

SUMMARY STATEMENT

KDN v. WinCo, Docket No. 45010

The Idaho Supreme Court affirmed a district court's denial of a jury trial under Rule 39(b) of the Idaho Rules of Civil Procedure and decision to pierce the corporate veil. The dispute arose out of a transaction between Kym Nelson, who acted on behalf of KDN Management Inc., ("KDN"), and WinCo, Foods, LLC ("WinCo"), for concrete floor work that KDN performed in several WinCo stores. The district court found that KDN had overcharged WinCo for the work, and awarded WinCo \$2,929,383.31 in damages, including attorney fees pursuant to Idaho Code section 12-120(3). The district court also held Nelson and two entities associated with her, SealSource International, LLC ("SealSource"), and KD3 Flooring LLC ("KD3"), jointly and severally liable for WinCo's damages.

The Idaho Supreme Court affirmed, holding that: (1) the Nelson Parties did not provide a reasoned explanation as to why a proper Rule 38(a) jury demand was not made; thus, the district court acted within its discretion to deny their Rule 39(b) motion; (2) the district court did not err in holding Nelson jointly and severally liable with KDN because KDN was not incorporated until after the contract with WinCo was formed; (3) the district court did not abuse its discretion when it found that Nelson, KDN, SealSource, and KD3 were so intertwined in their interest and ownership that their separate personalities no longer existed, making alter ego liability appropriate; and (4) WinCo was entitled to attorney fees and costs on appeal.