


CRAWL OF THE WILD:
Pete Cardillo examines wood that was infested by termites.

FREE AGENT
PETE CARDILLO
BUG LAWYER



A BUG LAWYER'S LIFE

A master of termite litigation, Pete Cardillo has built a thriving practice by being a pest.

By Carlye Adler

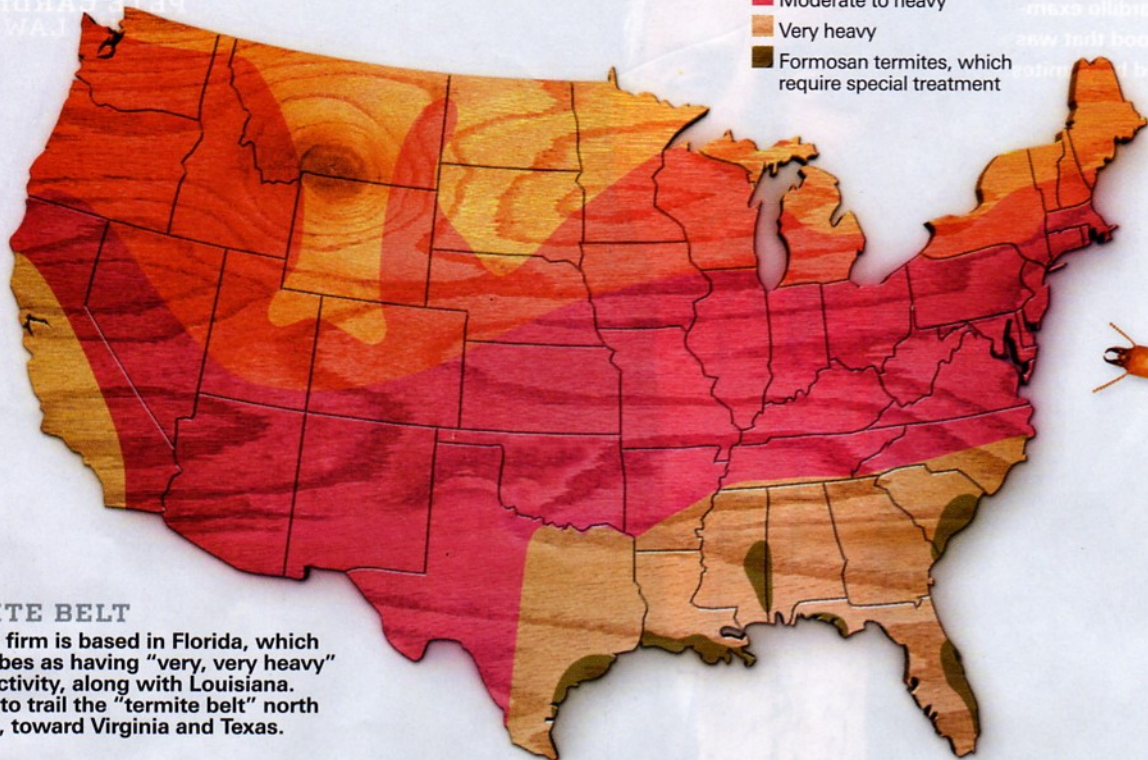
LAWYER PETE CARDILLO CAN STILL REMEMBER THE horror of lying in bed one night while termites gnawed his house out from under him. "They were eating into the floorboards and eating toward me," he says. Thankfully, that was just a nightmare. But such scenarios have now entered Cardillo's daily life. Sixteen months ago Cardillo, 47, left his post as a managing partner in the Tampa office of

PHOTOGRAPH BY JEFFERY SALTER — REDUX

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- Slight
- Slight to moderate
- Moderate to heavy
- Very heavy
- Formosan termites, which require special treatment



TERMITE BELT

Cardillo's firm is based in Florida, which he describes as having "very, very heavy" termite activity, along with Louisiana. He plans to trail the "termite belt" north and west, toward Virginia and Texas.

Pittsburgh-based Buchanan Ingersoll, one of the country's largest law firms, and opened his own practice exclusively dedicated to termite litigation. In 2004, Tampa-based Cardillo Law brought in revenues of about \$550,000, with profits of an estimated \$400,000. Cardillo goes after large extermination companies that he believes fail to detect or remove termites, and insurers that refuse to pay for damage. He is busy; subterranean termites cause more than \$2 billion in property damage each year in the U.S., and that number is expected to rise, in part because of the growth of an especially aggressive termite species.

A lawyer for 22 years, Cardillo began his "termite odyssey" in 1996 when, on behalf of a real estate developer, he brought a claim against extermination giant Orkin, charging that the company did not deliver on its promises and was unresponsive to his client. Orkin settled. Cardillo currently has 25 active cases—most are multimillion-dollar suits on behalf of developers and condominium associations. One lawsuit, expected to go to jury trial in July, charges that Orkin falsely advertised a guarantee to prevent and stop termites. (In fact, the bugs in question ate through the outer walls of a

condo complex until the stucco fell off in chunks, according to Cardillo.) Another action accuses Orkin of forgery and racketeering and seeks \$60 million in damages. (The balconies were so eaten away that residents had to vacate for emergency repair work—and, evoking

customer's satisfaction without setting foot in a courtroom." Cardillo is also taking on insurance companies for not giving their customers the right coverage on properties that have been ravaged by wood-eating insects.

Cardillo charges \$400 an hour, but most often he works on contingency, earning 50% of the final settlement. His niche demands some pricey—and unusual—expenses. An entomologist (who provides expert advice and testimony on insects) costs him \$13,000 a year. He pays \$35,000 to a structural engineer, who helps "prove the state of collapse" and offers repair estimates. Then there is the \$36,000 bill from a contractor who cuts holes in termite-infested buildings to expose the damage. Such expenses will probably be reimbursed by his client.

While most of Cardillo's cases are in Florida—where extermination ranks among the largest industries—he plans to expand farther into the "termite belt," which snakes south from Virginia to Texas. Cardillo pledges to fight the steely-jawed pests—and those who falsely vow to eliminate them—wherever they are. "When you find out how evil and powerful termites are," he says, "they creep into your subconscious." □

WHAT HE MAKES, WHERE IT GOES

Pete Cardillo's law practice is crawling with clients. He says he has yet to lose a case but adds, "Knock on termite-ravaged wood."

INCOME (2004)	MAJOR EXPENSES
CONTINGENCY FEES \$495,000	CONTRACTOR \$36,000
HOURLY FEES \$55,000	ENGINEER \$35,000
	ENTOMOLOGIST \$13,000

images from Cardillo's nightmare, the bugs also built a mound under one apartment dweller's bed.) Orkin spokesperson Martha Craft declined to comment on any of the specific cases. But she emphasized that "less than 1% of Orkin's termite customers file claims. Of those claims, well over 98% are resolved to the