

THE LATEST IN THE STATE FARM v PYORRE-WIER LAWSUIT

Dated 4/8/2010

[Attached](#) is the court order dismissing the Mendocino Trade Secret case brought by State Farm as moot. This case has been pursued for over 11 years by State Farm at a cost of many millions of dollars only to be found to be moot by the court. The case was found to be moot as State Farm dropped all damage claims they were pursuing in order to avoid the possibility of a jury trial decision. Pyorre and Wier have previously had two favorable jury verdicts regarding this matter!

Even after dropping all damage claims, State Farm continued trying to persuade the court of the viability of their claim. The thrust of the matter was the possession of declaration pages that were retained by Pyorre and Wier after being terminated as agents for State Farm. Those declaration pages were trade secrets, according to State Farm, and State Farm contended they were valuable even after 11 years. One of State Farm's arguments to the court of their value was the fact that Pyorre and Wier had kept them and still had them. That is until it was shown that Wier had shipped his declaration sheets back to them and that Pyorre had discovered his pages had been inadvertently destroyed within the last few years. So much for State Farm's argument about the value of the documents!

The ironic thing about this case is the fact that State Farm, while suing the two agents, found it was also obligated to pay the defense of those same two agents. The cost of the litigation is estimated to have been over \$6,000,000 through the first trial in August 2002. This cost has continued to climb as State Farm pursued yet a second and then a third trial. Costs through today are estimated at over \$10,000,000 with State Farm involving over 5 law firms (not lawyers, but law firms).

The second jury verdict in favor of Pyorre and Wier occurred when State Farm stopped paying Pyorre and Wier's defense costs under their BOPP Policy, and then tried to reclaim some of the money it had paid for their defense. In October 2009, a jury in Sonoma County (this is where State Farm had filed litigation against Pyorre and Wier) found Pyorre and Wier *owed nothing* back to State Farm. That case has been appealed and further action is pending.

The third trial that was scheduled for Mendocino County has now been ruled moot by the court and that leaves only the Sonoma Case which is under appeal.