



News

Hinshaw Legal Team Prevails in \$4 Million Legal Malpractice Case Filed by Minor League Baseball Association

May 19, 2017

A trial team led by Hinshaw & Culbertson LLP partners Peter Sullivan and Barry MacEntee, recently secured a complete defense verdict on behalf of Chicago law firm Gozdecki, Del Guidice, Americus & Farkas, LLP ("GDAF") that was accused of legal malpractice in connection with their work in drafting a League Agreement for a minor league baseball association.

The case centered on a liquidated damages clause in the agreement. The agreement as drafted provided that league member teams could be liable for \$1 million in liquidated damages if they were expelled by the league. It also set forth the process for expulsion. Following the 2010 season, four member teams gave notice that they were voluntarily departing the league to join another minor league association. The league threatened to enforce a liquidated damages claim against these teams but ultimately abandoned the liquidated damages claim.

The league then filed suit against GDAF, arguing the firm committed legal malpractice for not drafting a "better" contract provision that imposed liquidated damages "immediately and automatically" on any member team that left the league. The league sought \$4 million in damages.

At trial, Sullivan and MacEntee presented testimony and records establishing that GDAF's careful legal work complied with the applicable standard of care. On the issue, they introduced evidence that drafts of the agreement – which included the provision that conditioned liquidated damages on expulsion – were repeatedly circulated, discussed and revised by the owners over the course of a four month period prior to its execution. Sullivan and MacEntee also argued that the league had not – and could not – prove that all six of the owner signatories to the agreement would have agreed to an immediate and automatic liquidated damages clause, as the league claimed.

On May 9, 2017, a Cook County jury agreed that there was no legal malpractice. After less than two hours of deliberation, the jury delivered a complete defense verdict.

The case is *Northern League v. Gozdecki, Del Guidice, Americus & Farkas, LLP*, case no. 2012-L-4748, in the Circuit Court of Cook County, Illinois.

Attorneys

Barry F. MacEntee Peter D. Sullivan

Service Areas

Lawyers for the Profession®

Offices

Chicago