IN THE COURT OF APPEALS OF IOWA

No. 6-235 / 05-0844
Filed July 26, 2006

PARISI ENTERPRISES, INC.,
Plaintiff-Appellant/Cross-Appellee,

vs.

CRST VAN EXPEDITED, INC.,
f/k/a CRST, INC.,
Defendant-Appellee/Cross-Appellant.

Appeal from the Iowa District Court for Linn County, L. Vern Robinson, Judge.

A plaintiff appeals and a defendant cross-appeals following judgment for the plaintiff in a breach of contract action. **AFFIRMED AS MODIFIED ON APPEAL; AFFIRMED ON CROSS-APPEAL.**

Roscoe A. Ries, Jr. of Whitfield & Eddy, P.L.C., Des Moines, for appellant.

Mark J. Herzberger and Brenda K. Wallrichs of Moyer & Bergman, P.L.C., Cedar Rapids, for appellee.

Heard by Vogel, P.J., and Zimmer and Vaitheswaran, JJ.

ZIMMER, J.

Plaintiff Parisi Enterprises, Inc. (Parisi) appeals from a district court judgment that found defendant CRST Van Expedited, Inc. (CRST) had breached a contract entered into by the parties, dismissed CRST's counterclaims, and entered judgment for Parisi in the amount of $33,925. CRST cross-appeals from the judgment, as well as a post-judgment order that awarded Parisi trial attorney fees in the amount of $75,000. We conclude the district court's damage award does not fully compensate Parisi for CRST's breach of contract and accordingly modify the damage award. The remainder of the court's judgment and the post-judgment attorney fee award are affirmed.

I. Background Facts and Proceedings.

In 1996 Parisi and CRST entered into a "Sales Representative's Agreement" (Agreement), drafted by CRST. Under the Agreement, Parisi, acting as an independent contractor, agreed to solicit freight for shipment by CRST, and CRST agreed to pay Parisi a monthly commission based on the line haul revenue it received from all approved accounts (Designated Accounts). The Designated Accounts, and the commission to be paid thereon, were listed in appendices to the Agreement. Parisi was required to make a written demand for any unpaid commissions to be received by CRST "within (90) ninety days of the date the freight in issue was delivered to the destination." Failure to make such a demand would result in waiver of Parisi's claim.

The Agreement, which could be terminated by either party upon thirty-days' written notice, also contained confidentiality and "back solicitation" provisions. The parties agreed "to treat information concerning business with

confidence and agree not to divulge such information to third parties except to comply with applicable laws, codes, regulations, rules, and orders." In addition,

> CRST agrees that it will not communicate directly with any Designated Account . . . without the express knowledge and approval of [Parisi] during the term of this Agreement and for a period of 6 months after its termination. It is understood by CRST that the provision of this section pertains to "back soliciting." CRST hereby agrees that neither it nor its agents or employees will approach those clients introduced to it by [Parisi] for the purpose of selling its services directly or accepting traffic for the client without [Parisi's] express consent during the term of this Agreement and for a period of 6 months after its termination. In the event a violation occurs, CRST will be liable for the full amount of commission . . . which would have been due on all traffic transported in breach of this specific occurrence.

Reckitt is the Designated Account of primary importance in this litigation. Parisi had a preexisting relationship with Reckitt, and it was one of the initial accounts Parisi solicited for CRST. CRST agreed to pay Parisi a five-percent commission on the Reckitt account. Shipping rates would be proposed by Reckitt and submitted to CRST by Parisi. CRST would then conduct its own analysis of the proposed rate and either accept or reject it. For any rates not approved, CRST would either renegotiate or it would not haul the freight. CRST typically approved eighty to ninety percent of Reckitt's proposals.

Although Reckitt provided a great deal of business to CRST, over time CRST determined the volume of business and the five-percent commission it paid to Parisi no longer made practical business sense. CRST accordingly suggested that Parisi's commissions be lowered, and the parties entered into discussions on CRST's proposal.

