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News & Types: News

2026 Litigation Snapshot - A Look at a Few of the 2025 Successes of the Litigation Practice Group

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Practices: Litigation

Masuda Funai Obtains Seven Figure Settlement in AAA Arbitration in Detroit Involving OEM and Tier 1 Automotive Supplier, 2025

Reinhold F. Krammer and Patrick M. Kelly obtained a very favorable seven figure settlement on behalf of Masuda Funai's European based client for its North American subsidiary, a Tier 1 automotive supplier with production operations in Mexico, in an arbitration against an OEM. In response to demand letters, the OEM initially denied all liability and offered only a nominal amount in settlement. After commencing arbitration and asserting claims for, among other things, breach of contract and silent fraud under Michigan law and vigorously contesting the OEM's counterclaim for alleged duress in demanding prior price increases, Masuda Funai developed evidence through targeted discovery and depositions that greatly strengthened the Tier 1's position. On the eve of the arbitration hearing, the OEM agreed to pay a seven-figure settlement, resulting in a highly favorable resolution for the client.

Masuda Funai Secures Favorable Resolution for Tier 1 Automotive Supplier in Parts Supply Dispute, 2025

Reinhold F. Krammer, Jiwon J. Yhee, Christen J. McGlynn, and Patrick M. Kelly obtained a favorable resolution on behalf of Masuda Funai's client, a Tier 1 automotive supplier, in a dispute arising from a critical supply chain disruption. When the opposing supplier failed to deliver parts within contractual deadlines and in sufficient quantities based on alleged U.S. steel import restrictions on Mexico, Masuda Funai's client was forced to incur significant expedite fees to secure replacement parts and maintain its contractual commitments to its customers. The client exercised its contractual rights by offsetting those substantial losses against amounts owed to the supplier. The opposing supplier filed suit seeking full recovery of the withheld fees. Through aggressive discovery and litigation preparation that undermined the supplier's defenses, Masuda Funai positioned its client for a strong outcome at trial. On the eve of trial, the matter resolved on terms favorable to the client, preserving the vast majority of the offset amounts.

Favorable Resolution of Fair Labor Standards Act Collective Action, 2025

Jiwon Yhee and Christen McGlynn successfully secured a dismissal of all claims in a putative Fair Labor Standards Act ("FLSA") collective action filed in federal court in Michigan. A former hourly employee of Masuda Funai's client alleged, on behalf of himself and other employees, that the client violated the FLSA by failing to properly include certain attendance and other non-discretionary bonuses in the calculation of overtime

compensation. Following a detailed analysis of the client's compensation structure and payroll practices, Masuda Funai demonstrated that the bonus calculations and overtime methodology fully complied with the FLSA and applicable Department of Labor regulations. As a result, opposing counsel voluntarily dismissed the action, thereby avoiding collective certification and mitigating the client's potential damages exposure.

Favorable Resolution of Complex Construction Case in California, 2025

Asa Markel and Shane Bekian obtained a favorable resolution for Masuda Funai's client in a complex constructive case brought in California by a national beverages manufacturer. The manufacturer alleged that certain work performed by its general contractor and numerous sub-contractors, suppliers, and other agents of the same, including Masuda Funai's client, were deficient, incorrect, and untimely. The manufacturer sought at least $3 million dollars in damages, with potentially more to be proven at trial. After years of litigation, following the filing of a robust motion for summary judgment demonstrating that the work performed by Masuda Funai's client was not defective, Masuda Funai obtained a full release with prejudice from the case for its client.

Masuda Funai is a full-service law firm with offices in Chicago, Detroit, Los Angeles, and Schaumburg.