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MINNESOTA LAWYER



Janel Dressen

# The POWER 30: Janel Dressen

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When it comes to shareholder disputes, one could say that the Lunds case takes the cake. Make that a many-layered cake with a complex icing and plenty of decorations.

That case was whipped up and presented by Janel Dressen, who has just been named the new CEO of what is now Anthony Ostlund Louwagie Dressen & Boylan. She is only the second CEO since 1985 and the first female name partner.

The Lunds corporation, owner of the iconic Twin Cities' grocery stores Lunds & Byerlys, went through a recent shareholder dispute that resulted in the largest fair value buyout in Minnesota. Dressen represented Kim Lund, a minority shareholder who wanted out.

For about two decades, Kim Lund, granddaughter of the founder, made clear to her siblings that she wanted to separate her assets. It didn't get done until a court decided that Kim Lund's reasonable expectations as a minority shareholder were abused. The court granted her buyout request and after a trial on valuation awarded her $45,250,000 and removed her brother, Tres Lund, as trustee of her trusts. The Court of Appeals affirmed and the Minnesota Supreme Court denied review.

Closely held companies' owners are held to a higher standard of care of utmost good faith, Dressen said, and her client presented evidence of "promises again and again" about separating the company that were not kept.

Dressen also represented the plaintiffs in Clintsman et al. v Gervais et al., that came down last March in Ramsey County District Court. It is believed to be the first reported decision on a fair value buyout under the Minnesota Revised Uniform Limited Liability Company Act that took effect for all LLCs on Jan. 1, 2018.

That law changed the governance structure of LLCs, making the relationship of the owners subject to the company's operating agreement, whether implied, oral and/or written. It includes an "overlay of good faith and fair dealing," Dressen said.

In that case two minority shareholder siblings sued five siblings claiming shareholder oppression to a point where a fair value buyout from their company, RPS Legacy, was the only option.

The plaintiffs cited oppression including bullying and hostility, exclusion from the decision-making processes, working behind others' backs, withholding business information and breaching the operating agreement. Judge Thomas Gilligan agreed and the parties reached a confidential settlement.

Dressen said it can be hard for women to enter a male-driven world of business litigation, but it is very important for women to be in the courtroom. The pandemic has made things worse – according to many reports, women have taken over the home education of young children, either working part time or stepping aside.

"I don't know what the long term will be, but it's not a good thing to see women leaving the profession," Dressen said.

At the same time, the pandemic has shown that flexibility between work and home is important and "we've proven we can do it."

The profession has to have compassion for its lawyers, she said. She sees challenges coming as associate salaries skyrocket, along with demands to provide a culture of work-life balance. Additionally, she said, "law firms are having a problem diversifying their workforces."

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