

Consultants, law firm liable for investor loss

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A Portland financial consulting group and a Beaverton law firm have been held liable for \$560,000 in damages in favor of 11 investors who lost money in a trucking venture.

After 20 days of trial, a Multnomah County Circuit Court jury Friday determined that Coast Services Trust Co. Inc. and the law firm of Bolliger Hampton and Tarlow omitted material facts while offering the truck investment program in 1985.

The securities dealers and lawyers were accused of failing to advise the investors that a similar program marketed the year before had lost money and had sparked lawsuits from investors.

The investment plan called for investors to purchase a large trailer tractor used for pulling commercial trailers. The trucks were to be leased and managed for them.

Investors testified that they were told the trucks would generate monthly profits, and at the end of five years each investor would receive about \$10,000 from the sale of the vehicle.

The investment price was \$80,000, with \$7,000 paid down and the balance financed by a lending insti-

tution.

Jurors concluded that the 11 investors had lost nearly \$248,000 in combined out-of-pocket losses. In addition, the investors still owed another \$312,000 for the trucks.

Defendants included Coast Consulting Group, Coast Financial Services and Jerome Rose and James Serres, who are Coast principals.

Attorneys Michael Esler and Gordon Carey, who represented the plaintiffs, contended that both the Bolliger law firm and Coast knew or could have learned that a similar truck program marketed in 1984 had been unsuccessful.

Jurors apportioned 65 percent of the fault to the Coast entities and 35 percent to the Bolliger law firm.

Attorneys for Coast and for the law firm argued that no misstatements were made about the trucking program and no important information withheld.

Investors who were plaintiffs were Steven D. Light, Steven D. Line, D. Bradley Bogue, Michael Brand, Joseph R. Leben, Bruce Hindman, Robert L. Taylor, Gerard J. Lieb, William R. Parkhurst, Robert L. Myers and Patrick Simpson.

Circuit Judge Ancer L. Haggerty presided over the trial.