilege.

And he lamented that there seem to be no "champions" for in-house whistleblowers these days.

Wadler also recalled applying for job after job after he was fired. "It was very difficult in my field," he said, "it was almost impossible."

After damaging his career and putting six years of his life into fighting Bio-Rad, does he still feel it was worth it? Would he do it again?

"Yes," he replied quickly. "It was the right thing to do. I don't think that time has changed that."