UNITED STATES DISTRICT COURT FOR THE DISTRICT OF DELAWARE

James Stokes v. Markel American Insurance Co.

Stokes v. Markel American Insurance Co., No. 1:19-cv-02014-SB (D. Del. May 15, 2026) · No. No. 1:19-cv-02014-SB · Decided May 15, 2026

SUMMARY

The United States District Court for the District of Delaware sanctions certain Florida-based counsel for conduct under 28 U.S.C. § 1927, including improper motions in limine, pursuit of barred or dismissed claims, and an inadequately supported bill of costs. The court finds that this conduct unreasonably and vexatiously multiplied the proceedings, increased costs, and reflected bad faith. It declines to impose additional sanctions for counsel's fee-request conduct and does not sanction local Delaware counsel or the client.

CASE DETAILS

COURT	United States District Court for the District of Delaware
WRITING FOR THE COURT	Judge Bibas, Circuit Judge, sitting by designation
JURISDICTION	United States District Court for the District of Delaware
DECIDED	May 15, 2026
DOCKET	No. 1:19-cv-02014-SB
DISPOSITION	other
PROCEDURAL POSTURE	The court ordered Plaintiff's counsel to show cause why they should not be sanctioned for pretrial conduct and conduct related to a bill of costs. After considering the response, the court imposed sanctions under 28 U.S.C. § 1927 on Plaintiff's Florida counsel for specified conduct, but declined to impose additional sanctions for the fee-request conduct.
STANDARD OF REVIEW	The court applied the statutory and Third Circuit standards governing sanctions under 28 U.S.C. § 1927, requiring findings that counsel multiplied proceedings unreasonably and vexatiously, increased costs, and acted in bad faith or through intentional misconduct.
PRECEDENTIAL VALUE	unpublished and nonprecedential district-court memorandum opinion
PARTIES	James Stokes v. Markel American Insurance Co.

TOPICS

sanctions costs attorney fees civil procedure

PRACTICE AREAS

civil procedure insurance sanctions attorney fees costs commercial litigation

QUESTIONS PRESENTED

1. Whether Plaintiff's counsel's pretrial conduct multiplied the proceedings unreasonably and vexatiously, increased the costs of the proceedings, and was undertaken in bad faith so as to warrant sanctions under 28 U.S.C. § 1927.
2. Whether counsel's request for attorney's fees under Florida law warranted sanctions under § 1927 or Rule 11.
3. Whether counsel's bill-of-costs submission and subsequent objection warranted sanctions under § 1927.

HOLDINGS

1. Counsel's conduct multiplied the proceedings unreasonably and vexatiously, increased the costs of the proceedings, and demonstrated bad faith; therefore, the court sanctioned Plaintiff's Florida counsel under § 1927 for that conduct.
2. The fee request was vexatious, unreasonable, and undertaken in bad faith, but did not multiply the proceedings or increase costs sufficiently to support sanctions under § 1927; the court imposed no additional sanction for that conduct.
3. Counsel's disorganized and legally unsupported bill of costs, followed by an unfounded insistence on improper costs, multiplied the proceedings unreasonably and vexatiously, increased costs, and demonstrated bad faith; Plaintiff's Florida counsel was sanctioned under § 1927.

KEY QUOTATIONS

> *"Even if a "single maneuver" by counsel does not amount to bad faith, the "totality of the campaign [counsel] waged" during litigation may rise to that level."* (Section II)

> *"Section 1927 imposes a high bar. But counsel repeatedly displayed "a serious and studied disregard for the orderly process of justice.""* (Section V)

FACTUAL BACKGROUND

Plaintiff's counsel submitted a proposed pretrial order listing 23 witnesses for a three-day trial, failed to provide an adequate exhibit list, combined multiple previously rejected issues into a motion in limine, pursued a theory foreclosed by summary judgment, and listed damages relating to dismissed non-contract claims. Counsel also sought attorney's fees under Florida law despite prior rulings that Florida law did not apply and submitted a disorganized bill of costs requesting $193,491.08, of which only $140 was taxable. The court found that Plaintiff's Florida counsel, but not local Delaware counsel, repeatedly disregarded prior rulings and procedural requirements, causing Markel and the court to incur excess costs and work.

PROCEDURAL HISTORY

The underlying matter was an insurance-coverage action in which summary judgment had previously been entered on certain theories and non-contract claims had been dismissed. The court previously addressed counsel's pretrial conduct, the applicability of Florida law, the bill of costs, and a motion for reconsideration. It then issued a show-cause order and, in this opinion, determined that some conduct multiplied the proceedings unreasonably and vexatiously and warranted sanctions under § 1927.

DISPOSITION

other

CASES CITED

- Stokes v. Markel Am. Ins. Co., 2025 WL 3191143, at *1–2 (D. Del. Nov. 14, 2025)
- Prosser v. Prosser, 186 F.3d 403, 405–06 & n.3 (3d Cir. 1999)
- In re Schaefer Salt Recovery, Inc., 542 F.3d 90, 101–02 (3d Cir. 2008)
- In re Prudential, 278 F.3d 175, 188–89 (3d Cir. 2002)
- LaSalle Nat’l Bank v. First Conn. Holding Grp., 287 F.3d 279, 288–89 (3d Cir. 2002)
- In re Prosser, 777 F.3d 154, 162–63 (3d Cir. 2015)
- Stokes v. Markel Am. Ins. Co., 2023 WL 2401706, at *2, *4 (D. Del. Mar. 8, 2023)
- Com. of Pa. v. Local Union 542, Int’l Union of Operating Eng’rs, 552 F.2d 498, 506–08 (3d Cir. 1977)
- Naviant Mktg. Sols., Inc. v. Larry Tucker, Inc., 339 F.3d 180, 182 (3d Cir. 2003)
- Stokes v. Markel Am. Ins. Co., 2025 WL 1328805, at *3–4 (D. Del. May 7, 2025)
- Stokes v. Markel Am. Ins. Co., 2025 WL 3180268 (D. Del. Nov. 14, 2025)
