

**UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF GEORGIA
ATLANTA DIVISION**

BUCKHEAD BEEF COMPANY,)

Plaintiff,)

v.)

CHAD STINE, JASON LEES, and)
REVERE MEAT CO.)

Defendants.)

CASE NO.:

JURY TRIAL DEMANDED

COMPLAINT

Plaintiff Buckhead Beef Company (“Buckhead Beef”) alleges the following against Defendants Chad Stine (“Stine”), Jason Lees (“Lees”) and Revere Meat Co. (“Revere”) (collectively “Defendants”).

PRELIMINARY STATEMENT

1. This action arises from Stine’s decision to misappropriate Buckhead Beef’s valuable trade secrets and other confidential information in order to establish a competing business – Revere – and obtain an unfair and unlawful competitive advantage in the marketplace. Stine was a former President of Buckhead Beef whose resignation became effective on October 3, 2014. Stine misrepresented his post-employment plans to Buckhead Beef and instead chose to form a competitor. In

advance of his departure from Buckhead Beef, Stine forwarded to himself and to Lees confidential and trade secret information for their use at Revere.

2. Stine also used his position as a Buckhead Beef executive to sell Certified Angus Beef at prices well below market rates to a company named Purely Gourmet, which then (upon information and belief) passed the below-market prices along to Freedom Meats, Inc. (“Freedom Meats”). In so doing, Stine deprived Buckhead Beef of substantial sums by selling valuable inventory for below-market rates and instead enabled Freedom Meats to cause substantial damage to Buckhead Beef’s corporate siblings – Desert Meats and Newport Meat Company – in the Las Vegas market. Freedom Meats’ President is Jeff Pugh, who is also a recently departed executive of Desert Meats and is a close friend of Stine.

3. Defendants’ unlawful conduct has already caused and has the potential to cause tremendous damage to Buckhead Beef and its related companies. Buckhead Beef seeks injunctive relief as well as appropriate monetary damages against Defendants.

THE PARTIES

4. Plaintiff Buckhead Beef is a Delaware corporation having its principal place of business at 4500 Wickersham Drive, College Park, Georgia. Buckhead Beef is a wholly-owned subsidiary of Sysco Corporation (“Sysco”).

5. On information and belief, Defendant Revere is a Georgia company with its principal place of business located at 132 Royal Drive, Forest Park, Georgia. Revere is a direct competitor of Buckhead Beef in the area of meat processing and distribution.

6. Defendant Stine is a former President of Buckhead Beef who now works for Revere in an executive capacity and is a co-owner. He resides at 15 Rosemount Way, Newnan, Georgia.

7. Defendant Jason Lees is a former employee of a Buckhead Beef who now works for Revere in an executive capacity and is a co-owner. He resides at 6075 Tattnell Overlook, Acworth, Georgia.

8. Defendant Revere may be served by delivering process to its principal place of business located at 132 Royal Drive, Forest Park, Georgia.

JURISDICTION AND VENUE

9. This Court has jurisdiction over this entire action pursuant to 28 U.S.C. § 1331 because Buckhead Beef is asserting claims under the Computer Fraud and Abuse Act, 18 U.S.C. § 1030.

10. This Court has general personal jurisdiction over Defendants Stine and Lees because they are residents of Georgia. This Court has general personal

jurisdiction over Revere, because Revere regularly conducts business within this jurisdiction and its principal place of business is located in this jurisdiction.

11. This Court has specific personal jurisdiction over Defendants because they have intentionally and purposefully misappropriated Buckhead Beef's trade secret information and/or committed unauthorized acts on Buckhead Beef's computer system within the State of Georgia.

12. Venue is proper in this Court pursuant to 28 U.S.C. § 1391 because this is a civil action wherein multiple Defendants are residents of this judicial district and a substantial part of the events giving rise to the claim occurred in this jurisdiction.

GENERAL ALLEGATIONS

Buckhead Beef

13. Buckhead Beef was established in 1983 with a handful of devoted employees and a very simple operating philosophy: to provide the finest quality products at the best prices. Operated in a cost efficient manner, Buckhead Beef is totally committed to customer satisfaction and service.

