Partnership Lost

Designzit and Buildwell were buddies during their graduate school years and often dream of owning their own firm someday. After graduation, both were hired by a mega-firm, but they were sent to offices a world apart. As they grew and developed, they began to interface with one another again at corporate meetings. The desire to see their names on a letterhead was rekindled. Buildwell loved the specs and field supervision while the intense, creative mind belonged to Designzit. Their talents were stratified and compatible, but neither liked to make presentations or interview for projects. Mega-firms have specialists to do that—the personality folks. If only they could find such a partner, perhaps it would work.

One day at lunch, Selzum offered his prospecting talent and proposed forming a firm to do a major urban park project, a project he thought he could win. Buildwell saw this as a wonderful solution to their dilemma, and Designzit was eager to create this unique park on a steep slope along the river.
"Selzum, Designzit & Buildwell" believed they had complementary talents and personalities, and quickly formed an LLC under which to conduct their new practice. Their client list was growing, and each relied upon the others’ talent and judgment to efficiently complete each project.

One day, Designzit visited the job site of a new, high and curved retaining wall above a children’s play space. She discovered that several of her details had been changed in the field by Buildwell. Weepholes and porous backfill were not on site where needed and, in fact, had been eliminated. She was concerned about the liability of a failed structure and possible casualties, and was unwilling to risk her own net worth and reputation because of what she considered to be "misjudgments" by Buildwell.

The partnership was dissolved almost as quickly as it was formed, and each partner went on to run an individual practice. At first, it seemed to be an amicable divorce but they had been in a hurry to build the firm and failed to negotiate a "prenuptual agreement."

How do they divide the work in progress?
Who keeps the phone number?
Who gets the address?
What happens to the errors and omissions policy?
Who pays for the insurance "tail"?
How is credit for collaborative projects shared?

To be continued . . .

Join us in the next edition of LAND Online and see how these conflicts could be resolved.

Read Part Two   Read Part Three

Editor's note: One of the objectives of the ASLA Ethics Committee is to educate members about the ASLA Code and Guidelines for Professional Conduct. The code contains important principles relating to duties to clients and to members of the Society. Contact the Ethics Committee via ahixonjazz@home.com.