

IN THE SUPERIOR COURT OF THE STATE OF DELAWARE

CHRISTOPHER CLIFTON,)
)
Plaintiff,)
v.)
)
TECHNOMECH INC. OF)
MARYLAND, a)
Delaware corporation, and)
KEVIN J. RUNGE,)
)
Defendants.)
)

C.A. No. N22C-05-189 FJJ

Submitted: October 9, 2026
Decided: October 28, 2026

POST-TRIAL OPINION AND ORDER

Thomas H. Kramer, Esquire, and Anthony N. Delcollo, Offit Kurman PA, Wilmington, Delaware, Attorneys for Plaintiff.

Thad J. Bracegirdle, Esquire, Bayard PA, Wilmington, Delaware, Attorney for Defendant.

Jones, J.

This is a claim under the Delaware Wage Payment and Collection Act (“DWPCA”) brought by the Plaintiff, Christopher Clifton, against Technomech Inc. of Maryland (“Technomech”) and its principal Kevin Runge. On April 14, 2025 this Court entered a default judgment against Technomech based on discovery violations. The Court also ordered the Defendants to pay the Plaintiff \$6,536.00 in sanctions. On September 4, 2025 the Court clarified that its April 14, 2025 default judgment was meant to apply to both Technomech and Runge and the September 4, 2025 order made that clear. An inquisition hearing was scheduled. The inquisition hearing was delayed on a number of occasions due to the bankruptcy of Technomech. A one-half day bench trial on damages to be awarded against Runge was held on July 20, 2026. Following that hearing, post hearing briefing occurred and is now complete. This is the Court’s decision on the damages to which the Plaintiff is entitled against Runge only.

FACTS

I find that the following facts have been proven by a preponderance of the evidence.

Technomech is a company that is owned by Kevin Runge (“Runge”). In 2020 Runge and Clifton began discussions about Clifton buying Technomech from Runge.¹ The plan was for Runge to teach Clifton the business and for the

¹ Trial Tr., pg. 15.

parties to enter into a stock purchase agreement where Clifton would buy out Runge.² The original plan was that Runge would provide seller financing to Clifton.³ Because Clifton was separating from the military and moving back to Delaware, he needed to be paid while the SPA details were worked out.⁴ The parties agreed that initially Technomech would pay Clifton a salary of \$1,500.00 per month and a monthly mileage check of \$1,000.00.⁵ Plaintiff was paid wages and the mileage reimbursement up through June 2021.

There was also discussion of Clifton's entitlement to commissions.⁶ There was no written agreement. However, the few times Clifton did receive a commission he was paid 30% of the net.⁷

In the spring of 2021, the parties began to discuss the buyout of Runge by Clifton. Runge was insisting that the SPA be signed by June and that Clifton begin the process of owning the company.⁸ Runge was no longer willing to hold the financing and wanted to be bought out.⁹ The parties discussed and agreed that Runge would obtain financing that would be used to buy Runge out completely.¹⁰ Runge was responsible for obtaining the financing.¹¹ It was contemplated that

² Trial Tr., pg. 34.

³ Trial Tr., pg. 33.

⁴ Trial Tr., pg. 21-24.

⁵ Trial Tr., pg. 20-25.

⁶ Trial Tr., pg. 28-35.

⁷ Trial Tr., pg. 28-32.

⁸ Trial Tr., pg. 33-35.

⁹ Trial Tr., pg. 34.

¹⁰ Trial Tr., pg. 33-36.

¹¹ Trial Tr., pg. 33.

Runge was going to obtain the financing through some type of government program.¹² The stock purchase agreement was signed in June 2021.¹³ Clifton made a down payment of \$10,000.00.¹⁴

The stock purchase agreement never closed because financing was never obtained by Runge.¹⁵ Even though the stock purchase agreement was never obtained, the record reflects that Clifton continued to work on behalf of Technomech up until February 1, 2021. From July 1, 2021 forward Clifton was not paid any money for his work for Technomech.