In June 2001 CRST sent Parisi an e-mail stating the new commission schedule, effective July 1, 2001, was four percent on the Reckitt account and

three percent on all other Designated Accounts. CRST also sent Parisi a new appendix listing the new commission schedule. The parties dispute whether Parisi had orally agreed to the one-percent reduction. However, Parisi did not respond to the e-mail or sign the new commission schedule.

Effective July 1, 2001, CRST reduced Parisi's commission on the Reckitt account to four percent, and its commission on all other Designated Accounts to three percent. The reduction had no affect on Parisi's commissions on two other Designated Accounts relevant to this appeal—Verizon (formally Bell Atlantic) and Hartz Mountain—which were already set at three percent.

Following the commission reduction, the parties met on at least two occasions. The parties dispute whether during these meetings Parisi expressed its dissatisfaction with the commission reduction or affirmed its agreement to the reduced commissions. Parisi did, however, continue to place freight with CRST, including freight from Reckitt, and accepted payment under the new commission schedule. In addition, it brought new accounts to CRST and signed commission schedules for those accounts. It also began seeking a new carrier.

Parisi negotiated a sales representation agreement with a CRST competitor, U.S. Xpress. After the U.S. Xpress/Parisi agreement was executed, Parisi began transferring business from CRST Designated Account clients to U.S. Xpress. Parisi disclosed Reckitt/CRST shipping rates to U.S. Xpress, telling U.S. Xpress it "needed to be at" those rates to obtain Reckitt's business.

On December 11, 2001, Parisi made a written demand on CRST for a one-percent back commission on the Reckitt account, based upon the five-percent commission provided for under the Agreement. CRST refused to pay

Parisi any back commission and continued to pay Parisi only a four-percent commission on the Reckitt account.

On January 8, 2002, CRST terminated the Agreement without the requisite thirty-day written notice. At approximately the same time, CRST contacted Reckitt to discuss the sharp drop-off in Reckitt business. CRST provided Reckitt direct contact information and offered to reduce its rates by the amount of Parisi's commission. CRST also engaged in an unsuccessful bid process for a portion of Reckitt's business.

Following the January 8 termination, CRST continued to haul some freight for Reckitt, as well as Verizon and Hartz Mountain, but paid Parisi no further commissions on these accounts. Verizon elected to keep its business with CRST because CRST was better able to meet its needs. However, Parisi transferred the Reckitt and Hartz Mountain accounts to U.S. Xpress. Although Reckitt left it to "each site's discretion" whether to continue using CRST, the majority of Reckitt's business was given to U.S. Xpress. Similarly, CRST's Hartz Mountain business was only that which was "still lingering on" after Parisi moved the Hartz Mountain account.

In February 2002 Parisi filed suit against CRST, alleging CRST had breached the Agreement and had interfered with Parisi's current and prospective business relationships by attempting to directly solicit business from Parisi's accounts. CRST filed counterclaims, alleging Parisi had breached the Agreement, breached an implied covenant of good faith and fair dealing, intentionally interfered with CRST's independent transportation agreement with

Reckitt, and had misappropriated and disclosed to U.S. Xpress CRST trade secrets and confidential business information.

The matter was tried to the district court in March 2005. The court concluded CRST had breached the Agreement when it reduced Parisi's commission on the Reckitt account and terminated the Agreement without thirty days' written notice. The court rejected CRST's assertion that Parisi had agreed, orally or in writing, to reduce its commission on the Reckitt account. Because the Agreement required Parisi to give CRST written notice within ninety days for any claim for unpaid commissions, the court concluded Parisi was entitled to a one-percent commission on the line haul revenue CRST earned on the Reckitt account for a three-month period. It further concluded that, because CRST had failed to give Parisi thirty days' written notice, Parisi was entitled to a five-percent commission on the line haul revenue CRST earned on the Reckitt account for one month. The court determined those damages totaled $33,925 and entered judgment in favor of Parisi and against CRST in that amount. The court denied Parisi's claim for interference with a prospective business relationship. It also denied CRST's counterclaims.