14. Buckhead Beef has been ranked #1 for the previous nine years for the sale of Certified Angus Beef worldwide and had grown to become one of the largest privately owned meat purveyors in the United States prior to joining the Sysco family of operating companies on August 20, 1999 as a Meat Specialty Company.

15. Buckhead Beef operates in Atlanta, as well as the following markets: Buckhead Beef New England in South Plainfield, New Jersey; Buckhead Beef Rhode Island; Buckhead Beef Florida in Auburndale, Florida; and Buckhead Beef Charlotte.

16. In 1996, Buckhead Beef gained international recognition while serving as the official supplier of meat and seafood products of the Atlanta Centennial Olympic Games. The Buckhead Beef brand has become synonymous with quality nationwide. Its breed and geographic oriented sourcing, packer level alliances, and premium programs continually raise industry standards while strengthening Buckhead Beef's position as the industry's leading protein supplier. Buckhead Beef has become the premier "Center of the Plate" purveyor, specializing in portion control cut steaks, and stocks the largest inventory of dry aged USDA Prime and Certified Angus Beef in the United States.

17. In addition to maintaining a fully autonomous sales and distribution operation, Buckhead Beef is responsible for the meat procurement and premium cut steaks of several sister Sysco operating companies in both the Northeast and Southeastern regions. Sysco Corporation has introduced the Buckhead Beef brand as the preeminent brand found in traditional operating companies east of the Rockies.

Stine and Lees

18. Stine is a former President for Buckhead Beef and had supervisory authority for Buckhead Beef's Atlanta and Charlotte operations (but not its other locations). Stine held the role of President for approximately five years. In that role, and in the course and scope of his responsibilities for Buckhead Beef, Stine had access to Buckhead Beef's trade secrets and confidential information, including a variety of confidential business plans, customer lists and contracts, non-public pricing information, and processing yield formulas.

19. Stine signed an agreement with Buckhead Beef on August 28, 2006 (the "Stine Agreement") that governed his conduct during and for a period after his employment. A true and correct copy of the Stine Agreement is attached hereto as **Exhibit A**.

20. Paragraph 3(a) of the Stine Agreement prohibits Stine from retaining Buckhead Beef's property as follows:

Employee acknowledges the duty and responsibility to maintain and safeguard all Company property issued and/or provided to Employee, which includes all Confidential Information in any medium. Employee further acknowledges that such property is and shall always remain the property of the Company and is to be returned to the Company promptly, upon request, and immediately upon the separation of Employee's employment with the Company. If the event that Employee does not return such property to the Company upon the separation of Employee's employment, Employee understands and hereby expressly consents that the Company, at its sole election, may debit against any

monies owed to Employee the full replacement cost of such property, subject to any and all applicable law.

21. Paragraph 4(a) of the Stine Agreement prohibits Stine from directly or indirectly soliciting Buckhead Beef's customers as follows:

Non-Solicitation of Customers. Employee covenants and agrees that, during the term of Employee's employment with the Company and for a period of two (2) years following the separation of such employment, regardless of the reason for separation, Employee will not, either directly or indirectly, in competition with the Company Business, solicit, entice or recruit for a Competing Business, attempt to solicit, entice or recruit for a Competing Business, or attempt to divert or appropriate to a Competing Business, any actual or prospective customer of the Company with whom Employee had contact on behalf of the Company.

The terms "Company Business" and "Competing Business" are defined elsewhere in the Stine Agreement.

22. Paragraph 4(b) of the Stine Agreement prohibits Stine from competing with Buckhead Beef as follows:

Non-Competition. Employee covenants and agrees that, during the term of Employee's employment with the Company and for a period of two (2) years following the separation of such employment, regardless of the reason for separation, Employee shall not, within the Territory and on behalf of a Competing Business, either directly or indirectly (whether through affiliates, subsidiaries or otherwise), perform any duties that are the same or similar to those that he presently performs for the Company.

The terms "Territory" and "Competing Business" are defined elsewhere in the Stine Agreement.

