

# The Biz Court Digest: Shoring Up Corporate Law In Maryland

By **Bill Krulak** (June 5, 2026)

*While Delaware's Court of Chancery tends to get all the headlines, the rest of the U.S. boasts a robust collection of localized business courts, where corporate disputes are regularly decided. This Law360 Expert Analysis series surveys business courts around the country, focusing on what makes them unique.*

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In April 2003, Maryland Rule 16-308 was adopted by the Supreme Court of Maryland — then known as the Maryland Court of Appeals — establishing a case management program that enabled each circuit court to manage business and technology matters in a coordinated, efficient and responsive manner and to afford convenient access to lawyers and litigants in business and technology matters.



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The Business and Technology Case Management Program introduced an innovative approach in the Maryland circuit courts. Since its implementation more than 20 years ago, this program has addressed some critical issues in managing complex cases. Many accomplished jurists have served as program judges and published dozens of opinions that have guided corporations doing business in the state.

Like the roughly two dozen other business courts established around the country, the business and technology program has distinct features that make it unique. Some, such as North Carolina's, are statewide but sit in multiple locations. Others, like Georgia's, are statewide but only sit in a single location. Maryland opted for a rule-based program, where each of the eight circuits manages its program, appointing judges to the panel and determining which matters are accepted. The two most active business and technology programs in the state are in Baltimore City and Montgomery County, the state's most populous jurisdiction.

The Maryland business and technology program was created to improve the adjudication of complex corporate disputes and provide business management and the lawyers who counsel them a forum for resolution of cases that would benefit from this system. This article aims to explore its implementation.

## **Special Assignment**

Under Rule 16-308, cases can be assigned to the business and technology program upon the request of a party or on the particular circuit court's own initiative. The majority of cases get assigned based upon a party's request.

Several types of cases are presumptively eligible for inclusion, including cases under the Maryland Antitrust and Securities Acts, disputes related to internal corporate governance disputes, stockholder derivative suits, and stockholder class actions. If the plaintiff does not indicate in its original filing that the case should be assigned to the business and technology program, the defendant can make the request.

This can be done by submitting a statement in support of assignment to the business and

technology track, describing how the facts presented in the case align with the type of dispute that the rule sets out as presumptively eligible for assignment. These requests are routinely granted.

One of the most obvious advantages to being assigned to the business and technology program is that you will have a single judge at every stage of the case, from a motion to dismiss, through discovery, summary judgment and trial. Cases in Maryland circuit courts otherwise stand to meet a new judge at every stage of the case.

In addition to that consistency, the majority of the judges assigned to the program come from a corporate litigation background, have engaged in extensive special training in corporate and securities law and are interested in the sorts of cases that are assigned to the program. For the program judges, this is often considered a calling, as all such judges continue to have a regular docket of criminal, domestic and medical malpractice cases. Those who regularly practice in the program understand and appreciate the dedication of many of these judges.

### **Opinion Database**

One of the important factors in the business and technology program, like many other business courts, is the publication of written opinions, which in addition to being accessible via Lexis and Westlaw, can also be found on the Maryland courts website.[1]

Although these opinions do not carry any precedential value, they can be helpful for companies doing business in Maryland and the lawyers who advise them as useful guidance as to how the program judges may land on questions of corporate organizations and transactional disputes involving Maryland corporations.

The implementation committee recommended that an opinion database be created to publish judicial opinions arising from cases in the program. According to the committee's report, the database would "provide lawyers and litigants with a growing body of predictive information at the trial court level to advise clients on likely rulings."

The report also indicated that the opinion database would "encourage collegiality and consistency among judges." Thus, the program publishes any judicial opinions that address a substantive area of particular interest to the business and technology community, procedural matters for which there is little direct legal appellate authority or evidentiary issues.

Demonstrating a commitment to developing Maryland corporate law, the judges who publish opinions are often writing them on nights or weekends, as they often lack the time and other resources to write and edit these opinions in the face of their full dockets.

In a putative class action filed in the Circuit Court for Baltimore City, for example, the plaintiffs alleged that the board of directors of Columbia Property Trust Inc. breached their duties of good faith and loyalty by initiating a sales process to appease an activist investor and then steered Columbia toward their preferred bidder, Pacific Investment Management Company LLC, thereby causing the plaintiffs to suffer damages.

The plaintiffs further alleged that the defendants breached their duty of disclosure by withholding certain information about the proposed merger from stockholders, preventing the stockholders from evaluating information they needed to make an informed decision regarding the merger. The defendants moved to dismiss, and the court granted that motion

in 2023.

The court held that the business judgment rule applied to the board's decision to enter into and consummate the merger. It found the plaintiffs' allegations, that an activist stockholder threatening a proxy fight bullied defendants into a merger to protect their reputation and avoid a proxy contest, were speculative and insufficient to overcome the presumption that the actions of the directors were in the best interest of Columbia — especially considering the extensive efforts Columbia and the directors took in the review process and its consultation with independent legal counsel as well as financial advisers.

The court further held that the plaintiffs' claims also failed because the stockholders voted in favor of the merger and therefore, even if the plaintiffs presented a sufficient claim for breach of fiduciary duty arising from the merger, those claims became foreclosed when a majority of informed and disinterested stockholders voted to ratify the merger.

The court held that the plaintiffs' claims were also barred by the exculpatory provision in Columbia's charter, which provided that no director or officer of Columbia would be liable to stockholders for money damages.

### **Room for Improvement**

A strong business court helps guide corporate directors and managers and the lawyers who advise them. Predictability and uniform application of the law is a tremendous asset for the business community and something that animates most of the business courts across the country. This is one area where Maryland's program has been a solid success, but there always is room for improvement.

Several factors have hampered the program, including nonuniformity in the program as administered in the various circuits; inconsistency in forms and case management procedures; and limitations on the utility of the program due to the lack of coordination of, and accessibility to, case information, opinions and resources.

As concern over the program's effectiveness grew, a little over a decade ago the business law section of the Maryland State Bar Association created an ad hoc task force on the business and technology program in 2014, which I co-chaired.

After a two-year study of both the business and technology program and the developments in other states' business courts, the task force convened a daylong symposium, gathering scores of jurists, academics, practitioners and business leaders to discuss the state of Maryland's business court.

After the symposium, the task force prepared a report synthesizing the views shared that day and presented those findings to the judiciary for consideration and action. These were collected and presented to the Maryland judiciary in a January 2017 final report. The primary recommendation was to restructure the business and technology program into an independent court or alternatively a more consistent statewide program to better achieve the goals of the program.

The judiciary has yet to act, but it is possible that the proposed reorganization of the business and technology program would benefit the handling of complex commercial disputes, foster the development of a more robust and reliable case law, enable the circuit court judges who are most suited to this important work to cultivate the knowledge and expertise to resolve these disputes more effectively, and otherwise improve the functioning

of the Maryland judiciary.

Maryland's business court has come a long way in 20 years, and there is hope to see it continue to evolve in the years ahead.

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[1] <https://www.courts.state.md.us/businesstech/opinions>.