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UNITED STATES DISTRICT COURT  
DISTRICT OF NEVADA

\* \* \*

PACIFIC CHEESE CO., INC, <i>et al.</i> ,	Case No. 3:15-cv-00351-MMD-VPC
Plaintiff,	ORDER
v.	
ADVANCED COIL TECHNOLOGY, LLC, <i>et al.</i> ,	
Defendants.	

**I. SUMMARY**

The parties to this diversity action are attempting to establish who is responsible—and to what extent—for a fire in a cheese processing facility in Reno, Nevada, that began inside a large piece of heating and cooling equipment called an Air Handler (“AH”). Before the Court are Defendant Ray’s Heating Products, Inc. d/b/a RHP Mechanical Systems’ (“RHP”) Motion for Summary Judgment (“RHP’s MSJ”) (ECF No. 191), and Defendant Hussmann Corporation’s (“Hussmann”) Motion for Partial Summary Judgement (“Hussmann’s MPSJ”). (ECF No. 206.) With respect to RHP’s MSJ, Plaintiff Travelers Property Casualty Company of America (“Travelers”) filed a response (ECF No. 235.),<sup>1</sup> and RHP filed a reply (ECF No. 238.). With respect to Hussmann’s MPSJ,

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<sup>1</sup>The Court notes that ECF No. 235 is incorrectly formatted in violation of LR IA 10-1 because it is lacking line numbers and admonishes Travelers’ counsel to read, understand, and comply with the Court’s Local Rules going forward.

1 Travelers filed a response (ECF No. 253),<sup>2</sup> and Hussmann filed a reply (ECF No. 264).  
2 For the reasons set out below, both RHP’s MSJ and Hussmann’s MPSJ are denied. In  
3 addition, several miscellaneous motions filed by the parties are also before the court,  
4 which are addressed in Section VI, below. (ECF Nos. 254, 244, 255, 267.) These  
5 motions are also denied.

6 **II. BACKGROUND**

7 The original plaintiffs in this case, Pacific Cheese Company, Inc. (“Pacific  
8 Cheese”) and Lake Valley Properties, LLC (“Lake Valley”), which are under common  
9 ownership, own and operate a cheese-processing facility in Reno, Nevada. (See ECF  
10 No. 1.) More specifically, Pacific Cheese owns the cheese-processing facility (“the  
11 Facility”), and Lake Valley owns the building. (See *id.*) As further explained below, a fire  
12 that allegedly originated in the AH—again, a large piece of heating and cooling  
13 equipment—allegedly caused substantial damage to the Facility and the building.  
14 Plaintiff Travelers paid its insureds Pacific Cheese and Lake Valley for damage caused  
15 by this fire pursuant to an insurance policy. Accordingly, Travelers stepped into the  
16 shoes of Pacific Cheese and Lake Valley as their subrogee and now continues to  
17 prosecute this case as Plaintiff. (See ECF No. 107.) Travelers filed the Third Amended  
18 Complaint (“TAC”), the operative complaint for the purposes of these motions, in this  
19 Court on August 25, 2016. (See *id.*) Except where stated, the following facts appear  
20 without dispute in the summary judgment record.

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23 <sup>2</sup>Travelers appears to have inadvertently filed a draft response (ECF No. 246),  
24 and then filed a corrected response (ECF No. 253) a day late. Travelers also appears to  
25 have dropped an argument in its corrected response. The Court has considered the  
26 corrected response (ECF No. 253) because the corrected response would supersede  
27 the earlier response. Moreover, the earlier draft appears to have been filed in error, and  
28 Hussmann does not appear to have been prejudiced by Travelers’ error because  
Hussmann’s reply brief (ECF No. 264) responds to the arguments raised in Travelers’  
corrected response, and not the argument that Travelers appears to have dropped  
between its draft and the final document. In addition, Travelers requested oral argument  
in its response to Hussmann’s MSJ. Travelers’ request for oral argument is denied  
because the Court finds oral argument unnecessary to resolve Hussmann’s MPSJ. See  
LR 78-1.

