

JONES, SKELTON & HOCHULI ATTORNEYS OBTAIN SUMMARY JUDGMENT IN AN INTERFERENCE WITH CONTRACT CASE

July 21, 2015 I Case Summaries, News





Bullhead Solar v. Sunquest Solar - Michael Hensley and John Lierman, attorneys

with Jones, Skelton & Hochuli, recently obtained summary judgment on all claims in Mohave County Superior Court, for client Sunquest Solar, Inc., a solar contractor which had been sued by a competitor for interference with contract and abuse of process. The case arose out of communications by employees of Sunguest Solar to the Arizona Registrar of Contractors, alleging that Bullhead Solar, Inc., was engaging in contracting without a license.

The Registrar of Contractors issued cease and desist orders to Bullhead Solar, and, on the basis of the Registrar's investigation, the authorities in Mohave County brought criminal charges against Bullhead Solar. Several of Bullhead Solar's customers made other contractor arrangements either due to the cease and desist orders, or upon learning of the criminal charges. Bullhead Solar brought suit against Sunquest Solar in July 2013, alleging that the actions of Sunguest Solar amounted to interference with contract and abuse of process.

Sunquest Solar's attorneys at Jones, Skelton & Hochuli filed a motion for summary judgment, arguing that all Sunquest Solar's communications to the Registrar of Contractors were speech protected by the Petition Clause of the First Amendment, which guarantees the right of the people to petition the government for redress of grievances. In addition, the motion argued that abuse of process can only occur through use of judicial processes, not through communications with government agencies. Therefore, it was the Mohave County Attorney that employed judicial process against Bullhead Solar when he brought charges, and the actions of the county attorney could not be attributed to Sunquest Solar. The court agreed.

The motion for summary judgment also argued that a claim for interference with contract requires evidence that the defendant induced a breach of contract. In this case, all the evidence indicated that Sunguest Solar merely communicated concerns to the Registrar of Contractors, and that it was subsequent government action that had prompted Bullhead Solar's customers to re-consider doing business with Bullhead Solar. As with the abuse of process claim, actions of government agencies could not be attributed to Sunquest Solar. The court agreed, and granted summary judgment on all claims and the costs of litigation to Sunquest Solar.

Michael Hensley has focused his practice on general civil litigation and all types of insurance defense litigation, including life, health, disability, and ERISA claims litigation, bad faith defense, professional liability defense, employment law, employee benefits law, and government and public entities.

John Lierman focuses his practice in the areas of premises liability, personal injury and general civil litigation. He represents clients primarily in the retail and hospitality, light industry, insurance, and education fields.