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The National Law Journal

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March 24, 1997

CASE: Technology Innovations International v. United Technologies Corp., *CL 94 5321A1 (Cir. Ct., Palm Beach, Fla.)*

CASE TYPE: Fraud, breach of contract IN THE MID-1980S , Robert Murphy and Howard Hornsby developed a remote-controlled boat that could be used for reconnaissance and surveillance. The partners approached United Technologies Corp., in the hope that UTC would either buy their company or market the boat, said defense attorney Peter B. Bensinger, Jr. of Chicago's Bartlit Beck Herman Palenchar & Scott. However, United Technologies turned the partners down, although the company suggested they approach an Australian company called Laser Holdings Ltd. Mr. Murphy and Mr. Hornsby entered into a deal with Laser Holdings, but Laser never produced any of the boats, said Mr. Bensinger, and went bankrupt in 1994. Mr. Hornsby formed another company called International Robotics Systems and eventually produced several of the boats through this and a successor company. The Navy bought two of the boats. Mr. Murphy, who was not involved in the later companies, sued Mr. Hornsby, as well as UTC and Laser Holdings, charging fraud, breach of contract and breach of fiduciary duties. On Oct. 11, 1996, a Florida jury returned a complete defense verdict for all defendants. Plaintiff's post-trial motions for a new trial were denied in December; there will be no appeal.

CASE: Chromalloy Gas Turbine Corp. v. United Technologies Corp., *95-CI-12541 (Dist. Ct., Bexar Co., Texas)*

CASE TYPE: Antitrust UNTIL 1991, REPAIRS for airplane engines built by United Technologies Corp.'s Pratt & Whitney division were primarily handled by independents such as Chromalloy Gas Turbine Corp. These engines included those built by Pratt & Whitney for Boeing 747s, 777s and 727s. That year, the company announced "they were going to do more repairs themselves and they would be doing more safety audits on the people repairing the engines," said defense counsel Sidney N. Herman, of Chicago's Bartlit Beck Herman Palenchar & Scott. In August 1995, Chromalloy filed an antitrust action against United Technologies, charging its unit with willfully monopolizing the engine repair market, attempting to monopolize the market and engaging in exclusionary conduct. Chromalloy charged that Pratt & Whitney sharply raised prices on spare parts and changed policies on distributing basic information on parts, making it harder for outsiders to repair them. Chromalloy was seeking \$115 million in damages to be trebled. United Technologies denied any anticompetitive

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practices, but on Nov. 26, 1996, a San Antonio jury found the defendant had attempted to monopolize the repair market and had attempted to engage in monopolistic conduct. But it was hardly a clear victory for the plaintiff; the jury awarded no damages, finding that Chromalloy had not lost any profits through Pratt & Whitney's actions. Peter B. Bensinger Jr., of Bartlit Beck noted, "Bear Stearns reported that Chromalloy spent \$50 million on fees and costs and came up with zip." Post-trial motions are pending.▣

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