## Trial Record 1987 – 2021 STEVEN M. STRAUSS

Nature of Dispute/ Case Name	Outcome	Client(s)	Venue(s)	Date of Decision	Comments			
	Defense Verdicts							
Shareholder Dispute  Reza Paydar v. Interwest Capital Corporation / Alex Roudi	Judgment in favor of respondent	Respondents  Interwest Capital Corporation, Alex Roudi	JAMS San Diego	August 2019	Interwest Capital and its CEO were named in a dispute brought by a shareholder and director alleging damages of \$15 million. The plaintiff and claimant alleged breach of fiduciary duty, fraudulent concealment and related claims. Following a four-day arbitration hearing, the arbitrator issued an award entirely in favor of our client, finding the claimant failed to establish any of his claims and also ruled in favor of respondents on their counterclaims. The arbitrator found claimant had breached his fiduciary duty to the company and had arbitrated in bad faith. The arbitrator also awarded the exact amount requested as damages for our client.			

Real Estate Litigation  Mendez et al. v. Rancho Valencia Resort Partners LLC	Judgment in favor of Defendant	Defendant  Rancho Valencia Resort Partners LLC	California Court of Appeal, Fourth Appellate District; San Diego Superior Court	August 2016; December 2014	Rancho Valencia Resort Partners (RVRP) was sued by the owners of a 6,800 square-foot home located near a five-star resort owned by the defendant for alleged violations of private nuisance and negligence laws. Plaintiffs argued that the amplified noise generated from certain outdoor events being hosted on the hotel property created nuisance violations and sought to enjoin such events. After a bench trial in fall 2014, the court sided in full with RVRP, including denying the injunction request. The trial court judgment was affirmed on
Employment Class Action Litigation  Espejo et al. v. San Diego Union Tribune et al.	Judgment in favor of Plaintiff (Affirmed in part, reversed in part, remanded and successfully resolved)	Defendant  San Diego Union Tribune	Court of Appeal, Fourth District, Division 1, California; San Diego Superior Court	July 2017; June 2013	appeal in August 2016.  The San Diego Union Tribune was sued by 1,300 former newspaper carriers who claimed to be employees instead of independent contractors and sought reimbursement of business expenses, unlawful deductions and damages under the Labor Code. After a three week trial, the court ruled in favor of the Plaintiffs, however it only awarded a third of the damages being sought (\$3.2M before interest and attorney fees). The Court of Appeal reversed the portions of the trial court judgment awarding class members the principal sum plus prejudgment interest and attorney fees and remanded for redetermination. The suit was successfully resolved in 2018.

