

**UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF LOUISIANA**

PHELPS DUNBAR, L.L.P.

CIVIL ACTION NO.

VERSUS

JUDGE

JAMES C. JUSTICE COMPANIES, INC.

MAGISTRATE JUDGE

COMPLAINT

NOW INTO COURT, through undersigned counsel, comes plaintiff PHELPS DUNBAR, LLP and for its Complaint For Damages against defendant JAMES C. JUSTICE COMPANIES, INC., respectfully represents upon information and belief as follows:

PARTIES

1.

Plaintiff Phelps Dunbar, L.L.P. (“Phelps”) is a limited liability partnership organized under the laws of the State of Louisiana and whose members are citizens of the States of Louisiana, Mississippi, Florida, Texas, Alabama, and North Carolina.

2.

Made a defendant herein is James C. Justice Companies, Inc. (“JJC”), which is a corporation organized under the laws of the State of Delaware and with its principal place of business in the State of Virginia.

JURISDICTION

3.

Jurisdiction is proper pursuant to 28 U.S.C. § 1332 in that the parties are citizens of different states and the amount in controversy exceeds \$75,000.00, exclusive of interest and costs.

4.

JJC is subject to the personal jurisdiction of this Court because it transacts business in this State and has availed itself to the benefits of this State.

VENUE

5.

Venue is proper in this district pursuant to 28 U.S.C. § 1391(a) because a substantial portion of the acts or omissions giving rise to the cause of action occurred in New Orleans, Orleans Parish, Louisiana.

FACTUAL BACKGROUND

6.

On or about December 20, 2011, JJC retained Phelps to serve as JJC's counsel to defend it in a lawsuit captioned *Celtic Marine Corporation v. James C. Justice Companies, Inc.*, Case No. 11-3005, Section "J"(2), United States District Court, Eastern District of Louisiana, The Honorable Carl J. Barbier, presiding.

7.

Not long thereafter, Phelps made an appearance on behalf of JJC when Phelps filed an answer to the complaint in the *Celtic Marine* lawsuit on January 4, 2012. (Case No. 11-3005, Rec. Doc. 5)

8.

The litigation progressed for a number of years with Phelps continuing its representation of JJC throughout the litigation. As part of its representation of JJC, Phelps engaged in extensive discovery, protracted motion practice, and, eventually, briefing multiple appeals to the United States Court of Appeals for the Fifth Circuit. In addition and while the lawsuit was pending, a second lawsuit was consolidated with the *Celtic Marine* lawsuit involving one of JJC's subsidiaries. Phelps invoiced JJC for and JJC was responsible for Phelps' fees representing JJC's subsidiary. Phelps expended considerable time and effort in defending JJC and its subsidiary against the allegations in the consolidated *Celtic Marine* lawsuit.

9.

Pursuant to the parties' agreement, JJC obligated itself to remit payment on Phelps' invoices for services rendered within thirty (30) days of JJC's receipt of the invoice.

10.

On February 29, 2012, Phelps issued its Invoice No. 833294 to JJC in the amount of \$4,873.56. On June 28, 2012, Phelps issued its Invoice No. 845723 to JJC in the amount of \$1,218.07. On February 28, 2013, Phelps issued its Invoice No. 870968 to JJC in the amount of \$7,455.59. JJC paid these invoices in full and without objection on or about June 21, 2013.

11.

Following these initial invoices, Phelps continued to regularly invoice JJC for its fees and costs Phelps incurred defending JJC in the *Celtic Marine* lawsuit (the "Invoices"):

Invoice No.	Date	Amount
873942	March 31, 2013	\$9,394.59
877178	April 30, 2013	\$9,152.11
882571	June 28, 2013	\$13,200.35
886712	July 31, 2013	\$30,197.06
889354	August 31, 2013	\$17,672.20
892029	September 30, 2013	\$36,257.17
895546	October 31, 2013	\$32,749.86
898620	November 29, 2013	\$9,839.30
901058	December 31, 2013	\$12,985.68
904181	January 31, 2014	\$22,514.77
906838	February 28, 2014	\$11,484.90
909545	March 31, 2014	\$11,063.54
912814	April 30, 2014	\$3,299.38
914698	May 30, 2014	\$29,265.38
918413	June 30, 2014	\$14,100.99
921931	July 31, 2014	\$24,451.72
924230	August 29, 2014	\$16,490.39
928001	September 28, 2014	\$20,377.61
931937	October 31, 2014	\$12,076.98
954211	June 23, 2015	\$73,017.37
		Total: \$409,535.35

12.

