CONTENTS

Preface xiii

About the Editors xv

About the Authors xvii

1 Pre-Suit Investigation 1
   Andrea Donovan Napp
   I. The Importance of Pre-Suit Investigations in Business Torts Cases 1
      A. Mapping a Litigation Strategy 2
      B. Managing Client Expectations 3
      C. Preparing for Early Motion Practice 4
      D. Remedies 4
   II. The Components of a Pre-Suit Investigation 5
      A. Factual Considerations 6
         1. Identification of Key Facts—Getting Started 6
            (a) Preliminary Client Meeting 7
            (b) The Internet and Other Sources of Facts 8
         2. Development of Facts—Identifying Witnesses and Key Players 10
            (a) Witness Interviews 10
            (b) Identification of Key Documents 13
      B. Legal Considerations 13
         1. Identification of Substantive Legal Issues 14
         2. Identification of Procedural Issues 15
## Contents

3. Identification of Likely Expert Witnesses 16
4. Early Identification of Litigation Strategy 17
III. Documenting Your Efforts 17

2 Alternative Dispute Resolution 19
*Hon. Steven Platt (Ret.) and Daniel P. Carter*

The Decision to Employ ADR 19
I. ADR Techniques 20
II. Mediation 22
   A. When, and When Not, to Mediate 22
   B. Choosing a Mediator 23
   C. Preparation for Mediation/Settlement Conference vs. Preparation for Litigation or Arbitration 24
   D. Conduct of the Mediation/Settlement Conference 25
   E. Confidentiality and Other Ethical Considerations and Constraints on Counsel and Mediators 25
III. Arbitration 26
   A. Choosing an Arbitrator 30
   B. The Type of Award 32
   C. Conduct of the Arbitration 33
   D. Preparing the Client for Arbitration 34
Appendix 35
State Arbitration Statutes 35

3 The Complaint 37
*Daniel D. Quick*

I. Define the Objectives of the Complaint 37
II. Filing the Complaint with Preliminary Relief Requested 40
III. Arbitral Demand vs. Litigation Complaint 41
IV. Selecting the Forum 42
   A. State vs. Federal 42
   B. Geography 43
V. Defendants 43
VI. Additional Business Torts Pleading Issues 45
VII. Pleading Damages and Relief Requested 45
VIII. Attachments and Confidentiality 46

4 Emergency Relief 47
Peter J. Glennon
I. What Is Emergency Relief and When Is It Necessary? 47
II. Preliminary Injunctions 49
   A. Overview 49
   B. Federal Rules of Civil Procedure 65 49
   C. Standard to Obtain a Preliminary Injunction? 50
      1. Irreparable Harm 51
      2. A Likelihood of Success on the Merits 52
      3. Balance of Harms 55
      4. Public Interest 56
   D. What Is the Process and Procedure for Obtaining a Preliminary Injunction? 56
      1. Complaint or Counterclaim 57
      2. Notice 57
      3. Bonds/Security 58
      4. Motion Papers 59
      5. Supporting Evidence 60
   E. Defending Against a Motion for Preliminary Injunction 61
      1. Bad Faith 61
      2. Unclean Hands 62
      3. Laches 62
      4. Waiver 63
   F. Appealing a Preliminary Injunction 63
III. Temporary Restraining Orders 63
   A. Overview 63
   B. What Is the Difference Between a TRO and a Preliminary Injunction? 64
      1. Notice 64
      2. Duration 65
      3. Security 66
Contents

C. What Is the Standard and Procedure for Obtaining a TRO? 66

IV. Checklists
A. Preliminary Injunction Checklist (Review of Considerations and Procedure) 67
B. TRO Checklist (Review of Considerations and Procedure) 68

5 Motions Directed to the Complaint

Heath Szymczak
I. Motion to Dismiss: Overview 70
II. Disruption of Plaintiff’s Selected Forum 73
A. Disruption of the Type of Jurisdictional Forum Selected by the Plaintiff 74
   1. Motion to Dismiss for Lack of Subject Matter Jurisdiction—Rule 12(b)(1) 76
      (a) Dismissal for Lack of Justiciability Claim 77
      (b) Dismissal for Lack of Federal Question 78
      (c) Dismissal for Lack of Diversity Jurisdiction 78
      (d) Dismissal for Lack of Supplemental Jurisdiction 80
   2. Motion to Compel Arbitration 81
   3. Removal to Federal Court 82
B. Disruption of the Geographic Location of the Forum Selected by the Plaintiff 83
   1. Motion to Dismiss for Lack of Personal Jurisdiction—Rule 12(b)(2) 83
   2. Motion to Dismiss for Improper Process or Service—Rules 12(b)(4) & (5) 85
   3. Motion to Dismiss for Improper Venue—Rule 12(b)(3) 85
III. Motions Aimed at the Substance of The Complaint 86
A. Motion to Dismiss for Failure to State a Claim—Rule 12(b)(6) 86
B. Motion to Dismiss for Failure to Join a Party—Rule 12(b)(7) 88
CONTENTS

C. Motion for Judgment on the Pleadings—Rule 12(c) 90
D. Motion for More Definite Statement—Rule 12(e) 90
E. Motion to Strike—Rule 12(f) 91

IV. Conclusion 91

6 Answer, Affirmative Defenses, and Counterclaims 93
Chadwick A. McTighe

I. Answers 95
A. Rule 8(b) 95
1. Straying from the Rule Carries Risk 97
2. Read and Plead Carefully 101
3. Addressing Complex Allegations—Nuance Matters 103
B. Strategic and General Considerations 104