1           The purpose of the Facility is processing cheese, meaning, for example, to shred  
2 mozzarella and package it in plastic bags to be sold as shredded mozzarella cheese.  
3 (*See, e.g.*, ECF No. 235-4 at 4.) Cheese must be kept cool during processing to prevent  
4 spoilation. (*See id.*) However, the equipment upon which the cheese is processed must  
5 be periodically steam-cleaned. Thus, the temperature inside the entire cheese-  
6 processing facility must be kept cool, but occasionally warmed up to dry out cheese-  
7 processing equipment after steam cleaning. (TAC at ¶ 28.) The AH is the piece of  
8 equipment that heats and cools the cheese processing facility for these purposes. (*See,*  
9 *e.g.*, ECF No. 235 at 4-5.) The AH is about the size of a shipping container, and contains  
10 both a large gas burner for warming air, and refrigeration coils for cooling air, along with  
11 a large fan that pulls air through the AH to be either heated or cooled. (*See, e.g., id.*)

12           The Facility was planned and constructed in 2004 and 2005. (*See* TAC ¶ 6.) The  
13 AH was installed sometime in 2005. (*See id.* ¶ 22; ECF No. 206 at 3.) Hausmann sold  
14 the AH to Pacific Cheese pursuant to a contract with Pacific Cheese where Hausmann  
15 agreed to provide and install refrigeration equipment in the Facility. (*See id.* at 3.) The  
16 AH was manufactured by Advanced Coil, Inc. operating under the business name  
17 Phoenix Air Systems (“Phoenix”). (*See id.*; ECF No. 253 at 1.)

18           Something went wrong—perhaps a small fire within the AH—with the AH on  
19 October 7, 2013. (*See* ECF No. 191 at 2.) Pacific Cheese called RHP and asked them to  
20 send someone to troubleshoot the issue. (*See id.*) A technician from RHP, Paul  
21 Carbone, came and inspected the AH that same day. (*See id.*) During that six-hour  
22 service call, Mr. Carbone spoke to several Pacific Cheese employees about the AH,  
23 although the content of those conversations is generally disputed. (*See id.* at 2-3; ECF  
24 No. 235 at 7-9.) Travelers and RHP, however, do not dispute that Mr. Carbone told the  
25 Pacific Cheese employees he spoke to that they should contact the AH’s manufacturer,  
26 Phoenix, to have the AH inspected and further repaired. (*See id.*) But Travelers and RHP  
27 specifically dispute whether Mr. Carbone told the Pacific Cheese employees he spoke  
28 with: (a) he had fixed the AH during his service call such that it could and would continue

1 running; and (b) that Pacific Cheese must urgently contact Phoenix to have them inspect  
2 and repair the AH to mitigate serious fire and safety concerns (as opposed to merely  
3 indicating that Pacific Cheese may want to contact Phoenix, though it was not entirely  
4 necessary). (*See id.*)

5 A larger fire started in the AH on July 9, 2014, which allegedly did substantial  
6 damage to the cheese processing facility and the building it is contained in. (*See TAC at*  
7 ¶¶ 38, 47.) What Mr. Carbone did and said forms the basis of Travelers' claims against  
8 RHP, and are also relevant to RHP's MSJ. Specifically, the TAC alleges two causes of  
9 action against RHP—negligence and breach of contract. (*See TAC at* ¶¶ 170-184.)  
10 Travelers basically alleges that Mr. Carbone, and therefore RHP, was negligent and at  
11 least partially responsible for the larger July 9, 2014 fire because he said he fixed the AH  
12 when he had not, and failed to adequately warn Pacific Cheese of the danger it faced if  
13 Pacific Cheese did not get Phoenix to inspect and properly repair the AH. (*See ECF No.*  
14 235 at 3-4.)

