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## Chicago firm sues client over \$747,500 in fees

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January 21, 2010

Lawyers sometimes cut clients a little slack when it comes to paying bills on time, but every law firm has its limits. Chicago-based Freeborn & Peters hit the end of its rope this month with one client.

On Jan. 11, the firm sued Vehicle Safety & Compliance LLC of Memphis and related entities, including Pittco Capital Partners LP and J.R. Pitt Hyde III, in federal court in Chicago to collect \$747,515 in unpaid fees plus interest and the cost of bringing the lawsuit. Freeborn & Peters alleges that it worked out agreements in December 2008 and January and March 2009 with the client for payment of the fees, but the client still fell short after making good on a portion of the charges.

"Our firm policy is that we don't communicate with the media about firm client matters and so unfortunately we're not going to be able to talk" about the case, said Randall Vickery, a managing partner at the law firm. The case was brought in the U.S. District Court for the Northern District of Illinois.

Brad Larschan, chief executive of Vehicle Safety, said his transportation safety technology company hadn't yet been served with the lawsuit, but the last he heard his company had paid between 70% and 75% of the fees and the two parties were in discussions to resolve the matter.

The fees owed to Freeborn & Peters stem from defending Vehicle Safety and the related entities in a 2008 lawsuit brought in the Chicago federal court by DigaComm LLC, which was seeking "not less than \$200 million" in damages. DigaComm, a private investment firm, claimed that it had helped form a joint venture between Vehicle Safety and General Electric Co. by introducing executives of the two companies, who then pursued a deal to monetize a portfolio of patents worth \$4 billion. Afterward, DigaComm alleged that Vehicle Safety reneged on an agreement to pay a portion of the proceeds for the introduction. Kirkland & Ellis represented DigaComm in that lawsuit.

Larschan said the DigaComm case was resolved in arbitration with an agreement to pay that company some portion of the revenue from the patent portfolio.

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