

Susman Godfrey Wins Unanimous Jury Verdict for Northville Product Services

Houston, Texas Feb. 9 — On Friday, February 6, 2009, a Texas jury returned a unanimous verdict in favor of Susman Godfrey client Northville Product Services. Northville sued biodiesel producer Green Earth Fuels for breach of a letter agreement for the sale of biodiesel. Northville also asserted a claim for tortious interference with contract against Goldman Sachs, an investor in Green Earth Fuels.

The 2-year deal between Northville and Green Earth Fuels would have been one of the first of its kind in the emerging biodiesel industry. Green Earth Fuels used the letter agreement to attract investors, but later repudiated the agreement after Goldman Sachs decided it didn't like the deal. At trial, Green Earth Fuels and Goldman Sachs argued that the letter agreement was not binding because the parties never signed a formal sales contract as contemplated by the letter agreement. The jury rejected this defense and found that the letter agreement was binding.

"The jury's unanimous verdict confirms that, in Texas, a deal's a deal," said Steve Susman, who represented Northville at trial along with Susman Godfrey associate Rob Safi.

Green Earth Fuels was represented at trial by David Beck of Beck Redden & Secrest. Goldman Sachs was represented by Karl Stern of Vinson & Elkins. Damages and the interference claim against Goldman Sachs will be decided at a second trial. The matter is Northville Product Services, LP v. Green Earth Fuels, LLC, et al., in the 11th District Court for Harris County, Texas, the Honorable Mike Miller presiding.