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24TH JUDICIAL DISTRICT COURT FOR THE PARISH OF JEFFERSON

STATE OF LOUISIANA

NO.: 694-860

DIVISION "T"

STEPHEN M. HUBER, TODD R. SLACK, BRIAN J. HOUGHTALING, RAJAN
PANDIT, CHARLES M. THOMAS and HUBER SLACK, HOUGHTALING, PANDIT &
THOMAS, L.L.P.

CODED

VERSUS

GAUTHIER, HOUGHTALING and WILLIAMS, L.L.P.

FILED
MAR 17 2011
Andrew Seethe
DEPUTY CLERK

FILED:

DEPUTY CLERK

ANSWER AND RECONVENTIONAL DEMAND

NOW INTO COURT, comes Defendant Gauthier, Houghtaling and Williams, L.L.P. (incorrectly named as Gauthier, Houghtaling and Williams, L.L.P.) ("GHW"), who for answer to the Petition for Declaratory Judgment; First Amended and Supplemental Petition for Declaratory Judgment, Unpaid Wages, Penalties, Damages and Attorney's Fees; and Second Amended and Supplemental Petition for Declaratory Judgment, Unpaid Wages, Penalties, Damages and Attorney's Fees filed by Plaintiffs Stephen M. Huber ("Huber"), Todd R. Slack ("Slack"), Brian J. Houghtaling ("Brian Houghtaling"), Rajan Pandit ("Pandit"), Charles M. Thomas ("Thomas") and Huber, Slack, Houghtaling, Pandit & Thomas, L.L.P. ("HSHP&T") avers as follows:

I.

ANSWER TO
PETITION FOR DECLARATORY JUDGMENT

1.

FIRST DEFENSE

The Petition for Declaratory Judgment fails to state a claim upon which relief can be granted and should be dismissed.

2.

SECOND DEFENSE

AND NOW answering the individual allegations of the Petition for Declaratory Judgment, GHW avers as follows:

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DATE *3-29-2011*
D. Calala *CL#35559*
Deputy Clerk *Mailed*

3.

The allegations in Paragraph I are admitted.

4.

The allegations in Paragraph II are admitted.

5.

The allegations in Paragraph III are admitted.

6.

The allegations in Paragraph IV are admitted.

7.

The allegations in Paragraph V are admitted.

8.

The allegations in Paragraph VI are denied as worded.

9.

GHW admits that Huber, Slack, Brian Houghtaling, Pandit and Thomas were employed by GHW prior to November 10, 2010 and that said individuals resigned or quit on November 10, 2010; all other allegations in Paragraph VII are denied.

10.

GHW admits that Huber, Slack, Brian Houghtaling, Pandit and Thomas were "at will" employees during the time in which they were employed by GHW; all other allegations in Paragraph VIII are denied.

11.

The allegations in Paragraph IX are denied.

12.

GHW admits that Plaintiffs have sued for a declaratory judgment; all other allegations in Paragraph X, including any allegations or inferences that Plaintiffs are entitled to such relief, are denied.

13.

The allegations in Paragraph XI are denied.

14.

The allegations in Paragraph XII are denied.

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15.

The allegations in Paragraph XIII are denied.

16.

The allegations in Paragraph XIV are denied.

17.

The allegations in the Prayer are denied.

II.

**ANSWER TO FIRST AMENDED AND SUPPLEMENTAL
PETITION FOR DECLARATORY JUDGMENT,
UNPAID WAGES, PENALTIES, DAMAGES AND ATTORNEY'S FEES**

18.

FIRST DEFENSE

The First Amended and Supplemental Petition for Declaratory Judgment, Unpaid Wages, Penalties, Damages and Attorney's Fees fails to state a claim upon which relief can be granted and should be dismissed.

19.

SECOND DEFENSE

AND NOW answering the individual allegations of the First Amended and Supplemental Petition for Declaratory Judgment, Unpaid Wages, Penalties, Damages and Attorney's Fees, GHW avers as follows:

20.

The allegations in Paragraph I are admitted.

21.

The allegations in Paragraph II are admitted.

22.

The allegations in Paragraph III are admitted.

23.

The allegations in Paragraph IV are admitted.

24.

The allegations in Paragraph V are admitted.

25.

The allegations in Paragraph VI are denied as worded.

26.

GHW admits that Huber, Slack, Brian Houghtaling, Pandit and Thomas were employed by GHW prior to November 10, 2010 and that said individuals resigned or quit on November 10, 2010; all other allegations in Paragraph VII are denied.

27.

The allegations in Paragraph VIII are denied for lack of sufficient information to justify a belief therein.

28.

