# UNITED STATES DISTRICT COURT DISTRICT OF NEW JERSEY CAMDEN VICINAGE

Al "Bubba" Baker (aka James Baker), Jabez Baker LLC, and Brittani Bo Baker, Plaintiffs,

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Rastelli Foods LLC, Rastelli Partners LLC, Rastelli Brothers Inc., Raymond Rastelli III, Raymond Rastelli Jr., Daymond John, Lawrence Fox, and DF Ventures LLC, Defendants.

Case No.:

#### COMPLAINT FOR PATENT INFRINGEMENT

#### I. PARTIES

#### Plaintiffs:

- 1.1 JabezBaker LLC: JabezBaker LLC is an Ohio Limited Liability Company with its principal place of business in New Jersey. JabezBaker LLC holds exclusive ownership of U.S. Patent Nos. 7,666,075B1 and 7,959,500B1, which cover the process and product of Bubba's Boneless Ribs. Under the settlement and licensing agreements, JabezBaker LLC retains full control over these patents until FOF Bakers LLC reaches \$30 million in sales. Despite this, JabezBaker LLC has been systematically excluded from key business decisions regarding the patented product by the Defendants, in violation of both contractual and fiduciary duties.
- 1.2 **Al "Bubba" Baker:** Al Baker is a citizen of Florida and co-inventor of Bubba's Boneless Ribs. He holds exclusive rights to the patents until FOF Bakers LLC reaches \$30 million in sales. Al Baker also holds a 45% equity stake and 51% voting rights in FOF Bakers LLC, providing him substantial rights under the operating agreement. Despite this, the Defendants have consistently excluded him from important business decisions, particularly related to the marketing, production, and branding of the patented product, in violation of contractual agreements. His address is 675 S Gulfview Blvd #1004, Clearwater Beach, FL 33767.
- 1.3 **Brittani Bo Baker:** Brittani Bo Baker is a citizen of California and co-inventor of Bubba's Boneless Ribs. She retains ownership of the patents alongside her father. She, too, has been systematically excluded from key business conversations by Defendants, directly impacting her ability to protect and profit from her intellectual property. Her address is 3003 W Olympic Blvd Suite 204 #1110, Los Angeles, CA 90006.

#### Defendants:

- 2.1 **Rastelli Foods LLC:** Rastelli Foods LLC is a New Jersey Limited Liability Company with its principal place of business at 300 Heron Drive, Swedesboro, NJ. Rastelli Foods LLC is involved in the production, marketing, and sale of Bubba's Boneless Ribs under a licensing agreement. Recently, they began unauthorized sales of the product under the name "Rastelli's Boneless Ribs," infringing on Plaintiffs' patents and breaching contractual obligations. Principal business location is 300 Heron Drive, Swedesboro, NJ.
- 2.2 **Rastelli Partners LLC:** Rastelli Partners LLC is a New Jersey Limited Liability Company with its principal place of business at 300 Heron Drive, Swedesboro, NJ. Rastelli Partners LLC is responsible for the distribution and operations related to Bubba's Boneless Ribs. This entity has been directly involved in the unauthorized commercialization of the product under a competing brand, violating Plaintiffs' intellectual property rights. Principal business location is 300 Heron Drive, Swedesboro, NJ.
- 2.3 **Rastelli Brothers Inc.:** Rastelli Brothers Inc. is a New Jersey Corporation with its principal place of business at 300 Heron Drive, Swedesboro, NJ. Rastelli Brothers Inc. has participated in the unauthorized sale of the patented product, causing direct harm to Plaintiffs' business interests. Principal business location is 300 Heron Drive, Swedesboro, NJ.
- 2.4 **Raymond "Ray" Rastelli III:** Raymond "Ray" Rastelli III is a citizen of New Jersey and serves as an executive of Rastelli Foods LLC. He oversaw the unauthorized sale of Bubba's Boneless Ribs as "Rastelli's Boneless Ribs." His principal business location is 300 Heron Drive, Swedesboro, NJ.
- 2.5 **Raymond "Ray" Rastelli Jr.:** Raymond "Ray" Rastelli Jr. is a citizen of New Jersey and co-founder of Rastelli Foods LLC. He played a significant role in the unauthorized commercialization and sale of Bubba's Boneless Ribs, causing direct infringement of Plaintiffs' patent rights. His principal business location is 300 Heron Drive, Swedesboro, NJ.
- 2.6 **Daymond John / DF Ventures LLC:** Daymond John is a citizen of Florida with his principal place of business in New York, NY. Through DF Ventures LLC, a New York Limited Liability Company, he is a limited partner in FOF Bakers LLC. Despite his limited partner status, he actively participated in the commercialization of Bubba's Boneless Ribs, allegedly receiving payments from unauthorized sales of the product branded as "Rastelli's Boneless Ribs." His principal business location is 222 Park Ave PMB 44171, Ny,NY 10003
- 2.7 Lawrence Fox (aka Larry Fox): Lawrence Fox is a citizen of New York, with his principal place of business in New York, NY. As general counsel for DF Ventures LLC and a key advisor to Daymond John, Larry Fox has been significantly involved in managing FOF Bakers LLC. His actions facilitated the exclusion of Plaintiffs from key business decisions and contributed to the unauthorized commercialization of Plaintiffs' patented products. His involvement constitutes a breach of fiduciary duties. His principal business location is 222 Park Ave PMB 44171, Ny,NY 10003.

# II. JURISDICTION AND VENUE

- 3. This action arises under the patent laws of the United States, specifically 35 U.S.C. §§ 271 and 281, which govern claims of patent infringement. This Court has subject matter jurisdiction over this action pursuant to 28 U.S.C. §§ 1331 and 1338(a), as the case presents federal questions arising under the patent laws of the United States.
- 4. This Court also has jurisdiction pursuant to 28 U.S.C. § 1332 based on diversity of citizenship. The plaintiffs and defendants are citizens of different states, ensuring that no plaintiff shares the same state citizenship with any defendant.
- 5. This Court has personal jurisdiction over Defendants Rastelli Foods LLC, Rastelli Partners LLC, Rastelli Brothers Inc., Daymond John, and Lawrence Fox. Each Defendant conducts substantial business within this district and has directly participated in the unauthorized sale, marketing, and distribution of Plaintiffs' patented product, Bubba's Boneless Ribs, within this jurisdiction. Furthermore, these Defendants are involved in FOF Bakers LLC, which was formed in connection with the commercialization of Bubba's Boneless Ribs. Their business activities have been purposefully directed toward this district, leading to the sale and distribution of the infringing product here, thus subjecting them to personal jurisdiction in this Court.
  - **5.1** Venue is proper in this judicial district pursuant to 28 U.S.C. §§ 1391(b), 1391(c), and 1400(b). A substantial part of the events giving rise to Plaintiffs' claims occurred in this district, including the unauthorized commercialization of the patented product. Defendants are subject to personal jurisdiction in this district due to their continuous and systematic contacts with this jurisdiction through the sale, marketing, and distribution of the infringing product to customers in this district via retail stores, online platforms, and other sales channels.

# III. Background and Factual Background

#### 6. Patent Ownership and History

- Al "Bubba" Baker and his daughter, Brittani Bo Baker, developed a patented process for removing bones from pork ribs while keeping the meat intact. This innovation is protected by U.S. Patent Nos. 7,666,075B1 (issued February 23, 2010) and 7,959,500B1 (issued June 14, 2011), covering both the process of deboning ribs and the resulting product. [Exhibit 1: Patents]
- 7. On November 7, 2015, the patents were assigned to JabezBaker LLC, a company owned and operated by the Bakers. Under the assignment agreement, JabezBaker LLC retains full ownership of the patents until FOF Bakers LLC reaches \$30 million in sales. Plaintiffs Al Baker and Brittani Baker hold exclusive ownership of the patents until this sales threshold is met. [Exhibit 2: Assignment of Patents]

# 8. Formation of FOF Bakers LLC and Licensing Agreement

- In 2015, Plaintiffs formed FOF Bakers LLC, a company designed to commercialize their patented boneless ribs under the Bubba's-Q brand. Al Baker holds a 45% equity interest and 51% voting rights in FOF Bakers LLC and serves as a managing member. [Exhibit 3: Original Operating Agreement and Company Structure]
- 9. A licensing agreement was entered into between Plaintiffs, Rastelli Brothers Inc., and DF Ventures in 2019, granting RBI the exclusive right to manufacture, package, distribute, and market Bubba's Boneless Ribs. In return, Plaintiffs were to receive royalties and other benefits as stipulated in the agreement, while retaining control over the patent until the \$30 million sales threshold was reached. [Exhibit 4: 2019 Settlement Agreement]

