

**UNITED STATES DISTRICT COURT  
DISTRICT OF MAINE**

MORRILL R. WORCESTER,	)	
	)	
Plaintiff,	)	
	)	
v.	)	Docket no. 1:10-cv-478-GZS
	)	
WHITNEY ORIGINALS, INC.,	)	
	)	
	)	
Defendant.	)	

**ORDER ON MOTION FOR SUMMARY JUDGMENT**

Before the Court is Defendant’s Motion for Summary Judgment (ECF No. 30). For reasons explained herein, the Court GRANTS the Motion.

**I. LEGAL STANDARD**

Generally, a party is entitled to summary judgment if, on the record before the Court, it appears “that there is no genuine issue as to any material fact and that the movant is entitled to judgment as a matter of law.” Fed. R. Civ. P. 56(c)(2). “[T]he mere existence of some alleged factual dispute between the parties will not defeat an otherwise properly supported motion for summary judgment; the requirement is that there be no genuine issue of material fact.” Anderson v. Liberty Lobby, Inc., 477 U.S. 242, 247-48 (1986). An issue is “genuine” if “the evidence is such that a reasonable jury could return a verdict for the nonmoving party.” Id. at 248. A “material fact” is one that has “the potential to affect the outcome of the suit under the applicable law.” Nereida-Gonzalez v. Tirado-Delgado, 990 F.2d 701, 703 (1st Cir. 1993) (citing Anderson, 477 U.S. at 248) (additional citation omitted).

The party moving for summary judgment must demonstrate an absence of evidence to support the nonmoving party's case. See Celotex Corp. v. Catrett, 477 U.S. 317, 325 (1986). In determining whether this burden is met, the Court must view the record in the light most favorable to the nonmoving party and give that party the benefit of all reasonable inferences in its favor. See Santoni v. Potter, 369 F.3d 594, 598 (1st Cir. 2004).

Once the moving party has made this preliminary showing, the nonmoving party must “produce specific facts, in suitable evidentiary form, to establish the presence of a trialworthy issue.” Triangle Trading Co. v. Robroy Indus., Inc., 200 F.3d 1, 2 (1st Cir. 1999) (citation and internal punctuation omitted); see also Fed. R. Civ. P. 56(e). “Mere allegations, or conjecture unsupported in the record, are insufficient.” Barros-Villahermosa v. United States, 642 F.3d 56, 58 (1st Cir. 2011) (quoting Rivera-Marcano v. Normeat Royal Dane Quality A/S, 998 F.2d 34, 37 (1st Cir. 1993)); see also Wilson v. Moulison N. Corp., 639 F.3d 1, 6 (1st Cir. 2011) (“A properly supported summary judgment motion cannot be defeated by conclusory allegations, improbable inferences, periphrastic circumlocutions, or rank speculation.”) (citations omitted). “As to any essential factual element of its claim on which the nonmovant would bear the burden of proof at trial, its failure to come forward with sufficient evidence to generate a trialworthy issue warrants summary judgment to the moving party.” In re Spiegel, 260 F.3d 27, 31 (1st Cir. 2001) (quoting In re Ralar Distribs., Inc., 4 F.3d 62, 67 (1st Cir. 1993)).

## **II. FACTUAL BACKGROUND**

### **A. Plaintiff Morrill Worcester and his related companies**

Plaintiff Morrill Worcester (“Worcester”) is the holder and owner of two patents, U.S. Patents Nos. 5,882,744 and 6,007,882 (the “Worcester Patents”), which pertain to the design of miniature artificial Christmas trees, also known as “table-top trees.” He has licensed the rights to these patents to Worcester Intangibles, LLC, a company formed for the purpose of helping Morrill Worcester manage his intellectual property, including the Worcester Patents. As relevant to the pending motion, two other Worcester family companies, Worcester Resources, Inc. and Worcester Peat Co., are involved in the manufacture of table-top trees.

