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### Obama-Supporting Law Firm Advised on Failed Fisker Loan

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An international  [Printer-friendly \(http://nlpc.org/print/3853\)](http://nlpc.org/print/3853)  [Email to friend \(http://nlpc.org/printmail/3853\)](http://nlpc.org/printmail/3853)

aw firm, which gave substantial political donations to [President Obama \(http://nlpc.org/category/people/president-obama\)](#) and fellow [Democrats \(http://nlpc.org/category/keywords/democratic-party\)](#) over the last three campaign cycles, received its own significant stimulus award to advise on a controversial [Department of Energy \(http://nlpc.org/category/keywords/department-energy\)](#) loan transaction with a struggling [electric vehicle \(http://nlpc.org/category/keywords/electric-vehicles\)](#) manufacturer.



The firm, [Debevoise & Plimpton LLC \(http://www.debevoise.com/\)](#), received \$1,842,180 in [Recovery Act \(http://nlpc.org/category/keywords/recovery-act\)](#) funds to provide legal advice, conduct due diligence, and review documents for two loans from DOE's [Advanced Technology Vehicles Manufacturing Loan Program \(https://lpo.energy.gov/?page\\_id=43\)](#). One [\\$529 million loan \(https://lpo.energy.gov/projects=fisker-automotive\)](#) award was to [Fisker Automotive \(http://nlpc.org/category/keywords/fisker\)](#) to develop and produce two lines of electric vehicles, with plans to create 2,000 new jobs at a renovated [General Motors \(http://nlpc.org/category/keywords/general-motors\)](#) plant in [Delaware \(http://nlpc.org/category/keywords/delaware\)](#). After receiving \$193 million under that loan, DOE halted payments to Fisker in May 2011 after it failed to reach milestones set out in the agreement. Work on renovations to the Delaware plant was suspended, and the company let go about 65 employees - "green jobs" - earlier this month.

Debevoise provided the same services to DOE [for its \\$5.9 billion \(https://lpo.energy.gov/projects=ford-motor-company\)](#) loan to [Ford Motor Company \(http://nlpc.org/category/keywords/ford-motor-company\)](#), to convert five of its factories in the Midwest so they can produce more fuel-efficient vehicles. DOE's Web site boasts that thanks to the Ford loan, nearly 33,000 employees at the plants will be "converted" to "green" jobs.

Information posted on the Recovery.gov Web site [about Debevoise's services for DOE \(http://www.recovery.gov/Transparency/RecipientReportedData/Pages/RecipientProjectSummary508.aspx?AwardIDSUR=19516&qtr=2009Q4\)](#) says its lawyers provided "specialized legal advice and services (a) on programmatic aspects of the ATVM Program and (b) on transactions proposed or consummated under the ATVM Program." The firm was paid based upon "Direct Productive Labor Hours" under the contract's terms, commenced work on the loans in April 2009, and was finished by April 2010. The law firm reviewed the Fisker and Ford applications, met with DOE and the auto companies' personnel, prepared draft term sheets and conditional commitment documents and "negotiation of same," and conducted due diligence and prepared "due diligence" memoranda.