Parisi filed a motion pursuant to Iowa Rule of Civil Procedure 1.904(2), asserting the court had failed to rule on its claim that CRST had breached the Agreement by engaging in back solicitation of the Reckitt, Verizon, and Hartz Mountain accounts; that the court erred in calculating Parisi's damages; and that the court had failed to award Parisi prejudgment interest, attorney fees, and costs. The court concluded Parisi was entitled to an award of attorney fees, but

denied the remainder of the motion without elaboration. After Parisi filed an attorney fee affidavit, the court awarded Parisi $75,000 in trial attorney fees.

Parisi appeals and CRST cross-appeals. On appeal, Parisi asserts the court erred in its damages calculation.[1] Specifically, Parisi asserts the court erred in (1) calculating the damages actually awarded based on unpaid commissions on the Reckitt account, (2) failing to award a commission on CRST's Verizon and Hartz Mountain business that occurred during the thirty days following the January 8 termination, and (3) failing to award a commission on CRST's Reckitt, Verizon, and Hartz Mountain business that occurred during the six months following the January 8 termination. Although not clearly articulated, this third claim presumably includes an underlying assertion that the court erred when it denied Parisi's claim for breach of the Agreement's back solicitation provision.

On cross-appeal, CRST asserts the court erred in concluding it had breached the Agreement by reducing Parisi's commission on the Reckitt account and in denying its counterclaim for misappropriation of trade secrets. CRST also asserts the court erred when it awarded Parisi $75,000 in attorney fees.

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[1] In addition, Parisi initially asserted the court erred in failing to award prejudgment interest. It has, however, withdrawn this claim. Although Iowa Code section 535.3(1) once provided that interest would accrue from commencement of the action, that language was removed by legislative amendment. 1997 Iowa Acts ch. 197, § 2. Section 535.3(1) now provides, in relevant part: "Interest shall be allowed on all money due on judgments and decrees of courts at a rate calculated according to section 668.13 . . . ." Although section 668.13(1) does provide that "[i]nterest, except interest awarded for future damages, shall accrue from the date of the commencement of the action," section 535.3's reference to section 668.13 relates only to the rate of interest, and does not incorporate section 668.13(1)'s provision regarding the time for interest accrual. *Schimmelpfennig v. Eagle Nat'l Assur. Corp.*, 641 N.W.2d 814, 815 (Iowa 2002).

II. Scope and Standards of Review.

We review actions tried at law for the correction of errors at law. Iowa R. App. P. 6.4; *Land O'Lakes, Inc. v. Hanig*, 610 N.W.2d 518, 522 (Iowa 2000); *Revere Transducers, Inc. v. Deere & Co*., 595 N.W.2d 751, 763 (Iowa 1999). The district court's fact findings are binding on us so long as they are supported by substantial evidence. Iowa R. App. P. 6.14(6)(*a*). "Evidence is substantial for purposes of sustaining a finding of fact when a reasonable mind would accept it as adequate to reach a conclusion." *Falczynski v. Amoco Oil Co*., 533 N.W.2d 226, 230 (Iowa 1995). The evidence is viewed in the light most favorable to upholding the court's judgment. *Land O'Lakes, Inc.*, 610 N.W.2d at 522.

In contrast, we review a challenge to the district court's award of attorney fees for an abuse of discretion. *Vaughan v. Must, Inc*., 542 N.W.2d 533, 541 (Iowa 1996). The court will be found to have abused its discretion when the grounds or reasons for its decision are "clearly untenable" or when the court has exercised its discretion to an extent that is "clearly unreasonable." *Graber v. City of Ankeny*, 616 N.W.2d 633, 638 (Iowa 2000).

III. Breach of Agreement by CRST.

Before we consider the claim that the district court erred in calculating Parisi's damages, we review the two claims of district court error that relate to CRST's alleged breach of the Agreement: the court's denial of Parisi's claim that CRST breached the Agreement by engaging in back solicitation of Reckitt, Verizon, and Hartz Mountain[2] and the court's conclusion that CRST breached

[2] Although CRST asserts this is really an appeal from the court's denial of Parisi's claim for interference with prospective business relationships, and should be analyzed

the Agreement by unilaterally reducing Parisi's commission on the Reckitt account.