15 Travelers also seeks to hold Hussmann at least partially liable for the July 9, 2014  
16 fire because Hussmann sold Pacific Cheese the AH as part of a larger heating and  
17 cooling system, and installed the AH. Specifically, the TAC alleges the following causes  
18 of action against Hussmann: (1) products liability; (2) negligence; and (3) breach of  
19 warranty. (*See TAC at* ¶¶ 66-72, 99-106, 139-148). Travelers basically alleges that the  
20 AH as installed was dangerous and defective, and that issues with the AH or its  
21 installation—attributable to Hussmann—also caused the July 9, 2014 fire. (*See generally*  
22 *id.*)

23 In addition, Travelers also sought to hold other entities involved in the  
24 manufacture, installation, and maintenance of the AH liable for the July 9, 2014 fire.  
25 However, at this time, Travelers has reached settlement agreements with those other  
26 entities. (*See ECF No. 295.*) Further, Plaintiffs stipulated to the dismissal of Hussmann's  
27 former wholly-owned subsidiary, Krack Corporation, which has since merged with  
28

1 Hussmann. (See ECF No. 73.) Therefore, at this time, only RHP and Hussmann remain  
2 as defendants in this case.

### 3 **III. LEGAL STANDARD**

4 “The purpose of summary judgment is to avoid unnecessary trials when there is  
5 no dispute as to the facts before the court.” *Nw. Motorcycle Ass’n v. U.S. Dep’t of Agric.*,  
6 18 F.3d 1468, 1471 (9th Cir. 1994). Summary judgment is appropriate when the  
7 pleadings, the discovery and disclosure materials on file, and any affidavits “show there  
8 is no genuine issue as to any material fact and that the movant is entitled to judgment as  
9 a matter of law.” *Celotex Corp. v. Catrett*, 477 U.S. 317, 330 (1986). An issue is  
10 “genuine” if there is a sufficient evidentiary basis on which a reasonable fact-finder could  
11 find for the nonmoving party and a dispute is “material” if it could affect the outcome of  
12 the suit under the governing law. *Anderson v. Liberty Lobby, Inc.*, 477 U.S. 242, 248-49  
13 (1986). Where reasonable minds could differ on the material facts at issue, however,  
14 summary judgment is not appropriate. *Warren v. City of Carlsbad*, 58 F.3d 439, 441 (9th  
15 Cir. 1995). “The amount of evidence necessary to raise a genuine issue of material fact  
16 is enough ‘to require a jury or judge to resolve the parties’ differing versions of the truth  
17 at trial.’” *Aydin Corp. v. Loral Corp.*, 718 F.2d 897, 902 (9th Cir. 1983) (*quoting First Nat’l*  
18 *Bank v. Cities Service Co.*, 391 U.S. 253, 288-89 (1968)). In evaluating a summary  
19 judgment motion, a court views all facts and draws all inferences in the light most  
20 favorable to the nonmoving party. See *Kaiser Cement Corp. v. Fishbach & Moore, Inc.*,  
21 793 F.2d 1100, 1103 (9th Cir. 1986).

22 The moving party bears the burden of showing that there are no genuine issues  
23 of material fact. See *Zoslaw v. MCA Distrib. Corp.*, 693 F.2d 870, 883 (9th Cir. 1982). “In  
24 order to carry its burden of production, the moving party must either produce evidence  
25 negating an essential element of the nonmoving party’s claim or defense or show that  
26 the nonmoving party does not have enough evidence of an essential element to carry its  
27 ultimate burden of persuasion at trial.” *Nissan Fire & Marine Ins. Co. v. Fritz Cos.*, 210  
28 F.3d 1099, 1102 (9th Cir. 2000). Once the moving party satisfies Rule 56’s requirements,

