

MONDAY, OCTOBER 17, 2022

PERSPECTIVE

Oral agreement doesn't exist, Santa Barbara county jury decides

Ryan T. Waggoner, Peter A. Griffin and Ross Neglia of Allen Matkins represented the victorious defendant, Dansk Investment Group, which was accused by the plaintiff of conspiring with a hotel seller, an entity belonging to Kinko's founder Paul Orfalea, to usurp the business opportunity to redevelop a hotel in Huntsville, Alabama

By Federico Lo Giudice
Daily Journal Staff Writer

A Santa Barbara County jury returned a defense victory to a hotel management and development company, deciding an oral agreement to redevelop a property with a co-investor did not exist.

Windsor Capital Group sued Dansk Investment Group and related entities alleging there was an oral joint venture agreement between them to buy and redevelop a hotel. The lawsuit claimed Dansk then proceeded to buy and redevelop the property without Windsor,

and asked for \$15 million in damages. *Windsor Capital Group Inc. v. John Moller et al.*, 16CV05198 (Santa Barbara Ct., filed Nov. 17, 2016).

A. Barry Cappello of Cappello & Noel represented Windsor. In the complaint, he wrote that Dansk conspired with the hotel seller, an entity belonging to Kinko's founder Paul Orfalea, to usurp the business opportunity to redevelop a hotel in Huntsville, Alabama.

Cappello did not return phone calls requesting comments on Friday.

Ryan T. Waggoner, Peter A. Griffin and Ross Neglia of Allen Matkins Leck Gamble Mallory & Natsis LLP represented Dansk and its chairman John Moller. Co-defendant Orfalea and his company, O & S Holdings LLC, were

represented by David H. Stern of Baker & Hostetler LLP. They argued that Windsor's allegations were false and that the agreement did not exist.

Waggoner said that the only paperwork that existed was "an agreement to agree in the future," but that this is unenforceable by California law.

The trial was five weeks long. The jury returned a complete defense verdict in favor of Dansk on Wednesday.

"There was hardly any documentation exchanged between the parties so it came down to some third party testimony, but mostly the credibility of both principals. We got a complete victory," Waggoner said.

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