GHW admits that Huber, Slack, Brian Houghtaling, Pandit and Thomas were "at will" employees during the time in which they were employed by GHW; all other allegations in Paragraph IX are denied.

29.

The allegations in Paragraph X are denied.

30.

The allegations in Paragraph XI are denied.

31.

The allegations in Paragraph XII are denied.

32.

The allegations in Paragraph XIII are denied.

33.

The allegations in Paragraph XIV are denied.

34.

The allegations in Paragraph XV are denied.

35.

The allegations in Paragraph XVI are denied.

36.

The allegations of Paragraph XVII are denied.

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37.

The allegations of Paragraph XVIII are denied.

38.

The allegations of Paragraph XIX are denied.

39.

The allegations of Paragraph XX are denied for lack of sufficient information to justify a belief therein.

40.

The allegations of Paragraph XXI are denied for lack of sufficient information to justify a belief therein.

41.

The allegations of Paragraph XXII are denied.

42.

The allegations of Paragraph XXIII are denied.

43.

The allegations of Paragraph XXIV are denied.

44.

GHW admits that Plaintiffs have sued for a declaratory judgment; all other allegations in Paragraph XXV, including any allegations or inferences that Plaintiffs are entitled to such relief, are denied.

45.

The allegations of Paragraph XXVI are denied.

46.

The allegations of Paragraph XXVII are denied.

47.

The allegations of Paragraph XXVIII are denied.

48.

The allegations of Paragraph XXIX are denied.

49.

The allegations of Paragraph XXX are denied.

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50.

The allegations of Paragraph XXXI are denied.

51.

The allegations of Paragraph XXXII are denied.

52.

The allegations of Paragraph XXXIII are denied.

53.

The allegations of Paragraph XXXIV are denied.

54.

The allegations of Paragraph XXXV are denied.

55.

The allegations of Paragraph XXXVI are denied.

56.

The allegations of Paragraph XXXVII are denied.

57.

The allegations of Paragraph XXXVIII are denied.

58.

The allegations of Paragraph XXXIX are denied.

59.

The allegations of Paragraph XL are denied.

60.

GHW admits to the content of La. R.S. 23:631(A)(1)(b); all other allegations of Paragraph XLI are denied.

61.

The allegations of Paragraph XLII are denied.

62.

The allegations of Paragraph XLIII are denied.

63.

The allegations of Paragraph XLIV are denied.

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64.

The allegations of Paragraph XLV are denied.

65.

The allegations of Paragraph XLVI are denied.

66.

GHW admits to the contents of La. R.S. 23:632; all other allegations of Paragraph XLVII are denied.

67.

GHW admits to the contents of La. R.S. 23:632; all other allegations of Paragraph XLVIII are denied.

68.

The allegations of Paragraph XLIX are denied.

69.

The allegations of Paragraph L are denied.

70.

The allegations of Paragraph LI are denied.

71.

The allegations of Paragraph LII are denied for lack of sufficient information to justify a belief therein.

72.

The allegations of Paragraph LIII are denied for lack of sufficient information to justify a belief therein.

73.

The allegations of Paragraph LIV are denied for lack of sufficient information to justify a belief therein.

74.

GHW admits that there is no agreement with Plaintiffs as to whether Plaintiffs are entitled to any portion of such fees; any further allegations in Paragraph LV are denied.

75.

The allegations of the Prayer are denied.

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III.

**ANSWER TO SECOND AMENDED AND SUPPLEMENTAL
PETITION FOR DECLARATORY JUDGMENT,
UNPAID WAGES, PENALTIES, DAMAGES AND ATTORNEY'S FEES**

76.

FIRST DEFENSE

The Second Amended and Supplemental Petition for Declaratory Judgment, Unpaid Wages, Penalties, Damages and Attorney's Fees fail to state a claim upon which relief can be granted and should be dismissed.

77.

SECOND DEFENSE

AND NOW answering the individual allegations of the Second Amended and Supplemental Petition for Declaratory Judgment, Unpaid Wages, Penalties, Damages and Attorney's Fees, GHW avers as follows:

78.

The allegations in Paragraph I are admitted.

79.

The allegations in Paragraph II are admitted.

80.

The allegations in Paragraph III are admitted.

81.

The allegations in Paragraph IV are admitted.

82.

The allegations in Paragraph V are admitted.

83.

The allegations in Paragraph VI are denied as worded.

84.

GHW admits that Huber, Slack, Brian Houghtaling, Pandit and Thomas were employed by GHW prior to November 10, 2010 and that said individuals resigned or quit on November 10, 2010; all other allegations in Paragraph VII are denied.

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85.

