

Represented a Private Equity Entity that Acquired a Financially Distressed Manufacturer

Patrick Mastrian represented a private equity entity which acquired a financially-distressed manufacturer of specialized musical instruments. The plaintiff was an international creditor who obtained a foreign arbitration award against the manufacturer in excess of \$500,000. Subsequent to the arbitration award, his private equity client acquired the manufacturer through an asset purchase agreement. The manufacturing operations continued in the same location and with the same employees after the asset purchase agreement was consummated. The creditor domesticated the arbitration award and filed a lawsuit against the private equity company to collect the award. The lawsuit involved claims of *de facto* merger, mere continuation of the distressed enterprise and piercing the corporate veil of liability. After extensive multistate discovery, the trial court granted summary judgment in his client's favor, and the manufacturer was allowed to continue producing low-profile, symphonic-quality musical instruments unburdened by the arbitration award.

PROFESSIONALS

Patrick F. Mastrian III
Partner

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