

Successful Litigation by Davis, Bucco & Ardizzi in Pennsylvania Supreme Court May Impact Corporate De Facto Merger Test and Successor Liabilities

Philadelphia, PA – April 5, 2012 (Business Wire) -- Davis, Bucco & Ardizzi, a boutique Philadelphia law firm specializing in construction law, business and commercial law and labor and employment law, successfully overturned a Superior Court decision in *Fizzano Brothers Concrete Products Inc. v. XLN Inc.* The ruling may have lasting effects in terms of how corporate successor liability is defined under the de facto mergers doctrine or exception.

In *Fizzano Brothers*, the Fizzano Brothers, represented by Davis, Bucco & Ardizzi, successfully claimed breach of contract and breach of express warranty with regards to the purchase of a software program from SDG, a corporation purchased by XLN and ultimately by XLNT. The award was never paid as XLNT claimed only an asset purchase was made, relieving the corporation from the assumption of the debts and liabilities of the previous corporation. Furthermore, the corporation asserted that absence of the continuity of ownership component of the de facto merger test negated successor liability.

The firm of Davis Bucco & Ardizzi successfully argued before the Pennsylvania Supreme Court that XLNT was liable to Fizzano Brothers. Specifically, it argued that the definition of the continuity of ownership component had been too narrowly defined by previous courts as an exchange of ownership interests for shares in the successor corporation and that a broader interpretation was necessary in today's business world.

According to Robert Ardizzi of Davis, Bucco & Ardizzi, "We are thrilled to have this case settled favorably for our clients. The ruling by the Pennsylvania Supreme Court is a great step towards modernizing how we look at corporate successor liabilities and how to apply the de facto merger exception to corporate purchases."

About Davis, Bucco & Ardizzi:

Established in 1990 and located just outside Philadelphia, Davis, Bucco & Ardizzi is a boutique firm practicing [construction law](#), [business & commercial law](#) and [labor & employment law](#). The firm differentiates itself by providing, specialized, superior quality and *cost-effective* legal services. For more information, visit www.davisbucco.com