

MEXICAN APPEAL COURT REVERSES US \$45 MILLION DAMAGES AWARD AGAINST LEVIS STRAUSS & CO.

A former contractor in Mexico of Levi Strauss & Co. (LS&Co.) named Compañía Exportadora de Maquila (Comexma) who sued LS&Co. on the grounds that as result of an unathourized anti-counterfeiting raid it had lost its prestige in the commercial market as well as its business and was forced to shut down its business, was awarded by a first instance court approximately US \$24.5 million in direct damages and approximately US \$20.5 million in damages for harm of its reputation.

LS&Co. challenged such award and the appeal court sitting in Mexico City found that there was no cause-effect relationship between the raid and Comexma's decision to close its facility. In reversing the lower court decision the appeal court ruled that when the LS&Co 's outside Mexican brand counsel conducted the anti-counterfeiting raid it never had the intent to harm Comexma, an authorized manufacturer of LS&Co.

An "amparo lawsuit" was then brought by Comexma before a Federal Court which under its constitutional review authority confirmed the ruling issued by the appeal court. As result of that LS&Co. was awarded court costs and attorneys' fees.

LS&Co. was represented by Goodrich Riquelme y Asociados.