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Breach of Contract, Breach of Fiduciary Duty and	Judgment in favor of Defendant	Defendant	San Diego Superior	March 2012	Ernest Rady faced a lawsuit filed in 2009 by several family members
Dissolution		<b>Ernest Rady</b>	Court		seeking \$272M in damages over a
					purported contract to buy out their
Bee-Dee Investments Ltd.,					shares in American Assets, Inc., a
Dan Blankstein, Gail					family-owned corporation. The jury
Wagner v. Ernest Rady					delivered a unanimous verdict for
					the defense following less than a
					day's deliberations and a two-week trial before the Honorable John S.
					Meyer, San Diego Superior Court.
					Following the verdict, the remaining
					claims for breach of fiduciary duty
					and dissolution were dismissed.
License Agreement Dispute	Arbitration award in favor	Respondent	American	October	Panasonic's arbitration demand
	of Qualcomm		Arbitration	2010;	alleged that Qualcomm breached
Panasonic Mobile		Qualcomm, Inc.	Association	March	the license agreement and sought
Communications Co., Ltd.			International	2011	the return of more than \$600M in
v. Qualcomm Incorporated			Center for		royalties paid to Qualcomm. The
			Dispute Resolution,		Arbitrator found that Qualcomm had not breached the license
			San Diego,		agreement and upheld the royalty
			California		rate. The second phase of the
			California		arbitration concerning whether
					Panasonic was, indeed, infringing
					certain Qualcomm 3G patents was
					to take place in March 2011. Prior
					to the start of the second phase,
					however, Qualcomm and Panasonic
					entered into a settlement. As a
					result, Qualcomm has publicly
					reported that it was able to
					recognize deferred royalty revenue
					and was pleased with the terms of
					the resolution "which reflect the
					established value of [Qualcomm's] patent portfolio."
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Real Estate Litigation  San Diego Navy Broadway Complex Coalition v. Manchester Pacific Gateway LLC	Judgment in favor of Manchester	Defendant  Manchester  Financial Group	California Court of Appeal, Fourth Appellate District; San Diego Superior	2009; 2010	The Judge ruled that the Environmental Impact Report for the development of the \$1.3B Navy Broadway Complex in downtown San Diego was compliant with the California Environmental Quality Act. The trial court judgment was affirmed on appeal in 2010.
Real Estate Contract Dispute  Harvest Development Partners, LLC v. NVIDIA Land Development, LLC	Arbitration award in favor of NVIDIA Corporation including attorneys fees and costs	Respondent  NVIDIA Corporation	JAMS San Francisco; Arbitrator Charles A. Legge	December 2009	The Claimant developer (Harvest) claimed it was owed a \$20M termination fee arising out of the termination of NVIDIA's Santa Clara headquarters. The Arbitrator agreed that at the time NVIDIA terminated the contract, the conditions for the \$20M step up termination fee had not yet occurred.
Trust Litigation and Hotel Buyout Arbitration In Re Evans – Trust Accountings	Judgment in favor of Anne Evans, Grace Evans Cherashore and William Evans, including recovery of attorneys fees and costs of more than \$1M	Defendants and Counter Claimants  Anne Evans, Grace Evans Cherashore and William Evans	Arbitration	May 2009	At issue in the arbitration was whether trust petitions filed by the three youngest daughters of Anne Evans, owner and operator of Evans Hotels, triggered a forced buyout right provided in the Partnership Agreement. The Arbitrator found that the buyout right had been triggered and allowed the buyout to proceed.
Breach of Contract  Greystone Homes v.  Sunroad Centrum Partners	Judgment in favor of Defendant and attorneys fees and costs awarded by the court	Defendant  Sunroad Centrum Partners	San Diego Superior Court, Judge Steven R. Denton	May 2006	This case involved a dispute over a purchase price adjustment provision in a residential land sale contract. Plaintiff Greystone was seeking in excess of \$1M.

Breach of Fiduciary Duty, Constructive Fraud and Negligent Misrepresentation Ratner v. Foster	Judgment in favor of Defendants	Stanley Foster and Foster Investment Corporation, (f/k/a Ratner Corporation)	San Diego Superior Court, Judge Philip D. Sharp	September 2000	Plaintiffs requested the jury award \$17M in damages plus punitive damages for claimed breaches of fiduciary duty arising from the redemption of their stock by the corporation. After a 13-day jury trial the jury returned its special verdict in favor of defendants on all causes of action.
Breach of Contract, Breach of Fiduciary Duty, Interference and Unfair Business Practices Slatton v. Weiner	Judgment in favor of defendant Meyer C. Weiner on all causes of action	Defendant  Meyer C. Weiner Company	San Diego Superior Court, Judge Thomas R. Murphy	March 2000	Following an 11-day jury trial, the Court dismissed all of plaintiff's claims except the unfair business practice claim. The judgment in favor of defendant on the unfair business practices claim (Business & Profession Code §17200, et seq.) was significant because there was not a similar reported case involving parties to a commercial contract.
CEQA San Diego Police Historical Association v. San Diego Unified Port District  Cityfront Terrace, L.L.C v. San Diego Unified Port District	Court denied the plaintiffs Petitions challenging the approval of the South Embarcadero EIR	Defendants:  Manchester Resorts, L.P. and Manchester Resorts	North County Superior Court, Judge David B. Moon, Jr.	February 1999	The courts denial of the Petitions removed all legal obstacles to the development of the South Embarcadero Redevelopment Program, including approval of our client's proposed second tower for a 750-room expansion, of the existing San Diego Hyatt Regency Hotel.
Fraud, concealment and misrepresentation  Sado v. Norco Development, Inc., et al.	Directed verdict in favor of defendants and awarded \$128K in attorney fees and costs	Defendants  Robert and Rhonda Gulotta	State Court, Judge Terry O'Rourke	September 1996	In this real estate fraud case, the Court granted a directed verdict in favor of defendants at the close of plaintiff's case based upon the finding that the evidence was legally insufficient to support the fraud claims.

This case established new law in the areas of limited partnerships and attorney client relationships.

