

DLA Piper Successfully Defends Against \$180 Million Malpractice Lawsuit



In a significant legal victory, global law firm DLA Piper successfully defended itself against a \$180 million legal malpractice lawsuit. U.S. District Judge Victor Marrero in Manhattan dismissed the case, ruling that the plaintiff, Link Motion Inc, had filed the lawsuit beyond the three-year statute of limitations.

The lawsuit stemmed from a 2018 shareholder lawsuit that led to Link Motion being placed into receivership. The shareholders alleged that Link Motion and three of its executives had engaged in the improper transfer of valuable assets to unknown third parties. Link Motion did not respond to the lawsuit and consented to being placed into receivership.

However, in its subsequent legal malpractice lawsuit against DLA Piper, Link Motion argued that the law firm could have raised defenses against the shareholder claims, ultimately seeking damages of \$180 million. DLA Piper had sought permission to withdraw as Link Motion's counsel in the shareholder case just four months after it was filed, citing the company's inability to pay legal fees and lack of responsiveness.

Judge Marrero's ruling centered on the statute of limitations issue, finding that Link Motion's claims had expired in January 2022, eight months before the lawsuit was filed. This dismissal with prejudice delighted Kevin Rosen, a partner at Gibson, Dunn & Crutcher, who represented DLA Piper. Rosen expressed his satisfaction stating, "We are very pleased to see this meritless complaint dismissed with prejudice."

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DLA Piper's defense strategy effectively countered Link Motion's allegations. Marrero emphasized that the crux of Link Motion's claim about the wrongful appointment of a receiver was baseless. According to Rosen, the judge made it unequivocally clear that this particular aspect of Link Motion's claim lacked merit.

Michael Maloney, the lawyer representing Link Motion, responded to the ruling, stating that Marrero's decision did not undermine the merits of Link Motion's claim against DLA Piper. The judge himself acknowledged that his ruling did not address the sufficiency of Link Motion's pleadings.

The dismissal of the \$180 million lawsuit marks a significant victory for DLA Piper, validating the firm's legal defense strategy and its argument that Link Motion's claims were time-barred. By securing this favorable outcome, DLA Piper reinforces its reputation as a leading global law firm with a track record of successfully navigating complex legal challenges.

As the legal battle concludes, both DLA Piper and Link Motion are likely to reflect on the implications of this ruling. DLA Piper's dismissal reaffirms its commitment to providing exceptional legal services and diligently adhering to legal and procedural requirements. Link Motion, on the other hand, may consider its options for pursuing other avenues to address its grievances, despite the setback in this particular lawsuit.

In the dynamic landscape of legal disputes, this case serves as a reminder of the critical importance of adhering to statutory time limits when pursuing legal action. Failing to file within the prescribed limitations period can significantly weaken a plaintiff's position, potentially resulting in dismissing their claims.

DLA Piper's successful defense against the \$180 million legal malpractice lawsuit showcases the firm's legal prowess and highlights the complexity and strategic considerations involved in such high-stakes litigation. The ruling provides valuable insights for legal professionals and clients alike, underscoring the need for comprehensive legal counsel and meticulous adherence to procedural requirements.

Ultimately, this outcome bolsters DLA Piper's reputation as a legal powerhouse capable of achieving favorable results for its clients while simultaneously serving as a cautionary tale for those contemplating legal action to ensure they meet all necessary deadlines.