# 10. Settlement Agreement and Restrictions

The 2019 settlement agreement reaffirmed the licensing rights of RBI while stipulating that Defendants could not compete with licensed Bubba's-Q brand products. The agreement further required Defendants (Daymond John) to promote Bubba's Boneless Ribs and to ensure that Plaintiffs, particularly Al Baker, remained involved in marketing efforts, including a minimum of six promotional QVC appearances annually. [Exhibit 5: Written Supplement to settlement agreement pages 14-16]

# 11. Systematic Exclusion and Breach

- Despite the agreements in place, Defendants systematically excluded Plaintiffs from critical business decisions. Payments owed to Plaintiffs ceased, and communications regarding inventory, sales, and other business operations were withheld. Plaintiffs' requests for transparency and inclusion were ignored. [Exhibit 6: May 23, 2022 Email]
- 12. Defendants also breached the non-compete provision by unauthorized commercialization of Bubba's Boneless Ribs, selling the product as "Rastelli's Boneless Ribs" and selling it on platforms such as QVC without Plaintiffs' consent. This unauthorized commercialization violated both patent laws and the terms of the licensing and settlement agreements.
- 13. In April 2024, Defendants began selling the product as "Rastelli's Boneless Ribs" on QVC, generating approximately \$237,000 in sales across two 3-minute segments without informing or compensating Plaintiffs as required under the licensing agreement. [Exhibit 7, 7a, 7b, 7c: QVC Screenshots]
- 14. Plaintiffs have since filed motions to appoint a receiver and forensic accountant to uncover the full extent of unauthorized sales, seeking transparency and proper financial reporting from Defendants.

# IV. Chronology of Key Events

# 15. 2015: Patent Assignment

The patents for Bubba's Boneless Ribs were assigned to JabezBaker LLC, owned by Al "Bubba" Baker and Brittani Bo Baker. Plaintiffs retained exclusive ownership of the patents until FOF Bakers LLC reaches \$30 million in sales, as outlined in the assignment agreement.

#### 16. 2017: Formation of FOF Bakers LLC

Plaintiffs formed FOF Bakers LLC to commercialize Bubba's Boneless Ribs under the Bubba's-Q brand. Defendants Rastellis Brothers inc was granted exclusive licensing rights to produce, package, market, and distribute the patented product. Additionally, Daymond John is a limited member and Brand Ambassador, with the responsibility to help market and promote Bubba's Boneless Ribs.

# 17. 2019: Settlement Agreement

In the 2019 settlement agreement, Plaintiffs reaffirmed Rastelli Brothers inc' exclusive license to Bubba's Boneless Ribs under the Bubba's-Q brand. The agreement prohibited Defendants from competing with licensed products and required Defendants to include Al Baker in promotional efforts, including six annual appearances on QVC.

## 18. 2020-2021: Exclusion and Payment Cessation

Despite the settlement terms, Defendants began excluding Plaintiffs from key business decisions. Payments to Plaintiffs declined and eventually ceased. Defendants claimed difficulties in sourcing pork for Bubba's Boneless Ribs due to COVID-19, but continued selling other products, such as Rastelli's bone-in ribs on QVC.

# 19. June 2023: Injunction Filed

Defendants filed for an injunction to prevent Plaintiffs from discussing ongoing disputes on social media, leading to a permanent injunction. This injunction did not address Defendants' unauthorized commercialization of the patented product.

#### 20. April 2024: Unauthorized Sales Begin

Defendants began selling Bubba's Boneless Ribs under the name "Rastelli's Boneless Ribs" on QVC, generating approximately \$237,000 in sales across two segments without Plaintiffs' consent or knowledge.

# 21. August 2024: Discovery of Unauthorized Sales

Plaintiffs discovered Defendants' unauthorized sales of "Rastelli's Boneless Ribs" and immediately filed a motion for the appointment of a receiver and forensic accountant to uncover the full extent of the infringing sales.

# V. Pattern of Exclusion and Impact on Patent Infringement

## 22. Exclusion from Critical Business Decisions

Despite Al Baker holding 51% voting rights and 45% equity in FOF Bakers LLC, Defendants systematically excluded him from key business decisions. This exclusion directly impacted the commercialization and protection of the patented Bubba's Boneless Ribs product, leading to ongoing infringement and self-dealing by Defendants.

#### 23. Ignored Requests for Inclusion

Plaintiffs made multiple requests to be included in key business decisions. For instance, in an email dated May 23, 2022, Al Baker requested to be copied on all communications regarding Bubba's Boneless Ribs. This request was ignored, leading to further exclusion from critical discussions regarding product scaling and marketing. [see Exhibit 6: May 23, 2022 Email].

#### 24. Exclusion from Partnership Discussions

In January 2022, Defendants engaged in discussions with Smithfield Foods and potential

co-packers to scale Bubba's Boneless Ribs. Despite their promises, Defendants included Plaintiffs in only one call and one email thread before excluding them from further communications. This exclusion directly harmed Plaintiffs' ability to protect their patent rights and to benefit from potential growth opportunities.

# 25. Continued Unauthorized Commercialization

Following the settlement, Defendants violated the agreement by engaging in the unauthorized commercialization of Bubba's Boneless Ribs under the name "Rastelli's Boneless Ribs," without Plaintiffs' consent. This ongoing infringement demonstrates a pattern of bad faith and misconduct that has caused significant financial and reputational damage to Plaintiffs.

# VI. Patent Infringement Claims

# 26. Exclusive Patent Rights and Partnership Agreement

Under the 2019 Settlement Agreement, Plaintiffs granted Rastelli Brothers inc. an exclusive license to manufacture, package, market, and distribute Bubba's Boneless Ribs. This license, however, was limited to the use of Plaintiffs' brand and did not authorize the unauthorized commercialization of the product under any other name, including "Rastelli's Boneless Ribs." Plaintiffs retain full ownership of the patents until FOF Bakers LLC reaches \$30 million in sales. [Exhibit 8 Section 9: 2019 Settlement Agreement]

**26a.** [Exhibit BB-1 Amendment to Operating Agreement Section 1] clearly states: "The Parties hereby confirm that pursuant to Section 6.2 of the Agreement, Jabezbaker, LLC ('Jabezbaker') has granted the Company an exclusive license 'allowing for the Company's exclusive use of the Patents' for the manufacture and sale of 'Products' made in accordance with the methods and processes set forth in the U.S. Patents and all improvements thereto identified in Exhibit C of the Agreement (the 'Patents'). "The Company" refers to FOF Bakers LLC.

# 27. Defendants' Unauthorized Commercialization and Sales

Rastelli Foods, through its entities Rastelli Partners LLC and Rastelli Brothers Inc., engaged in the unauthorized commercialization and sale of Plaintiffs' patented boneless ribs under the name "Rastelli's Boneless Ribs" on platforms such as QVC, without Plaintiffs' consent. This unauthorized commercialization constitutes a clear violation of Plaintiffs' patent rights under 35 U.S.C. § 271, as well as a breach of the settlement agreement's non-compete provisions. [See Exhibit 8 Section 9 Settlement agreement]

**28. Defendants' Awareness of Patent Rights and Suspicion of Daymond John's Payments** All defendants were fully aware of Plaintiffs' exclusive patent rights. The settlement agreement and subsequent communications reiterated Defendants' obligations, including their commitment

to refrain from competing with Plaintiffs' patented product. Despite this, Rastelli Foods willfully infringed upon these rights by engaging in unauthorized commercialization and marketing the product under their own brand. [Exhibit 9 Section 3b Amendment to operating agreement]

**28a.** While there is currently no conclusive evidence proving that Daymond John received direct payments from the infringing product, Rastelli Foods' behavior after Plaintiffs filed a motion for a receiver and forensic accountant provides strong circumstantial evidence. Shortly after the motion was filed, Rastelli Foods sent Plaintiffs a check for licensing payments, implying that they were operating as though they were still following the licensing agreement. It is reasonable to suspect that Daymond John and DF Ventures likely received payments before Plaintiffs' August discovery efforts, and discovery will confirm the full extent of his financial involvement.

#### 29. Ongoing Unauthorized Sales and Competing Product

Rastelli Foods' continued sales of the product under the "Rastelli's Boneless Ribs" brand not only infringe upon Plaintiffs' patents but also create direct competition with the licensed Bubba's Boneless Ribs product. This violation of the settlement agreement's non-compete clause further underscores Rastelli Foods' bad faith in their business dealings with Plaintiffs. The timing of Rastelli Foods' licensing payment also suggests that payments were likely made to Daymond John and DF Ventures prior to discovery, a matter that will be clarified through forensic accounting.

