

## **NON COMPETE AND INTERFERENCE WITH BUSINESS**

The firm recently represented a client in litigation involving a dispute between two companies that were doing business with each other under a written contract. The written contract had a non compete provision which was related to competition between the two companies during the term of the contract. Our client alleged that the other company had breached that contract by competing with it during the term of the existing contract. A lawsuit was initiated by our client. The defendant company alleged that our client also breached the contract and sought damages of \$1.5 million dollars. The case was tried before a jury in Lincoln, Nebraska. The jury had to decide whether the defendant company had breached the non compete provision of the contract and also whether the defendant company had wrongfully interfered with our client's business relationship with various dealers and agents. Finally, the jury had to decide whether our client had breached the contract as it related to the defendant company.

Our client was successful in its claim against the defendant company and received an award of \$855,487.00. This award covered both the claim for breach of contract by unlawfully competing with our client during the term of the contract, and for the wrongful interference with the future business relationships of our client. The jury returned a verdict in favor of our client on the defendant's claim, and awarded zero to the defendant company.

We often think of non compete provisions as being between a company and an individual employee; however, there are situations in which companies have provisions restricting certain transactions during the term of the business relationship between the companies.

We were gratified that we were able to assist our client in explaining the severity of the loss to the jury. Attorneys that handled this case for the firm were John M. Guthery and Jeanette Stull.