23. Paragraph 4(d) of the Stine Agreement prohibits Stine from using or disclosing Buckhead Beef's confidential information as follows:

Protection of Confidential Information. Employee recognizes the interest of the Company in maintaining the confidential nature of its Confidential Information. Accordingly, Employee covenants and agrees that Employee will not, at any time, other than in the performance of Employee's duties for the Company, both during and after Employee's employment with the Company, communicate or disclose to any person or entity, or use for Employee's benefit, or for the benefit of any other person or entity, including any Competing Business, either directly or indirectly, any of the Company's Trade Secrets and/or Proprietary Information. For the purposes of this Agreement, the prohibition against the disclosure of Proprietary Information only shall end twenty-four (24) months after the separation, for any reason, of Employee's employment with the Company. The disclosure of Trade Secrets by Employee is prohibited for the life of Employee, or until the Trade Secret information becomes publicly available through no direct or indirect fault or act of Employee.

The terms "Competing Business," "Confidential Information," "Proprietary Information," and "Trade Secrets" are defined elsewhere in the Stine Agreement.

24. Finally, Paragraph 4(e) of the Stine Agreement requires him to disclose to Buckhead Beef any instance in which he takes another position as follows:

Notification of New Employment. Before taking any position with any person or entity during the 24-month period following the separation of Employee's employment with the Company, Employee will give written notice to the Company of the name of such person or entity so that the Company may advise each such person or entity of the provisions of this Agreement, and to correspond and otherwise deal with each such person or entity to ensure that the provisions of this Agreement are enforced and duly discharged.

25. Stine was trained on a number of policies regarding both the protection of Buckhead Beef's trade secrets and confidential information and the prohibition against Stine using Buckhead Beef's email system and other computer assets for purposes other than company business. Copies of those policies and Stine's acknowledgments thereof is attached hereto as **Exhibit B**.

26. Stine left Buckhead Beef on October 3, 2014. At that time, he struck a deal with Paul Mooring, his replacement as a President with Buckhead Beef, whereby Stine would provide consulting services to Mooring in return for continuing to receive health insurance for the remainder of 2014.

27. Stine told Andrew Malcolm (Sysco's President for Meat Production in the Eastern United States), Chuck Staes (Sysco's Senior Vice President for Foodservice Operations, Specialty Companies), and other senior personnel at Buckhead Beef that he was going to start a new company that would trade commodity boxed beef products. This line of business would not have been competitive with Buckhead Beef or Sysco, as he would have been selling to Sysco and Sysco-owned properties.

28. Jason Lees is a former President of Desert Meats Company, which is also a wholly owned subsidiary of Sysco. Lees worked as a buyer for Buckhead Beef both before and after his time as the President of Desert Meats. Lees' most

recent stint working for Buckhead Beef lasted from August 2011 until he resigned his employment in January 2013. At the time of his departure, Lees held the position of Vice President of Merchandising. In that role, and in the course and scope of his responsibilities for Buckhead Beef, Lees also had access to Buckhead Beef's trade secrets and other confidential information, similar to what Stine was able to access.

29. Lees also signed an agreement with Buckhead Beef on August 28, 2006 (the "Lees Agreement") that governed his conduct during and for a period after his employment. A true and correct copy of the Lees Agreement is attached hereto as **Exhibit C**. The restrictive covenants in the Lees Agreement are substantially similar to those found in the Stine Agreement quoted above.

30. Additionally, Lees was trained on a number of policies regarding the protection of Buckhead Beef's trade secrets and confidential information. Copies of those policies and Lees' acknowledgments thereof is attached hereto as **Exhibit D**.

31. Buckhead Beef takes a number of steps to ensure that its employees protect its trade secrets and confidential information and that its employees do not use or disclose that information. Those steps include: (a) restrictive covenant agreements with high level employees; (b) handbook and IT policies; (c) physical security to protect against the disclosure of sensitive materials to third parties or Buckhead Beef employees who do not have a business need to access the materials;

and (d) IT security measures, such as password protection for all computers and segregation of certain files so that only employees with a need to access the files can do so. A copy of Sysco's Information Security Policy, which is applicable to Sysco subsidiaries like Buckhead Beef, is attached hereto as **Exhibit E**.

**Stine Steals a Number of Buckhead Beef Trade Secrets
and Discloses Them to Revere and Lees**

32. In the weeks and months prior to his resignation from Buckhead Beef, Stine sent a number of files to his personal email account (chadstine0217@gmail.com), his email address with his new company (chad@reveremeatco.com), and to Lees in preparation for going into competition with Buckhead Beef.