#### 30. Market Confusion and Consumer Misrepresentation

The unauthorized commercialization of Bubba's Boneless Ribs as "Rastelli's Boneless Ribs" has caused significant confusion in the marketplace, damaging the reputation and market value of Plaintiffs' product. During QVC broadcasts, Rastelli Foods falsely represented to consumers that they owned the patented process and product, misleading consumers into believing that Rastelli Foods was the innovator behind Bubba's Boneless Ribs. This misrepresentation diluted the brand equity Plaintiffs worked to build. [Exhibit 10: QVC Video Link]

# VII. Market Impact

#### 31. Established Market Presence of Bubba's Boneless Ribs

Bubba's Boneless Ribs, marketed and sold under the Bubba's-Q brand, garnered widespread consumer attention through live television appearances on QVC, widespread retail placements, and food service accounts. The product's success built a strong market presence across multiple distribution channels, establishing Bubba's-Q as a trusted brand in the industry. [Exhibit 11: Al Bubba Baker QVC Promotion Clip <u>Video Link</u>]

## 32. Impact of Unauthorized Commercialization on Market Share

In April 2024, Defendants began unauthorized commercialization of Bubba's Boneless Ribs under the name "Rastelli's Boneless Ribs" on QVC and other platforms without Plaintiffs' consent. These unauthorized sales diverted consumer recognition and market value from the Bubba's-Q brand to the Rastelli brand, damaging Plaintiffs' established market position and resulting in lost revenue. [Exhibit 12: QVC Screenshots]

# 33. Misrepresentation of Ownership and Process

Defendants falsely represented to consumers that the patented process behind Bubba's Boneless Ribs belonged to Rastelli Foods. This misrepresentation was compounded by Defendants' claims during QVC broadcasts that the product was exclusive to Rastelli's. This false narrative misled consumers and eroded the original branding and reputation of Bubba's-Q. [Exhibit 13: QVC Video Link]

#### 34. Sales Performance, Consumer Confusion, and Broader Business Losses

The unauthorized commercialization created significant consumer confusion. As of April 2024, Defendants sold at least 1,900 sets of "Rastellis boneless ribs" across two QVC segments, generating roughly \$237,500 in revenue. These sales represent a direct infringement on Plaintiffs' intellectual property and damage to their market position.

**35.** Beyond these direct sales, Defendants' exclusionary tactics and self-dealing resulted in far more substantial business losses for Plaintiffs. Plaintiffs were systematically excluded from key business discussions, which led to lost opportunities for expanding their products into national restaurant chains and other high-potential markets. While Plaintiffs successfully maintained their relationship with Hardee's, had Defendants acted in good faith, Plaintiffs could have secured additional national deals with similar chains, significantly increasing the reach and profitability of Bubba's Boneless Ribs.

#### 36. Lost Market Opportunities and Brand Dilution

The unauthorized sale of "Rastelli's Boneless Ribs" directly undercut Plaintiffs' ability to market and expand Bubba's Boneless Ribs. The shift in branding and market positioning not only disrupted the product's growth trajectory but also diminished the overall value and recognition of the Bubba's-Q brand. This brand dilution, along with the lost market opportunities, resulted in substantial harm to Plaintiffs' ability to grow their business across retail, food service, and online platforms.

# 37. Quantifiable Damages

Plaintiffs seek damages for lost sales, diminished market recognition, and harm caused to the Bubba's-Q brand. The unauthorized commercialization of the patented product, combined with Defendants' exclusionary conduct and self-dealing, resulted in significant financial losses, missed business opportunities, and lasting reputational damage.

#### VIII. Pattern of Exclusion and Impact on Patent Infringement

#### 38. Exclusion from Key Business Decisions

Despite holding 51% voting rights and a 45% equity stake in FOF Bakers LLC, Plaintiffs Al Bubba Baker and Brittani Bo Baker were systematically excluded from critical business decisions directly affecting the commercialization of Bubba's Boneless Ribs. Defendants, including Larry Fox, DF Ventures, and Rastelli Foods, consistently failed to involve Plaintiffs in discussions related to copackers, product scaling, and strategic partnerships, which were essential for protecting and expanding the patented product.

# **39.** Repeated Attempts to Participate

On May 23, 2022, Plaintiff Al Bubba Baker requested to be included in all communications regarding Bubba's Boneless Ribs. This request, while acknowledged, was ignored by Defendants, resulting in continued exclusion from vital business conversations. In June 2022, Plaintiff reached out to Daymond John to address this issue, seeking assurance that Plaintiffs would be included in all communications. Daymond John responded dismissively, stating that his life was "a lot easier when I don't have to deal with you and your dad." Subsequent communications, such as the July 6, 2022, email from Defendant Ray Rastelli III, further confirmed that Plaintiffs were not included in discussions about critical partnerships, such as those with Meat Industria. [Exhibit 14: July 6, 2022 Email]

## 40. Missed Opportunities with Strategic Partners

Following the 2019 settlement, Defendants engaged in discussions with Smithfield Foods and other potential copackers to expand production capacity for Bubba's Boneless Ribs. However, Plaintiffs were deliberately excluded from follow-up meetings and critical decision-making processes, denying them the opportunity to protect and grow their patented product.

#### **41.** Unauthorized Sales and Commercialization

Defendants' unauthorized sale of Bubba's Boneless Ribs under the "Rastelli's Boneless Ribs" brand reflects a broader pattern of exclusion and bad faith. This unauthorized commercialization, along with the exclusion of Plaintiffs from business decisions, directly infringed upon Plaintiffs' patent rights and damaged their ability to protect and enforce their intellectual property.

## **42.** Ongoing Infringement and Harm

Defendants' actions—systematically excluding Plaintiffs from the operations of FOF Bakers LLC, selling the patented product under a different brand, and withholding crucial business and sales information—constitute ongoing infringement. This exclusionary behavior severely impacted Plaintiffs' ability to manage, enforce, and commercialize their patented product, leading to substantial financial and market losses.

#### IX. Self-Dealing, Misuse of Business Relationships, and Violation of Non-Compete

- **43.** Defendants engaged in a deliberate pattern of self-dealing that damaged Plaintiffs' business. Instead of fulfilling their commitment to scale FOF Bakers LLC, its flagship product, Bubba's Boneless Ribs, and other "products" Defendants exploited Plaintiffs' patented product and the business relationships intended to support FOF Bakers LLC for their own benefit.
- **44.** Defendants misused supplier relationships meant to benefit FOF Bakers LLC. For example, a supplier introduced by Smithfield Foods was intended to enhance production capacity for Bubba's Boneless Ribs. Defendants diverted this relationship to benefit Rastelli Foods, purchasing large quantities of boneless ribs that they used for their company, which were then sold under the name "Rastelli's Boneless Ribs." This redirection of resources breached the settlement agreement.

- **45.** In a January 2022 email, Larry Fox acknowledged Smithfield's interest in helping source Bubba's Boneless Ribs at a competitive price, stating that Smithfield "wanted to see the product succeed." Despite this, Defendants excluded Plaintiffs from follow-up discussions and redirected Smithfield's resources to their own ventures under the Rastelli Foods brand. [Exhibit 15: Larry Fox Email]
- **46.** The exclusion of Plaintiffs from these discussions, along with the redirection of resources, constituted self-dealing that violated the non-compete clause of the settlement agreement. Defendants placed their own financial interests ahead of their obligations to FOF Bakers LLC and Plaintiffs.
- **47.** Defendants also diverted additional food products from the same supplier to support their own ventures, rather than prioritizing the growth of FOF Bakers LLC. Courts have consistently held that such conduct constitutes a breach of fiduciary duty. In Meinhard v. Salmon, 164 N.E. 545 (N.Y. 1928), the court ruled that fiduciaries must act in good faith and prioritize the company's interests over their own. Discovery will further uncover the full extent of Defendants' self-dealing and diversion of resources.
- **48.** The financial impact of Defendants' self-dealing includes lost opportunities for Plaintiffs to expand Bubba's Boneless Ribs and Bubba's-Q Products into new markets. Defendants' actions also violated the non-compete clause by placing competing products in the market under the Rastelli Foods brand, further harming Plaintiffs' ability to grow and diversify their product line as outlined in the settlement agreement. Discovery will uncover the full extent of these losses and the broader impact of Defendants' actions on Plaintiffs' business.
- **49.** Plaintiffs request a full forensic accounting to determine the exact extent of the losses caused by Defendants' self-dealing and breach of the non-compete clause.

