

October 28, 1965

Alexander, Buchanan & Conklin
2217 First National Building
Detroit, Michigan 48226

Attention: G. Cameron Buchanan, Esq.

Re: Montgomery Elevator Company

Dear Mr. Buchanan:

I attach for your review a claims file arising out of a purchase order which the Company extended to Montgomery Elevator Company. Our attempts to collect for the resulting damages to a vehicle which resulted from the failure of the elevator have failed. It is my present feeling that we should bring suit against Montgomery Elevator for our loss.

While the file is not complete on the question of eyewitnesses, I understand there are several from Central Office who were present.

Since the accident occurred in New York, I am wondering whether the doctrine of forum non conveniens might prevent our successfully prosecuting an action in Michigan. We could show that the contract was of Michigan origin, and I would very much prefer your Office handling this matter rather than a New York lawsuit.

You will note that I have refused to consider making a claim against the sub-contractor, as I believe we should not become entangled with the question whether a product deficiency or improper installation of the elevator caused its failure. As I interpret the broad indemnity clauses in our purchase order, that issue is extraneous to our right of recovery.

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G. Cameron Buchanan, Esq.

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October 28, 1963

Re: Montgomery Elevator Company

I would appreciate your arranging for the file to be reviewed and letting me know whether you could handle this on a usual contingent fee basis and what your recommendations and re- actions are to the likelihood of our recovering damages in Michigan. I will defer a final decision pending your advice.

Yours very truly,

Robert H. Johnson
Staff Attorney

RHS:ec
cc: lna
Encl.

LAW OFFICES OF
ALEXANDER, BUCHANAN & CONKLIN
2217 FIRST NATIONAL BUILDING
DETROIT, MICHIGAN 48226
WOODWARD 8-2310

E. DEAN ALEXANDER
(1000-1903)

November 9, 1965

G. CAMERON BUCHANAN
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RICHARD A. HARVEY
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FLOYD S. WESTCOTT, JR.
JOHN A. BRUCE
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ARNOLD H. MAGNUSON, JR.
FERRY H. OCMUEND, JR.
RALPH W. BARDIER, JR.
RONALD E. WESTEN
PAUL W. CORD
JOHN P. OTTAWAY, JR.

Ford Motor Company
Office of the General Counsel
The American Road
Dearborn, Michigan

Attention: Mr. Robert M. Johnson

Re: Our File: 5628
Montgomery Elevator Company

Dear Mr. Johnson:

I have now had an opportunity to review yours
of October 28, 1965.

It is indicated that the specifications which
became a part of the construction contract imposed
an absolute liability upon Montgomery Elevator
Company for the damages in this case. Section 31
spells out the Contractor's liability for damages
caused by it or its sub-contractors. Presumably
from the file the Staley Elevator Company, the
sub-contractor in this case was the party responsible.

It is indicated that there is no point in further
negotiations. Liberty Mutual has made its position
clear. My experience with this Company is that only
a judgment against their insured will alter their
opinion.

I am asking one of the Associates in the office to
institute an action in the Wayne Circuit Court for
our damages together with interest from the date of
the occurrence.

I note from the telephone book that the Montgomery
Elevator Company does business in Detroit and we will
therefore have no problems with reference to service.
The action cannot be removed from our Circuit Court
to the District Court because the jurisdictional amount
is not involved.

ALEXANDER, BUCHANAN & CONKLIN

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I will keep you advised.

Yours very truly,

William Buchanan

GCB:ab

Ford Motor Company

OFFICE OF THE GENERAL COUNSEL

Memorandum to: W. E. Largent
Central Accounting
Lincoln-Mercury

From: Robert M. Johnson

February 2, 1966

Re: Montgomery Elevator

Pursuant to your phone call, this will confirm the fact that we are planning litigation which may already in fact have been instituted. In that connection, I attach Liberty Mutual's letter of October 20, 1965, which for the first time clearly indicated that they would not make a voluntary settlement under any circumstances. I attach a copy of my letter to our local counsel of October 28, 1965 authorizing suit and a copy of Mr. Buchanan's reply of November 9, 1965. There have been no developments since then, but I assume that the matter has been sued.

The delay in this matter was unavoidable in the light of the attitude exhibited by Liberty Mutual. I am hopeful of a successful conclusion.

My file includes a note that I spoke to Mr. Scalia on October 28, 1965 indicating that we were going to prosecute the claim by suit. I did not, however, send him a copy of the attached papers.

Robert M. Johnson
Staff Attorney

RMJ:mec
Encl.
cc: A. Scalia