Worcester Resources, Inc. (“Worcester Resources”) is owned by Worcester’s sons, Morrill Worcester II and Michael Worcester. Worcester Resources is the only entity in the Worcester universe of companies that currently produces and sells balsam products, including miniature table-top trees. The table-top trees are produced under an oral agreement with Worcester Intangibles that allow Worcester Resources to use the Worcester Patents. While Plaintiff does not have an ownership interest in Worcester Resources, he is paid wages and compensation for his services as a consultant to the company.

Worcester Peat Co. (“Worcester Peat”), a corporation which produces and sells peat moss, acts as the sole corporate member of Worcester Intangibles, LLC. Plaintiff Morrill Worcester, along with his wife, own 99.7 percent of the shares of Worcester Peat (with the other small percentage owned by their daughter). Worcester Peat also owns real estate and equipment related to the production of balsam products and receives monthly rental payments related to these balsam items from Worcester Resources.

Beginning in 2006, Worcester Resources agreed to pay Worcester Intangibles a per-unit royalty for its use of the Worcester Patents. In 2006, the per-unit price was \$1.85, and the total royalty obligation was \$151,206.<sup>1</sup> In 2007 and 2008, the total royalty obligation incurred by Worcester Resources was identical: \$460,000; the per-unit price was \$4.46 in 2007 and \$6.63 in 2008.<sup>2</sup> In 2009, the royalty was \$23,000 and the per-unit price was \$7.18.<sup>3</sup> In 2010, the total royalty amount was \$184,400, yielding a unit price of \$7.05.<sup>4</sup> Other than the oral royalty agreement, Worcester Intangibles does not have any other agreements, either written or oral, with Worcester Resources concerning the Worcester Patents.

Since 2006, Worcester Resources has paid only \$116,518.48 of the total incurred royalty payments; of this amount, \$116,248.49 was paid in 2007, \$85 was paid in 2008 and the remaining \$185 was paid in 2009. Worcester Resources did not pay any royalties to Worcester Intangibles in 2010. As a result, Plaintiff and the other shareholders of Worcester Peat did not receive any dividend distributions from Worcester Peat in 2010. Nonetheless, because Worcester Peat is a “Sub-S” corporation, Morrill Worcester and his wife have reported 99.7 percent of the accrued royalties on their tax return regardless of whether the amounts were actually paid. Therefore, Worcester Peat has reported royalty income in the amount of \$184,400 on its 2010 income tax return.

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<sup>1</sup> By the Court’s calculations, this amounts to approximately 81,733 table-top trees sold by Worcester Resources in 2006.

<sup>2</sup> By the Court’s calculations, these figures reflect approximately 103,139 table-top trees sold in 2007 and 69,382 trees sold in 2008.

<sup>3</sup> By the Court’s calculations, these figures reflect the sale of only 3,203 table-top trees in 2009.

<sup>4</sup> By the Court’s calculations, these figures reflect approximately 26,156 table-top trees sold in 2010.

## **B. Defendant Whitney Originals, Inc.**

Defendant Whitney Originals, Inc. (“Whitney”) is a manufacturer and seller of Christmas wreaths and centerpieces, including table-top trees. In 2000, Whitney filed an action for declaratory judgment in the United States District Court for the District of Maine (Docket Number CV-00-252-B-C) seeking a determination that the Worcester Patents were invalid or, in the alternative, that Whitney’s trees did not infringe on the Worcester patents. In due course, Worcester counterclaimed for patent infringement. The parties eventually reached a settlement of that dispute. On the parties’ joint motion, a consent judgment was entered on February 28, 2002. In relevant part, that Judgment found that the Worcester Patents are “valid and enforceable in all respects” and that “the ‘Table Topper’ ornamental table-top tree manufactured and sold by Whitney Originals, Inc. infringes and has infringed claims of [the Worcester Patents].”<sup>5</sup> The Judgment further dismissed all claims for monetary damages and attorney’s fees with prejudice.