JJC has failed to remit payment to Phelps for services rendered and reflected on the Invoices. In total, JJC is indebted to Phelps in the amount of FOUR HUNDRED NINE THOUSAND FIVE-HUNDRED THIRTY FIVE DOLLARS AND THIRTY-FIVE CENTS (\$409,535.35).

13.

At present, the amount owed by JJC to Phelps remains outstanding.

COUNT I – OPEN ACCOUNT

14.

Phelps hereby incorporates paragraphs 1 – 13 as if copied *in extenso*.

15.

Pursuant to Louisiana Revised Statute 9:2781(A) and by service of this Complaint, Phelps hereby makes written demand upon JJC for payment on an open account.

16.

To date, JJC owes Phelps in the principal amount of FOUR HUNDRED NINE THOUSAND FIVE-HUNDRED THIRTY FIVE DOLLARS AND THIRTY-FIVE CENTS (\$409,535.35) for the services provided by Phelps to JJC.

17.

In the event JJC fails to remit payment within the time delays allowed by Louisiana Revised Statute 9:2781, JJC shall be liable for Phelps' reasonable attorneys' fees for the prosecution and collection of its claim, along with interest, and for all applicable court costs.

COUNT II – BREACH OF CONTRACT

18.

Phelps hereby incorporates paragraphs 1 – 17 as if copied *in extenso*.

19.

Pursuant to the parties' agreement, Phelps provided services to JJC in connection with the *Celtic Marine* lawsuit from December 2011 through June 2015.

20.

Phelps invoiced JJC for those services.

21.

Phelps performed all of its obligations and duties.

22.

JJC's failure to remit payment for the services constitutes a breach of the parties' agreement that has caused Phelps injury.

23.

Phelps is entitled to all damages caused by JJC's breach of the parties' agreement.

COUNT III – EQUITABLE ESTOPPEL/DETRIMENTAL RELIANCE

24.

Phelps hereby incorporates paragraphs 1 – 23 as if copied *in extenso*.

25.

Alternatively, Phelps relied to its detriment on the representations made by JJC that JJC would perform its obligations under the Invoices.

26.

JJC knew or should have known that its representations that it would perform its obligations under the invoices would induce Phelps to rely on such representations to Phelps' detriment.

27.

Phelps' reliance on JJC's representations was reasonable.

28.

Phelps is entitled to a judgment by the Court awarding any and all damages sustained as a result of the detrimental reliance upon JJC's representations.

COUNT IV – UNJUST ENRICHMENT/QUANTUM MERUIT

29.

Phelps hereby incorporates paragraphs 1 – 28 as if copied *in extenso*.

30.

Alternatively, JJC has been unjustly enriched through its dealings with Phelps. To the extent Phelps has no adequate remedy at law, the doctrine of unjust enrichment and/or quantum meruit entitled Phelps to relief.

31.

JJC has been unjustly enriched at the expense and ultimate detriment of Phelps.

32.

As a result of JJC's unjust enrichment, Phelps has been wrongfully impoverished and has suffered substantial damages in an amount to be established at the trial of this matter.

33.

Phelps is entitled to a judgment by the Court awarding any and all damages sustained by Phelps for JJC's unjust enrichment.

WHEREFORE, Plaintiff, Phelps Dunbar, L.L.P., prays that after due proceedings are had, that judgment be rendered in favor of Phelps Dunbar, L.L.P. Phelps Dunbar, L.L.P. further prays that this Honorable Court award it all other legal and/or equitable relief, including legal interest, attorneys' fees, and all costs of these proceedings, to which it is entitled under the law of the State of Louisiana.

Respectfully submitted,

PHELPS DUNBAR, L.L.P.

BY: /s/ Tessa Vorhaben

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