

TRIAL

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When a company dies 20


Franchise fraud 30

Are business courts fair? 50

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**Business
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Recovering for the wrongful death of a company

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A dialogue on the rights and remedies available to individual and business victims of a corporate collapse

Not long ago, three former clients came in to see Larry Lawyer, a sole practitioner in a small town. Although he'd successfully represented each before, he was surprised to see them again—and together. What could a banker, a garage owner, and a retired schoolteacher have in common?

The banker spoke first.

"We want you to sue the people who ran Grain Belt Computers into the ground. Just last month they borrowed \$2 million from my bank, and now I see on the news that they've filed for bankruptcy under Chapter 11. My loan officer says they probably inflated the accounts receivable securing our loan. And they probably lied to us about the rest of their collateral, too."

The garage owner told a similar tale.

"GBC's into me for over \$20,000 for fixing their tractor-trailer—the one they were supposedly using to deliver computers around the country. Turns out they didn't have any customers, so they sold the truck and stiffed me on the bill."

The teacher was the angriest of the three.

"I found out about all this only yesterday, when the three of us ran into each other at the grocery store. I've got half my life savings tied up in GBC stock. I bought into the initial public offering three years ago, and I've kept on buying shares since then. The general counsel goes to my church. When the stock first

