

SUMMARY STATEMENT

Dickinson Frozen Foods v. J.R. Simplot Co.

Docket No. 45580

This action arose out of Ada County and involved statements made in a complaint and amended complaint that were filed in U.S. District Court for the Western District of Washington (the Washington litigation). In December 2016, the J.R. Simplot Company (Simplot) commenced the Washington litigation by filing suit related to the dissolution of a business relationship between Simplot and two entities Simplot co-owned with Frank Tiegs (Tiegs). Dickinson Frozen Foods (DFF), also operated by Tiegs, was not named as a party in the Washington litigation; however, the complaint contained allegedly defamatory statements about DFF. In March 2017, DFF filed suit in Ada County district court alleging defamation per se against Simplot and its Food Group President Mark McKellar (McKellar), as well as the two law firms who represented Simplot in the Washington litigation—Yarmuth Wilsdon, PLLC (Yarmuth) and Thompson Coburn, LLP (Thompson). DFF also claimed breach of contract against Simplot, claiming Simplot had breached a non-disclosure agreement (NDA).

Counsel for Yarmuth and Thompson made special appearances so that they could contest personal jurisdiction, and simultaneously moved for dismissal on that basis. Yarmuth, Thompson, McKellar, and Simplot also sought dismissal or partial summary judgment on the basis of the litigation privilege. The district court dismissed DFF's claims for defamation per se against all defendants, determining the statements were protected by the litigation privilege. However, the district court declined to rule on Yarmuth and Thompson's motions to dismiss for lack of jurisdiction in light of its rulings on the merits. Later, the district court granted Simplot's motion for summary judgment on DFF's breach of contract claim. DFF timely appealed.

The Idaho Supreme Court affirmed in part and reversed in part. First, the Court determined it did not have personal jurisdiction over Yarmuth or Thompson. Next, the Court affirmed the district court's dismissal of DFF's defamation action against McKellar and Simplot, determining the action was barred by the litigation privilege. The Court also determined the district court did not abuse its discretion when it denied DFF's motions for leave to amend its complaint. Next, the Court affirmed the district court's determination that Simplot did not breach the NDA. Last, the Court reversed the district court's award of attorney fees for the defamation action and remanded for the fees to be apportioned and awarded as to the defense of the breach of contract claim only. The Court awarded Simplot their attorney fees on appeal as to their defense of the breach of contract claim.