

SYNTHETIC CORRESPONDENCE - Letter Before Action

BLACKSTONE & PARTNERS LLP

Solicitors & Commissioners for Oaths

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Tel: 020 7405 1234

Our Ref: JPS/MKT/AM001

Your Ref:

Date: 5th March 2024

BY EMAIL AND POST

Messrs Whitehall Legal Services

25 Chancery Lane

London WC2A 1LB

For the attention of Mr Geoffrey Watson

Re: Acme Manufacturing Limited v Beta Distribution Limited

Breach of Distribution Agreement dated 15th October 2022

We act for Acme Manufacturing Limited ("our client") in connection with its claim against your client Beta Distribution Limited ("your client") for breach of the Distribution Agreement dated 15th October 2022 ("the Agreement").

FACTUAL BACKGROUND

1. By the Agreement, your client was appointed as exclusive distributor for our client's products in the South East region for a minimum term of 3 years.
2. Clause 5.2 of the Agreement required your client to achieve minimum sales targets of £200,000 per quarter.
3. Clause 8.1 prohibited your client from selling competing products without our client's written consent.
4. Your client has materially breached the Agreement by:
 - a) Failing to meet minimum quarterly targets since Q2 2023
 - b) Selling competing products manufactured by Delta Corp Ltd from January 2024
 - c) Failing to maintain adequate stock levels as required by Clause 6.3

LOSSES CLAIMED

Our client's losses arising from your client's breaches amount to £485,000, comprising:

- Lost profits from minimum guaranteed sales: £320,000
- Costs of establishing alternative distribution: £85,000
- Wasted marketing expenditure: £45,000
- Additional storage and logistics costs: £35,000

PART 36 OFFER

Our client is prepared to accept £450,000 plus costs in full and final settlement of its claim. This offer is made pursuant to CPR Part 36 and is open for acceptance for 21 days from the date of this letter.

NEXT STEPS

We require your client's substantive response to this letter within 14 days. If no satisfactory response is received, our client will commence proceedings without further notice and will seek its costs on the indemnity basis.

We also put you on notice that we shall rely on this correspondence in support of any application for indemnity costs.

Yours faithfully

BLACKSTONE & PARTNERS LLP

Note: This is synthetic test data created for testing purposes only. All information is entirely fictional.