GHW admits that Huber, Slack, Brian Houghtaling, Pandit and Thomas resigned or quit on November 10, 2010; all other allegations in Paragraph VIII are denied.

86.

The allegations in Paragraph IX are denied.

87.

The allegations in Paragraph X are denied for lack of sufficient information to justify a belief therein.

88.

GHW admits that Huber, Slack, Brian Houghtaling, Pandit and Thomas were "at will" employees during the time in which they were employed by GHW; all other allegations in Paragraph XI are denied.

89.

The allegations in Paragraph XII are denied.

90.

The allegations in Paragraph XIII are denied.

91.

The allegations in Paragraph XIV are denied.

92.

The allegations in Paragraph XV are denied.

93.

The allegations in Paragraph XVI are denied.

94.

The allegations of Paragraph XVII are denied.

95.

The allegations of Paragraph XVIII are denied.

96.

The allegations of Paragraph XIX are denied.

97.

The allegations of Paragraph XX are denied.

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98.

The allegations of Paragraph XXI are denied.

99.

The allegations of Paragraph XXII are denied.

100.

The allegations of Paragraph XXIII are denied.

101.

The allegations of Paragraph XXIV are denied.

102.

The allegations of Paragraph XXV are denied.

103.

The allegations of Paragraph XXVI are denied.

104.

The allegations of Paragraph XXVII are denied for lack of sufficient information to justify a belief therein.

105.

The allegations of Paragraph XXVIII are denied for lack of sufficient information to justify a belief therein.

106.

The allegations of Paragraph XXIX are denied.

107.

The allegations of Paragraph XXX are denied.

108.

GHW admits that Plaintiffs have sued for a declaratory judgment; all other allegations in Paragraph XXXI, including any allegations or inferences that Plaintiffs are entitled to such relief, are denied.

109.

The allegations of Paragraph XXXII are a conclusion of law to which no response is required; however, to the extent that a response is required, the allegations of Paragraph XXXII are denied.

110.

The allegations of Paragraph XXXIII are a conclusion of law to which no response is required; however, to the extent that a response is required, the allegations of Paragraph XXXIII are denied.

111.

The allegations of Paragraph XXXIV are a conclusion of law to which no response is required; however, to the extent that a response is required, the allegations of Paragraph XXXIV are denied.

112.

The allegations of Paragraph XXXV are denied.

113.

The allegations of Paragraph XXXVI are denied.

114.

The allegations of Paragraph XXXVII are denied.

115.

The allegations of Paragraph XXXVIII are denied.

116.

The allegations of Paragraph XXXIX are denied.

117.

The allegations of Paragraph XL are denied.

118.

The allegations of Paragraph XLI are denied.

119.

The allegations of Paragraph XLII are denied.

120.

The allegations of Paragraph XLIII are denied.

121.

The allegations of Paragraph XLIV are denied.

122.

The allegations of Paragraph XLV are denied.

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123.

The allegations of Paragraph XLVI are denied.

124.

The allegations of Paragraph XLVII are denied.

125.

GHW admits to the content of La. R.S. 23:631(A)(1)(b); all other allegations of Paragraph XLVIII are denied.

126.

The allegations of Paragraph XLIX are denied.

127.

The allegations of Paragraph L are denied.

128.

The allegations of Paragraph LI are denied.

129.

The allegations of Paragraph LII are denied.

130.

The allegations of Paragraph LIII are denied.

131.

GHW admits to the contents of La. R.S. 23:632; all other allegations of Paragraph LIV are denied.

132.

GHW admits to the contents of La. R.S. 23:632; all other allegations of Paragraph LV are denied.

133.

The allegations of Paragraph LVI are denied.

134.

The allegations of Paragraph LVII are denied.

135.

The allegations of Paragraph LVIII are denied.

136.

The allegations of Paragraph LVIX are denied.

137.

GHW admits that HSHPT contends that it is entitled to fees as alleged in Paragraph LX; however, GHW denies that HSHPT is entitled to any such fees.

138.

The allegations of Paragraph LXI are denied for lack of sufficient information to justify a belief therein.

139.

GHW admits that there is no agreement with Plaintiffs as to whether Plaintiffs are entitled to any portion of such fees; any further allegations in Paragraph LXII are denied.

140.

The allegations of the prayer are denied.

IV.

RECONVENTIONAL DEMAND

And now assuming the position of Plaintiff-In-Reconvention, GHW asserts by means of this reconventional demand the following causes of action against Plaintiffs in the original demand, Huber, Slack, Brian Houghtaling, Pandit, Thomas and HSHP&T, and avers that the causes of action stated *infra* arise out of the transaction or occurrence which is the subject matter of the principal action by Plaintiffs against the original Defendant. As Plaintiff-In-Reconvention, GHW alleges and avers as follows:

141.