1 the burden shifts to the party resisting the motion to “set forth specific facts showing that  
2 there is a genuine issue for trial.” *Anderson*, 477 U.S. at 256. The nonmoving party “may  
3 not rely on denials in the pleadings but must produce specific evidence, through  
4 affidavits or admissible discovery material, to show that the dispute exists,” *Bhan v. NME*  
5 *Hospitals, Inc.*, 929 F.2d 1404, 1409 (9th Cir. 1991), and “must do more than simply show  
6 that there is some metaphysical doubt as to the material facts.” *Orr v. Bank of Am.*, 285  
7 F.3d 764, 783 (9th Cir. 2002) (internal citations omitted). “The mere existence of a  
8 scintilla of evidence in support of the plaintiff’s position will be insufficient.” *Anderson*,  
9 477 U.S. at 252.

#### 10 **IV. RHP’S MOTION FOR SUMMARY JUDGMENT (ECF NO. 191)**

11 RHP moved for summary judgment as to both causes of action that Travelers  
12 asserted against RHP. The Court addresses each in turn below.

##### 13 **A. Governing Law**

14 As an initial matter, the Court determines that Nevada law governs Travelers’ two  
15 claims against RHP. “In diversity actions, as here, federal courts apply substantive state  
16 law.” *Walker v. State Farm Mut. Auto. Ins. Co.*, 259 F. Supp. 3d 1139, 1144 (D. Nev.  
17 2017) (first citing *Erie R.R. Co. v. Tompkins*, 304 U.S. 64, 78 (1938); and then citing  
18 *Nitco Holding Corp. v. Boujikian*, 491 F.3d 1086, 1089 (9th Cir. 2007)); *see also Love v.*  
19 *Associated Newspapers, Ltd.*, 611 F.3d 601, 610 (9th Cir. 2010) (“Federal courts must  
20 apply state substantive law to state law claims, including the forum state’s choice of law  
21 rules.”).

22 In Nevada, the Second Restatement’s most significant relationship standard  
23 generally governs choice-of-law issues in tort actions. *See Gen. Motors Corp. v. Eighth*  
24 *Judicial Dist. Court of State of Nev. ex rel. Cty. of Clark*, 134 P.3d 111, 116 (Nev. 2006).  
25 Pursuant to the Second Restatement, the place where the injury occurred determines  
26 the law to be applied, unless some other state has a more significant relationship to the  
27 “occurrence and the parties.” *Id.* (citing Restatement (Second) of Conflict of Laws § 145).  
28 Here, all alleged acts or omissions bearing on Travelers’ claims against RHP occurred in

1 Reno, Nevada. No other state has a more significant relationship to the interactions  
2 between Travelers and RHP with respect to the July 9, 2014 fire. And the parties do not  
3 contend otherwise. Therefore, the Court applies Nevada law to Travelers' negligence  
4 claim.

5 The Court also assumes that Nevada law governs Travelers' breach of contract  
6 claim against RHP because the parties do not contend otherwise.<sup>3</sup>

### 7 **B. Negligence**

8 Travelers seeks to impose liability on RHP for a negligent inspection of the AH by  
9 one of RHP's technicians, Mr. Carbone. RHP argues that it cannot be held liable under a  
10 negligence theory because it owed no duty to Pacific Cheese and Travelers cannot  
11 show the requisite causal link between Mr. Carbone's service visit and the July 9, 2014  
12 fire. However, the factual aspect of RHP's argument is that RHP told Pacific Cheese to  
13 contact Phoenix to get the AH inspected, which relieved RHP of any duty it owed to  
14 Pacific Cheese. (See ECF No. 191 at 8.) Further, RHP argues that Pacific Cheese's  
15 failure to compel Phoenix to come out and inspect the AH after Mr. Carbone's visit  
16 caused the July 9, 2014 fire, not any act or omission of Mr. Carbone. (See *id.* at 8-9.)  
17 The Court is not persuaded by RHP's arguments.