# X. Systematic Exclusion from Business Operations

- 50. Defendants systematically excluded Plaintiffs from critical business decisions and communications, which directly impacted Plaintiffs' ability to manage and protect their intellectual property, as well as be involved in the operations of FOF Bakers LLC.
- 51. Plaintiffs were excluded from essential meetings and communications with key partners, such as Smithfield Foods and potential co-packers introduced by Smithfield, including Meat Industria and Norson. These discussions were critical to scaling production for Bubba's Boneless Ribs and expanding into new markets.
- 52. Defendants allowed Plaintiffs to participate in only one phone call with Meat Industria, during which it was stated that the co-packers would also be buying products for Rastelli Foods. This action highlights how Defendants prioritized their own ventures over the interests of FOF Bakers LLC.
- 53. In a transcript from related litigation, Larry Fox, who frequently claims to be a limited partner with minimal involvement, acknowledged that he initially refused to allow Plaintiffs to participate in critical discussions but later allowed limited access, stating, "You asked to be on the call the first time, we said no, then we allowed you." This

- statement reveals that Fox exercised more control and decision-making authority than he has claimed in court, further illustrating the exclusionary tactics used by Defendants. [Exhibit 16: Transcript Excerpt]
- 54. Plaintiffs were also excluded from decisions regarding production scaling and distribution plans, which were necessary for the continued growth of Bubba's Boneless Ribs. For example, Defendants sent Plaintiffs an email with pricing from a potential co-packer introduced by Smithfield Foods, but then excluded Plaintiffs from the follow-up calls to confirm and finalize this pricing. Plaintiffs believe this exclusion was deliberate, intended to conceal potential markups and other financial details that would reveal Defendants' self-serving business dealings. Discovery will further uncover the extent of these actions and their impact on the company. [Exhibit 17: Email from Ray Rastelli 3]
- 55. By excluding Plaintiffs from these critical discussions, Defendants deprived them of the ability to manage and protect their patented product and hindered the growth of FOF Bakers LLC.
- 56. The systematic exclusion of Plaintiffs from these operations also violated the governance structure of FOF Bakers LLC, in which Plaintiff Al Bubba Baker was entitled to participate in all major operational decisions, holding 51% voting rights.
- 57. Defendants' deliberate exclusion of Plaintiffs from the business eroded Plaintiffs' rights within FOF Bakers LLC and negatively impacted the company's future prospects and Plaintiffs' ability to enforce their intellectual property rights.
- 58. This exclusionary conduct reflects bad faith on the part of Defendants and was designed to diminish Plaintiffs' influence and contributions to the company, further harming the growth and success of Bubba's Boneless Ribs.

#### XI. Misrepresentation and Intentional Undermining of Business Relationships

- 59. Defendants engaged in deliberate actions designed to undermine Plaintiffs' business relationships and seize their customer base for their own benefit. This misconduct extended beyond the unauthorized commercialization of Bubba's Boneless Ribs and included targeted marketing campaigns aimed at diverting Plaintiffs' customers to Rastelli Foods.
- 60. Rastelli Foods sent marketing emails to customers of Bubba's Boneless Ribs that intentionally shifted focus away from the patented product and toward Rastelli Foods' offerings. These emails, presented as collaborative efforts, subtly encouraged customers to explore Rastelli's products instead of promoting Bubba's Boneless Ribs as originally agreed. [Exhibit 18]
- 61. By redirecting Plaintiffs' customers to Rastelli Foods, Defendants intentionally interfered with Plaintiffs' established customer base. This tactic reflected a calculated strategy to exclude Plaintiffs from their own business operations, capitalize on Plaintiffs' brand goodwill, and divert revenue to Rastelli Foods.
- 62. Defendants' actions misled customers and created confusion in the marketplace, damaging the reputation and market presence of Bubba's Boneless Ribs. The unauthorized commercialization, combined with targeted customer diversion, significantly impacted Plaintiffs' sales and diminished their market share.

- 63. Courts have consistently held that intentional misrepresentation and deceptive actions aimed at gaining a business advantage are actionable under both tort and contract law. In *Pasadena Live, LLC v. City of Pasadena*, 8 Cal. Rptr. 3d 233 (Cal. Ct. App. 2004), the court recognized that misrepresentation intended to gain a business advantage constitutes unfair competition and can give rise to a claim for damages.
- 64. Discovery will be necessary to uncover the full extent of Defendants' misrepresentation and its impact on Plaintiffs' business relationships. Plaintiffs anticipate that formal discovery will reveal additional evidence of Defendants' efforts to undermine Plaintiffs' business, divert customers, and profit from Plaintiffs' intellectual property.
- 65. Plaintiffs seek damages for the intentional interference with their business relationships, as well as compensation for the lost sales and market opportunities caused by Defendants' fraudulent actions.

# XII. Misrepresentation on QVC

- 66. Defendants engaged in deliberate misrepresentation during QVC appearances, where they falsely claimed that the patented process behind Bubba's Boneless Ribs was developed and owned by Rastelli Foods. These misrepresentations were made to a national audience, misleading consumers about the origin and ownership of the patented product.
- 67. During a QVC appearance on June 20, 2024, Defendant Ray Rastelli Jr. repeatedly stated that the patented process of removing bones from ribs was exclusive to Rastelli Foods. This statement was false, as the patented process is owned by Plaintiffs and covered under U.S. Patent Nos. 7,666,075B1 and 7,959,500B1.
- 68. The following transcript excerpts from the QVC June 20, 2024 appearance illustrate these misrepresentations: [Exhibit 19]

**Video Title:** QVC Appearance (Rastellis (4) 18 oz Original or Honey Boneless Baby Back Ribs-June 20, 2024

Link: [Video Link Here]

- **0:10** Ray Rastelli Jr.: "This is a patented process so no one else in the world does this except Rastellis."
- 0:48 Ray Rastelli Jr.: "This is patented."
- **0:58** Ray Rastelli Jr.: "We take the bones out," demonstrating the patented process on national television.
- 1:55 QVC Host: Announces auto-delivery option for the product.
- 2:33 Host promotes auto-delivery every 60 days, stating the price will increase in less than 45 minutes.
- **3:52** Host comments on high sales volume: "Ok these are going quickly, 600 people shopping right now."
- 8:18 Host comments that the product sold out in record time.

- 69. These statements were deliberate attempts to mislead the public about the true ownership and origin of the patented boneless ribs. By asserting that Rastelli Foods created the process, Defendants falsely claimed credit for Plaintiffs' innovation and diminished the value of Plaintiffs' intellectual property.
- 70. In *Two Pesos, Inc. v. Taco Cabana, Inc.*, 505 U.S. 763 (1992), the U.S. Supreme Court held that false representation of a product's origin can constitute false advertising and unfair competition under the Lanham Act, 15 U.S.C. § 1125(a). Defendants' actions are consistent with the type of false representation that courts have found to be actionable.
- 71. Defendants' misrepresentations also caused financial damage to Plaintiffs by misleading consumers and diminishing Plaintiffs' brand recognition. QVC sales records show that these segments generated approximately \$237,500 in revenue from the infringing product.
- 72. Plaintiffs seek damages for the financial losses caused by Defendants' false claims and the ongoing impact on their brand's market presence. Plaintiffs also seek remedies for the harm caused by the misleading representations, which falsely implied that Rastelli Foods was the creator and owner of the patented process.

# XIII. Unauthorized Sales of Bubba's Q-Branded Products, Bubba's Boneless Ribs, and Violation of Non-Compete

- **73.** Plaintiffs authorized the sale of Bubba's Q-branded products, including Bubba's Boneless Ribs, Angus Burgers, Pulled Beef, Pulled Chicken, Bone-In Ribs, BBQ Sauce, and branded cutlery under the 2019 settlement agreement. The term "Products" as defined in the settlement agreement includes (i) any and all boneless rib products whether made in accordance with the methods and claims of the Patents or otherwise and any other products that are processed to look like boneless ribs; (ii) all products currently made under the Bubba's Q brand and any future product line extensions; and, (iii) any other products agreed to by the Parties. Defendants were required to pay Jabezbaker LLC four percent (4%) of the Gross Receipts of Product sales on the first \$5,000,000 of Gross Receipts of Products sold, and three percent (3%) of Gross Receipts on Product sales over \$5,000,000, on a per annum basis. These Royalty Payments were to be paid monthly by the fifteenth (15th) of the month following the just-ended month. However, since 2020, Defendants have failed to pay the royalties owed for these sales. [Exhibit BB-2: Amendment to Operating Agreement Section 2 & 4]
- **74.** Despite continued sales of these products on the Bubba's Q website and other platforms, Plaintiffs have not received any royalty payments from 2020-June 2023, nor since December 2023, when the website domain was reactivated. Defendants' failure to pay royalties constitutes a breach of the settlement agreement and licensing obligations.
- **75.** Defendants' failure to provide accurate and detailed sales reports further exacerbates the issue. Since 2019, Defendants have only provided generic, computer-generated reports or excel spreadsheets that lack sufficient detail to verify actual sales figures and royalties owed. Plaintiffs' repeated requests for transparent and accurate financial reporting have been ignored by Defendants.

