



# Hon. Richard S. Schmidt, Former Chief Judge for the U.S. Bankruptcy Court for the Southern District of Texas

by Kay Walker



*After practicing law for five years, Kay Walker served as career law clerk to Judge Schmidt for 24 years. She retired from the court upon Judge Schmidt's retirement and now maintains a solo law practice in Corpus Christi, Texas.*

**C**an you call someone a renaissance man when he plays in a rock 'n' roll band? If so, then that is how I describe Hon. Richard S. Schmidt, just retired from the U.S. Bankruptcy Court for the Southern District of Texas.

Judge Schmidt truly is a renaissance man with many interests besides playing rock 'n' roll keyboards for his band, Still Crazy. He plays the tuba in the Corpus Christi Community Band. He has performed in or directed such stage productions as Gilbert & Sullivan's *Pirates of Penzance*, Irving Berlin's *Annie Get Your Gun*, Lerner & Loewe's *My Fair Lady*, Kander & Ebb's *Cabaret*, and Stephen Schwartz's *Godspell*. He is an avid cyclist and has run the Houston Marathon three times. He is a mathematician, does a great Gen. Patton impersonation, and serves on the board of directors for Halo Flight, a nonprofit air ambulance service for South Texas. He is an accomplished chef.

Judge Schmidt has a record of distinguished services as a judge advocate general, retiring from Air Force Reserves as a full colonel. During his military service he received the Meritorious Service Medal, the First Oak Leaf Cluster, the Commendation Medal, and the Air Force Achievement Medal. Upon retirement from the Air Force Reserves, Judge Schmidt received the Legion of Merit "for exceptionally meritorious conduct in the performance of outstanding services."

On July 30, 2015, Judge Schmidt retired from the U.S. Bankruptcy Court bench after 28 years. During his tenure on the bench, Judge Schmidt served in many capacities, including chief bankruptcy judge for the Southern District of Texas, member of the Automation Committee for the Southern District of Texas, and board member and chair for the State Bar of Texas Bankruptcy Section. Judge Schmidt was a member of National Conference of Bankruptcy Judges. He is a frequent speaker and organizer of many CLE events,



including Bench/Bar Conferences for the State Bar of Texas Bankruptcy Section, the Southern District of Texas, and the Fifth Circuit, as well as the State Bar of Texas Advanced Consumer and Advanced Business Bankruptcy conferences. He was selected one of the top 10 bankruptcy judges in America by Turnaround & Workout Magazine, received the Judicial Appreciation Award from the National Association of Chapter 13 Trustees, an Outstanding Service Award from the Bankruptcy Section of the State Bar of Texas in 2012, and the "Banco Rotto" Award from that same section in 2015.<sup>1</sup>

Judge Schmidt is best known for his "user-friendly" judicial temperament, an ability to synthesize complex legal issues, and the ability to perform difficult mathematical calculations in his head. His adept case-management style helped him shepherd some of the largest and most complex bankruptcies in the country

to successful conclusions in multiple billion-dollar bankruptcies. For example, he presided over the reorganization of ASARCO, a copper mining, refining and smelting company. That reorganization involved as many as 54 Superfund sites; spawned more than 16,000 docket entries; and raised complex issues of labor law, environmental law, asbestos and toxic tort law, tax law, international law, and corporate law. The reorganization has been described by U.S. District Court Judge Andrew S. Hanen “as perhaps the most successful outcome in bankruptcy history.”<sup>2</sup> All creditors were paid in full, with interest and attorney’s fees, and the debtor emerged from bankruptcy with \$1.4 billion in cash and minimal debt.

I was honored to be career law clerk for Judge Schmidt for 24 years. During that time I observed his extraordinary respect for others, both on the bench and in chambers. Whether he was hearing complex Chapter 11 matters or an individual Chapter 13 case, Judge Schmidt gave his full attention and energy to the parties. He was fair and impartial at every turn, exhibiting the finest qualities expected of a judge. Moreover, the loyalty of all his staff demonstrates the high regard in which he is held.

Judge Schmidt has a great sense of humor and terrific affection for his alma mater, the University of Texas Law School, just as I am devoted to Oklahoma. We would bet each year on the UT/OU game. If Texas won, he’d wear a burnt-orange robe to court the next day. If OU won, he wore red. He loved the television program “Dancing with the Stars” and would critique the dancers with his staff on Tuesday mornings. His sense of humor was infectious; on his 50th birthday, I dressed as the Grim Reaper and introduced him as “the Hon. and Old Richard S. Schmidt.” No one laughed harder than the judge.

I almost forgot: Judge Schmidt is also devoted to his family, including his wife, Lisa, three children, and four grandchildren. His grandchildren light up when he walks into the room, and his enjoyment of being a grandfather is obvious.

Ever active, Judge Schmidt has not gone to pasture. He has opened his own office, where he puts his considerable expertise and can-do personality to further good use as a bankruptcy fiduciary. His practice includes acting as a Chapter 11 trustee, Chapter 11 plan trustee, fee examiner, future claims representative, independent director of a Chapter 11 debtor, and chief restructuring officer. ☺

**Judge Schmidt has a great sense of humor and terrific affection for his alma mater, the University of Texas Law School, just as I am devoted to Oklahoma. We would bet each year on the UT/OU game. If Texas won, he’d wear a burnt-orange robe to court the next day. If OU won, he wore red.**

#### Endnotes

<sup>1</sup> “Banco Rotto” is an Italian phrase meaning “broken bench,” which stems from the custom of breaking a money changer’s bench to signify insolvency and is the source of the word bankruptcy. The “Banco Rotto” Award recognizes an extraordinary life-long contribution to the practice of bankruptcy law in the State of Texas.

<sup>2</sup> *In re Asarco, LLC*, 477 B.R. 661 (Bankr., S.D. Tex. 2012).

# Friend Us. Follow Us. Join Us.



[www.fedbar.org](http://www.fedbar.org)