

ORDERED in the Southern District of Florida on April 23, 2025.



UNITED STATES BANKRUPTCY COURT SOUTHERN DISTRICT OF FLORIDA FORT LAUDERDALE DIVISION

In re: VITAL PHARMACEUTICALS, INC., et al.,	Case No.: 22-17842-PDR
	Chapter 11
Debtors.	Jointly Administered

OMNIBUS ORDER DENYING VARIOUS MOTIONS FILED BY JACK H. OWOC AND MEGAN OWOC

This matter came before the Court for hearing on March 26, 2025, at 10:00 A.M. (the "Hearing"), upon the following motions filed by Jack H. Owoc, and with respect to certain of them, joined by Megan Owoc: (i) Emergency Motion To Lift All Confidentiality Orders And Disclose All Settlement Negotiations, Financial Transactions, And Professional Fees To Allow Mr. And Mrs. Owoc To Properly Defend



Themselves And Ensure Accountability To Creditors Introduction, (ii) Emergency Motion to Waive All Court Fees and Costs Due To Financial Hardship Resulting from Bankruptcy and Imminent Foreclosure Of Movants Family Home Emergency Relief Requested,² (iii) Emergency Motion to Require Electronic Filing Access for Pro Se Litigants To Ensure Equal Protection Under the Law and Prevent Undue Burdens and Prejudice,³ (iv) Emergency Motion for Immediate Return of Personal Property Confiscated Without Due Process and For Relief from Unlawful Seizure Resulting in Catastrophic Damages, 4 (v) Emergency Motion and Supplemental Demand for Equal Time, Fair Treatment, And Formal Apology for Systemic Judicial Bias And Prejudice,⁵ (vi) Motion For Rule 2004 Examinations,⁶ (vii) Emergency Motion to Reconsider Deadlines And Pause ESI Production Due to Due Process Violations, Unlawful Confiscation, and Procedural Abuse, (viii) Emergency Motion For Injunctive Relief To Halt Trustee's Fraudulent Scheme And Enjoin Lowenstein Sandler And Bast Amron From Continued Depletion Of The Estate,⁸ and (ix) Emergency Motion To Halt Trustee's Alleged Bankruptcy Fraud And Racketeering Scheme: Looting The Estate⁹ (collectively, the "Motions"). The arguments in the Motions are the latest in a pattern of repetitive and unsupported assertions meant to disrupt the bankruptcy proceedings of Mr. Owoc's former companies, Vital

⁹ Doc. 2839.



¹ Doc. 2820.

² Doc. 2821.

³ Doc. 2822.

⁴ Doc. 2823.

 $^{^{5}}$ Doc. 2825.

⁶ Doc. 2826.

<sup>Doc. 2837.
Doc. 2838.</sup>

DUC. 2000.

Pharmaceuticals, Inc. and its affiliates (the "Debtor" or "Vital"). For the reasons that follow the Motions are denied.

I. Background

Jack H. Owoc founded Vital in 1993, serving as its sole officer and shareholder. Under his leadership Vital experienced significant growth and success with its Bang Energy drink brand. However, the company faced substantial legal challenges that contributed to its financial difficulties. In one prominent case, Monster Energy Company ("Monster") sued Vital for false advertising related to the marketing of "Super Creatine" in the company's flagship product, Bang Energy drinks. ¹⁰ The jury determined that the claims were misleading since the drinks contained no actual creatine, resulting in a \$293 million damages award in 2022. ¹¹ This verdict was later upheld by the Ninth Circuit Court of Appeals in April 2025. ¹²

In a separate arbitration case, Vital was found liable for trademark infringement against Monster and Orange Bang, resulting in a \$175 million arbitration award and a 5% royalty on future Bang Energy sales. ¹³ These significant financial obligations placed immense strain on the company.

The Bang Energy drink, central to Vital's success, was also the product at the heart of these legal issues. Its misleading marketing claims and trademark disputes called into question the long-term viability of the brand.

¹³ Orange Bang, Inc. et al. v. Vital Pharms Inc. et al., AAA Case No. 01-20-0005-6081 (April 4, 2022).



 $^{^{10}}$ Monster Energy Co. v. Vital Pharms., Inc. et al., Case No. 5:18-cv-1882-JGB-SHK (C.D. Cal. September 29, 2022).

¹¹ Id. at Doc. 890.

¹² Id. at Doc. 1083.

These judgments lead to Vital and its affiliates filing for bankruptcy in October 2022. ¹⁴ Shortly after filing bankruptcy, Vital added independent directors to its board. Ultimately, Vital's board removed Mr. Owoc as an officer and director in March 2023. ¹⁵

In February 2023, as part of the chapter 11 efforts to maximize estate value, the Debtor, through its investment banker Rothschild & Co., engaged in a monthslong global marketing process. The Court entered its Order (I) Approving Bidding Procedures, (II) Authorizing the Debtors to Provide Bid Protections, and (III) Granting Related Relief, 16 which set competitive bidding procedures for the sale of the company. The Debtor, through Rothschild, contacted approximately 150 potential buyers and entered into NDAs with over 45 interested parties. Despite this extensive outreach and repeated extensions of bidding deadlines, only one Qualified Bid was ultimately received for substantially all of the Debtors' assets—submitted by Blast Asset Acquisition LLC, an acquisition vehicle formed by Monster. No other actionable bids were received by the extended final bid deadline of June 26, 2023. Consequently, the Auction was cancelled, and Blast was designated the Successful Bidder.

On June 28, 2023, Vital and Blast entered into their Asset Purchase Agreement, resulting in the Court's Amended Order (1) Authorizing and Approving (A) The Sale of Substantially All of the Debtor's Assets Free and Clear of all Liens, Claims and Encumbrances and (B) The Assumption and Assignment of Certain Executory

¹⁶ Doc. 854.



¹⁴ Doc. 1.

¹⁵ See In re Vital Pharms., 2023 Bankr. LEXIS 2483, *4 (Bankr. S.D. Fla. 2023).

Contracts and Unexpired Leases in Connection Therewith, and (III) Granting Related Relief (the "Sale Order"). 17 Pursuant to the Asset Purchase Agreement, Monster agreed to pay \$362 million in cash, plus potential contingent consideration up to \$10 million, and assume certain liabilities. The sale was also structured in tandem with a comprehensive settlement of pending litigation and was subject to Hart-Scott-Rodino clearance. Assertions by Mr. Owoc that a materially higher bid was "suppressed" are not supported by any evidence in the record and are contradicted by the extensive sale history and lack of alternative qualifying bids submitted during the process.

Vital filed its Second Amended Chapter 11 Plan of Reorganization (the "Plan")¹⁸ on September 15, 2023, and the Court entered its Order Approving Disclosure Statement and Confirming Chapter 11 Plan (the "Confirmation Order")¹⁹ on November 8, 2023. Mr. Owoc had the opportunity to appeal the Sale Order and Confirmation Order but did not do so. The Confirmation Order established the Liquidating Trust, with the purpose of holding and administering assets for the benefit of the estate and its creditors.²⁰

As relevant context for the Motions addressed in this Order, the Court notes that the Liquidating Trust has filed an adversary proceeding against Mr. Owoc, Mrs. Owoc, and various affiliated entities (the "Adversary").²¹ In that lawsuit, the

²¹ See, e.g., VPX Liquidating Trust v. Owoc et al. (In re Vital Pharms.), Adv. No. 24-01009-PDR (Bankr. S.D. Fla. filed Jan 18, 2024).



¹⁷ Doc. 1658.

¹⁸ Doc. 1905.

¹⁹ Doc. 2258.

²⁰ Doc. 1905, Art. VI.

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