In addition to this consent judgment, the parties entered into a confidential license patent agreement (“the License”) under which Whitney was given a license to produce and sell specific table-top trees subject to terms and conditions laid out in the Agreement.<sup>6</sup> Whitney made an up-front royalty payment for this license. The License further specified that Whitney would have to

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<sup>5</sup> The Court notes that the parties did not provide the Court a copy of the consent judgment or any other documents from their prior litigation. Nonetheless, the Court takes judicial notice of the consent judgment as found in the Court’s own records pursuant to Federal Rule of Evidence 201.

<sup>6</sup> In relevant part, the License provides: “To the maximum extent permitted by law, it is the intention of the parties that this license agreement be and remain confidential for business and competitive reasons. Neither party will voluntarily disclose to any other person or entity the existence or terms of this license.” (License (ECF No. 33) ¶ 7). The Court notes that while Plaintiff argues that Whitney breached this provision of the agreement, Plaintiff has not properly proffered any facts, contested or otherwise, that support his argument that Whitney breached the confidentiality provision.

provide additional notice and a nominal royalty payment if it were to produce and distribute more than 20,000 table-top trees in a single year. The term of this non-exclusive license is fifteen years unless the life of the Worcester Patents is determined to be shorter. Thus, the parties agreed that the license would be in place through 2017.

From 2002 until the present, Whitney has produced and sold table-top Christmas trees pursuant to the License, in addition to its full line of balsam wreaths and centerpieces. In relevant part, the License provides that “Nothing in this license agreement gives either party right to the other’s trademarks, trade names or trade dress.” (License (ECF No. 33) ¶ 6). The License also contains the following specific provisions regarding trade dress:

Licensee and Licensor agree that neither will knowingly or willfully produce and distribute trees in a manner so as to cause a likelihood of confusion in the marketplace between trees distributed by Licensee and trees distributed by Licensor. Neither will use any trademark, distinctive package decoration or markings, or sales literature that suggests that either party’s trees are produced, distributed, sanctioned, endorsed or authorized by the other. Both parties agree they will promptly take all reasonable steps to eliminate any occurrence of actual confusion in the marketplace.

Prior to the date of this agreement, Licensee produced and sold (through the Whitney Originals catalogue and the QVC shopping network) a table top tree under the trademark “Table Topper,” and Licensor produced and sold (through the Worcester Wreath catalogue and L.L. Bean, Inc.) a table top tree under the trademark, “EZ Tree.” The parties agree that the trade dress of the “Table Topper” (as it has appeared in the Whitney Originals catalogue and on QVC prior to the date of this agreement) and the “E-Z Tree” (as it has appeared in the Worcester Wreath and L.L. Bean catalogues prior to the date of this agreement) are not substantially identical, and have been sufficiently distinct as to avoid confusion in the marketplace between them. The parties further agree that Licensee will not knowingly or willfully produce trees with trade dress substantially identical to the trade dress (including, without limitation, decorations) that has been used by Licensor for the “E-Z Tree” prior to the date of this agreement, and Licensor will not knowingly or willfully produce trees with trade dress substantially identical to the trade dress (including, without limitation, decorations) that has been used by Licensee for the “Table Topper” prior to the date of this agreement. Subject to the provisions of the license agreement, both parties shall be permitted to produce and distribute trees that are fully assembled but not decorated, and both parties shall be free to produce and

distribute trees with trade dress different from both the “E-Z Tree” and the “Table Topper,” as they have been offered for retail sale prior to the date of this agreement.

(License Agreement ¶ 8.)

As noted in the License Agreement, companies associated with Morrill Worcester had produced and supplied table-top trees to L.L. Bean prior to 2002 and this arrangement continued through 2008.<sup>7</sup> In 2009, Whitney contracted with L.L. Bean to produce a table-top tree for sale to L.L. Bean customers. Under its contract, Whitney first provided L.L. Bean with table-top trees for sale during the 2010 holiday season. In connection with the change in the L.L. Bean contract, Worcester Resources experienced a significant drop in its table-top tree sales, which, in turn, led to significantly lower royalty payments to Worcester Intangibles. As a result, Morrill Worcester filed this civil action against Whitney Originals. The Complaint includes five counts: (1) unfair competition and trade dress infringement under the Lanham Act, 15 U.S.C. § 1125(a)(1)(A), (2) common law unfair competition, (3) deceptive trade practices, (4) breach of contract and (5) patent infringement.