33. On May 13, 2014, Stine asked Randy Clayton, Buckhead Beef's Production Manager, to send him a spreadsheet containing the yield formulas for Buckhead Beef's production room (the "Yield Formulas Spreadsheet"). Clayton sent the Yield Formulas Spreadsheet 12 minutes later and then Stine sent the Spreadsheet to his Gmail account 18 minutes after that. A copy of the emails and a redacted excerpt from the Yield Formulas Spreadsheet are attached hereto as **Exhibit F**.

34. The Yield Formulas Spreadsheet is literally the most important document at Buckhead Beef because it allows the company to have accurate cost

information for its beef processing operations. The Yield Formulas Spreadsheet would also be vital for any new beef processing company to have because it would take years to create a similar document on its own.

35. The reason why the Yield Formulas Spreadsheet is so valuable is that it allows its owner to plug in the per-pound meat price for any one of 5,750 different cuts of meat and then determine the yielded meat cost after processing the particular cut. The Yield Formulas Spreadsheet contains specific information for the labor costs associated with each cut of beef, the yield in terms of the number of cuts from a larger slab, and the credit costs associated with the cut. This information has been developed over the course of years by Buckhead Beef.

36. The Yield Formulas Spreadsheet is so sensitive that on one occasion in early 2014, Andrew Malcolm asked Clayton to see the Spreadsheet and he told Malcolm that he would not be able to show it to Malcolm without first getting approval from Stine. Access to the Yield Formulas Spreadsheet is tightly controlled within Buckhead Beef.

37. Additionally, on August 8, 2014, Stine solicited a quote for “300 cases a week of [Certified Angus Beef] Top Butt Hearts” from James Beikman at Cargill. After receiving the quote, Stine sent the information to Lees the next morning. A

copy of the emails and a redacted version of the Cargill quote are attached hereto as **Exhibit G.**

38. Stine would have had no legitimate reason to obtain a quote from a supplier and then pass it along to Lees, who had been gone from Buckhead Beef for over 18 months by that point. Instead, Stine was likely sending the information for Lees to use for their new joint business venture.

39. On September 5, 2014, Stine inserted a thumb drive (SanDisk U3 Cruzer Micro USB Device with serial number 000015605B60D64B&1) (the “Thumb Drive”) into his Buckhead Beef-issued laptop computer at 3:41 p.m., accessed 1,846 files, deleted the files, and then removed the thumb drive at 4:11 p.m. A large number of the files accessed and deleted were confidential materials relating to Buckhead Beef’s business. For example, Stine accessed and deleted numerous Buckhead Beef customer files, photos of products, Certified Angus Beef contract bids, product yield data, information about and contracts with beef, and a route and delivery cost spreadsheet that was the work product following a detailed study performed by Buckhead Beef’s Senior Vice President of Operations.

40. Stine did not return the Thumb Drive at any time thereafter.

41. Upon information and belief, Stine moved some or all of the 1,846 files to the Thumb Drive on September 5, 2014 and then retained the Thumb Drive after the end of his employment with Buckhead Beef.

42. On September 11, 2014, Stine received a voluminous price list for products sold by Sysco Merchandising Services (“SMS”) and immediately forwarded the list to his email account with his new business venture, Revere. The price list reflects the prices at which Sysco will sell cuts of meat to its operating companies. A competitor could use that price list to undercut the prices offered by SMS. A copy of the emails and a redacted excerpt from the price list are attached hereto as **Exhibit H**.

43. Again, Stine would have had no legitimate reason to send a detailed price list to his email account associated with a new competing company.

44. Prior to his resignation, Stine also solicited a Buckhead Beef Production Manager who runs the Company’s Charlotte Facility. Stine asked this manager to leave Buckhead Beef and work as the new production manager for Revere.

Defendants’ Acts in Competition with Buckhead Beef

45. Although Stine claimed that he would not be competing with Buckhead Beef, he and Lees established a competing business and have in fact been attempting

to take business (and have indeed taken business) from their former employer. Buckhead Beef first became aware of the competing business when Stine accidentally sent an email thread to Buckhead Beef personnel that included a conversation between Stine and Dan Angell at Copper River Grill in which Stine discussed Copper River Grill – a Buckhead Beef customer with eight locations in the Carolinas – terminating its purchasing relationship with Buckhead Beef and commencing a relationship with Revere. A copy of the email exchange between Stine and Angell is attached hereto as **Exhibit I**.

