



Press Releases

Munck Wilson Mandala Presents Closing Argument on Behalf of Plaintiff in Quadvest v. San Jacinto River Authority

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On Jan. 26, 2024, Munck Wilson Mandala senior partner J. David Rowe presented Closing Argument to the United States District Court, Southern District of Texas on behalf of the plaintiff in *Quadvest, L.P. v. San Jacinto River Authority*, Case No. 4:19-cv-04508 after a three-week bench trial before the Honorable George C. Hanks, Jr., presiding judge.

Quadvest, L.P., is an investor-owned utility in Montgomery County, Texas who sued the San Jacinto River Authority for alleged antitrust violations related to a scheme by which SJRA collects fees from groundwater users like Quadvest and then uses those fees to build and operate a \$500 million surface water treatment plant in direct competition with Quadvest and other water producers in Montgomery County.

Rowe argued the evidence proved the fees assessed to Quadvest artificially raise the price of groundwater (which is cheap) while subsidizing the costs to treat surface water (which is expensive), resulting in an anticompetitive market where SJRA uses Quadvest's money to compete unfairly. Rowe further argued SJRA's scheme also permits SJRA to force Quadvest and other utility providers in Montgomery County to buy SJRA's surface water, thereby growing SJRA's market power reach to over 80 percent of all drinking water sold in Montgomery County.

As a result of SJRA's anticompetitive conduct, nearly every consumer of drinking water in Montgomery County is paying more—as much as three times more—than they were before SJRA embarked on its plan to control the water market.

Quadvest seeks a declaration that SJRA's scheme is anticompetitive and violates Sections 1 and 2 of the Sherman Act, because it constitutes an unreasonable restraint of trade (including trade price fixing, unlawful market allocation, and illegal tying), and allows SJRA to monopolize the water market in Montgomery County. Quadvest also seeks a permanent injunction preventing SJRA from continuing to perpetrate its scheme on the water market in Montgomery County.

In addition to Rowe, Quadvest's trial team included Munck Wilson Mandala partner Aaron C. Dilbeck and paralegal Michael A. Dimmitt as well as appellate lawyer Kurt Kuhn. The Court is deliberating and expected to render a judgment within the next few weeks.

While Quadvest looks forward to receiving Judge Hanks' decision, an appeal to the Fifth Circuit Court of Appeals is a virtual certainty because the stakes at issue for both parties are extraordinarily high.

Munck Wilson Mandala is a full-service, technology-focused law firm known for, among other things, its powerful litigation teams that represent clients in patent, trade secret, trademark, and other intellectual property disputes as well as high stakes and complex commercial litigation. Honored with a Top 100 Verdict in 2021 by the National Law Journal, the firm has offices in Dallas, Austin, Houston, and Waco, Texas, Los Angeles, California, and South Florida (Boca Raton). Munck Wilson Mandala represents clients from start-ups to Fortune 50 companies. Learn more about the firm at <http://www.munckwilson.com>.

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