

**NEWS RELEASE**  
**April 8, 2009**

FOR IMMEDIATE RELEASE  
Contact: Nicholas M. Wieczorek, Esq.  
Attorney at Law  
702.697.7543  
[www.mpplaw.com](http://www.mpplaw.com)

## **Nevada Bars Negligence Claims Against Design Professionals In Commercial Disputes**

Las Vegas, NV --- Answering a legal question that had been pending in Nevada for over 2 years, the Nevada Supreme Court on March 26, 2009 held that design professionals who provide services in connection with commercial property development cannot be sued for negligence where the alleged damages are purely financial. The ruling aligns Nevada with a growing number of states that, in recent years, have extended the protection of the economic loss doctrine to design professionals, allowing them the same legal benefits that protect construction contractors, product manufacturers and other business entities involved in litigation. The effects of this decision will be limitation of the nature and, potentially, the volume, of professional negligence claims asserted against licensed design professionals in Nevada.

Morris Polich & Purdy LLP represented major design professional groups appearing as amicus curiae in *Terracon Consultants Western, Inc. v. Mandalay Bay Resort Group*, where Mandalay claimed over \$50,000,000 in property damage and lost revenue when, during and after the completion of construction, the hotel began to experience subsidence and movement.

The decision has been widely anticipated since the inception of the dispute in 1996, and especially since its being argued in February, 2008. "Over the last ten-plus years, architecture and engineering firms have been joined into lawsuits and have had claims asserted against them with little factual support, solely as a means of extracting settlement funds from them as an offset against huge legal expense fees," says Nicholas M. Wieczorek of Morris Polich & Purdy's Las Vegas office, who participated in the drafting of the "friend-of-the-court" brief on behalf of the monitoring organizations. "This decision will curtail many of the "shake-down" abuses of construction litigation which have taken place over the past many years, and which have impacted the financial health of numerous design professional companies."

Additional information regarding the background and impact of the *Terracon* decision can be found in the article at the following link:

[www.mpplaw.com/pdf/Article\\_NevadaBarsNegligenceClaims.pdf](http://www.mpplaw.com/pdf/Article_NevadaBarsNegligenceClaims.pdf)

### **About MPP**

Morris Polich & Purdy LLP is a law firm that works with its clients on a national basis. We represent clients in every state, as well as many U.S. possessions. We also have a wealth of international affiliations.

Our dedication to clients, combined with a wealth of experience, both in the trial and appellate courts, are the qualities that distinguish us from other law firms. Our attorneys are known for their vast experience and success. We provide superior legal services in a manner consistent with our clients' best interests and goals. We are committed to expertise in all our areas of practice, knowing our clients' businesses and providing client service at the highest level.