- **76.**In addition to failing to pay royalties, Defendants have continued to sell Bubba's Q-branded products, including Bubba's Boneless Ribs, while failing to provide the agreed-upon licensing payments. These sales, marketed under the Rastelli's brand, directly compete with Plaintiffs' products, violating the non-compete clause in the settlement agreement. [See Exhibit 9 section 3b]
- **77.** Defendants' unauthorized commercialization and sale of the patented boneless ribs under the name "Rastelli's Boneless Ribs" constitutes a direct violation of the non-compete clause. This clause prohibited Defendants from marketing a competing product using Plaintiffs' patented process and brand. [See Exhibit 9 section 3b]
- **78.** Courts have long recognized that unauthorized commercialization of patented products and failure to provide accurate financial reports can constitute a breach of contract and result in substantial financial damages. In *General Motors Corp. v. Devex Corp.*, 461 U.S. 648 (1983), the Court held that patent holders are entitled to compensation for unauthorized sales, including accurate reports on revenues generated from the sale of licensed products.
- **79.** Plaintiffs seek damages for the lost royalties, breach of the non-compete clause, and unauthorized sales of Bubba's Q-branded products. Plaintiffs also request a full forensic accounting to determine the full extent of Defendants' sales and profits generated from unauthorized activities.
- **80.** Defendants' continued refusal to provide accurate financial reports, combined with their unauthorized commercialization of Bubba's Boneless Ribs, has caused substantial financial harm to Plaintiffs. Plaintiffs request that the Court award damages for the breach of the settlement agreement and violation of the non-compete clause, and that Defendants be ordered to provide a full and accurate accounting of all sales and revenues related to Bubba's Q-branded products.

#### XIV. Fraud, Concealment, and Non-Disclosure of Payments

- 81. Defendants engaged in fraudulent conduct by concealing the full extent of sales and royalties owed to Plaintiffs for Bubba's Boneless Ribs and other Bubba's Q-branded products. Despite their obligations under the settlement and licensing agreements, Defendants intentionally withheld critical financial information from Plaintiffs.
- 82. After Plaintiffs independently discovered the unauthorized commercialization of Bubba's Boneless Ribs under the name "Rastelli's Boneless Ribs," Defendants sent a partial licensing payment. However, this payment was sent only after Plaintiffs filed their motion for the appointment of a receiver and forensic accountant in a separate case. Plaintiffs did not cash this check, as it did not reflect the true extent of royalties owed to them from the infringing sales.
- 83. Despite Defendants' claims that they have provided sufficient financial information, including misleading the court into believing that adequate disclosure was made, the

- reality is that the financial records provided have been incomplete and intentionally vague. For example, Defendants only provided generic, computer-generated reports and Excel spreadsheets lacking the necessary details to verify actual sales figures. These reports were insufficient to accurately account for sales and royalties owed to Plaintiffs. Plaintiffs require real records, such as invoices directly from vendors and sales platforms, to verify the sales data and ensure proper compensation.
- 84. Defendants' failure to fully disclose sales information, combined with their unauthorized commercialization of the patented boneless ribs under the name "Rastelli's Boneless Ribs," constitutes actionable fraud. Defendants knowingly sold the patented product without authorization, depriving Plaintiffs of royalties and profits to which they were entitled. [See Exhibit 12]
- 85. Although Daymond John is a limited member in FOF Bakers LLC, Plaintiffs believe that discovery will reveal that he played a more active role than a typical limited member, receiving payments from unauthorized sales of Bubba's Boneless Ribs. This would indicate that, despite his limited member status, John benefitted from these sales while Plaintiffs were excluded from profits and critical financial information.
- 86. In *Guth v. Loft*, *Inc.*, 5 A.2d 503 (Del. 1939), the court ruled that fiduciaries are prohibited from placing personal interests above those of the company. If Daymond John received payments from unauthorized sales of the patented product, even as a limited member, his involvement suggests complicity in profiting from the infringement while Plaintiffs were deprived of rightful compensation.
- 87. Defendants' fraudulent actions also include their intentional nondisclosure of key financial information. By withholding accurate sales figures and financial data, Defendants concealed their profits from unauthorized sales of Bubba's Boneless Ribs, further defrauding Plaintiffs.
- 88. In *Foster v. Stewart*, 106 F.3d 754 (9th Cir. 1997), the court recognized fraud by nondisclosure as a form of fraud where one party intentionally withholds essential material facts. Defendants' concealment of the full scope of sales and royalties owed to Plaintiffs represents a calculated attempt to evade their contractual obligations.
- 89. Plaintiffs request that the Court order full disclosure of all financial records related to the unauthorized sales of Bubba's Boneless Ribs and other Bubba's Q-branded products, including invoices from vendors and sales platforms. Plaintiffs also seek damages for the fraud, concealment, and any breach of duties committed by Defendants, even in the capacity of limited members.
- 90. Plaintiffs further request that the Court award punitive damages to deter Defendants from continuing their fraudulent and deceptive conduct. Defendants' actions have caused significant financial harm to Plaintiffs and warrant substantial punitive damages to address the egregious nature of their misconduct.

# XV. Request for Receiver and Forensic Accountant

91. Plaintiffs have already filed a Motion for Appointment of a Receiver and Forensic Accountant in a separate, ongoing case involving the same parties, due to similar concerns about Defendants' lack of financial transparency. However, the claims in this

- present patent infringement suit involve distinct legal issues and separate damages related to unauthorized commercialization and fraudulent concealment.
- 92. Given the ongoing concerns about Defendants' financial misconduct, including the concealment of royalties and unauthorized rebranding and sales of Bubba's Boneless Ribs, Plaintiffs seek similar relief in this patent infringement suit. Plaintiffs respectfully request that the Court appoint a receiver and forensic accountant to investigate Defendants' financial dealings related specifically to the unauthorized commercialization of the patented product at issue in this case.
- 93. Plaintiffs also request that the Court compel Defendants to produce a full and verified accounting of all sales of Bubba's Boneless Ribs, Rastelli's Boneless Ribs, and other Bubba's Q-branded products. This accounting should include actual invoices, third-party records from vendors, customers, and sales platforms, rather than internally generated reports, which have historically lacked transparency and sufficient detail. This is essential to ensure that Plaintiffs receive the full compensation they are owed based on real and verifiable data. Plaintiffs believe that this relief is necessary to uncover the full extent of Defendants' financial misconduct and to ensure that Plaintiffs are made whole for the harm caused by Defendants' actions in this case.
- 94. While the motion in the prior case addresses similar financial transparency concerns, the distinct nature of this patent infringement case justifies the appointment of a receiver and forensic accountant to focus on the unauthorized sales and related financial misconduct that directly impacts Plaintiffs' patent rights and royalties.

