

Beck Redden Helps Save Client \$535 Million

The Texas Supreme Court has ruled in favor of Beck Redden client Enterprise Products Partners LP. The ruling wiped out a trial court's \$535 million judgment against Enterprise, agreeing with the company that it never had a binding partnership with Energy Transfer Partners LP to develop a crude oil pipeline.

The ruling – the result of a more than 8-year fight – is further proof that Beck Redden is prepared to go the distance and knows what it takes to win – and win big.

Deal or No Deal?

In 2011, Enterprise and Energy Transfer Partners (ETP) agreed to work together to build a crude oil pipeline from Cushing, Oklahoma to near the Gulf of Mexico. Both companies signed agreements that said they would not have a partnership until two conditions were met:

- 1) The companies executed definitive agreements
- 2) Each company's board of directors gave approval

But when interest in the pipeline never materialized, Enterprise moved on to a separate pipeline with a different company.

And with that, the battle began.

Ready for a Fight

Round one of the fight began when Energy Transfer Partners sued Enterprise, alleging it had been unfairly cut out of the valuable pipeline deal. It claimed it had a partnership with Enterprise, but Enterprise argued that because the two conditions in the agreements had not been met, no partnership

was created.

In 2014, Beck Redden tried the case before a Dallas jury, but the jury sided with ETP and ordered Enterprise to pay \$535 million in damages.

It's Not Over Until...

In 2017, the Dallas Court of Appeals overturned the jury's decision. However, when the court refused ETP's request for a rehearing, ETP took its case to the Texas Supreme Court.

A Fight to the Finish

Finally, on January 31, 2020, after years of fighting, the decision Beck Redden and Enterprise had been fighting for – No deal. No partnership. No money.

In the end, the Texas Supreme Court ruled in favor of Enterprise, finding that no partnership was formed between Enterprise and ETP, wiping away the \$535 million judgment against Enterprise.

A Monumental Decision

And with that, the ruling reversed one of the largest verdicts in the state of Texas – A monumental win for Enterprise and Beck Redden.

As a result, the Texas Supreme Court decision will have a major impact on future disputes about partnership formation. The court ruled that Texas law does allow for parties to agree that no partnership will exist unless certain conditions are met.

When the stakes are high, bet on Beck Redden.

What does it take to save your client \$535 million and get a landmark decision from the Texas Supreme Court?

Click here to find out.