

SHAREHOLDER AND CORPORATE DISPUTES LITIGATION

Shareholder dispute litigation is a specialized and highly complicated area of the law. It's imperative to have a litigator at your side that understands the law and has extensive expertise in this arena.

Our Shareholder and Corporate Disputes Practice Group litigates complex disputes involving privately held corporations, LLCs and other related entities. These disputes cover a myriad of issues relating to corporate management and operations, ranging from governance issues, the disputed direction of the company and compensation paid to principals, to the suppression of the rights of minority owners, buyouts, breaches of contract and fiduciary duty, fraud and other torts.

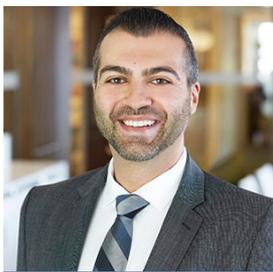
Sometimes, litigating shareholder disputes can be a long haul and our attorneys are not afraid to go the distance if that becomes necessary. Our holistic approach and focused preparation saves money for our clients in the long run and significantly increases the likelihood of a favorable outcome. While we explore every avenue of reasonable settlement, if the client's interests demand it, our attorneys are ready to go to trial. Either way, our attention remains exclusively on the client's interests and their end goal.

We also handle disputes running the full gamut of real-world legal problems facing corporations, LLCs and other entities, from shareholder conflicts to partnership/joint venture disputes and business torts of all forms.

In today's world, corporations and individuals need lawyers who understand their client's business and who can provide the legal services that effectively support those business goals. Our approach to legal problems is to focus not only on solving client problems, but to do so in a manner that supports other aspects of their business as well.

Please visit the Shareholder and Corporate Disputes blog for more information.

Professionals



ARASH BERAL
PARTNER



PENNY M. COSTA
OF COUNSEL



DAWN B. EYERLY
PARTNER AND CO-GENERAL COUNSEL



ROBERT EZRA
PARTNER



JOANNE M. FRASCA
PARTNER



ROBERT M. HELLER
OF COUNSEL



DANIEL S. JONATHAN
SENIOR COUNSEL



TODD M. LANDER
PARTNER



MATTHEW A. YOUNG
SENIOR COUNSEL

Representative Clients and Matters

- » Represented a public, music company embroiled in a dispute between a minority shareholder group and the corporation's officers, directors and majority shareholders. Troubled with the conduct of the business and the misuse of company assets, the minority shareholders sued the company and its officers and directors. With effective representation of the company, the case settled for close to seven figures with the company receiving a significant portion of the settlement.
- » Represented a shareholder involved in a dispute and deadlock with the sole other shareholder in an entertainment company. Unable to continue to work with his co-owner, the client wanted to terminate the other shareholder's employment agreement, eliminate him as an officer and director and take over control of the company. Through advice and guidance, the other shareholder was terminated and, in the face of threatened litigation, successfully negotiated a settlement and buyout for the client.
- » Represented two officers, directors and shareholders of a private advertising company who, over the course of time, had been involved in disputes and litigation with the third shareholder. With advice and guidance, the clients overcame a restrictive shareholder agreement, significantly increased their remuneration and successfully defended against litigation brought by the third shareholder.
- » Represented the majority control investors in a Los Angeles enterprise involved in a power struggle and dispute with another group of investors. Through guidance, the clients initiated a Chapter 11 Bankruptcy Reorganization to eliminate the minority group and take over control of the company.
- » Achieved reversal from the Ninth Circuit Court of Appeals of a \$47 million judgment for unfair competition and other related torts obtained by prominent sports agent against a rival agency formed by his former partner.
- » Successful defense of over \$40 million in claims for breach of an alleged partnership agreement, fraud and breach of fiduciary duty against a large Southern California homebuilder in a multi-state litigation, including a six week jury trial, two state court appeals, a Ninth Circuit appeal, an Idaho state court action and appeal to the Idaho Supreme Court.
- » Obtaining a verdict in favor of our client after a several week jury trial in a title dispute action establishing over \$1 million worth of prescriptive easements and related claims in favor of our client, the owner of a Hollywood Hills property
- » Obtained a favorable arbitration award that adopted a valuation of shares required to be repurchased by our client under shareholder's agreement that was millions less than the price sought by the opposing party, which was affirmed by the trial court.
- » Representation of minority shareholders in home healthcare franchising companies in various state court litigation involving breach of fiduciary duty, breach of a shareholders' agreement, fraud and other tort claims, including successfully prosecuting charges for violation of court orders freezing millions of corporate funds, resulting in a civil contempt judgment that included a jail sentence.
- » Representation of one of three sibling shareholders of a family owned business in dispute over management and control of the business, including enforcement of a shareholder buyout agreement and related promissory note
- » Representation of various shareholder and LLC members in disputes over shareholder agreements, including binding arbitration over share valuation
- » Defense of one of two shareholders of manufacturing business over contract, tort and related claims made by other shareholder and former company President following his employment termination.
- » Defense of majority owners of closely held business against various tort, contract and attempted derivative claims breach of an alleged partnership agreement.
- » Litigated and resolved shareholder disputes and Corporate dissolution action involving valuation of business and related real estate.
- » Successfully represented shareholders in dissolution actions, including California Corporations Code Section 2000 provisional remedies.
- » Defended corporations and LP partners in dissolution actions, including California Corporations Code Section 500 board proceedings.