A. Back Solicitation. On appeal Parisi contends CRST breached the back solicitation provision of the Agreement when it contacted Reckitt around the time it terminated the Agreement; engaged in an unsuccessful bid process for Reckitt business; and continued to haul freight for Reckitt, Verizon, and Hartz Mountain following termination of the Agreement. Resolution of this issue necessarily turns on the terms of the back solicitation provision. Parisi asserts the provision prohibits CRST from any form of unauthorized contact with or accepting any freight from a client Parisi brought to CRST, and allows for a commission on any and all freight hauled for those clients during the back solicitation period. We believe Parisi misconstrues the provision.

The back solicitation provision provides that CRST "will not communicate directly with any Designated Account," which is further defined as an agreement CRST "will [not] approach those clients introduced to it by [Parisi] for the purpose of selling its services directly or accepting traffic for the client without [Parisi's] express consent . . . ." Under the provision's plain language, the phrase "will [not] approach those clients introduced to it by [Parisi] for the purpose of" modifies both "selling its services directly" and "accepting traffic for the client." *See Kerndt v. Rolling Hills Nat'l Bank*, 558 N.W.2d 410, 416 (Iowa 1997) ("[E]xcept in cases of ambiguity, the parties' intent is determined by what the contract itself says."). Thus, it is not enough that CRST simply accepted traffic

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accordingly, Parisi's breach-of-contract claim fairly encapsulates an assertion that CRST breached the back solicitation provision, and in both its rule 1.904(2) motion and on appeal Parisi specifically characterized this claim as one for breach of contract.

from Designated Account clients. Rather, there must be proof CRST approached these clients for the purpose of either selling its services directly or accepting traffic. Moreover, once such a violation is shown, Parisi is only entitled to commission on "all traffic transported in breach of this specific occurrence." In other words, Parisi is entitled to a commission only on business CRST gained as a result of its improper and unauthorized approach to the client.

Turning to the record, Parisi points to no evidence CRST initiated contact with either Verizon or Hartz Mountain, and in fact admitted it had no evidence CRST had done "anything improper to take [Verizon or Hartz Mountain] business . . . ." A presumption of improper contact is not mandated by the bare fact CRST hauled freight for these clients, particularly as CRST had underlying preexisting contracts with both Verizon and Hartz Mountain, Verizon decided to continue using CRST as its carrier because U.S. Xpress was unable to meet its particular needs, and CRST's post-termination Hartz Mountain business was only that which was "still lingering on" after Parisi moved the Hartz Mountain business to U.S. Xpress. In light of the foregoing, the record substantially supports rejection of this breach of contract claim as to the Verizon and Hartz Mountain accounts.

In contrast, there is clear evidence CRST approached Reckitt for the purpose of either selling its services to Reckitt directly or assuring Reckitt it was available to continue accepting freight. However, this fact alone does not entitle Parisi to damages. Parisi must also establish the traffic CRST hauled for Reckitt in the six months following termination was as a result of the improper contact. Although a fact finder could reasonably infer that CRST would not have

continued to receive freight from Reckitt absent the direct and unauthorized contact, a reasonable fact finder could just as easily conclude Parisi failed to establish a causal connection between the improper contact and the subsequent business CRST received from Reckitt. Accordingly, the record in this matter substantially supports denial of Parisi's claim that CRST breached the Agreement's back solicitation provision in regard to the Reckitt account. *See Grinnell Mut. Reins. Co*. *v. Voeltz*, 431 N.W.2d 783, 785 (Iowa 1988) (providing evidence is not insubstantial merely because supports contrary inferences).

