

Former CFPB Enforcement Head Joins Manatt in Chicago

Former CFPB lawyer and Walgreens in-house counsel Bryan Schneider is bringing the government and client perspective to his new firm.

BY JUSTIN HENRY

The departing head of supervision, enforcement and fair lending for the nation's top consumer financial services regulator has left his post to join professional services firm Manatt, Phelps & Phillips' Chicago office.

Bryan Schneider officially joined Manatt on Wednesday after concluding two years at the Consumer Financial Protection Bureau. He previously served as secretary of the Illinois Department of Financial and Professional Regulation under Republican Gov. Bruce Rauner.

Prior to joining Rauner's cabinet in 2015, Schneider was in-house at Walgreens for more than 14 years, ultimately the company's divisional vice president for health law.

"It made sense to me that now it was time to work with clients that have exciting and innovative business models but they need legal advice and appropriate business consulting," Schneider said in an interview. "I think I may look for ways to work with my new colleagues [on health care] as well, but I think most of my attention will be spent on financial services where I've spent the vast majority of my thinking time over the last six years."

Schneider said he joined Manatt because of the California-based firm's integration of legal and consulting services. Clients' legal questions are often joined by questions about how to bring a business model to the marketplace, and Manatt is "uniquely positioned" to handle those queries holistically, he said.



Courtesy photo

Bryan Schneider, partner in Manatt's Chicago office

He fits into that holistic approach in bringing both the government perspective and the client perspective to enforcement issues.

In 2012, while Schneider was at Walgreens, the DEA wrote in a suspension order against Walgreens that it "has failed to maintain an adequate suspicious order reporting system and as a result, ignored readily identifiable orders and ordering patterns that, based on the

information available throughout the Walgreens corporation, should have been obvious signs of diversion.”

As part of a settlement with the DEA in June 2013, Walgreens said its “suspicious order reporting for distribution to certain pharmacies did not meet the standards identified by DEA.” The company paid an \$80 million fine to the government.

Schneider declined to comment on the enforcement action against his former company.

The latest addition to Manatt makes good on a plan to complement traditional banking services offerings established at the firm’s inception with additional services to address the emerging legal challenges faced by financial services clients. Those include a shift in regulatory focus of the Biden administration and the proliferation of fintech and cryptocurrency.

“When you look at our platform and our desire to be a professional services firm of the future, [Schneider] really fits in so nicely to so many objectives,” Craig Miller, leader

of Manatt’s financial services team, said. “Understanding the way government works and what the priorities are can help [clients] understand their own business needs and help them structure their businesses in a way that’s compliant.”

Under the Biden administration, Schneider said, financial regulators are likely to increase their focus on diversity, equity and inclusion issues through the CFPB’s fair lending enforcement actions.

As the country transitions out of a period where consumers depend on government actions against foreclosures and evictions, Schneider said he intends to help financial services clients anticipate expectations from regulators.

“It’s going to run the gamut as entities face their own challenges of emerging from a pandemic setting and meeting the expectations of the entities who regulate” them, he said.

Schneider added that he would represent Manatt’s financial services clients in litigation “when appropriate.”

Manatt has increased its focus on hiring financial industry

regulatory attorneys in recent months, CEO and managing partner Donna Wilson said. Schneider’s recruitment follows that of special counsel Jonathan Joshua in New York and Joe Reilly in Washington, D.C.

“We have this stable of three incredible new regulatory attorneys who are nimble and adept from going from traditional banking to servicing all those disruptors,” Wilson said. “What we see him doing is really bringing his business expertise because he’s been in corporate America as well as his regulatory perspective ... with our financial services clients as well as clients in other industries.”

Since Schneider stepped away from his post at the bureau in June, David Bleicken, his former deputy, has been serving as acting associate director of supervision, enforcement and fair lending. In a statement, Dave Uejio, acting director of the CFPB, said “I appreciate Bryan’s dedicated service to the CFPB, especially during my time as acting director. I wish him the very best.”