

A solid yellow right-angled triangle pointing towards the top-left corner.

## BLOGS

Tortious Interference

# Court Denies Dismissal of Claims for Breach and Interference

In *Getty Petroleum Marketing, Inc. v. 2211 Realty, LLC*, 2012 U.S. Dist. LEXIS 19346 (D. Mass. Feb. 16, 2012), a Massachusetts federal court considered a dispute arising out of the termination of a dealership agreement. Pursuant to the agreement, which Getty assigned to Green Valley Oil, defendant 2211 Realty operated a Lukoil station in Rhode Island. The plaintiffs terminated the agreement based on 2211 Realty's alleged failure to pay for fuel deliveries, and initiated a lawsuit to enforce termination. 2211 Realty brought counterclaims alleging, among other things, breach of the implied covenant of good faith and fair dealing and tortious interference with business relations. The counterclaim for breach of the implied covenant alleged that Green Valley had no interest in maintaining the contractual relationship and sought to pressure 2211 Realty into entering a less favorable contract. It also alleged that Green Valley sent representatives to its store to break into its office, steal documents, and make it appear as though it breached the agreement. 2211 Realty's claim for tortious interference alleged that Green Valley intentionally reduced and then terminated fuel deliveries in order to interfere with 2211 Realty's relationship with its customers.

Applying Rhode Island law, the court denied the plaintiffs' motion to dismiss both counterclaims. With respect to the claim for breach of the implied covenant, the court decided that the conduct alleged, if proved, "would almost certainly be unreasonable and inconsistent with the purposes of the contract." Therefore, the court found 2211 Realty's allegations sufficient to state a claim. With respect to the claim for tortious interference, the court held that it was sufficient for 2211 Realty to allege that Green Valley knew of 2211 Realty's relationship with its customers, and that Green Valley's actions in reducing and eventually terminating gasoline delivery to 2211 Realty prevented the customers from continuing their business relationships with 2211 Realty.