Professional Negligence, preach of fiduciary duty,	Case settled for \$100K after 3 week jury trial	Defendant	State Court, Judge Michael	1991
nterference with prospective economic advantage and fraud	while jury was out. Plaintiffs asked the jury for more than \$7M	Silldorf	Greer	

## **Plaintiff Verdicts**

Breach of Contract	\$50 million arbitration award plus \$4.4 million in attorney's fees/costs	Claimant  Javo Beverage Company	American Arbitration Association	2021	Won a \$50 million arbitration award following a five-day arbitration plus \$4.4 million in attorney's fees/costs and assignment of the patents at issue, which was the exact relief requested. We represented Javo Beverage Company, the industry leader in cold-brew coffee extraction. Javo was in the process of selling the company for \$150M when the buyer discovered six patents that read on Javo's products. This killed the sale. The patents were filed by the former founder/CEO of Javo who left the company in 2011 subject to written confidentiality and assignment of invention agreements.
Breach of Contract	Arbitrator ruled in favor of Manchester Resorts and awarded \$0 to McDonald Financial Corporation	Plaintiff  Manchester  Resorts	Arbitration- Judicate West	2003	McDonald Financial Corporation claimed entitlement to a \$2.3M loan origination fee on the \$230M construction and permanent financings of the Manchester Grand Hyatt Hotel on the San Diego Waterfront.

Breach of Fiduciary Duty and Contract Pointe San Diego Residential Community L.P. v. W.W.I. Properties	\$8.532M judgment in favor of the plaintiffs for breach of fiduciary duty, contract and fraud	Plaintiffs  The Pointe San  Diego Residential Community and  Gosnell Builders	San Diego Superior Court, Judge Robert E. May	April 2003	The Courts judgment included \$3M in punitive damages plus interest, attorneys fees and costs.
Breach of Partnership Agreement and Fiduciary Duty  Mutual Life Insurance Company of New York v. Pointe Tapatio Resort Properties	\$40M judgment in favor of The Pointe partnerships	Defendants and Counter Claimants  Pointe Tapatio and Pointe Squaw Peak Partnerships	United States District Court for the District of Arizona	July 2002	The jury unanimously awarded The Pointe the exact amount requested in this dispute over proceeds from the sale of the prestigious Pointe Resorts. This is one of the largest jury verdicts ever in the state of Arizona.
Construction defect  Marshall v. Baldwin	Plaintiff verdict against Baldwin for \$886K	Plaintiffs <b>Homeowners</b>	San Diego Superior Court, Judge Kevin A. Enright	May 2002	Total award of almost \$5.5M. The phase 1 result was instrumental in settling the entire case. This was the first phase of a potential six phase trial involving 323 homeowners. The first phase was limited to 54 homeowners.

Legal malpractice  Cardiff Communications Partners II v. Aylward	Judgment in favor of plaintiffs, including punitive damages; prior to trial plaintiff reached a settlement with the other parties valued in excess of \$1.5M	Plaintiff  Cardiff Communications Partners II	San Diego Superior Court, Judge Anthony C. Joseph	March 1998	Settled while jury was deliberating on punitive damages and the record was sealed such that outcome is confidential.
Construction defect, negligent construction, single family residence  Aas v. The William Lyon Company	Judgment in favor of plaintiffs for \$3.227M on complaint after six weeks of trial; plaintiff reached settlements with various other parties for \$4.125M three weeks into trial	Plaintiffs <b>Eighty-four homeowners</b>	San Diego Superior Court, Judge Robert E. May	February 1998	Jury awarded plaintiffs exact amount of damages requested. At the time, this was the highest known per house recovery for a tract development in San Diego county.
Breach of contract, breach of fiduciary duty  Kay-Mark, Inc, v. Gosnell Development Corporation	Award in favor of plaintiff for \$439K	Plaintiff  Kay-Mark, Inc.	American Arbitration Association	May 1997	Arbitrator found breach of fiduciary duty and contract against the co-general partner of the Bonita Gateway partnership.
Negligence, breach of contract, and breach of warranty  McGrath Highlands I v. SGPA Architecture and Planning	Judgment in favor of plaintiffs for \$406K	Plaintiff  McGrath  Development, Inc.	State Court, Judge Sheridan Reed	December 1995	Plaintiffs recovery exceeded its pretrial 998 offers to defendants. The jury unanimously found the general contractor and subcontractor defendants responsible for construction defects involving a commercial retail center located in San Diego.
Breach of contract, express contractual indemnity and contribution, and declaratory relief  Brody, et al. v. Feldman, et al.	Arbitration award in favor of plaintiffs for \$325K	Plaintiffs  Arthur Brody Gary Leeds Ernest Rady  Arthur Rivkin	Arbitration	October 1994	The Arbitrator awarded plaintiffs the exact amount of damages requested plus attorneys fees and costs.