B. Commission Reduction. On cross-appeal CRST asserts the district court erred in finding it breached the Agreement by unilaterally reducing Parisi's commission on the Reckitt account, because it indisputably demonstrated an oral amendment of the Agreement's commission schedule.[3] Although CRST acknowledges the district court was presented with conflicting evidence regarding whether Parisi ever orally agreed to a reduction in its commissions, CRST asserts Parisi's consent to the modification is necessarily implied from its acts and conduct. *See Tindell v. Apple Lines, Inc*., 478 N.W.2d 428, 430 (Iowa Ct. App. 1991) ("An executory contract may be effectively modified by one party with the consent of the other. The requisite consent may be either express or implied from acts and conduct." (citation omitted)).

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[3] Although the Agreement provided that all additions, amendments, and alterations were required to be in writing,

> [a] written contract can be amended by oral agreement and a provision in a written contract that it can be modified or rescinded only in writing is ineffective (subject, of course, to the doctrine of consideration and the statute of frauds).

Whalen v. Connelly, 545 N.W.2d 284, 291 (Iowa 1996).

The problem with CRST's position is that it requires us to presume the district court, in concluding that "CRST and Parisi never mutually agreed to a reduction in Parisi's sale commissions . . . [because t]here was an ongoing dispute about the issue and the parties never came to a definite and certain agreement," simply disregarded the well-established proposition that consent to an oral agreement can be either express or implied from acts and conduct. This we will not do, particularly as we presume the court considered and rejected all claims, even those not specifically addressed, and has found all facts necessary to support its judgment. *See Meier v. Senecaut*, 641 N.W.2d 532, 539-40 (Iowa 2002).

Whether the parties have modified a contract is ordinarily a question of fact for the district court. *Tindell*, 478 N.W.2d at 430. A reasonable fact finder could determine CRST's evidence was more credible than Parisi's, and consider the fact that Parisi performed and accepted commission payments under the modified schedule, continued to solicit additional clients for CRST, and failed to formally object to the modified schedule until after it entered into a sales representative agreement with U.S. Xpress as sufficient to establish Parisi's implied consent to a reduction in its commissions. However, substantial support for the opposite determination can be found in not only Parisi's refusal to sign the modified schedule and its eventual demand for back commission, but also evidence that Parisi never consented to the modification and expressed its dissatisfaction to CRST after the e-mail and modified schedule were sent.

As previously noted, evidence is not insubstantial merely because it would support contrary inferences. *Grinnell Mut. Reins. Co.*, 431 N.W.2d at 785.

Construing the district court's findings broadly and liberally to uphold rather than defeat its judgment, and given the court's role in weighing evidence and assessing the credibility of witness, *id*., we conclude the record contains substantial evidence to support the court's determination that Parisi never agreed to the commission reduction.

We accordingly turn to Parisi's claim the district court erred in calculating damages for the two breaches of the Agreement it did establish—termination of the Agreement without thirty days' written notice, and CRST's failure to pay it a full five-percent commission on the line haul revenue on the Reckitt account prior to termination.

IV. Damages for CRST's Breach.

Regarding breach of the thirty-day notice provision, Parisi asserts (1) the court's award did not fully compensate it for its five-percent commission on the line haul revenue from the Reckitt account for the thirty days following the improper termination and (2) the court erroneously failed to award it a three-percent commission on the line haul revenue from the Verizon and Hartz Mountain accounts during this same period. Regarding CRST's failure to pay it a full commission on the Reckitt account prior to January 8, Parisi asserts the court's damage award did not fully compensate it for its lost one-percent commission. Upon a review of the record, we agree with Parisi.

It is well established that

> [i]f the record is uncertain and speculative whether a party has sustained damages, the fact finder must deny recovery. But if the uncertainty is only in the amount of damages, a fact finder may allow recovery provided there is a reasonable basis in the evidence from which the fact finder can infer or approximate the damages.

