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IN THE COURT OF APPEAL OF THE STATE OF CALIFORNIA

FOURTH APPELLATE DISTRICT

DIVISION TWO

HANSEN CONSTRUCTION, INC.,

Plaintiff and Appellant,

v.

MEADOWCREEK MUTUAL WATER
COMPANY, INC. et al.,

Defendants and Respondents.

E053620

(Super.Ct.No. SICVCV0744181)

OPINION

APPEAL from the Superior Court of Inyo County. David L. Devore, Judge.

(Judge of the Alpine Super. Ct. assigned by the Chief Justice pursuant to art. VI, § 6 of the Cal. Const.) Affirmed.

Law Office of Michael Berger, Michael Berger and Robert S. Hanna for Plaintiff and Appellant.

David S. Baumwohl for Defendants and Respondents.

INTRODUCTION

Property owner and developer Bishop Arbors, LLC (Arbors) planned to build 22 condominium units on property consisting of two adjacent parcels of undeveloped land (the property). Defendant Meadowcreek Mutual Water Company (MMWC) agreed pursuant to two annexation agreements to provide shares of water for the project. Arbors and Hansen Construction, Inc. (Hansen), the general contractor, sued MMWC and its board of directors, Andrew Holmes and James Orr (defendants), for failing to provide water for the project, as agreed, resulting in costly disruptions, delays in completing the project, and loss of profits.

Hansen appeals the judgment of dismissal of its complaint, entered after the trial court sustained defendants' demurrers without leave to amend. Specifically, Hansen contends the trial court erred in sustaining, as to the second amended complaint, defendants' demurrer to the first cause of action for breach of contract and the third cause of action for fraud in performance of contract. Hansen also contends the trial court erred in sustaining without leave to amend defendants' demurrer to Hansen's fourth cause of action for interference with contract, alleged in Hansen's fifth amended complaint.

We conclude Hansen failed to allege sufficient facts establishing Hansen was a third party beneficiary to the annexation agreements and therefore did not have standing to bring claims based on the annexation agreements. Hansen also failed to allege sufficient facts supporting its cause of action for intentional interference with contract. The judgment is affirmed.

II

FACTS AND PROCEDURAL BACKGROUND

As the appeal is taken from a judgment following orders sustaining defendants' demurrers without leave to amend, we rely upon and recite the facts as alleged in the operative complaints and attached annexation agreements. In this case, the operative complaints are the second and fifth amended complaints.

Arbors owns the property which is the subject of this litigation. In 1997, the previous owners of the property, Peter and Karen Geris (Geris) and Inyo Crude, Inc. (Inyo), each entered into essentially identical annexation agreements with MMWC for provision of shares of water for the subject property. In 2002, Inyo and Peter Geris changed the proposed development to a 22-unit condominium housing tract (the Arbors project). The Arbors project required additional water shares. MMWC approved the change in the Arbors project, in exchange for payment of a \$115,000 connection fee for increasing the water shares to 23.

In September 2004, Arbors became owner of the property (both parcels) and paid for the additional water shares. The annexation agreements provided that the agreements' covenants, conditions, promises, and obligations were intended to run with the property and the water shares issued to the property owner were deemed appurtenant to the property. Arbors thus succeeded to the previous owners' water rights under the annexation agreements. Arbors retained Hansen to do the development work on the property. Hansen built a water system and infrastructure on the property, which under

the annex agreements was required for development of the property and receipt of water. Hansen also built a model home on the property.

Hansen retained the engineering firm of Triad/Holmes Associates (Triad) to provide engineering and surveying services for the Arbors project. Andrew Holmes was a principal of Triad. Hansen was unaware that Holmes was also a director and president of MMWC, thereby creating a conflict between his interests in MMWC and in providing engineering services for the Arbors project through Triad. James Orr was also a director of MMWC and president of MMWC until November 2006. Holmes was president of MMWC thereafter.

Defendants allegedly concealed from Hansen and Arbors (plaintiffs) their intent to repudiate the annexation agreements and coerce Arbors into making concessions by delaying providing the water needed for the Arbors project construction. Beginning in late 2006, Arbors demanded MMWC comply with the annexation agreements, including applying for qualified shares and issuing them to Arbors. In January 2007, plaintiffs discovered that defendants intended to repudiate the annexation agreements.

MMWC breached the annexation agreements by failing to apply with the Department of Corporations for the 23 water shares and continuing to delay in doing so. MMWC also repudiated the annexation agreements in January 2007, and refused to perform under the annexation agreements in April 2007. Hansen alleges it suffered damages, including lost profits and lost goodwill.

