

JASPER'S DEMISE

Jasper always aspired to be a litigation partner in a large, blue chip law firm. He had worked hard in law school, serving as Notes and Comments Editor of the law review and graduating with distinction. It was no surprise to his friends when he landed a job as an associate in the litigation section of a large law firm.

Jasper worked hard from the inception of his employment, always volunteering for the toughest assignments. As a consequence, he quickly gained the respect of the partners in the firm's litigation section and was universally perceived as a "go-to" associate for research projects on tough, thorny legal issues.

And so it was that Jasper was asked to become involved in his firm's representation of Delphi Corp., a long-time firm client, which was preparing to sue a competitor, Pericles Corp., in connection with a very substantial contract dispute. Obtaining federal court jurisdiction was perceived by the client and the firm's litigation partners as a "must." Asserting diversity jurisdiction was the only chance of claiming federal court jurisdiction. For various reasons, everyone knew that litigating the case in state court would be disastrous for the client. The plan was to strike first by filing suit in federal court, claiming diversity jurisdiction. Jasper was assigned the responsibility of researching the diversity issue.

He knew how important the issue of obtaining federal jurisdiction was for Delphi Corp. And so he plunged into the project. After two consecutive all-nighters he thought he had the answer for substantiating a claim for diversity jurisdiction. It would be somewhat tenuous because Delphi Corp. had had various contacts with the state where Pericles maintained its two principal places of business. But, they had a chance. The firm's partners and the client were very impressed with Jasper's research and the argument for obtaining diversity jurisdiction he had crafted. Jasper was advised that a complaint against Pericles was being drafted and would be filed in about a week. Because of his excellent research, he was asked to work on the litigation once suit was filed.

As you would expect, Jasper was elated. Having spent the last two days researching, he was ready to cut loose a little. He quickly found his way to a local bar that was a favorite of young professionals. After several quick beers he was delighted to see Susie arrive. She was a very attractive associate at another large law firm with offices in the building next door to the building where Jasper worked.

Jasper and Susie caught up with what each was doing. She complimented Jasper on the reputation he was building as a hard working young professional in the local legal community. Their conversation drifted into the projects on which they were currently working. Jasper was proud to tell Susie that he had been invited to work on a major piece of litigation that his firm was preparing to file for Delphi Corp. against Pericles. Susie was duly impressed.

After awhile they bid one another farewell. Jasper headed home and Susie to her office to put in a few more hours. While at work she saw one of her firm's partners and mentioned to him that she thought she recalled that their firm represented Pericles. "Why, yes indeed we do," she was advised. In fact, it was a very large and important firm client. Susie mentioned that one of her good friends at another firm had informed her that Delphi Corp. was preparing a lawsuit to be filed against Pericles Corp. Susie was curious why the partner abruptly ended their conversation and headed for the telephone. Late the next day, while reviewing the new matters list her firm published daily, Susie was interested to see that her firm had just filed a declaratory judgment action in state court on behalf of Pericles against Delphi Corp.

Several days later, and in connection with a conversation a partner at Susie's firm was having with a lawyer from Jasper's firm about service of process that needed to be effectuated on Delphi, the partner from Susie's firm allowed that Pericles had learned that Delphi was preparing to sue Pericles. Thus, Pericles decided to promptly initiate a declaratory judgment action in state court to seek resolution of its differences with Delphi. When pushed about how Pericles had learned of Delphi's intent, Pericles' lawyer advised that he understood that a young fellow with Delphi's law firm had commented on the proposed litigation to a young lawyer with Pericles' law firm. He thought his name was Jasper.

Shortly thereafter Jasper opened a solo practice.

There was a saying in World War II to the effect "loose lips sink ships." Loose lips can also cause serious damage to clients' cases and to careers. Your firm knows that you work hard and are proud of the matters upon which you work. But, do not be careless in discussing your firm's business in a non-firm setting.

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