

CASE STUDY

Preserving a \$60 Million+ Victory on Appeal

*“After a trial, the Court of Chancery ruled substantially in favor of CA....
We find no merit to Ingres’s appeal and affirm....”*

—Opinion from the Delaware Supreme Court

pillsbury

Client:	CA Technologies (formerly CA Inc.)
Industry:	Enterprise software
Area of Law:	Contracts
Venue:	Delaware Supreme Court
Result:	Affirmed a lower court decision that rejected a \$60 million claim against CA



In the enterprise software industry, *CA v. Ingres* was a very closely watched lawsuit. Substantial contractual and financial issues were at stake for our client CA, a \$4.3 billion public company, and for Ingres, a software company CA had spun off in 2005. In the end, the Delaware Supreme Court upheld a decision rejecting a \$60 million claim against CA and instead awarding fees and costs to our client.

Ingres had sued first in California, claiming that CA owed it \$30 million for providing newer versions of a software development tool kit to a large computer outsourcer. CA, citing the forum selection clauses in the parties’ contracts, filed suit in Delaware seeking an expedited trial.

Successfully maneuvering through a series of motions on both coasts, expedited review and production of over 700,000 pages of documents, and 23 depositions, Pillsbury, along with its Delaware co-counsel, drove the case from complaint to trial in just over six months.

By trial, Ingres was demanding more than \$60 million from CA. But after Pillsbury’s blistering cross-examinations, the Delaware Chancery Court rejected Ingres’ position. The court gave a definitive victory to CA, awarding nothing to Ingres and instead ordering it to pay \$2 million in attorneys’ fees and costs.

Ingres then appealed to the Delaware Supreme Court. In a unanimous decision, the court found “no merit” to the appeal and affirmed the decision sparing our client from a second trial in California. The court also clarified its earlier decision in *McWane Cast Iron Pipe*, which held that Delaware lawsuits should be stayed when an action involving the same parties has been filed first elsewhere. In an opinion with broad impact for Delaware corporations, the Supreme Court held that, “where contracting parties have expressly agreed upon a legally enforceable forum selection clause, a court should honor the parties’ contract....”