Jury Verdicts & Settlements

Attorneys help small Boca firm recover for breach of contract

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By: Review staff & VerdictSearch

Case: Ryvmed Medical Inc. v. Devon Health Services Inc., Devon Medical Inc., Supply

Marketing

Case No: 2006-CA011293MB

Description: Breach of contract, tortious interference and promissory estoppel.

Filing date: Oct. 25, 2006

Trial dates: Oct. 6-21, 2009

Jury decision: \$1.41 million

Judge: Palm Beach Circuit Judge Edward Fine.

Plaintiff attorneys: Daniel Koch and Justin Parafinczuk of Koch & Trushin, Fort Lauderdale.



Daniel Koch and Justin Parafinczuk

Defense attorneys: Scott Chitoff and Mark Levy of Brinkley Morgan Solomon Tatum Stanley & Lunny, Fort Lauderdale; Paul Crowley of Paul Crowley Law Offices, Downington, Pa.

Details: Ryvmed Medical is a small Boca Raton company with about five employees that imports medical products from China and resells them on the Internet. Ryvmed alleges it entered into an agreement with Pennsylvania-based Devon, a much larger company, in 2005 to distribute Devon's medical products. In exchange, Devon allegedly agreed to provide telemarketing services to Ryvmed through its network of 400,000 physicians. Under the agreement, Ryvmed would retain its clients but direct them all to Devon's products.

Ryvmed filed suit against Devon in 2006, alleging that Devon wanted to start charging Ryvmed for access to its telemarketing network. Ryvmed also alleged that Devon stole one of its biggest clients and that telemarketing services were never provided as promised.

Settlement talks "weren't even in the same universe," said Parafinczuk, who would not disclose the amount of money offered by defense lawyers.

Plaintiff's case: The plaintiff produced a series of e-mails laying out the terms of the deal between the two parties, asserting the e-mails constituted a contract. The plaintiff also produced telemarketing expert Michael Sperduti of New York and accounting expert Richard Dotson of Boca Raton on the stand. Dotson testified that the lost profit to Ryvmed — a hypothetical projection of what could have been earned had the defendants performed under the contract — ranged from \$890,000 to \$10 million.

Defense case: The defense asserted there was no written or oral agreement among the parties. Defense expert Jesus Lago, a Miami accountant, argued that even if there was a contract, the plaintiff was not entitled to damages because there would be no lost profit for a company so small in size.

Outcome: After deliberating for 12 hours, an all-female jury found for the plaintiff, awarding \$1.4 million for breach of contract and promissory estoppel and \$13,400 for tortious interference damages.

Quote: "I feel fine with the verdict," said Parafinczuk. "Lost profits are a difficult concept for juries — for anyone — to grasp."

Post-verdict: The defense filed a motion for new trial, which will be heard next week. Crowley said he will make a decision about an appeal after that.

— Julie Kay