

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF NEW JERSEY—CAMDEN DIVISION**

DUNKIN' DONUTS FRANCHISING LLC,
DUNKIN' DONUTS FRANCHISED
RESTAURANTS LLC, DD IP HOLDER,
LLC, and
DUNKIN' BRANDS, INC.,
each a Delaware limited liability company,
Plaintiffs,

v.

VICKY AND BONNY COFFEE EXPRESS
SOMERDALE LLC,
VICKY AND BONNY COFFEE EXPRESS
TURNERSVILLE LLC,
VICKY AND BONNY COFFEE EXPRESS
SEWELL LLC,
VICKY AND BONNY COFFEE EXPRESS
WILLIAMSTOWN LLC,
VICKY AND BONNY COFFEE EXPRESS EGG
HARBOR LLC,
VICKY AND BONNY COFFEE EXPRESS
WINSLOW LLC,
VICKY AND BONNY COFFEE EXPRESS
TURNERSVILLE NORTH LLC, and
VICKY AND BONNY COFFEE EXPRESS
GIBBSTOWN LLC,

each a New Jersey limited liability company;
VICKY AND BONNY COFFEE EXPRESS
SICKLERVILLE, INC. and
VICKY AND BONNY OF PINE HILL, INC.,
each a New Jersey corporation;
and

VICKY & BONNY OF AVONDALE PA LLC,
each a Pennsylvania limited liability
company; and

SAILESH PATEL,
PARESH K. PATEL,
CHANDRAKANT M. PATEL,
SAMIR PATEL,
SUMIT PATEL,

Case No. _____

NISH PAREKH, and
PRAFUL VAID,
each a New Jersey citizen;

Defendants.

COMPLAINT FOR INJUNCTIVE RELIEF

This is an action to enforce a settlement agreement executed between Plaintiffs and Defendants. Plaintiffs Dunkin' Donuts Franchising LLC, Dunkin' Donuts Franchised Restaurants LLC, DD IP Holder LLC, and Dunkin' Brands, Inc. (collectively, "Dunkin'") entered into a settlement agreement on February 2, 2022 with Defendants Vicky and Bonny Coffee Express Somerdale LLC; Vicky and Bonny Coffee Express Turnersville LLC; Vicky and Bonny Coffee Express Sewell LLC; Vicky and Bonny Coffee Express Williamstown LLC; Vicky and Bonny Coffee Express Sicklerville, Inc.; Vicky & Bonny of Avondale PA LLC; Vicky and Bonny of Pine Hill, Inc.; Vicky and Bonny Coffee Express Egg Harbor LLC; Vicky and Bonny Coffee Express Winslow LLC; Vicky and Bonny Coffee Express Turnersville North LLC; and Vicky and Bonny Coffee Express Gibbstown LLC (together, the "Franchisee Defendants"), and Sailesh Patel; Paresh K. Patel; Chandrakant M. Patel; Samir Patel; Sumit Patel; Praful Vaid; and Nish Parekh (the "Settlement Agreement"). Under the Settlement Agreement, the Defendants agreed, among other things, to identify a buyer or buyers for their franchise(s), deliver to Dunkin' an executed Asset Purchase Agreement, and close on the sale of the franchise(s), in exchange for, among other things, a release by Dunkin' of all claims it had brought against the Defendants. The Defendants further agreed that, should they fail to deliver an Asset Purchase Agreement and close on the sale of the franchises by the deadlines set forth in the Settlement Agreement, they would consent to the termination of the Franchise Agreements.

The Settlement Agreement resolved a lawsuit filed by Dunkin' against the Defendants alleging breaches of the Franchise Agreement and other claims. Before filing suit, Dunkin' determined that the Defendants had committed significant violations of federal law by, among other things, failing to verify whether employees at the restaurants were authorized to work in the United States, failing to complete and retain required records relating to work authorization, and providing false information to the U.S. government. They also committed fraud in attempting to cover up these violations. These and other documented violations constitute breaches of the Franchise Agreements and caused harm to Dunkin' and the Dunkin' Marks. Consequently, Dunkin' terminated the Franchise Agreements and sued the Defendants for their various breaches of their respective Franchise Agreements. Dunkin' settled with the Defendants and the settlement terms are enumerated in the Settlement Agreement. The Defendants have failed to comply with their obligations under the Settlement Agreement, including their obligation to submit Asset Purchase Agreements and close on the sale of the franchises. Dunkin' now seeks immediate and permanent injunctive relief and attorneys' fees and costs, as discussed below.