In July 2007, Arbors filed a complaint against MMWC, seeking specific performance of the annexation agreements to provide water to the property. Arbors also

sought injunctive relief and damages. The complaint was later amended to add Hansen as a plaintiff and Holmes and Orr as defendants.

After the trial court sustained defendants' demurrer to the first amended complaint, plaintiffs filed a second amended complaint against defendants, alleging causes of action for breach of contract, breach of fiduciary duty, fraud, and interference with contract, and seeking declaratory relief, specific performance, and damages. Attached to the second amended complaint were the two 1997 annexation agreements. Defendants demurred to the second amended complaint. The trial court sustained defendants' demurrer without leave to amend to Hansen's first and third causes of action, for breach of the annexation agreements and fraud in performance of the agreements. The trial court also sustained defendants' demurrer to Hansen's fourth cause of action for interference of contract, with leave to amend. Defendants' demurrer was overruled as to each of Arbors's causes of action.

Plaintiffs filed third, fourth, and fifth amended complaints, and defendants demurred to each amended complaint. The sole remaining cause of action brought by Hansen in the fifth amended complaint was for interference with contract (the fourth cause of action). Arbors was also a plaintiff in the fourth cause of action. Following lengthy oral argument, the trial court took the matter under submission and issued a ruling sustaining, without leave to amend, defendants' demurrer to the fourth cause of action as to both plaintiffs. The ruling left none of Hansen's causes of action pending against defendants. The trial court entered a judgment of dismissal of Hansen's complaint against defendants.

III

DEMURRER STANDARD OF REVIEW

We review de novo the trial court's rulings sustaining defendants' demurrers without leave to amend. (*Schauer v. Mandarin Gems of California, Inc.* (2005) 125 Cal.App.4th 949, 955 (*Schauer*).) “[W]e give the complaint a reasonable interpretation, and treat the demurrer as admitting all material facts properly pleaded, but not the truth of contentions, deductions or conclusions of law. We reverse if the plaintiff has stated a cause of action under any legal theory. [Citation.]” (*Id.* at p. 955, quoting *Barnett v. Fireman's Fund Ins. Co.* (2001) 90 Cal.App.4th 500, 507.)

IV

CONTRACT CLAIMS BASED ON THE ANNEXATION AGREEMENTS

The issue here is whether Hansen had standing as a third party beneficiary to maintain causes of action for breach of contract (first cause of action) and fraud in the performance of contract (third cause of action). These are claims based on the annexation agreements. “We begin with the rule that “[e]very action must be prosecuted in the name of the real party in interest, except as otherwise provided by statute.” (Code Civ. Proc., § 367.) Where the complaint shows the plaintiff does not possess the substantive right or standing to prosecute the action, ‘it is vulnerable to a general demurrer on the ground that it fails to state a cause of action.’ [Citations.]” (*Schauer, supra*, 125 Cal.App.4th at p. 955.) Here, the trial court held that Hansen failed to allege it had standing to bring the first and third causes of actions because Hansen was neither a party to the annexation agreements nor a third party beneficiary.

It is undisputed Hansen is not a party to the annexation agreements. Hansen argues, however, that it alleged sufficient facts establishing that it was a third party beneficiary to the annexation agreements. We disagree.

A. Third Party Beneficiary Law

Under Civil Code section 1559, “‘A contract, made expressly for the benefit of a third person, may be enforced by him [or her] at any time before the parties thereto rescind it.’ Because third party beneficiary status is a matter of contract interpretation, a person seeking to enforce a contract as a third party beneficiary “‘must plead a contract which was made expressly for his [or her] benefit and one in which it clearly appears that he [or she] was a beneficiary.’” [Citation.]” (*Schauer, supra*, 125 Cal.App.4th at p. 957.) “‘The action by a third party beneficiary for the breach of the promisor’s engagement does not rest on the ground of any actual or supposed relationship between the parties but on the broad and more satisfactory basis that the law, operating on the acts of the parties, creates the duty, establishes a privity, and implies the promise and obligation on which the action is founded.’ [Citation.]” (*Spinks v. Equity Residential Briarwood Apartments* (2009) 171 Cal.App.4th 1004, 1024 (*Spinks*).)

