

Cite as 2011 Ark. 230

SUPREME COURT OF ARKANSAS

No. 10-869

EMERY HUGHES CORPORATION
APPELLANT

VS.

AUDRIANNA GRISHAM, P.A.
APPELLEE**Opinion Delivered** May 26, 2011APPEAL FROM THE LONOKE
COUNTY CIRCUIT COURT,
NO. CV2006-522,
HON. PHILLIP T. WHITEAKER,
JUDGE,REVERSED AND REMANDED.**JIM HANNAH, Chief Justice**

This case involves the common-law remedy available to a law firm suing a former client to enforce a contingent-fee agreement. Appellant Emery Hughes Corporation (“EHC”) appeals three orders of the Lonoke County Circuit Court: (1) a judgment of \$108,865.75 entered pursuant to a jury verdict in favor of appellee Audrianna Grisham, P.A. (“AGPA”) on its claim for breach of contract; (2) the denial of EHC’s motion for judgment notwithstanding the verdict or, in the alternative, for new trial; and (3) the award of prejudgment interest of \$24,196.40, attorneys’ fees of \$36,000, and costs of \$10,299.75. Because the circuit court erred in submitting to the jury AGPA’s claim for damages under a breach-of-contract theory of recovery, we reverse and remand.

By way of explanation, we begin by noting that two remedies are available to discharged attorneys who bring suit under the attorney-lien statute, Arkansas Code Annotated

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section 16-22-304 (Supp. 2009). Pursuant to the statute, an attorney discharged without cause may recover the full amount of the contracted fee, while an attorney discharged with cause is limited to a reasonable fee for services rendered prior to discharge under the theory of quantum meruit. *Salmon v. Atkinson*, 355 Ark. 325, 331 n.1, 137 S.W.3d 383, 386 n.1 (2003). In contrast, “the only common law remedy available to attorneys suing on their contingent fee contracts [is] quantum meruit.” *Lancaster v. Fitzhugh*, 310 Ark. 590, 592, 839 S.W.2d 192, 193 (1992) (citing *Henry, Walden & Davis v. Goodman*, 294 Ark. 25, 741 S.W.2d 233 (1987), *superseded in part by statute*, Act of March 2, 1989, No. 293, § 1, 1989 Ark. Acts 606, 607).

In the instant case, AGPA did not bring suit against EHC under the attorney-lien statute. Rather, AGPA sought damages for termination of the parties’ agreement based on three alternative theories of recovery: breach of contract, quantum meruit, and promissory estoppel. We reiterate our holding in *Lancaster* that the only common-law remedy available to AGPA is a reasonable fee for its services under the theory of quantum meruit. Accordingly, we agree with AGPA’s contention on cross-appeal that, upon remand, it may pursue a quantum meruit claim against EHC.

Reversed and remanded.