46. Buckhead Beef has also learned that Revere has hired a salesperson – Ivy Dennard – who has been soliciting a number of Buckhead Beef customers, including Bacchanalia, Piedmont Driving Club, Cherokee Country Club, and JCT Kitchen. Revere has been offering these customers lower prices in an effort to move their business from Buckhead Beef. Buckhead Beef’s sales representatives assigned to the accounts have learned this information directly from the customers.

47. Revere has issued a press release stating that it commenced operations on November 12, 2014 and that it would be performing the same work as Buckhead Beef, namely meat processing and distribution. A copy of the press release is attached hereto as **Exhibit J**.

48. The customers that Stine and Revere are targeting represent tens of millions of dollars of revenue for Buckhead Beef on an annual basis. Moreover, these customers have long-term relationships with Buckhead Beef such that Buckhead Beef cannot put a value on its connections with the customers.

49. The documents listed above and their confidentiality are of tremendous business importance. One of the key competitive advantages that Buckhead Beef Company has in the marketplace is its ability to process beef in an efficient manner and to know its cost information at all. Most significantly, the Yield Formula Spreadsheet is a roadmap for Buckhead Beef's processing operation, as it lists the cuts of meat, the costs associated with producing specific cuts from larger pieces of meat, and the final cost, which in turn allows Buckhead Beef to set its pricing.

50. The information taken by Revere – most notably the Yield Formula Spreadsheet – constitutes a blueprint for Revere to replicate Buckhead Beef's processing operation. The Yield Formula Spreadsheet is based on years of experience and work on the part of Buckhead Beef. Revere would receive an unfair advantage on the back of Buckhead Beef's extensive expenditure of time and resources and Buckhead Beef would be irreparably harmed if Revere were permitted to use the Yield Formula Spreadsheet to set up a competing processing operation

and thereby to take one or more of Buckhead Beef's lucrative customer relationships.

Stine's Disloyal Acts on Behalf of Freedom Meats

51. In addition to taking and retaining numerous critical Buckhead Beef documents, Stine also damaged Buckhead Beef by acting directly against its own interests and in favor of Freedom Meats, a new entity that recently went into business to compete with Buckhead Beef's corporate siblings.

52. One significant barrier to entry in the business of selling beef is the difficulty of acquiring product on favorable credit terms. Meat companies with a good credit history typically have seven-day terms to pay for the meat they purchase from the beef packing industry. New companies like Freedom Meats are usually not able to get credit terms and they are therefore required to wire payments prior to shipment. As a result, new beef selling companies often find themselves in the difficult position of having to make payments in advance of receiving product and then only receiving payment from their restaurant customers on thirty-day terms.

53. Additionally, it is difficult for a new beef selling company to acquire Certified Angus Beef because the licenses to make and sell it are limited.

54. Upon information and belief, Jeff Pugh established Freedom Meats in 2014 upon his departure from Desert Meats on March 14, 2014. Pugh is affiliated

with Stine and Lees, both professionally and personally. A copy of a picture of the three published to Revere's web site is attached as **Exhibit K**.

55. Freedom Meats was able to circumvent the normal issues faced by a new beef-selling company because Stine provided it with Certified Angus Beef product at below-market prices. In so doing, Stine allowed Freedom Meats to benefit from Buckhead Beef's reputation, payment history, and assets to obtain credit terms that are rarely, if ever, afforded to companies of Freedom Meats' size and youth in the commodity beef industry.

56. Specifically, Stine authorized the sale of large quantities of Certified Angus Beef to Purely Gourmet, which is a company that had previously not been involved in the sale or purchase of beef products in these quantities. The Purely Gourmet account was established in Buckhead Beef's system as a house account assigned to Stine. Buckhead Beef's sale of product to Purely Gourmet in large quantities coincided with the opening of Freedom Meats.

57. Stine authorized the sale of Certified Angus Beef to Purely Gourmet at prices far below the margins at which Buckhead Beef charged its customers for the same products during the same timeframe. In one instance, Stine sold Certified Angus Beef to Purely Gourmet at below cost.

