IN THE UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF NEW YORK

HENESSEY FOOD CONSULTING LLC,

Plaintiff,

v.

Civil Action No. <u>5:20-CV-0</u>806 (FJS/TWD)

PRINOVA SOLUTIONS, LLC, f/k/a PRINOVA US LLC,

DEMAND FOR JURY TRIAL

Defendant.

COMPLAINT

Plaintiff Henessey Food Consulting LLC ("Henessey Food"), by its undersigned attorneys, states its Complaint against Defendants Prinova Solutions, LLC and Prinova US LLC (collectively, "Prinova") as follows:

1. Plaintiff brings this action asserting claims for Defendants' misappropriation of Plaintiff's trade secrets, Defendants' breaches of contracts between the parties, Defendants' breaches of the covenant of good faith and fair dealing, Defendants' acts of unfair competition, Defendants' unjust enrichment, and Defendants' tortious interference with Plaintiff's prospective business relations.

THE PARTIES

- 2. Henessey Food is a New York limited liability company with its principal place of business in East Syracuse, New York.
- 3. Henessey Food specializes in solving browning for fresh-cut produce. Henessey Food has proprietary antioxidant solutions that prevent produce, including fresh-cut fruit, from browning. Henessey Food's proprietary antioxidant solutions were uniquely developed by its



owner and president, Jeremy Dygert, are significantly better than the products offered by Henessey Food's competitors, and constitute valuable trade secrets.

- 4. Upon information and belief, Defendant Prinova Solutions, LLC is a Delaware limited liability company with its principal place of business in Illinois.
- 5. Upon information and belief, Defendant Prinova US LLC is a Delaware limited liability company with its principal place of business in Illinois.
- 6. Upon information and belief, Prinova manufactures and sells a variety of food-related ingredients.
- 7. Pursuant to agreements between the parties, Henessey Food disclosed to Prinova the composition of its proprietary antioxidant solutions and other proprietary information about Henessey Food's customers and the market for Henessey Food's products, and Prinova manufactured Henessey Food's proprietary antioxidant solutions and delivered those products to Henessey Food. Henessey Food then sold those products to its customers.
- 8. Pursuant to agreements between the parties, Prinova was obligated to maintain the confidentiality of Henessey Food's proprietary and trade secret information, including but not limited to the composition of Henessey Food's proprietary antioxidant solutions, information about Henessey Food's customers, and information about Henessey Food's sales volumes and the market for Henessey Food's products. Prinova is prohibited from unauthorized disclosure or use of Henessey's proprietary and trade secret information.
- 9. Upon information and belief, Prinova has disclosed and used Henessey Food's proprietary and trade secret information without authorization from Henessey Food. Prinova's unauthorized disclosure and use of Henessey Food's proprietary and trade secret information has caused harm to Henessey Food here in the Northern District of New York.



JURISDICTION AND VENUE

- 10. The Court has subject matter jurisdiction pursuant to 28 U.S.C. § 1331 because Plaintiff's claim under the Defend Trade Secrets Act, 18 U.S.C. § 1836 et seq., presents a question of federal law.
- 11. The Court also has subject matter jurisdiction pursuant to 28 U.S.C. § 1332 because there is complete diversity of citizenship between Plaintiff and the Defendants, and the amount at issue exceeds \$75,000.
- 12. To the extent the Court does not have subject matter jurisdiction pursuant to 28 U.S.C. §§ 1331 & 1332 over any claim presented, the Court may exercise supplemental jurisdiction over such claim pursuant to 28 U.S.C. § 1367.
- 13. Upon information and belief, the Court has personal jurisdiction over Defendants pursuant to 28 U.S.C. § 1391 and New York CPLR § 302 because Plaintiff's claims arise from Defendants' tortious actions that have caused harm to Plaintiff in New York, Defendants expected or should reasonably expect their actions to cause harm to Plaintiff in New York, and Defendants derive substantial revenue from interstate and international commerce.
- 14. Upon information and belief, the Court also has personal jurisdiction over Defendants pursuant to 28 U.S.C. § 1391 and New York CPLR § 302 because Plaintiff's claims arise from Defendants' tortious actions that have caused harm to Plaintiff in New York, and Defendants derive substantial revenue from goods used or consumed in New York.
- 15. Upon information and belief, the Court also has personal jurisdiction over Defendants pursuant to 28 U.S.C. § 1391 and New York CPLR § 302 because Plaintiff's claims arise from Defendants' tortious actions that have caused harm to Plaintiff in New York, and



Defendants regularly solicit business in New York, including but not limited to solicitations through employees and sales representatives residing and employed in New York.

- 16. Upon information and belief, the Court also has personal jurisdiction over Defendants pursuant to 28 U.S.C. § 1391 and New York CPLR § 302 because Plaintiff's claims arise from Defendants' tortious actions that have caused harm to Plaintiff in New York, and Defendants regularly do business in New York.
- 17. Upon information and belief, the Court also has personal jurisdiction over Defendants pursuant to 28 U.S.C. § 1391 and New York CPLR § 302 because Plaintiff's claims arise from Defendants' actions transacting business within New York.
- 18. Upon information and belief, the Court also has personal jurisdiction over Defendants pursuant to 28 U.S.C. § 1391 and New York CPLR § 302 because Plaintiff's claims arise from Defendants' actions relating to contracts to supply goods or services in New York.
- 19. Defendants' contacts with New York include but are not limited to their transacting business with Plaintiff, which is located in New York; shipping goods to New York to Plaintiff, including the antioxidant products at issue; and meeting in-person in New York to discuss the parties' agreements and Defendants' actions on multiple occasions, including in March 2019 in Watertown, July 2019 in Syracuse, and October 2019 in Syracuse.
- 20. Venue is proper in this District pursuant to 28 U.S.C. § 1391 because Defendants are subject to the Court's personal jurisdiction.

FACTUAL BACKGROUND

21. Mr. Jeremy Dygert is Henessey Food's owner and president. Mr. Dygert has over 20 years of experience in the field of fresh-cut food processing.



- 22. In 2016, Mr. Dygert founded Henessey Food to develop and then bring to market solutions to challenges faced by the fresh-cut food processing industry.
- 23. Mr. Dygert and Henessey Food developed proprietary antioxidant solutions. The composition of Henessey Food's antioxidant solutions and guidelines for varying the component ingredients to achieve specific chemical, functional, premix blending, manufacturing, shipping, and customer use objectives (the "Product Formula Trade Secrets") constitute valuable trade secrets belonging to Henessey Food. Applications for Henessey Food's proprietary antioxidant solutions include preventing browning of fresh-cut apples sold as snack foods.
- 24. Henessey Food spent at least \$375,000 developing its Product Formula Trade Secrets.
- 25. Henessey Food's business model is that it primarily sells its products directly to food manufacturers, and it uses its suppliers to blend the ingredients to make its products according to Henessey Food's proprietary specifications, and those suppliers deliver those products or make those products available for delivery to Henessey Food.
- 26. Upon information and belief, Prinova manufactures and sells a variety of food-related ingredients.
- 27. In 2018, Henessey Food and Prinova negotiated an agreement for Prinova to obtain raw ingredients for, mix (equivalently, "blend"), package and deliver to New York Henessey Food's proprietary antioxidant solutions according to Henessey's detailed specifications, which Henessey Food would then sell to its customers.
- 28. Upon information and belief, Prinova did not make or sell antioxidant products for use with fresh-cut produce before Henessey Food began working with Prinova.



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