18 Under Nevada law, "to prevail on a traditional negligence theory, a plaintiff must  
19 demonstrate that '(1) the defendant owed the plaintiff a duty of care, (2) the defendant  
20 breached that duty, (3) the breach was the legal cause of the plaintiff's injuries, and (4)  
21 the plaintiff suffered damages.' Courts often are reluctant to grant summary judgment in  
22 negligence actions because whether a defendant was negligent is generally a question  
23 of fact for the jury to resolve." *Foster v. Costco Wholesale Corp.*, 291 P.3d 150, 153  
24 (Nev. 2012) (citations omitted). Here, the Court finds that genuine issues of material fact  
25 exist as to whether RHP's inspection of the AH was negligent, precluding granting

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27 <sup>3</sup>Travelers and RHP have not provided the Court with a copy of the applicable  
28 contract, but have also offered no argument or evidence that it was governed by the law  
of any state other than Nevada. Further, all relevant acts or omissions under the contract  
appear to have occurred in Reno, Nevada.

1 summary judgment in RHP’s favor. Thus, RHP’s MSJ is denied with respect to Travelers’  
2 negligence cause of action.

3 First, with respect to duty of care, the court disagrees with RHP’s argument that  
4 RHP owed Pacific Cheese no duty to repair the AH. RHP argues it owed Pacific Cheese  
5 no duty because Mr. Carbone told Pacific Cheese employees to contact Phoenix, the  
6 AH’s manufacturer, and because later emails of Pacific Cheese employees purportedly  
7 establish that Pacific Cheese did not rely on RHP. (See ECF No. 191 at 8.) RHP cites no  
8 applicable law to support this argument, and the Court has not located any. In contrast,  
9 the Restatement (Second) of Torts provides that professionals such as RHP owe  
10 customers like Pacific Cheese a duty to “exercise the skill and knowledge normally  
11 possessed by members of that profession or trade . . . .” Restatement (Second) of Torts  
12 § 299A. Travelers contends that Mr. Carbone improperly diagnosed the issues with the  
13 AH and failed to sufficiently warn Pacific Cheese regarding the dangers of its continued  
14 operation. (See ECF No. 253 at 2-3.) The facts and evidence presented by the parties  
15 here merely establish that the parties dispute whether Mr. Carbone exercised the skill  
16 and knowledge normally possessed by HVAC repair technicians, and the Court cannot  
17 say as a matter of law that RHP owed Pacific Cheese no duty under the circumstances  
18 here.

19 Second, with respect to the breach element of Travelers’ negligence claim, issues  
20 of disputed material fact and credibility determinations preclude the Court from ruling as  
21 a matter of law that RHP did not breach the duty it owed to Pacific Cheese. The parties  
22 dispute both the merits of Mr. Carbone’s inspection and what he did or did not tell the  
23 Pacific Cheese employees he spoke with towards the end of his service visit at Pacific  
24 Cheese. (See ECF No. 191 at 2-3; ECF No. 235 at 7-9.) Indeed, the Court agrees with  
25 Travelers that material factual disputes exist regarding: what Mr. Carbone communicated  
26 to Pacific Cheese employees; whether RHP acted as a reasonable HVAC repair  
27 company would have with respect to Mr. Carbone’s service visit on the AH; and whether  
28 Pacific Cheese took reasonable steps to have Phoenix service the AH following Mr.



1 Carbone's visit, including whether Pacific Cheese understood the gravity of the issues  
2 affecting the AH following Mr. Carbone's visit. (See ECF No. 235 at 13-14.) These  
3 important questions are questions of fact, and some turn on a determination of Mr.  
4 Carbone's credibility. As such, these questions relevant to breach are not properly  
5 resolved on summary judgment.

