

## Entertainment and Sports Law

# Judge Rebukes Miami Partners in Insomniac Nightlife Dispute

"It's a rare circumstance where you already have a quasi-merits ruling on certain allegations at the initial pleading stage," an attorney not connected to the case said.

September 12, 2025 at 11:42 AM By  **Lisa Willis**

## What You Need to Know

- Judge Hanzman's order highlights that courts will not "rewrite deals" after lengthy mediation.
- Through mediation, the parties were bound to a binding, non-appealable order highlighting the risk of mediated resolutions.



Jordan A. Shaw (L) of Shaw Lewenz, and Bruce A. Weil (R) of Boies Schiller. Courtesy photos.

A newly unsealed federal complaint in the Southern District of Florida sheds new light on the escalating dispute between Insomniac Holdings, a global entertainment company, and its partners in two prominent Miami nightlife institutions: Club Space and Factory Town.

At the heart of the revelations is retired Miami-Dade Judge Michael Hanzman, designated to oversee the disputes. In his order, Hanzman concluded Insomniac was acting within the plain terms of its contract, while local partners sought payouts beyond the agreement.

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“The

**Paul Turner, managing partner of Perlman Bajandas Yevoli & Albright. Courtesy photo**

unsealed complaint, along with the order and emails from Judge Hanzman, speak for themselves,” said Insomniac’s attorney, Jordan Shaw of Shaw Lewenz in Fort Lauderdale. “Judge Hanzman found in Insomniac’s favor and confirmed that he would not be rewriting the deal. That same day, defendants responded by saying that they

would no longer be performing their obligations. Our goal remains the same: peace and to continue doing the great work we've been doing.”

Defense counsel for the Miami group, Bruce A. Weil of law firm Boies Schiller Flexner, rejected Insomniac's allegations in a previous [Daily Business Review](#) article. He has described the suit as “a complete fabrication,” calling Insomniac “predatory” and accusing it of plotting to sabotage his clients. Weil added that a “voluminous counterclaim” and “multiple other actions” are forthcoming. An email for comment on the latest legal development was not returned by press time.

The conflict traces back to 2019, when Miami promoters David Sinopoli, Davide Danese and Jose Coloma sold a 51% stake in Club Space to Insomniac. The complaint alleges the trio was running the venue “on a whim,” without brand ownership or a long-term lease. Insomniac allegedly injected capital, industry connections and operational expertise, boosting Club Space into international renown, according to court records.

By 2021, the partnership expanded into Factory Town, a sprawling warehouse site in Miami hosting large-scale dance events. But the relationship deteriorated. Insomniac accused its partners of backing out of previously signed agreements, the complaint noted.

A lawsuit was filed, and the parties then turned to Hanzman.

A 16-hour mediation in June 2025 yielded a settlement.

Insomniac assumed full ownership of Factory Town, while Club Space co-promoted two final Factory Town events—Halloween's Hocus Pocus and Miami Art Basel week shows. Club Space was allegedly guaranteed all ticket sales and 20% of bar revenue, and the Miami promoters received nearly \$3 million in cash. In return, they were required to transfer intellectual property and relinquish control, the complaint said.

The complaint alleges that after taking the payout, the Miami partners misrepresented the deal, told industry contacts they had “won their lawsuit,” withheld assets and



**Michael Hanzman, a former Florida Circuit Court Judge who oversaw the litigation stemming from the Champlain Towers South collapse. Courtesy photo**

conspired with Club Space's landlord, described as a billionaire eager to reshape the nightlife scene.

## **Judge's Order**

On July 31, 2025, Judge Hanzman issued an order siding with Insomniac "on every salient point."

Hanzman reaffirmed that the defendants were bound by the settlement and barred from unilateral booking decisions: "Please note that any offers for booking are subject to final approval by Insomniac Holdings, LLC."

He further noted: "Insomniac has final approval rights for all Talent bookings."

Hanzman rejected attempts to offload costs onto Insomniac as landlord, ruling that expenses such as lighting, cleanup, DJ gear, permits, meals and stagehands were "partnership expenses." He added, "Courts don't rewrite deals and I'm certainly not

rewriting this one. The parties spent 16 hours at mediation and negotiated the settlement agreement for months."

The order was binding and non-appealable.

While not connected to the lawsuit, Paul Turner, managing partner of Perlman Bajandas Yevoli & Albright, gave his outsider legal perspective on the case.

"The fact that the complaint attaches an order from an agreed-upon private jurist in this very dispute is powerful evidence to support the plaintiff's claims and narrative," Turner said. "Obviously, it is very early in the case and too soon to prejudge the outcome, but it is a rare circumstance where you already have a quasi-merits ruling on certain allegations at the initial pleading stage."

He added that the mediator is highly respected.

"Michael Hanzman is one of the most well-respected judges in our state, if not the country, and that is presumably why the parties entrusted him to adjudicate certain

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According to Insomniac, the defendants defied the ruling, declaring Hanzman lacked jurisdiction and refusing to comply. The complaint details alleged breaches:

- Non-performance: Refusing to co-promote Hocus Pocus and Art Basel.
- Unauthorized spending: Committing more than \$1.5 million in talent fees without approval.
- Confidentiality breaches: Sharing budgets and talent grids with outsiders.
- Failure to transfer property: Retaining IP, marketing assets and social media accounts.
- Disparagement: Claiming victory over Insomniac and control of Factory Town.

The company also links the defendants' conduct to actions by Club Space's landlord,

who sent Insomniac a demand letter the same day the defendants disavowed the settlement, the complaint alleges.

## Stakes Ahead

Insomniac's owners warn that ongoing obstruction could harm its reputation and disrupt major events, leaving thousands of ticket holders at risk. The company seeks damages, disgorgement of settlement funds, lost profits and injunctive relief to compel asset transfers and bar competing events under the Hocus Pocus and Art Basel banners.

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