

insights

TYPES NOT MAPPED YET August 23, 2021 | TTR not mapped yet | Thomas E. Douglass, John S. Kingston

Missouri appellate court awards \$7.5M to business partner in breakup of Missouri political consulting firm



John Kingston

The Eastern District Missouri Court of Appeals ruled earlier this month that Thompson Coburn client Rachel Keller is owed \$7.5 million in her dispute with Travis Brown, her former business partner in Pelopidas, LLC, a political consulting firm formerly tied to Rex Sinquefeld, the billionaire philanthropist and activist.

In the unanimous [August 10 decision](#), the court reversed a St. Louis County Circuit Court ruling that Keller had violated the terms of a 2019 settlement in an earlier lawsuit and owed Brown and Pelopidas \$408,326 in attorney fees.

The decision is a complete victory for Keller in a five-year court battle that was ultimately resolved on fundamental principles of contract law. (A discussion of the Court's reasoning can be found [here](#).) "The only remaining issue is the calculation of Keller's attorneys' fees as the prevailing party," Thompson Coburn partner [John Kingston told the Missouri Independent](#) in a story about the appellate decision. Kingston represented Keller along with [Tom Douglass](#) and [Shaun Broeker](#).

Keller filed a lawsuit against Brown on behalf of their jointly owned company in 2016, alleging financial misconduct and breaches of fiduciary duty. Under a September 2019 settlement, Brown agreed to buy Keller's half of Pelopidas for \$8.85 million, which was to be paid in annual installments that could be reduced or discontinued if the company's profits decreased.

Brown and Pelopidas filed suit against Keller in February 2020, accusing her of failing to fulfill her part of the settlement by refusing to sign documents transferring ownership. Keller counterclaimed when the company escrowed a \$1.1 million payment due on April 1, 2020. The escrowed payment was released in November 2020 and Pelopidas closed its doors permanently the next month. But the Court of Appeals determined that Brown was nevertheless personally responsible for the remainder of the \$8.85 million purchase price because the company's April 2020 breach had triggered an acceleration clause in the parties' settlement agreement.

Rachel Keller now lives in Naples, Florida, where she is focused on the continued success of her latest venture, Carl's Wine Vault—a provider of concierge-level storage and safety for rare and valuable wine collections.

authorsTest

thomas e.

Thomas E. Douglass

john

John S. Kingston