The intended beneficiary “bears the burden of proving that the promise he seeks to enforce was actually made to him personally or to a class of which he is a member.” (*Neverkovec v. Fredericks* (1999) 74 Cal.App.4th 337, 348-349; *Spinks, supra*, 171 Cal.App.4th at p. 1024.) Although, generally, it is a question of fact whether a third party is an intended beneficiary of a contract, “if ‘the issue is presented to the court on the basis of undisputed facts and uncontroverted evidence and only a question of the application of

the law to those facts need be answered,’ appellate review is de novo.” (*Spinks, supra*, 171 Cal.App.4th at p. 1024.) Here, review is de novo. We simply look to the complaint allegations and documents attached to the complaint to determine whether they demonstrate Hansen was a third-party beneficiary. If such facts and allegations establish, as a matter of law, that Hansen was not a third-party beneficiary, then the trial court did not err in sustaining defendants’ demurrer to the first and third causes of action without leave to amend.

Hansen argues it did not have to be named in the annexation agreements to be a third-party beneficiary, and the intent to benefit Hansen did not have to be mutual intent by both parties to the annexation agreements. MMWC, the promisor, merely had to understand that the promisee (the property owners) intended to benefit Hansen. But the pleadings and attached annexation agreements demonstrate as a matter of law that none of the parties to the annexation agreements intended that the purpose and intent of the agreements was to benefit specifically Hansen or the property’s developers and builders in general.

In determining whether a contract was made for the benefit of a third person, we look to the terms of the contract. (*Spinks, supra*, 171 Cal.App.4th at p. 1022.) “‘If the terms of the contract necessarily require the promisor to confer a benefit on a third person, then the contract, and hence the parties thereto, contemplate a benefit to the third person. The parties are presumed to intend the consequences of a performance of the contract.’” (*Ibid.*) But “‘it is not enough that the third party would incidentally have benefited from performance.’ [Citation.] ‘The circumstance that a literal contract

interpretation would result in a benefit to the third party is not enough to entitle that party to demand enforcement. The contracting parties must have intended to confer a benefit on the third party.’ [Citation.] ‘The effect of the section is to exclude enforcement by persons who are only incidentally or remotely benefited.’ [Citation.]” (*Ibid.*)

While the third party beneficiary need not be named in the contract, “[a] third party may enforce a contract where he shows that he is a member of a class of persons for whose benefit it was made.’ [Citations.]” (*Spinks, supra*, 171 Cal.App.4th at p. 1023.) Hansen claims that, although Hansen was not named as an express beneficiary in the annexation agreements, Hansen has standing to enforce the agreements as a member of a class for whose benefit the agreements were made. That class, Hansen argues, consisted of builders and developers whom it was understood would benefit from developing the property.

B. Contract Interpretation

Ascertaining whether there was intent to confer a benefit on Hansen as a third-party beneficiary is a question of ordinary contract interpretation. (*Spinks, supra*, 171 Cal.App.4th at p. 1023.) In interpreting a contract, we give effect to the parties’ intent as it existed at the time of contracting. (Civ. Code, § 1636; *Spinks*, at p. 1023.) “Intent is to be inferred, if possible, solely from the language of the written contract. [Citations.] Nevertheless, an inflexible ‘rule that would limit the determination of the meaning of a written instrument to its four-corners merely because it seems to the court to be clear and unambiguous, would either deny the relevance of the intention of the parties or

presuppose a degree of verbal precision and stability our language has not attained.’
[Citation.] Thus, other factors may come into play as well.” (*Spinks*, at p. 1023.)

In construing a contract, the court looks to ““the circumstances under which it was made, and the matter to which it relates.’ (Civ. Code, § 1647.) ‘In determining the meaning of a written contract allegedly made, in part, for the benefit of a third party, evidence of the circumstances and negotiations of the parties in making the contract is both relevant and admissible.’ [Citations.] [¶] Additionally, a court may consider the subsequent conduct of the parties in construing an ambiguous contract. [Citation.] In determining intent to benefit a third party, the contracting ‘parties’ practical construction of a contract, as shown by their actions, is important evidence of their intent.’ [Citation.]” (*Spinks, supra*, 171 Cal.App.4th at p. 1024.)

In reviewing the trial court’s ruling on defendants’ demurrers, this court is limited to evaluating whether the agreements are susceptible to Hansen’s interpretation, based on the pleaded facts and the annexation agreements attached to the operative complaint.