58. Malcolm subsequently learned that Purely Gourmet had sold the Certified Angus Beef and other beef products it bought from Buckhead Beef marginally above (or, in one instance, below) cost to Freedom Meats.

59. Upon information and belief, Stine sold large quantities of Certified Angus Beef to Purely Gourmet knowing that it would sell the product on to Freedom Meats. There was no legitimate commercial reason for Buckhead Beef to sell the products it sold to Purely Gourmet at such low prices and on extremely generous payment terms.

60. Freedom Meats has been able to take tens of millions of dollars of business from Desert Meats and Newport Meats by soliciting their clients using low prices that are the direct results of Stine's actions. Freedom Meats has only been able to do so because of its access to Buckhead Beef's Certified Angus Beef and other beef products. Otherwise, Freedom Meats would have struggled to obtain Certified Angus Beef because of the limitations on the sale of Certified Angus Beef. Furthermore, Freedom Meats would not have been able to obtain Certified Angus Beef and other beef products at anywhere close to the prices that, upon information and belief, it obtained from Buckhead Beef (through Purely Gourmet) as a result of Stine's actions. Finally, Freedom Meats' payment terms would have been

substantially less favorable had it not been able to obtain Certified Angus Beef and other beef products from Buckhead Beef as a result of Stine's actions.

61. Additionally, Buckhead Beef lost out on substantial sums as a result of Stine's actions because it otherwise would have been able to sell the Certified Angus Beef and other beef products that was actually sold to Freedom Meats (through Purely Gourmet) instead to existing customers at significantly higher margins.

COUNT I

ACTUAL AND THREATENED MISAPPROPRIATION UNDER THE GEORGIA UNIFORM TRADE SECRETS ACT (Against All Defendants)

62. Buckhead Beef alleges and incorporates by reference paragraphs 1-61, as if set forth herein.

63. The Georgia Uniform Trade Secrets Act ("GUTSA"), codified at O.C.G.A. § 10-1-760 *et seq.*, prohibits persons from misappropriating trade secrets.

64. Defendants knowingly violated the GUTSA. Prior to his departure from Buckhead Beef, Stine forwarded the Yield Formula Spreadsheet, Buckhead Beef price lists, and other trade secrets to his personal account, his Revere account, and to Lees. On information and belief, Stine also accessed, copied, and retained other confidential and proprietary trade secret information before leaving Buckhead Beef and took it with him to Revere, most notably on the Thumb Drive. On information

and belief, Stine and Lees are using that information unlawfully to help Revere compete with Buckhead Beef.

65. The trade secrets misappropriated by Defendants derive independent economic value from not being generally known or ascertainable by proper means. The information is the result of years of investment by Buckhead Beef and allows Buckhead Beef to remain competitive in the marketplace by allowing it to have accurate cost information and offer competitive prices.

66. Buckhead Beef takes, and at all time here relevant, has taken reasonable measures to maintain the confidential and secret nature of this information. As discussed above, those steps include: (a) restrictive covenant agreements with high level employees; (b) handbook and IT policies; (c) physical security to protect against the disclosure of sensitive materials to third parties or Buckhead Beef employees who do not have a business need to access the materials; and (d) IT security measures, such as password protection for all computers and segregation of certain files so that only employees with a need to access the files can do so.

67. On information and belief, Stine, Lees and other employees of Revere have used and continue to use Buckhead Beef's trade secret information, without Buckhead Beef's authorization, to improve Revere's business and to gain a competitive advantage over Buckhead Beef.

68. As a direct and proximate cause of Defendants' actual and threatened misappropriation of Buckhead Beef's trade secrets, Buckhead Beef has suffered irreparable harm and will continue to suffer irreparable harm that cannot be adequately remedied at law unless Defendants are enjoined from engaging in any further acts of misappropriation and from continued possession in any form of trade secret information belonging to Buckhead Beef.

69. As a direct and proximate result of Defendants' misappropriation, Buckhead Beef has suffered and continues to suffer damages and irreparable harm, and is entitled to all damages, attorneys' fees, costs and remedies permitted under the GUTSA. Each of the acts of misappropriation was done maliciously by Defendants, thereby entitling Buckhead Beef to exemplary damages to be proved at trial.