THE BANKRUPTCY OF TECHNOMECH

On the eve of the first scheduled inquisition hearing in this case Technomech filed for bankruptcy.¹⁶ When the bankruptcy was filed Defendant Runge argued that the stay under the bankruptcy code applied to him. Plaintiff opposed. The Court ruled that the bankruptcy court was the proper entity to consider the question of whether the automatic stay applied to Runge.¹⁷ The inquisition hearing was continued until the matter could be resolved by the bankruptcy court. Technomech originally filed its bankruptcy petition in the Western District of Pennsylvania.¹⁸ The bankruptcy court determined that was an

¹² Trial Tr., pg. 35-37.

¹³ Trial Tr., pg. 36.

¹⁴ *Id.*

¹⁵ Trial Tr., pg. 36-37.

¹⁶ DI 62.

¹⁷ DI 63.

¹⁸ DI 65.

inappropriate forum and that case was dismissed.¹⁹ This Court then rescheduled the inquisition hearing for November 25, 2024.²⁰ On the eve of that rescheduled hearing Technomech refiled its bankruptcy petition in the Middle District of Florida.²¹ The parties once again brought the issue of the stay's effect on Runge and this Court again advised the parties that whether Runge was entitled to the benefit of the automatic stay was a question for the bankruptcy court.²² In granting the stay the Court made it clear that it was Technomech's burden to convince the Court that any stay or plan of reorganization covered the claims against Runge.

Technomech's proposed plan of reorganization was filed with the bankruptcy court on February 5, 2026. The plan proposed that the automatic stay apply to the instant lawsuit.²³ On April 22, 2026, the bankruptcy court entered an order confirming the plan.²⁴ The Order states in relevant part, "At the hearing, the Debtor announced that it was withdrawing the Runge Plan Injunction request and related language from the Plan."²⁵ The bankruptcy court's order specifically ordered that the Runge Plan Injunction was withdrawn.²⁶

On May 11, 2026 the parties argued to this Court whether the bankruptcy court's order extinguished the claims against Runge. At that hearing the Court

¹⁹ DI 68.

²⁰ DI 69.

²¹ DI 71.

²² DI 73 and 76.

²³ See DI 77 Ex. at 6.

²⁴ DI 81 Ex.

²⁵ *Id.* at 1-2.

²⁶ DI 81 Ex. at 4.

held that the plain language of the order did not extinguish the claims against Runge. The Court set the time for the inquisition hearing in this case far enough out so that the parties could return to the bankruptcy court, if they chose, to get clarification on whether the court intended to extinguish the claims against Runge. It appears that the Defendants in this case did not seek clarification from the bankruptcy court.

On this record this Court finds no reason to deviate from the decision it made during the May 11, 2026 hearing. To reiterate, the proceedings in the bankruptcy court do not prevent the claims against Runge from proceeding. It was incumbent on Technomech to convince this Court that the bankruptcy court's protections applied to Runge. That has not been done.

Runge claims that Clifton is collaterally estopped from making any claim against him. Runge argues that the bankruptcy court in its order found that Clifton's claim was zero and that this collaterally estopps Clifton's claim. There are a number of elements that must be met for collateral estoppel to apply.²⁷ One of those elements is a requirement that the claim was judged on the merits.²⁸ Clifton maintains that Runge has not proven that his claim was adjudicated on the merits. The burden of proving this defense lies with Runge. Runge has not met his burden that Clifton's claim was adjudicated on the merits. Again, this Court

²⁷ *Hernandez v. Baird Mandalas Brockstedt & Federico, LLC*, 315 A.3d 1183, 1188 (Del. Super. 2024), *aff'd*, 341 A.3d 473 (Del. 2025).

²⁸ *Id.*

gave Runge every opportunity to return to the bankruptcy court to get clarification on what the plan actually provided for as to any claim Clifton had against Runge. Runge chose not to take any action. Runge's argument that Technomech's bankruptcy shields and protects any claim against Runge, or that it established the value of that claim in a way that makes collateral estoppel applicable, is rejected.

DAMAGES Runge's Liability

Plaintiff's claims are brought under the DWPCA. Under the Act "the officers of a corporation and any agents having the management thereof, who knowingly permit a corporation to violate this chapter are deemed to be the employer of the employees of the corporation."²⁹ I find that Runge was an officer of the corporation and was also an agent having the management thereof. I also find that Runge knowingly permitted the corporation to violate this chapter.