6 Finally, with respect to the causation element of Travelers' negligence claim, the  
7 Court cannot find as a matter of law that any errors in Mr. Carbone's inspection of the  
8 AH did not contribute to the larger, July 9, 2014 fire. Travelers contends that the larger  
9 fire would not have happened if Mr. Carbone had properly diagnosed the issues with the  
10 AH and sufficiently warned Pacific Cheese of the danger associated with continuing to  
11 operate the AH. (See, e.g., ECF No. 235 at 12-13.) RHP basically disputes that any  
12 action or inaction taken by Mr. Carbone contributed to the larger fire, but, again, RHP's  
13 argument depends on the Court deciding disputed issues of material fact in RHP's favor,  
14 which the Court cannot generally do at the summary judgment stage. See, e.g. *Joynt v.*  
15 *Cal. Hotel & Casino*, 835 P.2d 799, 801 (Nev. 1992) (stating that questions of "proximate  
16 cause are generally questions of fact.").

17 In sum, the Court denies RHP's MSJ with respect to Travelers' negligence claim.

### 18 **C. Breach of Contract**

19 Travelers also seeks to impose liability on RHP for the inspection of the AH by Mr.  
20 Carbone under a breach of contract theory. Travelers alleges that Mr. Carbone did not  
21 perform his inspection of the AH with reasonable care in a workmanlike manner—in  
22 breach of the contract between RHP and Pacific Cheese where RHP agreed to "inspect  
23 and examine the [AH] to identify and repair the condition(s) that resulted in the filters  
24 inside the [AH] catching fire." (TAC at ¶ 179.) RHP does not dispute that it entered into a  
25 contract with Pacific Cheese, but instead argues it did not breach that contract because  
26 Mr. Carbone instructed Pacific Cheese to contact Phoenix to have the AH repaired. (See  
27 ECF No. 191 at 9:26-10:9.) RHP further argues that it cannot be held liable for breach of  
28 contract because Travelers cannot prove that any act or omission on RHP's part caused

1 the July 9, 2014 fire. (*See id.* at 10:10-16.) RHP’s argument with respect to Travelers’  
2 breach of contract claim fails for the same reason that RHP’s argument fails with respect  
3 to Travelers’ negligence claim: it turns on questions of disputed material fact that are not  
4 appropriately resolved at the summary judgment stage.

5 In Nevada, “[t]o succeed on a breach of contract claim, a plaintiff must show four  
6 elements: (1) formation of a valid contract; (2) performance or excuse of performance by  
7 the plaintiff; (3) material breach by the defendant; and (4) damages.” *Laguerre v. Nev.*  
8 *Sys. of Higher Educ.*, 837 F. Supp. 2d 1176, 1180 (D. Nev. 2011) (citing *Bernard v.*  
9 *Rockhill Dev. Co.*, 734 P.2d 1238, 1240 (Nev. 1987) (“A breach of contract may be said  
10 to be a material failure of performance of a duty arising under or imposed by  
11 agreement.”)).

12 Here, Travelers and RHP do not dispute whether a valid contract was formed  
13 between Travelers and RHP or whether Pacific Cheese performed its obligations under  
14 that contract. As mentioned above, RHP instead contests the breach and damages  
15 elements of Travelers’ breach of contract claim. However, the Court finds that disputed  
16 questions of material fact preclude granting summary judgment in RHP’s favor. As to  
17 breach, whether RHP breached its contract with Travelers depends on what Mr.  
18 Carbone told the Pacific Cheese employees at the conclusion of his service call. RHP  
19 and Travelers specifically dispute what Mr. Carbone said and to whom he spoke. (*See*  
20 *ECF No. 191 at 2-3; ECF No. 235 at 7-9.*) And with respect to RHP’s argument on the  
21 damages prong—which is that Mr. Carbone’s inspection cannot have caused the July 9,  
22 2014 fire—that too depends on what Mr. Carbone said and to whom he spoke.

23 Thus, the facts and evidence presented here do not warrant a grant of summary  
24 judgment in RHP’s favor with respect to Travelers’ breach of contract claim, and RHP’s  
25 MSJ is therefore denied.