The Parties

1. Plaintiff Dunkin' Donuts Franchising LLC ("Dunkin' Franchising") is a Delaware limited liability company with its principal place of business in Canton, Massachusetts. The sole member of Dunkin' Franchising is DB Franchising Holding Company, LLC, whose sole member is DB Master Finance, LLC, whose sole member is Baskin-Robbins International LLC, whose sole member is Baskin-Robbins Flavors, LLC, whose sole member is Baskin-Robbins USA, LLC, whose sole member is Baskin-Robbins, LLC, whose sole member is Mister Donut of America, LLC, whose sole member is Dunkin' Donuts USA, LLC, whose sole member is Dunkin' Donuts, LLC. Baskin-Robbins USA, LLC is a California limited liability company; each remaining entity

listed above is a Delaware limited liability company. The sole member of Dunkin' Donuts, LLC is Dunkin' Brands, Inc., a Delaware corporation with its principal place of business in Canton, Massachusetts.

2. Plaintiff Dunkin' Donuts Franchised Restaurants LLC is also a Delaware limited liability company with its principal place of business in Canton, Massachusetts. The sole member of Dunkin' Donuts Franchised Restaurants is DB Master Finance LLC, whose ownership is provided above.

3. Dunkin' Franchising is engaged (and, prior to 2007, Dunkin' Donuts Franchised Restaurants was engaged) in the business of franchising independent businesspersons to operate Dunkin' restaurants throughout the United States. Dunkin' franchisees are licensed to use the tradenames, service marks, and trademarks of Dunkin' and to operate under the Dunkin' System, which involves the production, merchandising, and sale of doughnuts, coffee, and related products utilizing specially designed buildings with special equipment, equipment layouts, interior and exterior accessories, identification schemes, products, standards, specifications, proprietary marks, and identification.

4. Plaintiff DD IP Holder LLC, successor in interest to Dunkin' Donuts USA, Inc., is a Delaware limited liability company with its principal place of business in Canton, Massachusetts. Its sole member is DB Master Finance, LLC, whose ownership is provided above. DD IP Holder LLC is the owner of the trademark, service mark, and tradename "Dunkin'" and related marks.

5. Dunkin' Brands, Inc., is a Delaware corporation with its principal place of business in Canton, Massachusetts. Unless stated otherwise, Plaintiffs Dunkin' Franchising, Dunkin' Donuts Franchised Restaurants, and DD IP Holder LLC are referred to collectively as "Dunkin'".

6. Defendant Vicky and Bonny Coffee Express Somerdale LLC ("Somerdale") is a

New Jersey limited liability company whose members are Chandrakant M. Patel, Paresh K. Patel, Sailesh Patel, Samir Patel, and Sumit Patel, each a New Jersey citizen. Somerdale operated a Dunkin' restaurant located at 150 South White Horse Pike, Somerdale, New Jersey, pursuant to a Franchise Agreement it entered into with Dunkin' Franchising dated November 16, 2020. A true copy of the Franchise Agreement for this restaurant is attached to this Complaint as Exhibit 1.

7. Defendant Vicky and Bonny Coffee Express Turnersville LLC ("Turnersville") is a New Jersey limited liability company whose members are Chandrakant M. Patel, Paresh K. Patel, Sailesh Patel, Samir Patel, and Sumit Patel, each a New Jersey citizen. Turnersville operated a Dunkin' restaurant located at 5751 Route 42 South, Turnersville, New Jersey, pursuant to a Franchise Agreement it entered into with Dunkin' Franchising dated August 17, 2019. The relevant terms and conditions contained in this Franchise Agreement are substantially similar to those in Exhibit 1.

8. Defendant Vicky and Bonny Coffee Express Sewell LLC ("Sewell") is a New Jersey limited liability company whose members are Chandrakant M. Patel, Paresh K. Patel, Sailesh Patel, Samir Patel, and Sumit Patel, each a New Jersey citizen. Sewell operated a Dunkin' restaurant located at 1551 Hurffville Road, Sewell, New Jersey, pursuant to a Franchise Agreement it entered into with Dunkin' Franchising dated July 24, 2020. The relevant terms and conditions contained in this Franchise Agreement are substantially similar to those in Exhibit 1.

9. Defendant Vicky and Bonny Coffee Express Williamstown LLC ("Williamstown") is a New Jersey limited liability company whose members are Chandrakant M. Patel, Paresh K. Patel, Sailesh Patel, Samir Patel, and Sumit Patel, each a New Jersey citizen. Williamstown operated a Dunkin' restaurant located at 50 South Black Horse Pike, Williamstown, New Jersey, pursuant to a Franchise Agreement it entered into with Dunkin' Franchising dated August 17,

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