

Damage Resulting From a Breach of a Commercial Relationship

SITUATION

An industrial company stopped using the services of a logistics service provider with whom it had had a relationship for several decades.

Considering that the notice period was insufficient, the logistics service provider commenced proceedings against its co-contractor before the Marseilles Commercial Court on the grounds of the abrupt breach of established commercial relations.

OUR ROLE

FTI Consulting was commissioned to provide an independent opinion on the loss resulting from the insufficient notice period granted.

Our work focused on the following aspects:

- analysis of the criteria for assessing the length of the notice period (economic dependence, market characteristics, investments, etc.);
- opinion on the existence of a partial abrupt termination preceding the total termination;
- evaluation of the monthly reference turnover;

- analysis of costs saved as a result of the reduction in activity (fixed vs. variable costs);
- analysis of related losses (unamortised investments, loss of image, etc.).

Finally, we prepared an expert report on the extent of the damage, which was submitted to the court.

OUR IMPACT



Our experts have in-depth knowledge of the very dense case law on the subject of the abrupt termination of commercial relations.

This experience enabled them to analyse the loss in all its components and to make a robust and documented estimate.



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