

**IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION**

INDUSTRIAL LAMINATES/
NORPLEX, INC.,

Plaintiff,

v.

SECUR*HOLDINGS, INC.,

Defendant.

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Civil Action No.: 3:08-cv-361-M

ORDER

Before the Court is the Motion for Award of Judgment, Attorneys’ Fees, Interest and Costs of Plaintiff Industrial Laminates/Norplex, Inc. (“Norplex”) [Docket Entry #145]. The Motion is **GRANTED** in part and **DENIED** in part.

Norplex can recover reasonable attorney fees on its claim for breach of contract and for legal services in advancing its breach of contract claim and those other claims that are so intertwined with the breach claim “that they need not be segregated.”¹ Norplex asserts that all of its fees were attributable to “pursuing its contract claim . . . and serving a double or dual purpose to defeat Secur’s affirmative defenses and counterclaims so that Norplex could recover the full contract amount owed.”²

Norplex filed suit against Secur for breach of contract on \$112,512.16 due and owing on shipments of an industrial laminate known as NP504QB. It was undisputed that Secur did not pay invoices submitted to it by Norplex, within 30 days of submission of the invoices in that

¹ *Tony Guillo Motors I, L.P. v. Chapa*, 212 S.W.3d 299, 313-14 (Tex. 2006); *see also* Tex. Civ. Prac. & Rem. Code Ann. § 38.001 (Vernon 1997 & Supp. 2005).

² Norplex does not seek to recover fees related to the DTPA counterclaim.

sum. The jury determined Secur's affirmative defenses and counterclaims, and Norplex's affirmative defenses to Secur's counterclaims, adversely to Secur.

The Court will award Norplex reasonable and necessary attorney fees for legal services in advancing its breach of contract claim and overcoming Secur's affirmative defenses, and in defeating Secur's counterclaims for breach of contract, breach of warranty, and fraud, which, had they been successful, would have defeated or diminished Norplex's contract claim.³

Norplex cannot recover fees for defending against Secur's counterclaims for unfair competition and misappropriation and theft of trade secrets.⁴ Secur alleged that Norplex breached the December 6, 2005 or September 12, 2006 Non-Disclosure and Confidentiality Agreements, by stealing trade secrets related to NP504QB and communicating, selling, and/or transferring those trade secrets to third parties. The Non-Disclosure and Confidentiality Agreements were executed before the Purchase Order for NP504QB, which is the basis for Norplex's breach of contract claim. To prevail on its claim for breach of contract, Norplex need not have prevailed on Secur's trade secret counterclaims.⁵ Although there is some overlap between Norplex's breach of contract claim and Secur's trade secret counterclaims, the claim and counterclaims "are independent causes of action and the evidence used to support them is neither coextensive, nor as interrelated as those before the *Brockie* and *Dollar Rent A Car* courts."⁶ Based on the Court's assessment of the complexity of the trade secret counterclaims

³ See *Chapa*, 212 S.W.3d at 314 ("[T]o prevail on a contract claim a party must overcome any and all affirmative defenses . . . and the opposing party who raises them should not be allowed to suggest to the jury that overcoming those defenses was unnecessary."); *Varner v. Cardenas*, 218 S.W.3d 68, 69 (Tex. 2007) (holding that attorney fees for defending against a counterclaim need not be segregated, where the effort was necessary to recover on the contract); see also *Brockie v. Webb*, 244 S.W.3d 905, 910 (Tex. App. —Dallas 2008, no pet.); *7979 Airport Garage, L.L.C. v. Dollar Rent A Car Sys., Inc.*, 245 S.W.3d 488, 507 (Tex. App.—Houston [14 Dist.] 2007, pet. filed) ("[W]hen a defendant asserts a counterclaim that the plaintiff must overcome in order to fully recover on its contract claim, the attorneys' fees necessary to defeat that counterclaim are likewise recoverable.").

⁴ Secur Counts 1-7.

⁵ See, e.g., *CA Partners v. Spears*, 274 S.W.3d 51, 83-84 (Tex. App.—Houston [14 Dist.] 2008, pet. denied).

⁶ *Hooker v. Constellation Homebuilder Sys., Inc.*, No. V-06-77, 2008 WL 4057909, at *5 (S.D. Tex. Aug. 26, 2008).

and the time and labor required to address them before and during trial, the Court finds that a reduction of one-third of Norplex's requested fees is appropriate.⁷ Therefore, Norplex's requested fees of \$487,706.72 are reduced by one-third, to \$325,137.81.

The Court considers the following factors when determining whether Norplex's attorney fees are reasonable:

- (1) time and labor required, novelty and difficulty of questions involved, and skill required to perform the legal services properly;
- (2) likelihood that acceptance of the particular employment by the lawyer will preclude other employment;
- (3) fee customarily charged in the locality for similar legal services;
- (4) the amount involved and the results obtained;
- (5) time limitations imposed by client or by circumstances;
- (6) nature and length of the professional relationship with the client;
- (7) experience, reputation, and ability of the lawyer or lawyers performing the services; and
- (8) whether the fee is fixed or contingent on results obtained or uncertainty of collection before the legal services have been rendered.⁸

Norplex filed an affidavit of its counsel that the fees charged were customary and reasonable. While Norplex's breach of contract claim did not present a novel or difficult issue, significant time was required to defend against Secur's affirmative defenses and counterclaims, preventing counsel from accepting other employment. Norplex's counsel has experience in the matters presented in this case. Norplex prevailed on its claim for breach of contract and defeated Secur's affirmative defenses and counterclaims. After reviewing Norplex's invoices and

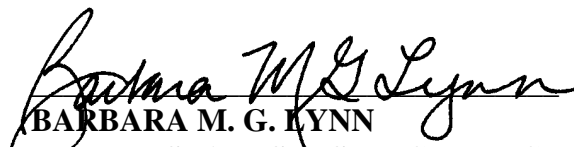
⁷ See, e.g., *Navigant Consulting, Inc. v. Wilkinson*, No. 3:02-CV-2186-B, 2008 WL 2765334, at *4, *6-7 (N.D. Tex. July 16, 2008) (reducing a party's requested attorney fees by 40% to account for unrecoverable fees).

⁸ *Arthur Andersen & Co. v. Perry Equip. Corp.*, 945 S.W.2d 812, 818 (Tex. 1997) (citing Tex. Disciplinary R. Prof'l Conduct 1.04(b), reprinted in Tex. Gov't Code Ann., tit. 2, subtit. G app. A (Vernon 2005) (Tex. State Bar R. art. X, § 9)).

considering the above factors, the Court finds that Norplex's requested attorney fees, including services performed by its legal assistant, are reasonable and necessary. The Court will enter a Final Judgment consistent with this opinion.

SO ORDERED.

January 25, 2010.


BARBARA M. G. LYNN
UNITED STATES DISTRICT JUDGE
NORTHERN DISTRICT OF TEXAS