Sun Valley Iowa Lake Ass'n v. Anderson, 551 N.W.2d 621, 641 (Iowa 1996) (citation omitted). Although the amount of a damage award is within the district court's discretion, the court "may not disregard evidence and arbitrarily fix an amount of damage for which no basis in the evidence exists." *Hawkeye Motors, Inc. v. McDowell*, 541 N.W.2d 914, 917-18 (Iowa Ct. App. 1995). Rather the record must disclose "a reasonable basis for which the award can be inferred or approximated." *Id*. at 918.

Upon careful review of the record, we agree with Parisi's contention the district court erred in limiting its damages for improper termination of the contract to unpaid commission on the Reckitt account. During trial and in its rule 1.904(2) motion, Parisi asserted a claim for the commission it would have received on the Reckitt, Verizon, and Hartz Mountain Designated Accounts during the thirty days following the January 8 termination. Under the Agreement Parisi was entitled to receive its commission on the line haul revenue generated by all three accounts until the Agreement was validly terminated. Although CRST received revenue from all three accounts during the thirty days following the improper termination, no commissions were paid on any of the accounts after January 8. In light of the foregoing, we see no basis for differentiating among Reckitt, Verizon, and Hartz Mountain in assessing Parisi's entitlement to damages for CRST's breach of the Agreement's termination provision. Parisi was entitled to damages for lost commissions on all three accounts during the thirty-day period.

We must also agree the amount of damages awarded by the district court on the Reckitt account, in compensation for CRST's failure to pay Parisi its full

five-percent commission prior to the January 8 termination and any commission for thirty days thereafter, is not reasonably supported by the record.

The parties do not dispute that Parisi was paid only a four-percent commission on Reckitt freight hauled by CRST between July 1, 2001, and January 8, 2002, that Parisi was paid no commission on freight hauled for Reckitt after January 8, 2002, or that, because Parisi failed to make a written demand until December 11, 2001, it has waived any unpaid commissions on Reckitt freight delivered more than ninety days prior CRST's receipt of the December 11 notice. Nor is there any dispute as to the gross revenue CRST received during the relevant time frames, or that the gross revenue figures must be reduced by some percentage to arrive at the line haul revenue amount from which Parisi's commissions are calculated. The parties dispute only what percentage accurately reflects the difference between gross and line haul revenue. Although Parisi asserts the appropriate figure is three percent, it concedes, as asserted by CRST, that the record supports a reduction of up to fifteen percent.

However, when we utilize CRST's gross revenue figures, consider only the gross revenue earned during the relevant time frames, reduce that by fifteen percent, and calculate the appropriate commission percentages, we arrive at a figure greater than that awarded by the district court. Thus, we are unable to conclude the court's damage award was reasonably supported by the record. We accordingly modify that portion of the court's ruling to award Parisi a total of $36,343 in damages consisting of the following: $26,034 in compensation for CRST's underpayment of Parisi's commission on the Reckitt account up to CRST's improper termination of the Agreement, $9387 in compensation for the

unpaid five-percent commission on the Reckitt account for the thirty days following improper termination of the Agreement, $368 in compensation for the unpaid three-percent commission on the Verizon account for the thirty days following improper termination of the Agreement, and $554 in compensation for the unpaid three-percent commission on the Hartz Mountain account for the thirty days following improper termination of the Agreement.[4]

***V. Misappropriation of Trade Secrets by Parisi*.**

On cross-appeal, CRST contends the district court erred in dismissing its claim for misappropriation of trade secrets. The first element of such a claim is whether the information disclosed in fact constitutes a trade secret. *Lemmon v. Hendrickson*, 559 N.W.2d 278, 279 (Iowa 1997). Here, the district court determined the CRST/Reckitt carrier rates Parisi disclosed to U.S. Xpress were not trade secrets. In making this determination the court relied on the fact the rates were proposed by Reckitt, and determined that there was "nothing confidential nor secret about these rates insofar as Reckitt and Parisi were concerned." CRST asserts this was error because, although the individual rates may have been Reckitt's when they were proposed, they became CRST's confidential information once CRST conducted an independent analysis and decided to accept the rate proposals.