COUNT II:

BREACH OF CONTRACT **(Against Defendant Chad Stine and Jason Lees)**

70. Buckhead Beef alleges and incorporates by reference paragraphs 1-61, as if set forth herein.

71. Stine is subject to the Stine Agreement. As part of that agreement, Stine agreed that he would refrain from various acts, including: (a) retaining Buckhead Beef property; (b) competing with Buckhead Beef in Fulton County, Georgia; (c)

directly or indirectly soliciting certain Buckhead Beef customers; (d) using or disclosing Buckhead Beef's confidential information; or (e) refraining from telling Buckhead Beef about moving to a new company.

72. Stine has breached the Stine Agreement by violating some or all of the aforementioned provisions, such as by taking, disclosing, and using Buckhead Beef's confidential information, as well as by directly or indirectly soliciting business from Buckhead Beef customers.

73. Lees is subject to the Lees Agreement. As part of that agreement, Lees agreed that he would refrain from various acts, including: (a) retaining Buckhead Beef property; (b) competing with Buckhead Beef in Fulton County, Georgia; (c) directly or indirectly soliciting certain Buckhead Beef customers; (d) using or disclosing Buckhead Beef's confidential information; or (e) refraining from telling Buckhead Beef about moving to a new company.

74. Lees has breached the Lees Agreement by violating some or all of the aforementioned provisions such as by retaining and using Buckhead Beef's confidential information, as well as by directly or indirectly soliciting business from Buckhead Beef customers..

75. As a direct and proximate result of Stine's and Lees' breaches, Buckhead Beef has suffered and continues to suffer damages and irreparable harm,

and is entitled to damages to be proven at trial, pre- and post-judgment interest, court costs, attorneys' fees, and injunctive relief.

COUNT III:

BREACH OF THE DUTY OF LOYALTY
(Against Defendant Stine)

76. Buckhead Beef alleges and incorporates by reference paragraphs 1-61 as if set forth herein.

77. Stine owed a duty of loyalty to Buckhead Beef. This duty obligated Stine to perform reasonably to advance the interests of Buckhead Beef and to refrain from engaging in conduct adverse to Buckhead Beef's interests.

78. Stine breached his duty of loyalty by acting adverse to Buckhead Beef's interests in emailing documents to himself and Lees, as well as by taking and deleting Buckhead Beef's business-related files in advance of his departure.

79. Stine further breached his duty of loyalty by soliciting one or more existing Buckhead Beef employees while he was still employed by Buckhead Beef.

80. Stine additionally breached his duty of loyalty by utilizing Buckhead Beef assets against the company's interests and instead on behalf of Freedom Meats, a direct competitor of Buckhead Beef's corporate siblings.

81. As a direct and proximate result of Stine's breaches, Buckhead Beef has suffered and continues to suffer damages and irreparable harm, and is entitled to

damages to be proven at trial and injunctive relief. Additionally, Buckhead Beef is entitled to recover the value of all salary, benefits, and other compensation paid to Stine during his period of disloyalty.

COUNT IV:

**VIOLATION OF THE
GEORGIA COMPUTER SYSTEMS PROTECTION ACT
(Against Defendant Stine)**

82. Buckhead Beef alleges and incorporates by reference paragraphs 1-61 as if set forth herein.

83. Stine's actions in e-mailing to his personal and Revere e-mail accounts and to Lees sensitive and confidential information from Buckhead Beef's computer system, as well as taking and deleting Buckhead Beef's confidential information, for a reason he knew was not authorized and during a time in which he knew such access would not have been authorized had Buckhead Beef known of his intention to resign and join a competitor, constitute violations of the Georgia Computer Systems Protection Act ("GCSPA"), O.C.G.A. § 16-9-90 et seq. Stine's actions exceeded his authorization to use Buckhead Beef's computer system.

84. Stine was only authorized to use Buckhead Beef's computer system to further advance the business interests of Buckhead Beef and was prohibited from using the system or the data contained therein for his own purposes or the purposes

of a competitor. When Stine e-mailed the data for Lees and himself (and/or for the benefit of Revere) and took and deleted Buckhead Beef files from his company-issued computer, he ceased to be an agent of Buckhead Beef and acted for his own benefit or the benefit of Revere.