C. Annexation Agreement Provisions

Hansen argues the annexation agreements contain provisions indicating that the parties intended the agreements benefit not only the parties to the agreements, but also unnamed third parties to the agreements, including Hansen. Hansen relies on the following annexation agreement provisions:

“This Agreement shall be binding upon and inure to the benefit of the heirs, executors, administrators, personal representatives, successors, and assigns of each of the parties hereto”;

“WATER COMPANY is a mutual water company duly organized and existing under the laws of the State of California, for the purpose of distributing, supplying, and delivering water to its shareholders, which shareholders hold their shares as a real property interest appurtenant to their individual parcels owned within the property served by the WATER COMPANY”; and

“The covenants, conditions, terms, and promises set forth herein are to run with the land of OWNER and shall be binding upon and be a benefit to all parties and all persons or entities claiming under each of the parties.”

Hansen argues that the above provisions, and particularly the language, “run with the land” and “successor,” show that the annexation agreements were intended to benefit unnamed third parties, such as Hansen. While it is true the agreements indicate that the contracting parties intended that certain specified groups or classes of unnamed persons were intended to benefit from the agreements, Hansen does not qualify as a member of any of the groups or classes of persons identified in the agreement. Hansen is not an heir, executor, administrator, personal representative, successor, or assignee of any of the parties. Hansen also does not have any interest in the real property or any interest in the water shares running with the property.

Hansen argues that, as a successor builder-improver to the original owners who entered into the annexation agreements, it can be implied from the stated purpose of the annexation agreements that Hansen is within a class of individuals intended to benefit from the agreements. We disagree. The purpose of the annexation agreements was to convey to the property owners water shares, which were required to develop the property.

Hansen argues that the parties to the annexation agreements impliedly intended to benefit the builder and developer, and this is reflected in the following language in the agreements: “The property of OWNER is presently undeveloped, and in order to develop and improve the property, OWNER needs water service”

Although this language indicates the owner intended to develop the property, nothing in the annexation agreements states or implies that the agreements were intended to benefit the builder. Any such benefits are unspecified and merely incidental to the purpose and intent of the agreements. “The effect of Civil Code section 1559 providing that ‘[a] contract made expressly for the benefit of a third person, may be enforced by him’ is to exclude persons only remotely or incidentally benefited.” (*Spector v. National Pictures Corp.* (1962) 201 Cal.App.2d 217, 224.) While Hansen does not have to be named in the contract in order to be a third party beneficiary, there must be language in the contract or extrinsic evidence that the promisor, MMWC, understood that the promisee (the property owners) entered into the contract with the intent that the agreements benefit Hansen or a class of individuals encompassing Hansen. (*Ibid.*) There is no such language in the annexation agreements or factual allegations in the second amended complaint demonstrating any intent.

Hansen cites *Schauer, supra*, 125 Cal.App.4th at page 958, for the proposition Hansen qualifies as an intended beneficiary because the surrounding circumstances indicate the property owners intended to benefit the property builder/developer (Hansen). *Schauer* is not on point. In *Schauer* there was evidence establishing that the purchase of a diamond ring was for the benefit of a third party recipient of the ring. Here, acquisition

of the water shares was not for the purpose of giving the water shares to the property builder/developer (Hansen).

In *Schauer, supra*, 125 Cal.App.4th 949, the defendant jeweler sold a diamond ring to the plaintiff's future husband. After the couple divorced, the plaintiff discovered the defendant had misrepresented the quality and value of the diamond. The plaintiff sued the jeweler for breach of contract. The issue was whether the plaintiff, as a third party beneficiary, could recover the difference between what her former husband paid for the diamond ring and the actual value of the ring, given its alleged inferior quality. The trial court sustained the defendant's demurrer without leave to amend, concluding the plaintiff did not have standing to sue as a third party beneficiary. The *Schauer* court reversed, holding that the plaintiff was entitled as a matter of law to pursue her contract claim as a third party beneficiary. (*Schauer*, at pp. 952, 955.)

In reaching its holding, the *Schauer* court explained that “[A]n intent to make the obligation inure to the benefit of the third party must have been clearly manifested by the contracting parties.” [Citation.] Although this means persons only incidentally or remotely benefited by the contract are not entitled to enforce it, it does not mean both of the contracting parties must intend to benefit the third party: Rather, it means the promisor—in this case, defendant jeweler—‘must have understood that the promisee [the former husband] had such intent. [Citations.] No specific manifestation by the promisor of an intent to benefit the third person is required.’ [Citations.]” (*Schauer, supra*, 125 Cal.App.4th at pp. 957-958.)

