

CLIENT ALERT

Lost Profits Available For Long-Term Contract Breach

Nov.28.2006

After finding that the government had breached by not honoring the exercise of a 50-year option by a lessee, the Court of Federal Claims in *California Oregon Broadcasting, Inc. v. U.S.* (Nov. 6, 2006) rebuffed the government's argument that lost profits were too speculative to recover. The court pointed out that the lessee had previously rented out the land and could make a factual showing to support profits from the leasehold into the future.

For more information, please contact the professional(s) listed below, or your regular Crowell & Moring contact.

J. Chris Haile

Partner – Washington, D.C.

Phone: +1 202.624.2898

Email: chaile@crowell.com