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Missouri Supreme Court Affirms Tortious Interference Verdict Against Manager Who Went To A Competitor

In <u>Western Blue Print Company, LLC v. Myrna Roberts et al.</u>, the Missouri Supreme Court recently affirmed a tortious interference verdict against a manager who left to join a competitor, largely because the manager engaged in inappropriate conduct when departing one employer for another.

Tortious interference claims are commonly raised in disputes with former employees who leave to join a competitor. However, actual determinations of the merits of such claims are not common, and state supreme court parsings of such claims are even less common. Accordingly, this decision is worth reviewing.

As set forth in the opinion, Western Blue Print Company ("Western Blue") is a document printing and management service. Myrna Roberts ("Roberts") was one of its managers. She did not have a noncompete, and resigned without notice to join a competitor that she had helped form. After she did so, the University of Missouri chose not to renew a contract with Western Blue that Roberts had previously managed for it; rather, the university awarded the contract to Roberts' new employer. The loss of that contract was the basis for a tortious interference claim by Western Blue against Roberts.

As a threshold matter, the Court held that even though this contract was "up for grabs" because it was subject to a competitive bid process, Western Blue "had a reasonable, valid business expectancy that it would win" the contract before Roberts' resignation. As summarized by the Court, "Western Blue successfully bid on the contract the previous two times the university solicited bids and performed well fulfilling its obligations." Moreover, just a few months before leaving Western Blue, Roberts purportedly told other Western Blue employees that she had the contract "locked up" for Western Blue. Accordingly, the Court found that Western Blue satisfied the threshold requirement of a reasonable, valid business expectancy.

The Court then turned its attention to whether Roberts used "improper means" to obtain the contract on behalf of her new employer, ultimately concluding that she did. In so finding, the Court noted that while she was still employed by Western Blue, Roberts "convinced other Western Blue employees to leave their jobs and work for [her new employer], instructing them to stagger their departures without notice" and "assur[ing] these employees she would be able to procure the university contract" for her new employer. Additionally, the Court noted that before resigning, Roberts deleted certain documents, and in so doing "hindered Western Blue's ability to bid successfully" on the contract and impacted its ability "to complete its current contractual obligations to the university such that it negatively reflected on its bid."

In sum, Western Blue prevailed on its tortious interference claim in large part because the Court found that Roberts engaged in misconduct when leaving Western Blue. Departing employees and

their new employers should take heed.

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