The *Schauer* court concluded the complaint's allegations demonstrated the plaintiff's standing as a third party beneficiary because, at the time of the purchase of the diamond ring, the plaintiff was present with her former husband, the plaintiff chose the ring, she caused the ring to be purchased for her, and her former husband stated at the time of purchase that he was purchasing the ring to give to the plaintiff.

Here, unlike in *Schauer*, Hansen has not alleged any facts demonstrating that when MMWC and the property owners, Geris and Inyo, entered into the annexation agreements, MMWC must have understood the property owners intended to enter into the annexation agreements for the benefit of the future property builder/developer or Hansen. Hansen was not involved in development of the property when the agreements were executed and had no relationship to the parties or interest in the property at that time. While it was foreseeable that the property would be developed in the future and the builder would benefit from doing so, the builder's benefits from developing the property were incidental and remote.

Hansen argues in its appellate opening brief that paragraph 14 of the complaint "fits the fact pattern in *Schauer*." Paragraph 14 states: "Defendants MMWC . . . understood that Plaintiff ARBORS intended that Plaintiff [Hansen] would benefit by the performance of the Annexation Agreements by those defendants, an understanding which was not precluded by the Annexation Agreements, including without limitation Section 10.4 thereof. Defendants' understanding arose from all of the facts set forth in this Paragraph and Paragraph 15 below. These defendants understood that a builder and developer would develop and build out any development on the property, because that is

customary development practice. In about September 2004, Peter Geris announced in writing that he intended to use such a separate builder and developer. In about December 2004, Plaintiffs ARBORS announced that it purchased the Geris Parcel and the Sample Parcel, that Plaintiff [Hansen] was going to undertake the development and construction of the whole of the Arbors Property, and that Plaintiff [Hansen], as a developer and builder was going to benefit from the performance of the Annexation Agreements. Plaintiffs repeated those announcements in January 2005. Thereafter, and throughout the development of the Arbors Property, and as known by Defendants, Plaintiff [Hansen] built the water system and infrastructure, and a model home on the Arbors Property.” These allegations in paragraph 14 do not state facts establishing that at the time the annexation agreements were entered into, the parties to the agreements intended that the annexation agreements benefit Hansen or the builders/developers who developed the property in the future.

Hansen argues it pleaded facts that MMWC accepted Hansen’s performance of Arbors’s obligations under the annexation agreements by building a water system on the property. Therefore MMWC is estopped from repudiating a contractual obligation owed to Hansen as a third-party beneficiary. But even though Hansen alleges in the complaint that MMWC was notified Hansen was providing construction on the property for the property owner, this does not establish that Hansen was a third-party beneficiary under the annexation agreements, which solely concerned the transfer of water shares to the property owner.

Hansen further argues that the annexation agreements' integration clauses do not prevent the use of extrinsic evidence to assist in construing any ambiguity in the annexation agreements. The integration clauses state that the annexation agreements constituted the sole and only agreement between the parties and any modifications must be made in a writing signed by the party to be charged. But even assuming extrinsic evidence is considered in construing the annexation agreements, Hansen has not alleged any facts demonstrating that Hansen was an intended third-party beneficiary. There are allegations that, after execution of the agreements, the property owner retained Hansen to build a water system and MMWC was aware of this. But this does not establish that Hansen was a third-party beneficiary to the annexation agreements. Hansen's complaint and attached annexation agreements, as a matter of law, establish that Hansen was not an intended third-party beneficiary.

V

INTERFERENCE WITH CONTRACT

Hansen contends the trial court erred in sustaining without leave to amend defendants' demurrer to the fourth cause of action for interference with contract, alleged in the fifth amended complaint. Hansen alleged in the fourth cause of action that Arbors entered into the following agreements to further the development and sale of units built on Arbors's property: (1) a development loan agreement and a line of credit agreement between Arbors and Colonial Bank; (2) a policy of liability insurance issued to Arbors by Westchester Surplus Lines; (3) three purchase notes; and (4) reservation agreements with prospective purchasers of the units. Hansen was a party to Arbors's financing

agreements with Colonial Bank and the liability insurance policy. Hansen also was a party to various construction related contracts, involving plumbing, grading, paving, and cement work on Arbors's property.

