

Jury gives cellular entrepreneur \$11 million in damages from Bell

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Bell Atlantic Mobile Systems has been ordered in a jury verdict to pay a bankrupt Bethesda businessman \$11 million for defrauding his cellular phone company.

The jury in the civil suit awarded the damages late Friday to Robert H. Kressin, 36, the former president of Cellular Phone Stores Ltd., which at one time operated stores and installation centers in Annapolis, Pikesville, Timonium, Rockville, Bethesda and northern Virginia.

Jurors found Bell Atlantic guilty of breach of contract and fraud against Cellular Phone Stores, which employed about 40 people when it went out of business in September 1990.

"I got my reputation back and Bell got what they deserved. It was pure greed and arrogance on their part," Mr. Kressin said yesterday. "What happened to us should never have happened. The people at Bell Atlantic should have put a stop to it. If Bell doesn't appeal and I get the money, I'll be way above my debts."

William D. Nussbaum, the attorney for Bell Mobile, would not com-

ment on the two-week case, which was tried in Washington before Superior Court Judge Colleen Kohar-Kotelly.

Cellular Phone began selling air time and telephones for Bell Mobile, a unit of Bell Atlantic Corp., in 1985. A year later, after Bell threatened to repossess all the phones it had given the company on consignment, Cellular protected its inventory by filing for Chapter 11 bankruptcy.

In August 1987, while Cellular was reorganizing under bankruptcy, it and Bell Mobile Systems signed a five-year peace settlement. Cellular agreed to pay Bell \$100,000 in disputed debts while Bell promised not to pay any other company higher commissions for selling its mobile phone service.

If Bell offered anyone higher commissions, according to the agreement, it would have to make the details of those arrangements known to Cellular Phone and give it the same deal.

Problems between the two companies seemed to subside until early 1989 when Mr. Kressin walked into a Sears store and saw the huge retailer offering mobile phone service through the Bell Atlantic network.

According to Mr. Kressin's attorney, when Cellular asked Bell

Mobile about the arrangement, Bell denied any relationship with Sears. Cellular later learned that Bell was paying Sears \$450 for each mobile phone customer it signed, while Cellular was getting \$225 per customer.

"This is where the jury found the fraudulent scheme took place," said Stephen L. Snyder, one of Mr. Kressin's lawyers.

While this was going on, Mr. Kressin tried to deliver the last payment on his \$100,000 debt to Bell Mobile and protect his "most favored" agent status, but his check was refused. According to testimony in the case, when Mr. Kressin accused Bell Mobile financial officer William Fox of forcing him into default, Mr. Fox said: "We will do whatever we have to do."

According to court documents, when Mr. Kressin said he would send the check certified to clear the debt, Mr. Fox replied: "Then we will make ... up [new debt]."

Denied the same arrangement as Sears, pressured by Bell Mobile and facing mounting debts, Mr. Kressin closed his stores and went out of business.

"They didn't cut us off at the neck," said Mr. Kressin. "They cut us off very slowly and we died."