Made Defendants-In-Reconvention are Huber, a person of the full age of majority and a resident of Jefferson Parish; Slack, a person of the full age of majority and a resident of Orleans Parish; Brian Houghtaling, a person of the full age of majority and a resident of Jefferson Parish; Pandit, a person of the full age of majority and a resident of Orleans Parish; Thomas, a person of the full age of majority and a resident of Orleans Parish; and HSHP&T, a Louisiana limited liability partnership authorized to do and doing business within the State of Louisiana, with its principal place of business in Orleans Parish.

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142.

Huber, Slack, Brian Houghtaling, Pandit and Thomas are each an attorney licensed to practice law in the State of Louisiana. On information and belief, Slack is also licensed to practice law in the State of Texas.

143.

At all material times prior to November 10, 2010, Huber, Slack, Brian Houghtaling, Pandit and Thomas were employed by GHW as associate attorneys at GHW's Metairie office.

144.

As associate attorneys, Huber, Slack, Brian Houghtaling, Pandit and Thomas were provided with very generous compensation packages, which included annual cash compensation in the low to mid six-figure range, employer-paid health insurance and group term life insurance, employer-paid CLE, employer-paid professional liability insurance, full secretarial and paralegal support, and reimbursement of travel and entertainment expenses.

145.

While Huber, Slack, Brian Houghtaling, Pandit and Thomas were encouraged to generate new business for the firm (with GHW providing reimbursement of travel and entertainment expenses incurred in those efforts), GHW provided Huber, Slack, Brian Houghtaling, Pandit and Thomas with a full caseload of work through cases generated by GHW's two principals, John Houghtaling and James Williams, and GHW's extensive advertising through television, radio and print media (the expenses for all of which were paid by GHW).

146.

In the fall of 2010 while they were still employed at GHW, Huber, Slack, Brian Houghtaling, Pandit and Thomas decided to leave GHW and start their own law firm, HSHP&T.

147.

To this end and while still employed at GHW, Huber, Slack, Brian Houghtaling, Pandit and Thomas embarked on a plan or scheme to unfairly and wrongly damage GHW, to gain an unfair and wrongful competitive advantage over GHW and to unfairly profit at GHW's expense.

148.

In furtherance of this plan or scheme, Huber, Slack, Brian Houghtaling, Pandit and Thomas did commit the following acts:

- a. On November 3, 2010, Pandit called Eliana Garfias, a legal assistant in GHW's Houston office, and requested a list of all "Mikob Cases" and other information pertinent to the Mikob Cases by falsely representing that he had a meeting that afternoon with "opposing counsel." Pandit also misled Ms. Garfias in believing that he was working on those cases for GHW. In fact, he had no meeting that afternoon with opposing counsel and was gathering this information to solicit the client to transfer its business to their soon-to-be law firm, HSHP&T.
- b. During the week or so before they quit their employment with GHW on November 10, 2010, they caused calls to be made to many of GHW's clients. The callers told GHW's clients that the "firm was expanding and to insure the continued representation of GHW, expect a letter and a contract to sign and return immediately." This statement was deceptive and patently false, as GHW was not expanding. Further, Huber, Slack, Brian Houghtaling, Pandit and Thomas had not represented the overwhelming majority of the GHW clients who were contacted. In addition, the letter ultimately sent to the client was not to insure the continued representation of GHW, but was to induce the clients to transfer their business from GHW to HSHP&T.
- c. On November 8, 2010, Brian Houghtaling contacted Ms. Garfias and requested information on another case being handled by GHW's Houston office. Brian Houghtaling was neither the originator nor the assigned handling attorney on this case and, on information and belief, had no reason to request this information except to use it to solicit the client to transfer its business to their soon-to-be law firm, HSHP&T.
- d. On November 9, 2010, an employee in GHW's Metairie office, who was working as a legal assistant to Brian Houghtaling and Pandit, called Ms. Garfias and requested a list of all mediation dates for Hurricane Ike cases on the pretext of checking to make sure that Brian Houghtaling's calendar was "up to date." However, since Brian Houghtaling was planning to quit his employment at GHW the following day, there was no need for her to make sure that his calendar was up to date and the call was another attempt to obtain a confidential client list.