Presentations & Publications

- » CBS vs Redstone Part II: The Rebellious Board Gains Support | FFS Insights | June 7, 2018
- » You Think You Have a Rebellious Board of Directors? | FFS Insights | May 23, 2018

- » Cashing Out: A “Fair” Remedy for a Dissenting Shareholder? | FFS Insights | April 12, 2018
- » The Price of Prosperity | FFS Insights | March 1, 2018
- » Robert M. Heller and Todd M. Lander Featured in November Edition of Los Angeles Lawyer | November 1, 2017
- » Have the Controlling Shareholders Breached Their Fiduciary Duties to the Minority in Transferring Control Shares? | FFS Insights | September 18, 2017
- » The Power of a Minority Shareholder | February 22, 2017
- » Delaware Supreme Court Sets the Stage for Direct Shareholder Lawsuits | December 6, 2016
- » Essential Information for Corporate Officers and Directors | October 4, 2016
- » Featured Cover Story "Doubling Down" | Los Angeles Lawyer | April 1, 2015
- » Directors and Controlling Shareholders May Be Liable for Paying Themselves Excessive Compensation | January 1, 2015
- » Have Directors Improperly Refused to Declare a Dividend? | September 1, 2014
- » Delaware Supreme Court Holds That Corporate Bylaws May Shift Attorney Fees | June 15, 2014
- » Under Certain Circumstances, a Derivative Plaintiff Can Be Barred From All Discovery | April 1, 2014
- » Do Shareholders of Closely Held Corporations Owe Each Other a Fiduciary Duty of Loyalty Including a Duty Not to Compete? | January 1, 2014
- » Have Directors and Officers Engaged in Wrongful Self-Dealing With the Corporation? | August 1, 2013
- » How to Pursue Social Causes Without Risking Shareholder Litigation | August 1, 2012
- » Featured Cover Story "The Sham Loan Guaranty Defense" | BIG NEWS | May 1, 2012
- » Have a Corporation's Controlling Shareholders Manipulated the Corporation for Their Own Self-Interest? | May 1, 2012
- » The "Sham Guaranty" Defense | California Lawyer | April 4, 2012
- » The Sham Guaranty Defense for Partners, Trustees, Corporate Officers and Shareholders | June 1, 2011
- » The Sham Guaranty Defense and Litigation Strategy | January 1, 2011
- » Will Wall Street Executives Seek the Protection of the Fifth Amendment? | Los Angeles Lawyer | July 1, 2010
- » You're Exonerated: Exploring the "Sham Guaranty" Defense to Eliminate Liability Under a Guaranty | BIG NEWS | April 1, 2010
- » Is Your Partner Using the Recession to Hide Fraud? | August 1, 2007
- » When Seeking Pre-Trial Receivership for Solvent Companies Less May be More | June 1, 2007
- » Arbitration Enforced at Any Cost? Perhaps Not. | January 1, 2007
- » Are You Personally Liable for the Acts of Your Corporation? | November 1, 2006
- » An Arbitrator's Powers are Limited | June 1, 2006
- » How Final Are Arbitration Awards? | January 1, 2006
- » Avoiding Shareholder Litigation | January 1, 2002