85. By using the Buckhead Beef computer network with knowledge that his use was without authority and with the intention of taking or appropriating Buckhead Beef's property, Stine committed the tort of computer theft.

86. As a result of Stine's action, Buckhead Beef is entitled to recover its damages sustained – including loss of profits from customers reflected in the materials taken by Stine, ill-gotten gains by Defendants incurred as a result of retention of the materials, and Buckhead Beef's expenditure in investigating Stine's actions – and the costs of this suit.

COUNT V:

VIOLATION OF THE COMPUTER FRAUD AND ABUSE ACT **(Against Defendant Stine)**

87. Buckhead Beef alleges and incorporates by reference paragraphs 1-61 as if set forth herein.

88. The corporate computer used by Stine is a "protected computer" within the meaning of 18 U.S.C. § 1030(e) because it is a computer used in interstate or foreign commerce or communication.

89. On May 13, August 8, and September 11, 2014, Stine accessed Buckhead Beef's protected computer systems without authorization and/or exceeded his authorized access by emailing confidential materials to himself or to Lees.

90. On September 5, 2014, Stine accessed Buckhead Beef's protected computer systems without authorization and/or exceeded his authorized access by deleting and taking Buckhead Beef's confidential materials from his company-issued computer.

91. When Stine exceeded his authorization by emailing, taking, and deleting materials, he had already begun working as an agent of Revere.

92. Stine's authorized access terminated when he acquired adverse interests to Buckhead Beef and/or breached his duty of loyalty to Buckhead Beef.

93. Stine took these trade secrets in order to establish a competing business and steal Buckhead Beef's customers. Improperly accessing the computers enabled Stine to execute on his plan to pilfer customers worth millions of dollars from Buckhead Beef.

94. As a result of Stine's action, Buckhead Beef is entitled to recover its damages sustained – including loss of profits from customers reflected in the materials taken by Stine, ill-gotten gains by Defendants incurred as a result of

retention of the materials, and Buckhead Beef's expenditure in investigating Stine's actions – and the costs of this suit.

PRAYER FOR RELIEF

A. A temporary restraining order for the following relief: (i) the enjoinder of Revere, Stine, and Lees from using, accessing, or disclosing any of Buckhead Beef's confidential and proprietary information; (ii) the enjoinder of Revere and its agents and employees from further soliciting of any of Buckhead Beef's customers reflected in the stolen materials or otherwise covered by the Stine Agreement or Lees Agreement; (iii) the enjoinder of Defendants from retaining any of Buckhead Beef's property; and (iv) enjoinder of Stine working at Revere.

B. A preliminary injunction, and a permanent injunction for the following relief: (i) immediate return of Buckhead Beef's confidential information; (ii) the enjoinder of Revere, Stine and Lees from using, accessing, disclosing, or retaining any of Buckhead Beef's confidential and proprietary information; (iii) the enjoinder of Revere and its agents and employees from further soliciting any of Buckhead Beef's customers reflected in the stolen materials or otherwise covered by the Stine Agreement or Lees Agreement; (iv) the enjoinder of Defendants from retaining any of Buckhead Beef's property; and (v) enjoinder of Stine from working at Revere for a reasonable period of time.

- C. An award of money damages in an amount to be proven at trial;
- D. Unjust enrichment damages or a reasonable royalty in an amount to be proven at trial;
- E. An award of reasonable attorneys' fees;
- F. An award of exemplary and punitive damages to be proven at trial;
- G. Buckhead Beef's costs incurred in this action; and
- H. Such other relief as is just and proper.

BUCKHEAD BEEF DEMANDS A TRIAL BY JURY ON ALL COUNTS.

Respectfully submitted

/s/Michael Elkon

Michael P. Elkon
Georgia Bar No. 243355
John W. Stapleton
Georgia Bar No. 368790

FISHER & PHILLIPS LLP
1075 Peachtree Street, NE
Suite 3500
Atlanta, Georgia 30309
Tel: (404) 231-1400
melkon@laborlawyers.com
jstapleton@laborlawyers.com

*Attorneys for Plaintiff Buckhead Beef
Company*