# XVI. Fraudulent Actions by Rastelli Foods

- 95. Defendants Rastelli Foods LLC, Rastelli Partners LLC, Rastelli Brothers inc and their executives, Ray Rastelli Jr. and Ray Rastelli III, engaged in a sustained and deliberate pattern of fraudulent conduct, intentionally deceiving Plaintiffs and concealing critical financial information regarding unauthorized sales of Plaintiffs' patented boneless ribs. Their conduct was designed to mislead Plaintiffs, deprive them of rightful earnings from their intellectual property, and conceal the true extent of the infringing activities.
- 96. In April 2024, Defendants began unauthorized commercialization of Plaintiffs' patented product as "Rastelli's Boneless Ribs" on QVC and other platforms without authorization. Defendants failed to disclose these sales to Plaintiffs, intentionally concealing the financial gains they reaped from these unauthorized transactions. [See Exhibit 7: QVC Screenshots]
- 97. The unauthorized commercialization and sale of Bubba's Boneless Ribs under the name "Rastelli's Boneless Ribs" constituted a clear violation of the non-compete clause of the settlement agreement. This clause prohibited Defendants from engaging in competitive activities, including selling the product under any name other than Bubba's Boneless Ribs. Defendants disregarded this contractual obligation and profited from the infringement. [See Exhibit 9]

- 98. Defendants engaged in a consistent pattern of concealing sales information, issuing vague and incomplete financial reports, and failing to disclose royalties owed to Plaintiffs. This demonstrates a clear and intentional effort to defraud Plaintiffs of their rightful earnings. This fraudulent behavior extended beyond Bubba's Boneless Ribs to include other Bubba's Q-branded products, such as Angus Burgers, Pulled Beef, Pulled Chicken, Bone-In Ribs, and BBQ Sauce.
- 99. Courts have consistently held that intentional fraud and concealment of material financial information warrant significant penalties. In *Hammerschmidt v. United States*, 265 U.S. 182 (1924), the Supreme Court recognized that intentional misrepresentation and the nondisclosure of material facts constitute actionable fraud. Defendants' conduct in concealing sales information and profiting from unauthorized sales aligns with this legal precedent.
- 100. Defendants engaged in self-dealing, using Plaintiffs' proprietary information and products to benefit Rastelli Foods rather than fulfilling their contractual obligations to Plaintiffs and FOF Bakers LLC. By prioritizing their own interests over those of the partnership, Defendants engaged in fraudulent practices that deprived Plaintiffs of substantial profits and business opportunities.
- 101. Plaintiffs request that the Court order full and complete disclosure of all financial records related to unauthorized sales of Bubba's Boneless Ribs and other Bubba's Q-branded products. Plaintiffs also seek damages for the fraudulent concealment of financial information and the profits derived from unauthorized sales.
- 102. Plaintiffs further request punitive damages to punish Defendants for their intentional fraud and to deter future misconduct. Given the egregious nature of Defendants' actions, including their deliberate efforts to conceal financial information and misappropriate Plaintiffs' intellectual property, punitive damages are warranted to address the harm caused.

# XVII. Damages

103. Plaintiffs have incurred significant financial losses due to Defendants' unauthorized commercialization of the patented boneless ribs product, marketed as "Rastelli's Boneless Ribs" on QVC and other platforms. Defendants deliberately concealed the full extent of sales volume and revenue generated by this unauthorized commercialization, denying Plaintiffs their rightful compensation. Plaintiffs estimate that the lost profits resulting from Defendants' deliberate withholding of sales information and unauthorized commercialization exceed \$4 million. This figure is based on a reasonable assessment of past sales, market performance, and industry potential, further supported by projections from the Mufson Valuation Report. While projections are often scrutinized, Plaintiffs have a documented history of sales and clear evidence of what could have been achieved had Defendants acted in good faith. Plaintiffs reserve the right to amend this figure as further evidence is obtained through discovery, which may reveal additional profits and opportunities lost as a result of Defendants' misconduct. [Exhibit 21 Mufson Projections]

- **104.** Plaintiffs also lost significant business opportunities due to Defendants' exclusion from key business discussions with major partners, such as Smithfield Foods. This exclusion deprived Plaintiffs of valuable opportunities to expand Bubba's Boneless Ribs into new markets and capitalize on the largest pork producer in the world, as well as other potential partnerships. The estimated lost business opportunities amount to over \$20 million in future revenue, stemming from Defendants' self-dealing and diversion of supplier relationships for their benefit. As with lost profits, this estimate may be adjusted upward as discovery sheds more light on the full scope of missed opportunities and Defendants' financial and self-dealing misconduct.
- **105.** In addition to the unauthorized commercialization, Defendants have failed to provide timely and accurate royalty payments for other Bubba's Q-branded products, such as Angus Burgers, Pulled Beef, Pulled Chicken, Bone-In Ribs, BBQ Sauce, and branded cutlery. Plaintiffs estimate that unpaid royalties from these products amount to approximately \$750,000, though a full forensic accounting is necessary to determine the exact total. Discovery will reveal the actual amount owed, as Defendants have only provided vague computer-generated reports and Excel spreadsheets lacking the detail necessary to verify these sales.
- **106.** The settlement agreement required Al Baker to make a minimum of six QVC appearances per year, generating approximately \$1.8 million in lost sales revenue from missed appearances, plus \$18,000 in appearance fees. Plaintiffs have not received any QVC appearances or associated licensing fees since 2022, resulting in these financial losses. [Exhibit 22 See Settlement Agreement Written Supplement]
- **107.** Defendants' unauthorized commercialization of Bubba's Boneless Ribs as "Rastelli's Boneless Ribs" has significantly damaged Plaintiffs' brand reputation. The confusion created in the marketplace by this misrepresentation has eroded consumer confidence in the Bubba's Q brand and led to diminished sales across all channels. Plaintiffs estimate that the damage to their reputation and brand exceeds \$10 million, based on the diminished goodwill, lost opportunities, and the direct impact on their ability to secure new business partnerships and customers.
- **108.** Defendants' fraudulent and exclusionary conduct has caused Plaintiffs severe emotional distress. The ongoing exclusion from their own business, the cessation of payments, and Defendants' willful misconduct have caused Plaintiffs to suffer stress, anxiety, and depression. Plaintiffs seek \$5 million in compensation for the emotional distress inflicted by Defendants' actions.
- **109.** Due to Defendants' willful misconduct—including deliberate patent infringement, fraud, and exclusionary practices—Plaintiffs request punitive damages to deter future misconduct. Plaintiffs request \$20 million in punitive damages as a deterrent to Defendants and as an appropriate response to the egregious and intentional nature of their actions.
- **110.** Plaintiffs also seek treble damages under 35 U.S.C. § 284 for Defendants' willful patent infringement. Defendants knowingly violated Plaintiffs' patent rights by engaging in unauthorized commercialization of Bubba's Boneless Ribs. Treble damages are warranted due to the

deliberate and willful nature of Defendants' actions, which compounded the harm to Plaintiffs. With an estimated base damages figure of \$40 million, treble damages could increase the total damages to \$120 million.

- **111.** Plaintiffs estimate that total damages arising from Defendants' infringement, fraud, and exclusionary practices exceed \$40 million. With the application of treble damages, this figure could reach up to \$120 million, reflecting the severe harm inflicted on Plaintiffs' business, intellectual property rights, and reputation.
- **111a.** Plaintiffs seek damages reflecting the lost \$12 million valuation of the company, as well as compensation for the additional revenue, market share, and profitability that could have been realized had Defendants acted in good faith. These damages account for both the direct financial loss and the lost potential resulting from Defendants' failure to meet their obligations under the settlement agreement and their violation of the non-compete clause. Plaintiffs reserve the right to adjust these damages based on further discovery that may reveal additional financial harm caused by Defendants' actions.

# XVIII. Reference to Investment Bank Valuation and Missed Opportunities

- **112.** FOF Bakers LLC retained the services of investment bank Mufson Howe Hunter to conduct a comprehensive valuation of their business, specifically focusing on the market potential of their patented product, Bubba's Boneless Ribs. The valuation report, completed in 2020, placed the company's worth at approximately \$12 million based on past success and anticipated expansion into major markets. [See Exhibit 21: Mufson Valuation]
- 113. This valuation was part of a broader strategy to position the company for a potential buyout or partnership with Smithfield Foods, the world's largest pork producer. Smithfield expressed interest but determined that FOF Bakers needed further scaling before they could pursue a buyout. To facilitate this, Smithfield introduced FOF Bakers to key copackers Norson and Meat Industria to help the company meet Smithfield's criteria for growth. Defendants, including Rastelli Foods, Daymond John, Larry Fox, and DF Ventures, were all aware of these discussions, which highlighted the significant financial potential of Bubba's Boneless Ribs.
- **114.** An email from Defendant Ray Rastelli III, dated January 2021, further acknowledges the substantial value of the business, estimating its worth between \$8-12 million. [Exhibit 23: Ray 3 Email] Despite this knowledge, Defendants undermined FOF Bakers by excluding Plaintiffs from key business decisions, which directly impacted the company's ability to achieve its full potential.
- **115.** Defendants' breach of their obligations directly disrupted the company's ability to realize its market potential. Under the settlement agreement, Daymond John was obligated to act as a brand ambassador and promote Bubba's Boneless Ribs, yet he ceased his promotional efforts entirely. Defendants also failed to scale production as agreed, diverting resources to Rastelli

Foods' benefit while depriving Plaintiffs of critical production capacity needed to secure larger partnerships like Smithfield's.