Breach of contract, negligence, breach of warranty  Leeds v. Gemini Construction Co., Inc., et al.	Judgment in favor of Plaintiff for \$2.494M Defendants offered \$750K to settle prior to trial	Plaintiffs  Nita and Gary  Leeds	State Court, Judge Kevin Midlam	June 1994	The jury awarded Plaintiffs the exact amount of damages requested. This is one of the largest known verdicts on a single-family residence.
Breach of contract, negligence and breach of fiduciary duty  Strauss v. Westland Title Co.	Judgment in favor of plaintiffs for \$402K against Westland Title Company	Plaintiffs  Matthew and Iris  Strauss	State Court, Judge Byron Lindsley	April 1994	Jury awarded exact amount requested by Plaintiffs; Defendant's pre-trial settlement offer was \$10K.
Breach of contract, breach of fiduciary duty and fraud  GKN Development Corp., et al. v. Bettis-Krall, et al.	Judgment in favor of Plaintiffs for \$627K. Defendants were awarded nothing on their cross-complaint	Plaintiffs and Cross- Defendants  GKN Development Corp., John E. Grasberger and Robert M. Niemann	State Court, Judge Robert C. Thaxton, Jr.	February 1994	Plaintiffs offered \$100K prior to trial to settle all claims. The offer was rejected by Defendants who demanded in excess of \$200K.
Breach of fiduciary duty, negligence, construction defects and misrepresentation  Seidman v. Dover, et al.	Judgment in favor of Plaintiffs for \$454K against the Real Estate Broker Defendants; also recovered in excess of \$100K in prejudgment settlements	Plaintiffs  Barry and Jacqueline Seidman	State Court, Judge Kevin Midlam	July 1993	Jury was unanimous on all three causes of action against the Broker Defendants. This is the first known case in San Diego County where Real Estate brokers were found liable for construction defects.
Negligence, breach of contract, breach of the covenant of good faith and fair dealing and fraud  L.E.S. Properties Hotel Venture, L.P. v. Westin Hotel Co.	Judgment in favor of Plaintiff for \$8M, comprised of \$5.5M in compensatory damages, \$2M in punitive damages and \$5.35M in attorneys fees and costs	Plaintiff  L.E.S. Properties	Federal Court, Judge Alfonso C. Marquez	September 1992	Court reduced compensatory damages to \$1.457M and reversed punitive damages; affirmed on appeal to 9th Circuit. First known case where a hospitality company was found liable for its financial projections.

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Breach of contract/ economic damages  Sommers, et al. v. Sterling, et al.	Judgment on favor of Plaintiffs for \$2.525M on compliant; Judgment for plaintiffs on defendant Donald Sterling's cross- complaint (he requested the jury award Sommers nothing and fraud damages in his favor)	Plaintiffs and Cross- Defendants  Amos Sommers and Sommers Development Corporation	State Court, Judge Kevin Midlam	February 1992	Defendant was the "notorious"  Donald T. Sterling and this litigation was extremely hard fought. The jury unanimously awarded (to the penny) the amount of damages requested by plaintiff.
Construction defects, misrepresentation Sycamore/San Diego Investors v. Perrota	Judgment in favor of Plaintiff for \$1.9M	Plaintiff  Sycamore/San  Diego Investors	Federal Court, Judge Samuel P. King	March 1990	Judgment exceeded plaintiffs' pre-trial settlement demand and defendants' offer of \$150K.
Federal and state securities laws violations, fraud, negligence and breach of fiduciary duty  Leeds v. Prudential- Bache Securities, Inc., et al.	Arbitration award in favor of Claimant in excess of \$175K	Claimant  Gary M. Leeds	N.A.S.D. Arbitration	1990	Prudential Bache offered nothing in settlement contending our client was a sophisticated investor who had authorized the disputed trades.
Breach of contract, misrepresentation Sukut Construction, Inc. v.Genstar	Arbitration Award in favor of plaintiff in excess of \$250K	Plaintiff  Sukut  Construction, Inc.	J.A.M.S. Arbitration	1987	Genstar offered nothing in settlement prior to arbitration.