### **C. Plaintiff’s Damages**

Since Whitney contracted with L.L. Bean in 2009 to sell table-top trees, Worcester Resources’ sales of table-top trees have increased. Nonetheless, Worcester believes that Worcester Resources’ increase in sales is less than it would have been if Whitney had provided L.L. Bean with a tree that looked less like the Worcester tree. In Plaintiff’s May 2011 written responses to Defendant’s Interrogatories, Worcester estimated his 2010 damages totaled \$90,000 to \$120,000. (Pls. Answers (ECF No. 33) at Page ID 305.) Worcester arrived at that number by

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<sup>7</sup> Morrill Worcester testified that L.L. Bean sold no table-top trees in 2009. (Worcester Dep. (ECF No. 33-4) at Page ID 399.)

estimating lost sales of 15,000 to 20,000 units with a lost profit of \$6 per unit. At his July 12, 2011 deposition, Morrill Worcester testified that “at least one-half of the sales by Whitney trees through L.L. Bean in 2010 are sales that reasonably could have been made by [Worcester Resources].” (Worcester Dep. (ECF No. 33) at 42.) Worcester arrived at this estimate by “picking” a number that he believes was reasonable. (Id.) Worcester did not conduct any market study or other research to arrive at his estimate. Pressed on his different damage estimates, Worcester testified that there was no direct correlation between the damages amount claimed in his interrogatory answers for lost sales and his estimate that one-half of the sales by Whitney to L.L. Bean were sales that could have been made by Worcester Resources.

Worcester also believed that the 2010 tree sold by L.L. Bean and produced by Whitney was of a “poor quality” and that customers may mistakenly associate that “poor quality” with Worcester’s trees thereby hurting future sales. (Def. Ex B. (ECF No. 33) ¶ 10.)

### **III. DISCUSSION**

#### **A. Patent Claim (Count V)**

In Count V, Plaintiff asserts a claim for patent infringement pursuant to 35 U.S.C. § 289. Defendant argues that such a patent claim is foreclosed by the License entered into as part of the settlement of their prior patent litigation. In Defendant’s view, Plaintiff’s allegations only give rise to a claim for breach of the License. (Notably, Plaintiff presses a breach of contract claim in Count IV of his Complaint.) Plaintiff responds: “Once the [License] was terminated as a result of a material breach of that agreement by Whitney . . . , Whitney no longer had a license to produce miniature Christmas trees and may be sued for infringement.” (Def. Response (ECF No. 37) at 5.)

Whether or not the License was terminated raises a question of contract law.<sup>8</sup> Notably, the License does not contain any explicit terms governing how and when it might be terminated prior to its expiration in 2017. Rather, Plaintiff’s termination argument relies on the Law Court’s decision in Downeast Energy Corp. v. RMR, Inc., 697 A.2d 417 (Me. 1997). In Downeast, the Law Court generally acknowledged that one party to a contract may treat a contract as terminated if there is a “total breach,” which requires that the breach be “sufficiently material and important.” Id. at 421 (quoting 4 *Corbin on Contracts* § 946 at 809-10 (1951)). Any breach that does not qualify as a “total breach” may still be a “partial breach” for which the injured party might pursue damages while still performing under the contract at issue. Id.; see also Acoustic Processing Tech. v. KDN Electronic Sys. Inc., 697 F. Supp. 2d 146, 153-55 (D. Me. 2010) (discussing and applying Maine law on when a material breach justifies termination of a contract).

On the record presented, Plaintiff has not proffered evidence that would allow this Court or any reasonable fact finder to determine that the alleged conduct by Whitney amounted to a “total breach.” In fact, in connection with the pending motion, the parties stipulated that Whitney has produced and sold table top trees “pursuant to” the License “until the present.” (Stipulation (ECF No. 27) ¶ 3.)<sup>9</sup>

As the party that would bear the burden of establishing a total breach, Worcester was obligated in opposing summary judgment to produce specific facts as to the alleged breaches he claims were so material and important as to justify the termination of the License. Even construing the record in the light most favorable to Worcester, the evidence put before the Court

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<sup>8</sup> In this case, the parties agree that Maine law would govern any contract dispute.