II. Affirmative Defenses 105
A. Rule 8(c) 105
1. What Constitutes an “Avoidance or Affirmative Defense”? 105
2. Considerations Regarding How to Plead 107
B. General Considerations 110

III. Counterclaims 111
A. Rule 13 112
1. Compulsory Counterclaims 112
2. Permissive Counterclaims 113
B. Joining Additional Parties 114
C. Pleading Requirements and Considerations 115

IV. Amending Answers, Affirmative Defenses, and Counterclaims 115

V. Conclusion 118

7 Discovery and Depositions 119
Deborah Edney

I. Introduction 119

II. Have a Plan: Discovery Planning in Business Torts 120

vii
III. Admitting (and Giving Up) What You’ve Got—
   Required Disclosures 122
     A. Witnesses 123
     B. Documents 124
     C. Damages 125
     D. Insurance Policies 125
     E. Conclusion on Initial Disclosures 125
IV. The Paper Chase: Written Discovery 126
     A. Interrogatories 126
     B. Requests for Production of Documents, Tangible Things, and Entry onto Land 128
     C. Requests for Admission 130
V. A Word (or Megabyte) on E-Discovery 131
     A. How Much ESI Is There? 131
     B. Preservation and Litigation Holds 132
     C. Get a Handle on IT 133
     D. Sourcing Your ESI 133
     E. Processing and Reviewing the Data 134
VI. The Meat of the Matter: Depositions 135
     A. The Basics 135
     B. Getting Your Witness Ready 136
     C. Speaking for the Corporation 137
VII. Who Else to Invite to the Party? Third-Party Discovery 142
VIII. Wrapping Up 144

8  Expert Witnesses 145
   Nelson A.F. Mixon and Catherine M. Cameron
I. Overview 145
II. Types of Experts in Business Torts Litigation 146
   A. Damages 146
      1. Forensic Accountants 146
      2. Business Valuation 149
      3. Appraisers 152
Contents

B. Liability Experts 154
   1. Forensic Accountants/Fraud Examiners 154
   2. Business Ethics/Industry Practice Experts 155
   3. Other Liability Experts 155
C. Experts in Discovery Disputes 156

III. Working with Experts 157
   A. When to Involve Experts 157
   B. Vetting Experts’ Qualifications 158
   C. Scope of an Expert’s Work 159
   D. Should an Expert Prepare a Report? 160
   E. Ensuring Compliance with Evidentiary Standards 161

IV. Expert Discovery 162
   A. Privilege Issues 162
   B. Scope of Discovery on Experts 162
   C. Expert Depositions 163

V. Experts at Trial 164
   A. Reliance on Experts 164
   B. Presentation of Expert Opinions 165

VI. Expert Appellate Issues 166

9 Summary Judgment 167

Peter J. Boyer

I. The Modern View of Summary Judgment 167
   A. Emphasis on the Role of Summary Judgment 168
   B. Burden of Proof and Summary Judgment 169

II. Strategic Considerations 170
   A. Timing of the Motion 170
   B. Showing Your Cards 170
   C. The Forum and the Judge 171
   D. Expense and Cost Benefit Considerations 171

III. Practice Pointers 172
   A. Understand and Follow the Applicable Court Rules 172
   B. Present a Clear and Organized Record 172
C. Consider the Admissibility of Evidence Relied Upon 173

IV. Summary Judgment of Business Tort Issues 174
   A. The Contract Case Dressed Up as a Business Tort 175
   B. Claims of Fraud or Fraud in the Inducement 175
   C. Breach of Fiduciary Duty Claims 176
   D. Misappropriation of Trade Secrets 176
   E. Tortious Interference with Actual or Prospective Contractual Relations 177
   F. Unfair Competition and Statutory Remedies 177
   G. Statutory Preemption of Claims 177
   H. Statutory Claims Providing for Enhanced Recovery and Attorneys’ Fees 178

10 Trial Preparation 179

Matthew J. O’Hara

I. Early in the Case 179
   A. Themes 180
   B. Exhibits 180
   C. Litigation Technology 181

II. After Discovery Closes and Trial Is Scheduled 182
   A. How Will You Get Your Case into Evidence? 182
      1. Witnesses 182
      2. Exhibits 183
   B. How Will You Attack Your Opponent’s Case? 185
      1. Cross-Examinations 185
      2. Objections to Exhibits and Deposition Designations 187
      3. Motions in Limine 188
   C. Preparing to Talk to the Judge or Jury 188
   D. Jury Instructions 189

III. Working with Consultants and Support Staff 190

IV. Logistics of the Trial 192
I. The Importance of Case Themes in a Business Torts Case
   A. Tools for Building Themes
      1. The Story Model
      2. Attribution Theory/Choice Theme
      3. Counterfactual Thinking
      4. Hindsight Bias
   B. Power of Language
   C. Teaching Opportunities
II. Witnesses in a Business Torts Case
   A. What Jurors Say About Witnesses in Business Cases
      1. What They Like
      2. What They Do Not Like
   B. Overcoming Witness Problems
   C. Tools for Change
III. Voir Dire and Strategic Jury Selection in a Business Torts Case
   A. Questions About Business Experience
   B. Moral and Ethical Dimensions
   C. Strike Characteristics for a Business Torts Dispute
   D. Use of Juror Questionnaires
IV. Conclusion

Table of Cases

Index