26 **V. HUSSMANN’S MOTION FOR PARTIAL SUMMARY JUDGMENT (ECF NO. 206)**

27 Hussmann moved for partial summary judgment seeking an order from the court  
28 that the maximum damages Travelers can recover against Hussmann is \$139,402—the

1 line item cost of the AH—because of a damages limitation clause in the contract  
2 between Hussmann and Pacific Cheese. (See ECF No. 206.) Because the Court does  
3 not agree with Hussmann that the damages limitation clause it identified clearly limits the  
4 amount of damages Travelers may recover against Hussmann here, the Court denies  
5 Hussmann’s MPSJ.

6 **A. Preliminary Matters**

7 Hussmann and Travelers do not dispute that the contract between Hussmann and  
8 Pacific Cheese is governed by Missouri law. (See *id.* at 6:25-26; ECF No. 253 at 3:1-4.)  
9 Travelers does dispute whether the limitation Hussmann relies upon is part of the  
10 contract. (See ECF No. 253 at 18-20.) However, Hussmann offers the affidavit of Olin  
11 Cunningham, who states in the affidavit that he is personally familiar with the transaction  
12 between Hussmann and Pacific Cheese, and confirms that the contract that Hussmann  
13 relies on and attached to Hussmann’s MPSJ is the complete contract between  
14 Hussmann and Pacific Cheese. (See ECF No. 207-2.) Travelers offers no competing  
15 affidavit or other evidence in response. (See ECF No. 253 at 18-20.) Thus, the Court  
16 finds for the purposes of ruling on Hussmann’s MPSJ that the limitation of liability  
17 provision is part of the contract between Hussmann and Pacific Cheese because in  
18 opposing Hussmann’s MSJ, Travelers “must produce specific evidence, through  
19 affidavits or admissible discovery material, to show that the dispute exists,” *Bhan*, 929  
20 F.2d at 1409. Again, here, Travelers did not.

21 **B. Contract Interpretation**

22 Under Missouri law, contract interpretation is a question of law. See, e.g., *Finova*  
23 *Capital Corp. v. Ream*, 230 S.W.3d 35, 42 (Mo. Ct. App. 2007) (citation omitted). In  
24 interpreting a contract, the court should “attempt to ascertain the parties’ intention,  
25 looking only to the contract language unless the contract is ambiguous.” *Id.* “Ambiguity  
26 depends on context. Contract language is not interpreted in a vacuum, but by reference  
27 to the contract as a whole.” *Purcell Tire & Rubber Co. v. Exec. Beechcraft, Inc.*, 59  
28

1 S.W.3d 505, 510 (Mo. 2001). A contract is not ambiguous merely because the parties  
2 disagree as to its construction. *See Finova Capital Corp.*, 230 S.W.3d at 48.

3 The relevant sentence of the limitation of liability provision that Hussmann seeks  
4 to rely on here reads: “Buyer’s remedies set forth herein are exclusive, and the total  
5 liability of Hussmann with respect to any purchase of Hussmann products, whether  
6 based on contract, warranty, negligence, indemnity, strict liability or otherwise, shall not  
7 exceed the purchase price of the unit of product upon which such liability is based.”  
8 (ECF No. 207-1 at 25.) Hussmann argues that this provision limits the damages that  
9 Travelers can potentially recover against Hussmann to the itemized cost of the AH,  
10 \$139,402. (See ECF No. 206.) Travelers argues that this provision cannot limit the  
11 damages it may recover against Hussmann to the cost of the AH because the AH is not  
12 a ‘Hussmann product;’ the AH is a Phoenix product. (See ECF No. 253 at 16:12-25). The  
13 Court agrees with Travelers.

