

[DO NOT PUBLISH]

In the
United States Court of Appeals
For the Eleventh Circuit

No. 22-10780

Non-Argument Calendar

WL ALLIANCE LLC,

Plaintiff-Appellee,

versus

PRECISION TESTING GROUP INC.,
GLENN STUCKEY,

Defendants-Appellants.

Appeal from the United States District Court
for the Northern District of Florida
D.C. Docket No. 3:19-cv-04459-RV-HTC

Before WILSON, JORDAN, and BRANCH, Circuit Judges.

PER CURIAM:

This case involves a partnership dispute between Plaintiff-Appellee WL Alliance and Defendants-Appellants Precision Testing Group, Inc. and Glenn Stuckey (collectively, the defendants). After a jury trial on WL Alliance's claims for wrongful disassociation and breach of partnership agreement, the defendants were found liable for an aggregate \$3.3 million in damages. The defendants appeal, arguing that the damage award included damages for lost future profits that were not "reasonably certain," and that the damage awards were not supported by the evidence because there was no accounting.

After careful review, we conclude the damage awards were in accord with Florida law. Accordingly, we **AFFIRM**.

I.

We assume the parties are familiar with the factual history of this case and summarize only the relevant points. WL Alliance and the defendants partnered to provide specialized technicians to the energy utility company First Energy. Under their business arrangement the defendants formally contracted with First Energy to provide the technicians and received payments from First Energy. WL Alliance was responsible for actually recruiting the technicians and for managing their payroll. The partners intended to split profits fifty-fifty and settled up their accounts on a quarterly basis.

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After a disagreement about the amounts being remitted from the defendants to WL Alliance, the partnership was terminated. Stuckey, the owner and principal of Precision Testing, terminated the contract between Precision Testing and First Energy. This contract contained an at-will termination clause. Stuckey then caused another entity he owned, JJL Consulting, to enter into a similar contract with First Energy. The effect was to cut WL Alliance out of the business arrangement with First Energy.

WL Alliance sued, alleging that the defendants and WL Alliance were partners on the First Energy contract, and that Stuckey's actions constituted a wrongful disassociation from the partnership (Count 1) and a breach of the partnership agreement (Count 3). WL Alliance also requested an equitable accounting of the partnership accounts (Count 2). The defendants did not counterclaim for a reciprocal accounting. Pre-trial, the parties stipulated that Count 2 would be tried to the bench after the jury verdict, "if necessary."

At trial the jury heard testimony regarding the course of the parties' business, and the prospect that the business with First Energy would continue for several more years. The jury also heard expert testimony from both sides on the valuation of the business. WL Alliance's expert provided a present value calculation of the partnership at the time of the disassociation. The defendants' expert reviewed WL Alliance's calculation but did not provide his own independent valuation.

Pre-verdict, the defendants moved for judgment as a matter of law under Federal Rule of Civil Procedure 50(a), arguing that

there was insufficient evidence to support the future damages. Specifically, they argued that, because the contract with First Energy was terminable at-will, damages based on that contract were too speculative as a matter of Florida law. The district court denied this motion. The jury found that a partnership did exist and awarded \$1.7 million in past damages, and \$1.6 million in future damages against the defendants.

Post-verdict, WL Alliance moved the court to enter judgment on counts 1 and 3 for the money damages, and to moot count 2's request for an equitable accounting. WL Alliance noted that it had achieved its goals of discovering what it was owed under the partnership through the discovery process and no longer needed an equitable accounting. The defendants objected, arguing that an accounting was required under Florida law and sought to: (1) amend their answer to add a reciprocal accounting counterclaim to conform to the trial pursuant to Federal Rule of Civil Procedure 15(b)(2), and (2) stay entry of judgment pending a bench trial on the accounting counts. The district court denied this motion, noting that an accounting was not required under Florida law and therefore WL Alliance's request for an accounting was moot. Further, the court enforced its pre-trial scheduling order and refused to allow the late amendment of the defendants' answer.

Finally, the defendants filed a renewed motion for judgment as a matter of law under Federal Rule of Civil Procedure 50(b), reiterating their arguments that an accounting was required and that the future damages were too speculative. The district court denied

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this motion, holding that the accounting argument was waived because it was not presented in the Rule 50(a) motion and was unsupported by the record. The district court further held that the evidence was sufficient to support the award of future damages.

II.

We review the denial of motions for judgment as a matter of law de novo and apply the same standard as the district court. *Collado v. United Parcel Serv., Co.*, 419 F.3d 1143, 1149 (11th Cir. 2005). Judgment as a matter of law is only warranted where, taking all evidence in favor of the non-movant, no reasonable jury could have reached a verdict for the non-movant. *Id.*

This is a diversity action, and both parties agree that Florida substantive law governs this appeal. *See Erie R.R. v. Tompkins*, 304 U.S. 64, 78 (1938).

III.

A.

We begin with the defendants' argument that there was insufficient evidence to support the award of future damages. We have previously held that Florida law requires future damages to be proved with "reasonable certainty." *Nebula Glass Int'l, Inc. v. Reichold, Inc.*, 454 F.3d 1203, 1212 (11th Cir. 2006) (citing *Auto-Owners Ins. Co. v. Tompkins*, 651 So.2d 89, 90–91 (Fla. 1995)). Florida law distinguishes between proving the causation of damages and proving the amount of damages. The plaintiff must prove with reasonable certainty that their lost profits were caused by the

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