Hansen further alleged defendants knew of these construction and development agreements and interfered with them by committing the acts alleged in Arbors's second cause of action for breach of fiduciary duty and third cause of action for fraud in the performance of the annexation agreements. Defendants' alleged interference with Hansen's contracts included (1) thwarting Hansen's development of the Arbors project until Arbors was coerced into modifying the annexation agreements, (2) exploiting for the benefit of Triad and Holmes Associates, an undisclosed conflict of interest of Holmes, as an officer of both MMWC and Triad, (3) concealing defendants' lack of performance of the annexation agreements, (4) concealing from Arbors that MMWC lacked the water shares needed to transfer to Arbors, (5) colluding with Triad and Holmes in repudiating the annexation agreements, (6) delaying work required by MMWC for the provision of water on the property, and (7) breaching the annexation agreements.

Hansen argues the trial court failed to recognize that Hansen is not basing its interference-with-contract claim on the annexation agreements. Rather, Hansen is relying on various other contracts related to the Arbors project, including Hansen's construction contract with Arbors. But Hansen concedes that, by incorporating the allegations in Arbors's breach-of-fiduciary-duty cause of action, Hansen erroneously alleged defendants' interference-with-contract claim was based in part on defendants' breach of

the annexation agreements. Hanson acknowledges that this allegation should be deleted from the operative complaint.

“The elements which a plaintiff must plead to state the cause of action for intentional interference with contractual relations are (1) a valid contract between *plaintiff* and a third party; (2) defendant’s knowledge of this contract; (3) defendant’s intentional acts designed to induce a breach or disruption of the contractual relationship; (4) actual breach or disruption of the contractual relationship; and (5) resulting damage. [Citations.]” (*Pacific Gas & Electric Co. v. Bear Stearns & Co.* (1990) 50 Cal.3d 1118, 1126.)

Hansen has not alleged sufficient facts demonstrating that defendants knew about the third-party contracts or intentionally interfered with them. Hansen argues the alleged acts of intentional interference include defendants’ concealment and collusion between MMWC and Triad, with Holmes exploiting his role as an officer of both Triad and MMWC. As to interference with Hansen’s construction-related contracts, Hansen has made conclusionary allegations that defendants intentionally interfered with those contracts but has not alleged any supporting facts. Nor has Hansen alleged any facts that Hansen suffered damages from interference with each of the contracts. Hansen’s allegations of interference are premised on allegations incorporated from the second and third causes of action, which do not involve Hansen. The second and third causes of action are claims brought by Arbors for breach of fiduciary duties and fraud allegedly committed against Arbors, not Hansen. Hansen has had ample opportunity to allege a claim for interference with contract, over the course of amending its complaint five times.

Hansen suggests that the trial court might have sustained defendants' demurrer to the fourth cause of action based erroneously on the economic loss rule under *Robinson Helicopter Co., Inc. v. Dana Corp.* (2004) 34 Cal.4th 979 (*Robinson*). The record is unclear in this regard. There was lengthy discussion regarding the rule but the discussion appears to have been focused primarily on Arbors's fraud cause of action. Hansen argues that the economic loss rule does not extend to Hansen's tort cause of action for interference with contract. We agree, and defendants do not argue on appeal that the economic rule applies. *Robinson* is inapposite and the economic loss rule is inapplicable.

“Simply stated, the economic loss rule provides: “[W]here a purchaser's expectations in a sale are frustrated because the product he bought is not working properly, his remedy is said to be in contract alone, for he has suffered only “economic” losses.” This doctrine hinges on a distinction drawn between transactions involving the sale of goods for commercial purposes where economic expectations are protected by commercial and contract law, and those involving the sale of defective products to individual consumers who are injured in a manner which has traditionally been remedied by resort to the law of torts.” (*Robinson, supra*, 34 Cal.4th at p. 988.) The *Robinson* court held that “the economic loss rule does not bar [the plaintiff's] fraud and intentional misrepresentation claims because they were independent of [the defendant's] breach of contract.” (*Id.* at p. 991.)

The instant case does not concern the sale of a product and *Robinson* does not address application of the economic loss rule to a claim of interference with contract, particularly construction-related contracts. Here, the interference with contract claim is

not barred by the economic loss rule. Nevertheless, Hansen has not alleged sufficient facts supporting a cause of action for interference with contract. There are no facts defendants intended to interfere with Hansen's contracts and no facts as to how defendants intentionally interfered with each such contract. There also are no facts alleged as to how the interference with each contract damaged Hansen. Hansen's general, conclusionary allegations are insufficient, and Hansen has not established that it can successfully amend the cause of action.

VI

DISPOSITION

The judgment is affirmed. Defendants are awarded their costs on appeal.

NOT TO BE PUBLISHED IN OFFICIAL REPORTS

CODRINGTON
J.

We concur:

RAMIREZ
P. J.

HOLLENHORST
J.