

[Verdicts & Settlements]

Evidence of fraud under services contract argued

Plaintiff asserts liabilities understated by millions, unqualified CEO selected

\$3.25 million

In a confidential lawsuit, the plaintiff business owner contended that the defendant company breached a services contract that resulted in millions of dollars in liabilities.

Plaintiff entered into an administrative services contract with defendant that required defendant to manage the day-to-day operations of plaintiff's business.

The agreement required defendant to provide a qualified CEO for the business; provide all systems and controls to process thousands of transactions on a weekly basis; keep accurate books and records; and perform all financial and accounting functions.

Plaintiff claimed that defendant breached the contract by failing to select a qualified CEO; failing to accurately and timely process business transactions; failing to reconcile plaintiff's records with information from other sources; and understating plaintiff's liabilities by millions of dollars.

Further, plaintiff asserted that defendant's

Type of action: Breach of contract, fraud			
Name of case: Confidential	<p>MANTESE WILLIAMSON FREY</p>		
Court/Case no./Date: Confidential; confidential; Sept. 23, 2009			
Name of judge: Withheld			
Settlement amount: \$3.25 million			
Attorneys for plaintiff: Gerard V. Mantese, Ian M. Williamson, Brendan H. Frey			
Attorney(s) for defendant: Withheld	<p>Key to winning: Thorough depositions, careful review of tens of thousands of documents, and solid briefing of motions for summary disposition</p>		

breaches of contract caused plaintiff to incur millions of dollars of avoidable liabilities. Plaintiff also named the defendant's CFO as a defendant, alleging that his financial reporting was fraudulent and misled the plaintiff.

The defendant company and its CFO filed numerous motions for summary disposition, claiming that plaintiff had waived a claim for breach of contract by not terminating the parties' contract sooner, and asserting that there was no evidence of fraud. Defen-

dant company and the CFO also challenged plaintiff's damages theories.

In a meeting between the parties prior to litigation, plaintiff's representative offered to accept \$1 million to settle the case. Defendant rejected this demand, and plaintiff filed suit, completing two dozen depositions, substantial document review, and briefing for more than 10 motions for summary disposition.

The case settled for \$3.25 million two weeks before trial.

Jury finds asbestos plaintiff, experts credible


Defendant found at least partially responsible for injuries over 8-year span

\$540,000

In a lawsuit filed in Wayne County Circuit Court, plaintiff Reed Avram asserted injuries he sustained while working at the

Type of action: Asbestos injury	Name of judge: Robert J. Colombo
Type of injuries: Lost earnings, pain and suffering	Verdict amount: \$540,000 total
Name of case: Avram v. McMaster-Carr Supply Co.	Allocation of fault: Defendant, 50 percent; non-party defendants, 50 percent
Court/Case no./Date: Wayne County Circuit Court; 07-714597NP; Oct. 8, 2009	Attorneys for plaintiff: Margaret Holman-Jensen, Alice A. Buffington

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- Steven M. Gursten – President, Interstate Trucking Litigation Group of AAJ (2008)

NOTABLE AUTO VERDICTS

- \$5.6 Million verdict on defense offer of \$1 Million
- \$4.25 Million verdict on

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