



Susman Godfrey Secures \$203 Million Win for Louis Bacon in Defamation Suit Against Peter Nygard

Susman Godfrey has secured a \$203 million win from Supreme Court of the State of New York, County of New York on behalf of New York hedge fund legend, Louis Bacon, in his high-profile defamation lawsuit against Canadian fashion magnate Peter Nygard. This is believed to be the highest defamation judgment in New York State history.

Bacon filed the defamation action against Nygard in January 2015, after uncovering evidence that Nygard devised a campaign to defame Bacon in various publications with false allegations: that Bacon had engaged in insider trading and was affiliated with the Ku Klux Klan. Bacon brought in New York partner, Bill Carmody, and a team from Susman Godfrey to replace prior counsel in mid-2016, as the Court granted a motion by Nygard to dismiss the case on forum non conveniens grounds in favor of litigating in the Bahamas. After getting that dismissal reversed on appeal, Susman Godfrey moved forward offensively, exposing misconduct by Nygard and his lawyers in collateral litigation.

SUSMAN GODFREY

This lawsuit was litigated on multiple fronts against multiple opposing law firms. In 2019 Susman Godfrey won a third motion to dismiss the New York case, after going through several of the defamatory statements to explain why each was actionable and how internet-platform use intersects with traditional defamation law regarding republication. In April of 2020 the action was stayed against Nygard's companies after they filed for bankruptcy, but case continued against Nygard individually.

In October 2022 Susman Godfrey secured summary judgment as to Nygard's liability for defamation on fifty of the statements in question. The Court held that the "Plaintiff presents testimony of Nygard's actions in making, creating, procuring, or promoting false statements, such as plaintiff's involvement in the Ku Klux Klan, that tend 'to expose the plaintiff to public contempt, ridicule, aversion or disgrace or induce an evil opinion of plaintiff in the minds of right-thinking persons, and to deprive plaintiff of their friendly intercourse in society.'"

The Court then referred the case to a special referee, the Hon. Layn Phillips (ret.) to hear and determine Mr. Bacon's damages against Nygard. In April, Susman Godfrey presented Mr. Bacon's case for damages against Nygard to the Special Referee, who found that Nygard executed a global, decade-long, multi-media defamation campaign "to personally and professionally destroy Bacon." The Special Referee found that Mr. Bacon was entitled to damages to compensate him for his resulting loss of standing and reputation, personal humiliation, mental anguish, the loss of community and use and enjoyment of his property in the Bahamas, and the costs and fees he reasonably expended in efforts to mitigate these harms, as well as punitive damages and attorneys' fees for Nygard's disinterested malevolence. In total, the Special Referee awarded Mr. Bacon \$203 million in damages.

"We are thrilled to end this multi-year long litigation for Mr. Bacon and that the Court agrees that Nygard's statements about Mr. Bacon were slanderous and defamatory," said Carmody after the award was announced. "Mr. Bacon is looking forward to putting this ordeal behind him."

Joining Carmody on the matter are partners [Stephen Shackelford](#), [Mark Musico](#), [Davida Brook](#) and [Rachel Black](#) as well as associates [Stephanie Spies](#), [Nick Carullo](#) and [Russell Rennie](#).

The case is *Louis Bacon, v. Peter Nygård, Nygård International Partnership, Nygård, Inc.*, No. 150400/2015 in the Supreme Court of the State of New York.