<sup>9</sup> In the Court’s view the wording of this stipulation flatly contradicts Defendant’s argument that the License is terminated. However, the Court proceeds to discuss the factual record apart from this stipulation.

on the pending motion offers no support for Worcester’s allegation that Whitney breached the confidentiality provision. Likewise, there is insufficient evidence that the tree Whitney produced for L.L. Bean in 2010 was “substantially identical” to the Worcester “E-Z Tree.” (License ¶ 8.) At best, the evidence presented creates a trialworthy issue that the 2010 L.L. Bean tree produced by Whitney may have been confusingly similar to earlier trees produced by Worcester for L.L. Bean. However, a finding that the trees are confusingly similar would not amount to a breach of the License and certainly not a total breach justifying immediate termination. Additionally, there is nothing in the record to suggest that Plaintiff has taken any steps to affirmatively notify Whitney that it was terminating or rescinding the License.

In short, on the record presented the Court concludes that there is no “total breach” that would support Worcester’s argument that the License was terminated prior to 2010.<sup>10</sup> As a result, Worcester cannot pursue a claim for patent infringement against Whitney as a licensee.<sup>11</sup> See, e.g., Fairchild Semiconductor Corp. v. Third Dimension (3D) Semiconductor, Inc., 589 F. Supp. 2d 84, 87-88 (D. Me. 2008) (finding that a licensor may not sue for infringement damages until after a license is terminated).

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<sup>10</sup> In reaching this conclusion, the Court has considered the unique facts of this case and traditional contract principles. See Acoustic Processing, 697 F. Supp. 2d at 154 (citing and quoting Associated Builders, Inc. v. Coggins, 722 A.2d 1278, 1280 (Me. 1999) and Restatement (Second) of Contracts § 241 (1981)). In this case, the Court concludes that Worcester can be adequately compensated for any benefit he may have lost by treating the breach as a partial breach. Here, unlike the licensee in Acoustic Processing, Whitney would suffer a significant forfeiture. By 2010, Whitney was half way through its fifteen year license term for which it has paid a significant upfront sum because the agreement was deemed to presumably cover every tree sold by Whitney. (See License ¶ 4.). Additionally, Whitney agreed to entry of the patent infringement judgment ending the prior litigation and agreed to forego participating in any further challenge of the Worcester Patents. Cf. Acoustic Processing, 697 F. Supp. 2d at 154 n. 7 (describing the license at issue as “so narrow” as to result in “little forfeiture” to licensee).

<sup>11</sup> The Court notes that in addition to the License allowing Whitney to produce a specified number of trees using the Worcester Patents (in exchange for a royalty payment), the License also required “as part of the consideration” that Whitney not “challenge or participate in challenging” the Worcester Patents. (License ¶ 2.)

Therefore, the Court finds that Defendant is entitled to summary judgment on Count V.<sup>12</sup>

**B. Lanham Act Claim (Count I)**

In Count I, Plaintiff asserts a claim under the Lanham Act, 15 U.S.C. § 1125(a)(1)(A). This section of the Lanham Act creates a claim for false descriptions or false designations of origin that are “likely to cause confusion, or to cause mistake, or to deceive as to the affiliation, connection, or association . . . or as to the origin” of any goods. 15 U.S.C. § 1125(a)(1)(A); see also The Shell Co. (Puerto Rico) Ltd. v. Los Frailes Service Station, Inc., 605 F.3d 10, 21-22 & n. 9 (1st Cir. 2010) (describing the factors and “fact-intensive inquiry” for a claim under this section of the Lanham Act).