- **116.** The failure to scale production and promote Bubba's Boneless Ribs resulted in missed opportunities, including potential partnerships with Smithfield Foods and other major distributors, which could have exponentially increased the company's market presence. Projections from the Mufson Valuation Report, which estimated multi-million-dollar sales potential in future years, further demonstrate the magnitude of the lost opportunities. While projections are often scrutinized, they provide a reasonable basis for understanding the scale of the potential revenue that could have been realized had Defendants acted in good faith. Discovery is expected to reveal additional evidence to support these projections and the missed opportunities caused by Defendants' exclusionary conduct.
- **117.** Defendants' actions also violated the non-compete provisions of the settlement agreement, which prohibited Defendants from competing against the licensed products, including Bubba's Boneless Ribs. By engaging in unauthorized commercialization of the product as "Rastelli's Boneless Ribs," Defendants directly competed against Plaintiffs' brand, obstructing their ability to capitalize on growth opportunities. [See Exhibit 9: Settlement Agreement Section 3b]
- 118. Plaintiffs seek damages reflecting the lost \$12 million valuation of the company, as well as compensation for the additional revenue, market share, and profitability that could have been realized had Defendants acted in good faith. These damages account for both the direct financial loss and the lost potential resulting from Defendants' failure to meet their obligations under the settlement agreement and their violation of the non-compete clause. Plaintiffs reserve the right to adjust these damages based on further discovery that may reveal additional financial harm caused by Defendants' actions.

# XIX. Anticipated Defense and Misrepresentation of Court Rulings

- 119. Plaintiffs anticipate that Defendants may attempt to invoke the doctrine of res judicata, arguing that the current claims are barred because they involve the same parties and issues resolved in prior litigation, particularly the injunction hearing held in June 2023. Defendants are likely to claim that a final judgment was reached in the prior case, thus precluding further litigation of the same issues.
- 120. Defendants may argue that the prior case ended with a final judgment, such as a dismissal with prejudice, barring the current claims. In **Federated Department Stores, Inc. v. Moitie**, 452 U.S. 394 (1981), the Supreme Court upheld res judicata as a bar to subsequent claims involving the same parties and issues.
- 121. Defendants may contend that the same parties were involved in both the prior injunction hearing and the current case, and that the claims of exclusion were previously

- litigated. In **Jackson v. DeSoto**, 852 F.3d 1322 (11th Cir. 2017), the court held that res judicata applies when claims arise from the same transaction or occurrence.
- 122. However, Plaintiffs assert that the current case involves new and continuing misconduct that occurred after the resolution of the prior case. The injunction hearing did not address patent infringement, breach of fiduciary duty, or specific fraud claims, all of which are central to this case. The June 2023 hearing dealt primarily with material breach and exclusion but did not encompass Defendants' unauthorized commercialization of the patented product, nor their concealment of financial information.
- 123. The present claims are based on new breaches of fiduciary duty, fraud, and patent infringement that occurred after the 2019 settlement and after the prior injunction hearing. For example, Defendants' unauthorized commercialization and sale of Plaintiffs' patented product as "Rastelli's Boneless Ribs" in 2024 represents ongoing misconduct separate from the prior case. In Gibson v. American Cyanamid Co., 760 F.2d 995 (8th Cir. 1985), the court held that new misconduct occurring after a prior judgment is not barred by res judicata.
- 124. The injunction hearing in June 2023 did not litigate the issues of unauthorized commercialization (patent infringement) or the fraud and fiduciary breaches now alleged. In **Migra v. Warren City School District Board of Education**, 465 U.S. 75 (1984), the Supreme Court held that different legal claims not addressed in a prior case are not barred by res judicata. Therefore, the patent infringement, fraud, and breach of fiduciary duty claims are new and independent from the earlier litigation.
- 125. Additionally, Plaintiffs continue to suffer harm due to Defendants' exclusionary practices and failure to provide accurate sales reports and compensation. This ongoing violation constitutes a new cause of action. In **Harris v. Chicago State University**, 760 F.3d 661 (7th Cir. 2014), the court allowed claims based on ongoing violations to proceed despite prior litigation.
- 126. Defendants may also raise issue preclusion (collateral estoppel) to prevent the re-litigation of issues previously decided. Under **Parklane Hosiery Co. v. Shore**, 439 U.S. 322 (1979), issue preclusion applies to issues already decided in earlier proceedings. However, the current case involves new facts, claims, and continuing violations that were not previously litigated, making issue preclusion inapplicable.
- 127. Plaintiffs further anticipate that Defendants may argue that public comments made by Brittani Baker in 2023 caused the business's decline. However, these comments were a direct response to Defendants' oppressive behavior, including exclusion from key business decisions, refusal to include Plaintiffs in meetings and communications, and failure to pay the agreed-upon royalties for Bubba's Q-branded products sold on the website. Plaintiffs maintain that Brittani Baker's statements were accurate and necessary to defend their business and did not contribute to the harm caused by Defendants' actions.
- 128. Defendants have also misrepresented prior court rulings to avoid accountability. In the prior case, Defendants' counsel misled the court about Plaintiffs' rights and role within FOF Bakers LLC, resulting in rulings that limited Plaintiffs' access to financial records and control over their patented products. These misrepresentations undermine

- Defendants' anticipated defenses and reinforce the necessity for the court to carefully evaluate the new claims and ongoing harm in this case.
- 129. Defendants may claim that the decision to sell Bubba's Boneless Ribs under the name "Rastelli's Boneless Ribs" was in the best interest of the company due to marketing considerations or business disruptions. However, Plaintiffs assert that this unauthorized commercialization violated the non-compete clause of the 2019 settlement agreement, which explicitly prohibits Defendants from competing with Bubba's Boneless Ribs during the term of the agreement and for two years following its termination.
- 130. Plaintiffs also anticipate that Defendants will argue they attempted to schedule QVC appearances with Al Bubba Baker but that he was unavailable. Plaintiffs contend that this is inaccurate, as Al Bubba Baker had offered to participate in virtual QVC segments—a format he had used many times before. Defendants failed to accommodate this reasonable request, and their claim of unavailability is unsubstantiated.
- 131. Defendants may argue that their failure to fully comply with the settlement agreement was justified by alleged interruptions in the business caused by external factors, such as the Plaintiffs' public statements. However, Plaintiffs assert that these external factors do not relieve Defendants of their contractual obligations under the settlement agreement, including the non-compete clause, which prohibits them from directly competing with Bubba's Boneless Ribs. The violation of this clause was not excused by any actions of the Plaintiffs.
- 132. Plaintiffs assert that none of their actions, including any public comments or alleged unavailability for QVC appearances, justify or permit the Defendants to violate the non-compete clause of the settlement agreement. The settlement agreement expressly prohibits Defendants from competing against the licensed Bubba's Boneless Ribs product for the duration of the agreement and for two years after its termination. Defendants' actions, including the unauthorized commercialization of Bubba's Boneless Ribs under the "Rastelli's Boneless Ribs" brand, constitute a clear and deliberate violation of this provision, regardless of any claims of hardship or business disruption.
- 133. In *Nemo Dat v. Certain Underwriters*, 391 F.3d 568 (5th Cir. 2004), the court held that parties cannot circumvent their contractual obligations based on alleged inconveniences or self-created difficulties. Similarly, Defendants' unilateral decision to market and sell the product under a different name, thereby competing against the Plaintiffs' licensed product, cannot be justified by any alleged wrongdoing on the part of the Plaintiffs. The non-compete clause remains binding, and Defendants' violation of this provision is a breach of the settlement agreement that warrants compensatory damages.
- 134. Plaintiffs further argue that Defendants had ample opportunity to seek resolution or clarification through legal channels, including formal negotiations and other appropriate processes. Despite ongoing efforts to address the issues, Defendants chose to act as if they had authorization to proceed, even though no agreement was ever reached. By engaging in direct competition with Plaintiffs' product without authorization, Defendants clearly breached the agreement's terms. This willful misconduct underscores the Defendants' disregard for their contractual obligations and further justifies Plaintiffs' claims for damages.