14 The Court finds that the limitation of liability provision Hussmann seeks to rely on  
15 here is unambiguous, and does not limit Hussmann’s potential damages exposure to the  
16 itemized cost of the AH. First, the plain meaning of ‘Hussmann products’ is ‘products  
17 manufactured by and/or branded as Hussmann products,’ not ‘products of third parties  
18 sold by Hussmann,’ as Hussmann would like the Court to find. Second, the AH is clearly  
19 identified as a Phoenix product throughout the contract. (See ECF No. 107-1 at 6, 17,  
20 21-24.) Some products in the contract are identified as Hussmann products. (See *id.* at  
21 6.) Third, interpreting ‘Hussmann products’ as Hussmann would like the Court to renders  
22 other language contained on the same page of the same contract superfluous, and thus  
23 cannot be correct. For example, paragraph 1 of the “Terms and Conditions” of the  
24 contract uses the phrasing, “the sale of products by Hussmann Corporation.” (See *id.* at  
25 25.) Therefore, the drafter of the contract cannot have intended ‘Hussmann products’ to  
26 mean ‘the sale of products by Hussmann,’ because both phrasings appear on the same  
27 page of the contract. If the drafter of the contract meant ‘the sale of products by  
28 Hussmann,’ which could arguably encompass third parties’ products, he or she would

1 have written 'the sale of products by Hussmann' instead of 'Hussmann products.' He or  
2 she did so on the very same page of the contract. Therefore, 'Hussmann products' is  
3 intended as a limitation, meaning the limitation of liability provision at issue here would  
4 only apply if a product manufactured by, or branded as, Hussmann were to cause any  
5 alleged injury to a party asserting a cause of action against Hussmann.

6 In sum, the facts and evidence presented here do not support granting partial  
7 summary judgment in Hussmann's favor. Therefore, Hussmann's MPSJ is denied.

## 8 **VI. OTHER MOTIONS**

9 RHP and Travelers filed several unhelpful documents after briefing on RHP's MSJ  
10 was complete in an apparent attempt to re-argue RHP's MSJ. (See ECF Nos. 240, 241,  
11 243, 255, 259.) These motions and other documents were filed without first obtaining  
12 leave of the Court in violation of LR 7.2(g), are generally improper, and are duplicative of  
13 RHP and Travelers' briefing on RHP's MSJ. Therefore, the Court has not considered  
14 them. Accordingly, RHP's Motion to Strike (ECF No. 255) is denied as moot.

15 Similarly, Travelers filed a motion for leave to file a surreply in connection with  
16 RHP's MSJ. (ECF No. 254 (incorrectly filed initially as ECF No. 244).)<sup>4</sup> As explained  
17 above, the Court has denied RHP's MSJ. Therefore, there is no need for a surreply and  
18 Travelers' motion (ECF Nos. 244, 254) is denied as moot. *See also* LR 7-2(b).

19 In addition, Travelers filed a motion for leave to file a surreply in connection with  
20 Hussmann's MPSJ. Because the Court has denied Hussmann's MPSJ, Travelers'  
21 motion for leave to file a surreply (ECF No. 267) is also denied as moot. *See also* LR 7-  
22 2(b).

## 23 **VII. CONCLUSION**

24 The Court notes that the parties made several arguments and cited to several  
25 cases not discussed above. The Court has reviewed these arguments and cases and  
26

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27  
28 <sup>4</sup>The Court again admonishes Travelers' counsel to exercise greater care going forward with respect to the documents it files with this Court.

1 determines that they do not warrant discussion as they do not affect the outcome of the  
2 motions before the Court.

3 It is therefore ordered that Defendant RHP's Motion for Summary Judgment (ECF  
4 No. 191) is denied.

5 It is further ordered that Defendant Hussmann's Motion for Summary Judgment  
6 (ECF No. 206) is denied.

7 It is further ordered that Defendant RHP's Motion to Strike (ECF No. 255) is  
8 denied.

9 It is further ordered that Plaintiff Travelers' Motions for Leave to File Sur-Replies  
10 (ECF Nos. 244, 254, 267) are denied.

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12 DATED THIS 30<sup>th</sup> day of August 2018.

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MIRANDA M. DU  
UNITED STATES DISTRICT JUDGE

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