Like the patent claims, Defendant seeks summary judgment on this Lanham Act claim on one basis: that such claims are solely governed by the License resulting in Defendant having only a breach of contract claim. As with the patent claim, Plaintiff argues that the License has been terminated thereby allowing for Defendant to pursue Lanham Act remedies. While Plaintiff is correct that, as a matter of law, a licensor may bring a Lanham Act claim against an ex-licensee,<sup>13</sup> the Court has already held that the record in this case simply does not support a finding that Whitney is an ex-licensee, nor does it create a trialworthy issue on this point.

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<sup>12</sup> The Court notes that it is far from clear that Morrill Worcester has standing to press a patent infringement claim. Rather, it would appear that such a claim could be pressed by Worcester Intangibles, a company that is not named as a plaintiff in this case. Without further information regarding the terms of the patent license between Worcester and Worcester Intangibles, the Court cannot definitively resolve this issue.

<sup>13</sup> See, e.g., Ryan v. Volpone Stamp Co., Inc., 107 F. Supp. 2d 369, 381 (S.D.N.Y. 2000) (collecting cases holding that an ex-licensee’s continued use of a license after termination gives rise to a claim of trademark infringement); Bunn-O-Matic Corp. v. Bunn Coffee Service, Inc., 88 F. Supp. 2d 914, 922 (C.D. Ill. 2000) (noting that “likelihood of confusion exists as a matter of law if a licensee continues to use marks owned by the licensor after termination of the license”).

Therefore, the Court concludes that Defendant is entitled to summary judgment on Count I.<sup>14</sup>

**C. Other State Claims (Counts II, III & IV)**

Defendant also seeks summary judgment on Plaintiff’s three state law claims; the claims include: (1) common law unfair competition (Count II), (2) violation of Maine’s Uniform Deceptive Trade Practices Act, 10 M.R.S.A. § 1211 et seq. (Count III), and (3) breach of contract. The Court declines Defendant’s invitation to enter summary judgment on these claims and also declines to exercise supplemental jurisdiction over these claims in the absence of any remaining federal claim. See 28 U.S.C. § 1367(c)(3); United Mine Workers of Am. v. Gibbs, 383 U.S. 715, 726 (1966) (“[c]ertainly, if the federal claims are dismissed before trial, even though not insubstantial in a jurisdictional sense, the state claims should be dismissed as well”).

The Court certainly recognizes that it might exercise its discretion to retain jurisdiction over Plaintiff’s three state law claims. See Delgado v. Pawtucket Police Dept., 668 F.3d 42, 48 (1st Cir. 2012) (“Once a case is properly before a federal district court, however, that court has broad authority to retain jurisdiction over pendant state law claims even if the federal claim is later dismissed.”) (citation omitted). “In determining whether to retain jurisdiction on such an occasion, the court must take into account considerations of judicial economy, convenience, fairness to the litigants, and comity.” Id. In the interest of judicial economy, the Court has seriously considered attempting to resolve the state law claims. However, the arguments and the paucity of the record presented by the parties simply do not allow for any well-conceived

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<sup>14</sup> Given Plaintiff’s theory of damages, the Court notes that it is far from clear that Morrill Worcester has standing to press the Lanham Act claim presented here. Rather, it would appear that such a claim could be pressed by Worcester Resources, a company that is not named as a plaintiff in this case but does produce the table-top trees that allegedly are “confusingly similar” to the table-top tree Whitney began selling in and around 2010.

resolution of these claims. Rather, with the federal claims resolved, it is apparent to the Court that the remaining state law raise issues that are “novel or complex.” 28 U.S.C. § 1367(c)(1).

In the Court’s own assessment, there are significant questions surrounding whether Maine law would allow Plaintiff to pursue his “lost royalty” theory of damages on a breach of contract claim.<sup>15</sup> However, a final determination of this issue would require more facts and further legal analysis of the relationships between the various Worcester entities involved. Assuming Maine law would not allow Plaintiff to pursue “lost royalty” damages for breach of contract, it is unclear what impact that conclusion would have on Plaintiff’s other two claims.<sup>16</sup> Specifically, it is unclear whether Plaintiff (or some other Worcester entity) might be allowed to alternatively pursue “lost royalty” damages as an equitable remedy.<sup>17</sup> Based on the Court’s own research, these questions will require resolution of novel issues of state law. In the Court’s final