# XX. Lack of Transparency, Breach of Non-Compete, and Failure to Communicate Licensing Information

- 135. Defendants have engaged in widespread distribution of Bubba's Boneless Ribs without providing necessary transparency to Plaintiffs. Recent discovery revealed that the product is being sold in 2,025 retail stores, across 4 e-commerce platforms, and through 3 food service customers, as shown by a product spec sheet and sales brochure found on the Rastelli Foods website. Despite this extensive market presence, Defendants have systematically failed to provide Plaintiffs with detailed sales reports, royalties, or required updates on these sales. [Exhibit 24: Sales Brochure]
- 136. The settlement agreement and licensing agreement require Defendants to provide regular and detailed updates regarding all sales of licensed products. Defendants' ongoing failure to communicate these details is a clear breach of their contractual obligations and fiduciary duties to Plaintiffs.
- 137. Defendants' unauthorized commercialization and sale of Bubba's Boneless Ribs as "Rastelli's Boneless Ribs" not only infringes upon Plaintiffs' patent rights but also constitutes a violation of the non-compete clause in the settlement agreement. The non-compete clause expressly prohibits Defendants from selling competing products during the term of the agreement and for two years after its termination. Defendants have directly violated this clause by marketing and selling the patented product under their own brand name.
- 138. Plaintiffs have repeatedly requested detailed financial reports and sales records for Bubba's Boneless Ribs and other Bubba's Q-branded products, as required under the licensing agreement. However, Defendants have consistently provided only basic, computer-generated reports or excel spreadsheets lacking necessary details, preventing Plaintiffs from verifying sales figures and ensuring proper royalty payments.
- 139. In *General Motors Corp. v. Devex Corp.*, 461 U.S. 648 (1983), the Supreme Court held that patent holders are entitled to full compensation for unauthorized use of their intellectual property, including detailed sales reports to account for royalties owed. Defendants' refusal to provide comprehensive reports is a clear breach of their licensing obligations and has deprived Plaintiffs of the compensation they are owed.
- 140. Defendants recently provided an incomplete financial disclosure regarding QVC sales, only after Plaintiffs took legal action. However, this disclosure failed to account for sales across other platforms, including retail stores and food service accounts. Plaintiffs have received no detailed breakdown of sales or royalties despite repeated requests for full and accurate financial information, including actual invoices, third-party sales reports, and platform-specific transaction records. This ongoing refusal to provide necessary financial details has significantly impaired Plaintiffs' ability to ensure proper compensation and transparency. [Exhibit 25: Ed Roop Email]
- 141. Defendants' lack of transparency constitutes a breach of their duty to account, as established in *Sheldon v. Metro-Goldwyn Pictures Corp.*, 309 U.S. 390 (1940), where the Court emphasized that infringers must provide a full accounting of profits earned from the use of another's intellectual property. Defendants' refusal to provide complete financial details—including detailed sales reports, actual invoices, third-party records

- from vendors and customers, comprehensive breakdowns of revenue streams, and documentation of expenses related to the commercialization of Bubba's Boneless Ribs—has further undermined Plaintiffs' ability to claim their rightful compensation.
- 142. The unauthorized commercialization of Bubba's Boneless Ribs under the Rastelli name has allowed Defendants to profit from the patented product while competing against the licensed Bubba's brand, in violation of both the licensing agreement and the settlement agreement. Plaintiffs seek damages for this violation, including the royalties owed and compensation for Defendants' competitive actions.
- 143. Plaintiffs also seek a full forensic accounting to ensure that Defendants provide complete and accurate financial disclosures regarding all sales of Bubba's Boneless Ribs, including retail, e-commerce, and food service sales. Plaintiffs specifically request that Defendants produce actual invoices, third-party records from vendors, website sales platforms, and other relevant documentation, rather than relying on internally generated spreadsheets. This accounting will reveal the full scope of Defendants' profits and ensure that Plaintiffs receive their rightful compensation. Plaintiffs request that a forensic accounting of their choosing be conducted due to the history of Defendants' concealment and lack of transparency.

# XXI. Pending Motion for Appointment of Receiver and Forensic Accountant

- 144. On August 19, 2024, Plaintiffs filed a Motion for Appointment of a Receiver, Forensic Accountant, and to Block the Creation of an Irrevocable Trust in a separate pending case. This motion was necessitated by the discovery that Defendants were selling Plaintiffs' patented boneless ribs under the name "Rastelli's Boneless Ribs" on QVC, without authorization. Plaintiffs uncovered this unauthorized commercialization after Defendants had concealed these sales and failed to provide any detailed financial reports regarding these transactions.
- 145. Despite repeated requests for sales reports and royalty payments related to Bubba's Boneless Ribs, Defendants provided only limited and vague financial disclosures. The sale of Plaintiffs' patented product under a competing brand name violated the settlement agreement and patent rights. Defendants' actions demonstrated their willful infringement and blatant disregard for Plaintiffs' intellectual property.
- 146. In response to Plaintiffs' motion, Defendants issued a partial disclosure on August 21, 2024, regarding QVC sales, referencing approximately \$144,000 in accounts receivable from those sales. Notably, this disclosure was only made after Plaintiffs took legal action and filed the motion, strongly suggesting that Defendants had been withholding payments and only responded after legal pressure. However, this disclosure was incomplete, failing to account for retail, e-commerce, and food service sales, further obscuring the full scope of unauthorized profits made from Plaintiffs' patented product. [See Exhibit 25: Ed Roop Email]

- 147. Given Defendants' history of concealing critical financial information, the appointment of a receiver is necessary during the ongoing litigation to oversee the financial operations of FOF Bakers LLC. The appointment of a receiver is a temporary measure to ensure transparency, protect Plaintiffs' interests, and prevent further concealment of sales and profits while the case is pending. Once the litigation is resolved, Plaintiffs do not seek to maintain the receiver.
- 148. Plaintiffs also request that an independent forensic accountant, selected solely by Plaintiffs, be appointed to conduct a comprehensive review of all sales channels, revenues, and royalties tied to the unauthorized commercialization of Bubba's Boneless Ribs. The forensic accountant must be completely independent from Defendants' control, and Defendants must not be permitted to use their in-house controller or accountant for this purpose. This measure will ensure the integrity of the financial review. The forensic accountant should have full access to actual invoices from vendors, third-party sales reports, detailed platform-specific sales data, and comprehensive records of all transactions to conduct a thorough and accurate analysis. Additionally, the costs for the forensic accountant must be borne by Defendants, ensuring a full and accurate accounting of all profits earned from the unauthorized sales and that Plaintiffs receive their rightful compensation.
- 149. This motion, filed in a separate pending case, aims to address the ongoing lack of transparency, self-dealing, and patent infringement perpetrated by Defendants. Plaintiffs request that the Court grant their motion for the temporary appointment of a receiver during the pendency of this litigation and the appointment of an independent forensic accountant, selected by Plaintiffs, with the costs to be paid by Defendants.

#### **Prayer for Relief**

WHEREFORE, Plaintiffs respectfully request that this Court enter judgment in their favor and against the Defendants as follows:

#### a. Compensatory Damages:

Award Plaintiffs damages adequate to compensate for Defendants' infringement, fraud, and breach of contract, including lost profits, royalties, and other revenues from Bubba's Boneless Ribs and other Bubba's Q-branded products, in an amount to be determined at trial.

# b. Accounting of Profits:

Order a full accounting of profits from all sales of the patented product and other Bubba's Q-branded products under both the Bubba's Boneless Ribs and Rastelli's Boneless Ribs brands, including all retail, e-commerce, and food service sales.

# c. Appointment of Receiver and Forensic Accountant:

Appoint a receiver and forensic accountant, selected by Plaintiffs, to oversee the sales and profits generated from the infringing activities and the sale of Bubba's Q-branded products,

ensuring full and accurate reporting of all related revenues during the pendency of this action or until the Court deems the receivership no longer necessary.

# d. Costs of Forensic Accounting and Receivership:

Require Defendants to cover all costs associated with the forensic accounting and receivership, including any additional oversight or audits necessary to ensure compliance.

## e. Treble Damages:

Award Plaintiffs treble damages (three times the amount of actual damages) for Defendants' willful and egregious infringement, pursuant to 35 U.S.C. § 284.

# f. Punitive Damages:

Award Plaintiffs punitive damages for Defendants' willful misconduct, unauthorized commercialization, misrepresentation, fraudulent concealment, and exclusionary practices.

## g. Pre- and Post-Judgment Interest:

Award Plaintiffs pre- and post-judgment interest on the damages awarded, to compensate for the delay in payment and the harm caused by Defendants' wrongful conduct.

#### h. Costs and Attorneys' Fees:

Award Plaintiffs their costs and expenses incurred in this action, including reasonable attorneys' fees, as authorized by law.

#### i. Other Relief:

Grant such other and further relief as the Court may deem just and proper to address the full scope of Defendants' wrongful conduct and the harm caused to Plaintiffs.

#### **Jury Demand**

Plaintiffs hereby demand a trial by jury on all issues so triable.

Respectfully submitted,

Al Bubba Baker (aka James Baker) JabezBaker LLC
Al "Bubba" Baker

Plaintiff, Pro Se Date: August 29,2024

Brittani Bo Baker JabezBaker LLC

Brittani Bo Baker Plaintiff, Pro Se

Date: August 29,2024