SCOPE OF THE ACT

The DWPCA covers wages, commissions and wage supplements which include reimbursement for expenses.³⁰

DAMAGES

The record demonstrates that Plaintiff worked for or on behalf of the Defendant from September 2020 up until February 1, 2022.

²⁹ 19 Del. C. §1101(b).

³⁰ 19 Del. C. §§1101(a)(8), 1102(a), 1109(a)(b); See *Girardot v. Chemours Co.*, 2018 WL 1472337 (Del. Super. Mar. 26, 2018).

Plaintiff was to be paid \$1,500.00 a month in wages. The best evidence of this fact is that Plaintiff was in fact paid \$1,500.00 per month from September 2020 until June 2021, which was confirmed by W-2 statements. The evidence is also clear that the parties agreed that once the SPA was signed Clifton was no longer entitled to a monthly salary or mileage reimbursement. The SPA was signed in June 2021. I find that Clifton is not entitled to either of these amounts beyond June 2021.

Plaintiff's entitlement to commissions leads to a different result. Once the SPA was signed Clifton was entitled to commissions on all profits produced regardless of who generated the lead and whose customer it was in the first instance. To reach a contrary result would ignore the intent of the parties moving forward from June 1, 2021. As described by Runge himself, "Clifton had to start thinking like the owner."³¹ An owner is clearly entitled to his percentage of the commissions.

I find that the Plaintiff has proven that he was entitled to a commission in the amount of 30% of the sales from June 2021 through February 1, 2022. This finding is based on the fact that when the Defendant did pay the commissions the amount paid was 30%. Plaintiff is entitled to commissions in the amount of \$124,724.00, as set forth in Exhibit A of Plaintiff's opening brief. I accept

³¹ Trial Tr., pg. 39.

Plaintiff's testimony which is based on those exhibits (invoices) outlined in Plaintiff's Exhibit A. I specifically reject Runge's argument that to award a commission on the basis of \$80,640.00 is speculative. The amount is based on Runge's own statement in an email, which constitutes an admission, that it was his educated guess that he had invoiced that amount since January 1, 2021. This testimony, in and of itself, satisfies Plaintiff's burden of proof on this issue. If Runge wanted to challenge this educated guess or give a fuller explanation of what the net profit was, he was free to do so. He did not offer any evidence refuting that this amount was accurate.

LIQUIDATED DAMAGES

Liquidated damages are available to the Plaintiff unless the employer had reasonable grounds to dispute the payments to which the employee is entitled. The parties entered into an agreement for the Plaintiff to purchase the business from Runge in June 2021. Runge had to obtain the financing to make that deal happen due to Plaintiff's credit situation. I find that the parties agreed to the withholding of any payments to Plaintiff until the financing was obtained. On this basis there was a good faith dispute to withhold any payments to Plaintiff until the financing was obtained. The financing was never obtained and the Plaintiff continued to work for the Defendant until February 2021. On this basis I find that the Plaintiff is not entitled to liquidated damages under the Act because there was a reasonable ground to dispute the payment.

ATTORNEY'S FEES

The DWPCA provides for the award of attorney's fees where there has been a finding of the violation of the Act. Plaintiff shall submit a memorandum supporting their request for attorney's fees with the appropriate affidavit within 30 days of the date of this order along with his requests for court costs. Defendants have 30 days to file a responsive memorandum. No reply memorandum shall be filed absent further order of the Court.

CONCLUSION

Plaintiff is entitled to damages in the amount of \$124,724.00 against Runge. Plaintiff is also entitled to the \$6,536.00 in sanctions previously awarded against Runge. Plaintiff is entitled to Court costs. The entry of a final award will await resolution of the amount of attorney's fees and the request for Court costs.

IT IS SO ORDERED.

IT IS SO ORDERED.

/s/ Francis J. Jones, Jr.
Francis J. Jones, Jr., Judge

cc: *Counsel via File & ServeXpress*