

Be Careful When You Decide to Breach a Contract

A recent case from the Massachusetts Superior Court presents a stark reminder that whether conduct is viewed as a “mere breach” or part of a deceptive or unfair course of conduct can be in the eye of the beholder, writes Shep Davidson in **The In-House Advisor** blog, published by **Burns & Levinson LLP**.

“In *American Translation Partners, Inc. v. Lahey Clinic Hospital, Inc.*, ATP entered into a three-year contract with Lahey to provide interpreters to assist Lahey’s medical professionals in their interactions with non-English speaking patients,” he writes. The contract stated that Lahey would not hire interpreters who had worked for ATP within the past 24 months. ATP later sued, claiming Lahey had breached that rule.

The Superior Court wrote:

“Did Lahey intentionally breach the contract and did it do so to either punish ATP or to gain a financial benefit? Persuasive evidence will have to be offered that Lahey knew that it was likely breaching the Services Agreement but decided to do so anyway either as a lever in its ongoing contract negotiations with ATP or to simply reap unfair benefits. On this record, summary judgment in favor of Lahey must be denied.”

Read the article.