

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

BLOGS

Terminations

Distributor Was Not Tiffany's Exclusive Distributor

The Second Circuit has affirmed a lower court's decision finding no agreement between Tiffany and Beautiful Jewellers for the exclusive distributorship of Tiffany goods in India. *Beautiful Jewellers Private Limited v. Tiffany & Co.*, 2011 U.S. App. LEXIS 19147 (2d Cir. Sept. 16, 2011). Beautiful Jewellers, which had been a Tiffany distributor for ten years, contended that it had reached a "verbal" agreement to be an exclusive distributor "as long as Tiffany sold products in India." This arrangement, however, was not supported by any written agreement. Unsigned draft agreements provided that upon execution, Beautiful Jewellers would become the exclusive distributor for a ten-year term, with an optional extension date. When Tiffany terminated the arrangement, Beautiful Jewellers sued. In affirming the lower court's decision granting Tiffany summary judgment, the Second Circuit noted that the alleged agreement had never been memorialized, even in the draft agreements. It also found persuasive the deposition testimony of Beautiful Jewellers' principal, who testified that the parties had agreed to an "open-ended tenure," not that the parties had contractually agreed to an exclusive arrangement for as long as Tiffany sold goods in India.