We agree the financial business information at issue here is of the type that may fall within the definition of a trade secret. *See Revere Transducers, Inc.*

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[4] Our numbers differ slightly from those proposed by Parisi because Parisi's entitlement to the one-percent unpaid commission on the Reckitt account dates back to only September 13, 2001, Parisi attempted to claim both an unpaid one-percent commission and a full unpaid commission for January 8, 2002, and Parisi calculated its damages for breach of the termination provision based upon a calendar month rather than thirty days.

v. Deere & Co., 595 N.W.2d 751, 776 (Iowa 1999). However, to be considered a trade secret the information must also (1) derive independent economic value "from not being generally known to, and not being readily ascertainable by proper means by a person able to obtain economic value from its disclosure or use," and (2) be "the subject of efforts that are reasonable under the circumstances to maintain its secrecy." Iowa Code § 550.2(4). Whether the above two elements are met in any particular case is a question of fact for the district court. *Economy Roofing & Insulating v. Zumaris*, 538 N.W.2d 641, 646 (Iowa 1995).

Upon a review of the record, we conclude it contains substantial support for the district court's determination that the Reckitt/CRST rates were not trade secrets. CRST agrees the rates were not confidential as between itself and Reckitt, and that Reckitt could have disclosed the rates to U.S. Xpress at any time. Thus, the Reckitt/CRST rates were readily ascertainable through proper means by U.S. Xpress, an entity able to obtain economic benefit from their disclosure and use.

VI. Attorney Fee Award.

We now turn to CRST's final claim on cross-appeal that the district court erred in awarding Parisi $75,000 in trial attorney fees. CRST asserts the amount of fees was unreasonable in light of the fact that Parisi succeeded on only one of its two claims, the trial in this matter lasted only two days, and the attorney fee affidavit did not adequately justify a number of the fees charged. *See Landals v. George A. Rolfes Co*., 454 N.W.2d 891, 897 (Iowa 1990) (providing applicant for attorney fees has burden to prove the services were reasonably necessary and the charges were reasonable in amount).

As previously noted, we review this claim for an abuse of the district court's discretion. *Vaughan v. Must, Inc*., 542 N.W.2d 533, 541 (Iowa 1996). We engage in such a deferential standard of review because "[t]he district court is an expert on the issue of reasonable attorney fees." *Schaffer v. Frank Moyer Constr. Inc*., 628 N.W.2d 11, 24 (Iowa 2001). It is in the unique position of having observed the efforts of counsel, and has the ability to assess the services rendered and their relationship to the various matters at issue. *See id*. Having reviewed the record in this matter, we cannot conclude the district court abused its discretion in awarding Parisi $75,000 in trial attorney fees.

Before making the fee award, the district noted there were a number of relevant factors for its consideration, including

> the time necessarily spent, the nature and extent of the service, the amount involved, the difficulty of handling and importance of the issues, the responsibility assumed and results obtained, the standing and experience of the attorney in the profession, and the customary charges for similar service.

Id. at 23. The court specifically observed that "[c]commercial litigation involving extensive documents and documentation necessarily requires a good deal of attorney time and effort." It also noted that both parties had incurred relatively high attorney fees: Parisi sought an award of $95,901, and CRST acknowledged it had incurred over $57,000 in attorney fees.

The foregoing factors support the court's attorney fee award, as does the fact that Parisi was required to defend against four counterclaims. There can be little doubt the pretrial preparation in this matter was extensive. We have also reviewed the fee affidavits submitted in this case, and find them sufficiently

specific to support the fees awarded. Under our limited standard of review, we find no basis to set aside the district court's attorney fee award.

VII. Conclusion.

The district court did not err in concluding that CRST had breached the Agreement, entitling Parisi to damages. However, we conclude the court's damage award should be increased to $36,343. The remainder of the court's rulings, including its denial of Parisi's back solicitation claim and CRST's counterclaims, and its attorney fee award, are affirmed. Costs of this appeal are assessed one-half to each party.

AFFIRMED AS MODIFIED ON APPEAL; AFFIRMED ON CROSS-APPEAL.