

Corporate & Financial Weekly Digest

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Tortious Interference Claims Dismissed

Co-authored by **Brian Schmidt**

The U.S. District Court for the District of Columbia dismissed a claim for tortious interference with business relationships where the complaint accused the defendant of tortiously interfering with the very same contract the defendant was accused of breaching.

In early 2009, Geoplast S.p.A., an Italian plastics manufacturer, contracted with I Mark Marketing Services, LLC (IMARK), a U.S. marketing firm, to operate a U.S. Geoplast subsidiary and market Geoplast's products. Among other things, the original contract granted IMARK exclusive marketing rights to Geoplast's products in the United States.

In February 2010, Geoplast sent IMARK what IMARK characterized as a "new" contract to sign. IMARK refused to sign the "new" contract, Geoplast stopped paying under the original contract, and the subject litigation ensued.

In addition to breach of contract, IMARK alleged that Geoplast tortiously interfered with IMARK's business relationships by: (1) soliciting sales from entities in the United States despite IMARK's exclusive marketing rights, (2) contacting entities that IMARK had cultivated relationships with related to the sale and purchase of Geoplast's goods, and (3) directly pursuing business opportunities identified by IMARK. The court found that these allegations duplicated IMARK's claim for breach of contract, and that IMARK could not allege tortious interference with the very contract at issue in the case. Under District of Columbia law, only third parties to a contract may be liable for tortious interference. (*I Mark Marketing Services LLC v. Geoplast, S.p.A.*, No. 10 Civ. 347, 2010 WL 4925293 (D. D.C. Dec. 6, 2010))

Katten Muchin Rosenman LLP Charlotte Chicago Irving London Los Angeles New York Washington, DC