- e. Very shortly after quitting their jobs at GHW, they caused letters to be sent to the GHW clients who were contacted while they were still employed at GHW. The letters were the follow up to the earlier telephone calls in which GHW's clients were told that GHW was expanding, that the client should expect to receive a letter shortly, and that the client should sign and return the letter in order to continue with GHW's representation. The letter stated in part that "we would appreciate the opportunity to continue representing you" and to "[p]lease sign the below signature line to inform our former firm that we will continue to handle your case." Their use of the word "continue" was false and deceptive in that it implied that Huber, Slack, Brian Houghtaling, Pandit and/or Thomas was handling the client's case while at GHW when such was not the case.
- f. Slack contacted a GHW client who was a plaintiff in the *Preston v. Tenet* class action. The client had communicated to GHW that he was experiencing financial problems. Slack offered to lend the client money if the client fired GHW and hired HSHP&T. Slack also misrepresented to the client that the class action was about to settle and that his settlement would be hurt if he remained with GHW. On the basis of these misrepresentations, the client fired GHW and transferred his business to Slack or HSHP&T. The client later viewed correspondence from the Plaintiff Steering Committee in the *Preston v. Tenet* class action. This correspondence indicated that the class action was not about to settle. This client subsequently fired Slack and HSHP&T and rehired GHW.
- g. They caused a Google map search of the name "Gauthier Houghtaling & Williams" to show GHW's office as being located at 1100 Poydras St., New Orleans, LA 70163 and GHW's telephone number to show as (504) 274-2500. In fact, that address has never been utilized by GHW, but is the present location of HSHP&T. In addition, that telephone number has never been utilized by GHW, but is the telephone number of HSHP&T. On information and belief, GHW alleges that such action was taken in order to intercept prospective clients' calls to GHW and to temporarily mislead prospective clients into believing that they were contacting GHW so as to give them an opportunity to pitch their services to such prospective clients.

149.

The actions of the Defendants-In-Reconvention as aforesaid have damaged GHW in the following non-exclusive respects:

- a. Loss of business;
- b. Loss of business opportunities;
- c. Damage to relationships with existing and prospective clients;
- d. Damage to business reputation; and
- e. Such other ways as may be shown at time of trial.

WHEREFORE, Defendant prays that its answer be deemed good and sufficient and that after due proceedings had, there be judgment in its favor dismissing the Plaintiffs' Petition for Declaratory Judgment, First Amended and Supplemental Petition for Declaratory Judgment, Unpaid Wages, Penalties, Damages and Attorney's Fees, and Second Amended and Supplemental Petition for Declaratory Judgment, Unpaid Wages, Penalties, Damages and Attorney's Fees at their costs.

FURTHERMORE, Plaintiff-In-Reconvention, Gauthier, Houghtaling & Williams, L.L.P., prays that, after due proceedings had, there be judgment in its favor and against Defendants-In-Reconvention Stephen M. Huber, Todd R. Slack, Brian J. Houghtaling, Rajan Pandit, Charles M. Thomas and Huber, Slack, Houghtaling, Pandit & Thomas, L.L.P. in solido in such amount as will fully and fairly compensate Plaintiff-In-Reconvention for all loss and damage it has sustained by virtue of the wrongful acts and deeds of the Defendants-In-Reconvention, reasonable attorney's fees, legal interest thereon as allowed by law, and such other and further relief as law, equity and the nature of the case may allow.

Respectfully submitted



P.J. STAKELUM III (BAR ROLL #12390)
 PAOLA PAOLI CORRADA (BAR ROLL #28184)
 CHEHARDY, SHERMAN, ELLIS, MURRAY,
 RECILE, GRIFFITH, STAKELUM & HAYES, L.L.P.
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And

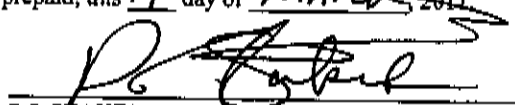
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J. BART KELLY, III (BAR ROLL #24488)
RODERICK "RICO" ALVENDIA (BAR ROLL #25554)
JEANNE K. DEMAREST (BAR ROLL #23032)
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*Attorneys for Defendant and Plaintiff-In-Reconvention
Gauthier, Houghtaling & Williams, L.L.P.*

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the above and foregoing pleading was served on all counsel of record via either facsimile, hand delivery, and/or placing same in the United States mail, properly addressed and postage prepaid, this 17th day of March 2011


P.J. STAKELUM III

PLEASE SERVE RECONVENTIONAL DEMAND ON:

Stephen M. Huber
Todd R. Slack
Brian J. Houghtaling
Rajan Pandit
Charles M. Thomas
Huber, Slack, Houghtaling, Pandit & Thomas, L.L.P.

Through their attorneys of record,
Kyle Schonekas
Joelle F. Evans
Andrea V. Timpa
Schonekas, Evans, McGoey & McEachin, L.L.C.
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