

Paul Hastings Retains Position in Lawsuit as Coca-Cola's Bid Fails



Coca-Cola Co.'s attempt to prevent its outside law firm, [Paul Hastings](#), from suing the company for over \$100 million on behalf of a beverage cooling company has been denied by a federal judge in Florida. Magistrate Judge Robert Norway ruled that Coke's retainer agreement with [Paul Hastings](#) allowed the firm to represent SuperCooler Technologies Inc. in its breach of contract lawsuit against Coke.

According to the US District Court ruling for the Middle District of Florida, the retainer agreement signed by Coke granted [Paul Hastings](#) the ability to take cases that may pose a conflict of interest. Judge Norway stated that Coke was aware of the nature of [Paul Hastings](#)' work and the clients they represent, and therefore understood and consented to the firm representing an opposing party in future litigation matters.

This legal dispute raises questions about the boundaries of "advance conflict-of-interest waivers" in retainer agreements, which are commonly used by large law firms with extensive legal teams. Judge Norway predicted that conflicts like this may become more common as law firms grow larger and accumulate more clients and work.

See also: [Former Client Files Lawsuit Alleging Negligence by Paul Hastings Attorneys](#)

Coca-Cola did not immediately provide a comment following the judge's ruling. The agreement between Coke and [Paul Hastings](#) was established in 2021 when partner Jonathan Drimmer began advising Coke on a human rights issue in the Democratic Republic of Congo. The agreement specifically acknowledged the possibility of the firm representing a client adverse to Coke's interests in the future.

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The provision in the agreement played a significant role in debunking Coke's claims, particularly due to the company's familiarity with working with outside law firms, as noted by Judge Norway. He pointed out that Coke had engaged with 50 external law firms in the past five years and therefore understood the associated risks when hiring [Paul Hastings](#).

William Freivogel, a conflicts consultant for in-house legal departments and law firms, emphasized the importance of recognizing the sophistication of the waiving party in cases involving large law firms. Freivogel suggested that a judge's general attitude towards advance waivers can influence the outcome of such disputes.

Coca-Cola sought to disqualify [Paul Hastings](#) after the firm hired lawyers from Cahill Gordon & Reindel who were already representing SuperCooler in a separate lawsuit filed in February. The lawsuit accused Coke of breach of contract and misuse of trade secrets. Among the lawyers who joined [Paul Hastings](#) was Brad Bondi, who currently serves as co-chair of the investigations and white-collar defense practice.

According to Judge Norway's order, [Paul Hastings](#)' general counsel concluded that the advanced conflicts waiver provision in the 2021 agreement permitted the firm to continue its representation against Coke. The company argued that the provision was sufficient and that [Paul Hastings](#) was fulfilling its fundamental duty to its client.

In response, Coke claimed that the firm effectively terminated its relationship with the company to pursue a potentially lucrative lawsuit. [Paul Hastings](#) countered Coke's efforts to remove them, referring to it as a "technique of harassment" aimed at obstructing the lawsuit.

[Paul Hastings](#) expressed satisfaction with the judge's decision, considering it the appropriate outcome based on established precedent in the Eleventh Circuit and other courts throughout the country.

Don't be a silent ninja! Let us know your thoughts in the comment section below.