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<sup>15</sup> Defendant’s argument in favor of summary judgment on the breach of contract claim focused solely on whether Plaintiff could present a trialworthy case for damages based on Plaintiff’s theory of lost royalties. On the record before this Court, it does not appear that in 2002 the parties could have contemplated that Plaintiff would stop making table-top trees but instead continue to earn royalties on the sale of “E-Z Tree” through an oral royalty agreement that called for a per-unit royalty payment to pass to Plaintiff through two separate corporate entities. See Rubin v. Matthews Int’l Corp., 503 A.2d 694, 696 (Me. 1986) (“In a breach of contract action, those damages that were ‘reasonably within the contemplation of the contracting parties when the agreement was made and which would naturally flow from a breach thereof’ may be recovered.”) (quoting Winship v. Brewer School Comm., 390 A.2d 1089, 1095 (Me.1978). Moreover, the Court is hard pressed to conclude that the unique per-unit royalty, which might (or might not) be paid to Worcester Peat, to be passed along to Worcester Intangibles, and then paid to Plaintiff, qualifies as a damage “naturally flow[ing]” from Whitney’s breach. Rather, Plaintiff’s only proffered theory of damages contains multiple man-made obstructions – namely, a number of corporate entities and a couple of opaque oral agreements. Id.; but see Forbes v. Wells Beach Casino, Inc., 409 A.2d 646, 654 (Me. 1979) (“The purpose of an award of compensatory damages for breach of contract is to place plaintiff in the same position he would have been in had there been no breach.”) (citing Spitz v. Lamport, 112 A. 522 (1921)).

<sup>16</sup> Before this Court, it appears that both parties agree that under Maine law “equitable remedies are available only if ‘the contract has been rescinded, abandoned, or terminated, or it is unenforceable or invalid.’” (Def. Mot. at 12 (quoting Ingram v. Rencor Controls, Inc., 256 F. Supp. 2d 12, 29 (D. Me 2003)); see also Pl. Response at 6.) However, this principle does not squarely address the situation presented here where the contract is valid and enforceable but, due to other unrelated post-contract changes, a party to the contract cannot prove that his full measure of damages naturally flows from the breach of the contract.

<sup>17</sup> Under the existing case law, it appears that the Maine Deceptive Trade Practices Act (“UDTPA”) (Count III) provides only an injunctive remedy. See, e.g., J.S. McCarthy Co., Inc. v. Brausse Diecutting & Coverting Equip., Inc., 340 F. Supp. 2d 54, 61-62 (D. Me. 2004) (concluding that the “UDPTA provides for injunctive relief alone”); Advanced Const. Corp. v. Pilecki, 901 A.2d 189, 192 n. 1 (Me. 2006) (noting that monetary damages may not be available on DTPA claims).

“pragmatic and case-specific” assessment, these issues are not properly resolved via the exercise of the Court’s supplemental jurisdiction. See Redondo Const. Corp. v. Izquierdo, 662 F.3d 42, 49 (1st Cir. 2011) (quoting Roche v. John Hancock Mutual Life Ins. Co., 81 F.3d 249, 257 (1st Cir. 1996)).

#### **IV. CONCLUSION**

For reasons just explained, the Court GRANTS Defendant’s Motion for Summary Judgment as to all federal claims (Counts I & V). The Court declines to exercise supplemental jurisdiction over all remaining state claims (Counts II, III & IV) and these claims are DISMISSED WITHOUT PREJUDICE.

This Order contains references to numerous facts that the parties filed under seal. As a result, the Court hereby ORDERS that this decision initially be filed and distributed to the parties UNDER SEAL. Within 14 days, the parties are free to propose any redactions and show good cause for why the proposed redaction is necessary. In the absence of any proposed redaction, this Order shall be unsealed by the Clerk on June 11, 2012.

SO ORDERED.

/s/ George Z. Singal  
United States District Judge

Dated this 1st day of November, 2012.

**Plaintiff**

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