

SUPREME COURT OF IDAHO

The Watkins Company, LLC v. Estate of Michael Storms

161 Idaho 683 (2017) · No. 43649 · Decided February 24, 2017

SUMMARY

The Idaho Supreme Court affirmed an award of attorney fees to the Estate of Michael Storms and Brownstone Companies in litigation arising from a commercial lease dispute and temporary restraining order. The court held that Watkins failed to preserve its challenge to the district court's apportionment of fees between defending the claims and pursuing the counterclaim. The court also awarded Storms and Brownstone attorney fees and costs on appeal.

CASE DETAILS

COURT	Supreme Court of Idaho
WRITING FOR THE COURT	Horton, Justice; Burdick, Chief Justice; Eismann, Justice; Jones, Justice; Brody, Justice
JURISDICTION	Idaho
DECIDED	February 24, 2017
DOCKET	43649
DISPOSITION	affirmed
PROCEDURAL POSTURE	Appeal from the district court's award and apportionment of attorney fees following a bench trial in a breach-of-contract action and counterclaim involving damages from a temporary restraining order.
STANDARD OF REVIEW	The calculation of reasonable attorney fees is reviewed for abuse of discretion. The underlying factual findings are reviewed for substantial and competent evidence, consistent with Idaho Rule of Civil Procedure 52(a). The appellant bears the burden of demonstrating an abuse of discretion.
PRECEDENTIAL VALUE	published
PARTIES	The Watkins Company, LLC v. Estate of Michael Storms, Brownstone Companies, Inc.

TOPICS

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PRACTICE AREAS

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QUESTIONS PRESENTED

1. Whether Watkins preserved its challenge to the district court's apportionment of Storms and Brownstone's attorney fees between defending Watkins's claims and pursuing the counterclaim.
2. Whether Storms and Brownstone were entitled to attorney fees and costs on appeal under Idaho Code section 12-120(3).

HOLDINGS

1. The court will not consider Watkins's challenge to the apportionment of attorney fees because Watkins failed to raise that specific objection before the district court.
2. Storms and Brownstone are entitled to attorney fees and costs on appeal under Idaho Code section 12-120(3) because they prevailed and the action arose from a commercial transaction.

KEY QUOTATIONS

“This Court generally will not consider an issue that is raised for the first time on appeal.” (at 687)

“The appropriate manner in which to object to the attorney fees claimed in a memorandum of costs is to file and serve timely on adverse parties a motion to disallow part or all of such costs.” (at 687)

“Because Watkins failed to preserve the current claim of error, we will not address it.” (at 688)

FACTUAL BACKGROUND

Watkins owned real property leased by Storms and Brownstone for operation of the Brownstone Restaurant and Brewhouse. After the parties became month-to-month tenants, Watkins sued in 2010 alleging violations of revised lease terms and obtained a temporary restraining order preventing removal of property, secured by a \$10,000 bond. Following a seven-day bench trial, Watkins recovered only \$699.64, while Storms and Brownstone prevailed on their counterclaim for damages caused by the TRO and were awarded attorney fees as prevailing parties.

PROCEDURAL HISTORY

Watkins sued Storms and Brownstone for breach of contract and obtained a temporary restraining order secured by a \$10,000 bond. After a seven-day bench trial, Watkins recovered \$699.64, while Storms and Brownstone prevailed on their counterclaim and were awarded \$17,015.88, limited to the bond amount. The district court awarded Storms and Brownstone 90% of their requested attorney fees, and Watkins appealed the apportionment. The Supreme Court of Idaho held that Watkins failed to preserve its apportionment challenge and affirmed, also awarding attorney fees and costs on appeal to Storms and Brownstone.

DISPOSITION

affirmed

CASES CITED

- Bott v. Idaho State Building Authority, 128 Idaho 580, 592, 917 P.2d 737, 749 (1996)
- Lettunich v. Lettunich, 145 Idaho 746, 749, 185 P.3d 258, 261 (2008)
- Miller v. EchoHawk, 126 Idaho 47, 49, 878 P.2d 746, 748 (1994)
- Clear Springs Foods, Inc. v. Spackman, 150 Idaho 790, 812, 252 P.3d 71, 93 (2011)
- Brooks v. Gigray Ranches Inc., 128 Idaho 72, 910 P.2d 744 (1996)
- Fagen, Inc. v. Rogerson Flats Wind Park, LLC, 159 Idaho 624, 628, 364 P.3d 1189, 1193 (2016)

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