#### FILED: WESTCHESTER COUNTY CLERK 09/16/2020 03:15 PM

NYSCEF DOC. NO. 1

SUPREME COURT OF THE STATE OF NEW YORK COUNTY OF WESTCHESTER

APPLE-METRO, INC, APPLE FOOD SERVICE OF NEW YORK, LLC, APPLE FOOD SERVICE OF NEW JERSEY, LLC, TLC WEST LLC, TLC CENTRAL LLC, TLC EAST LLC, POTOMAC FAMILY DINING GROUP OPERATING COMPANY, LLC, ROSE CASUAL DINING LP, DELAWARE VALLEY ROSE LP, SCOTT'S APPLE WEST, INC., SCOTT'S APPLE, INC., SCOTT'S M-6A JOINT VENTURE, SCOTT'S MOTEL, INC., SCOTT'S APPLE WARREN, INC.,

Index No.

Date Purchased:

Plaintiffs,

**SUMMONS** 

- against -

LINEAGE FOODSERVICE SOLUTIONS, LLC,

Defendant.

TO THE ABOVE-NAMED DEFENDANT:

**YOU ARE HEREBY SUMMONED** to answer the complaint in this action and to serve a copy of your answer on the plaintiff's attorneys within twenty (20) days after the service of this summons, exclusive of the day of service (or within 30 days after the service is complete if this summons is not personally delivered to you within the State of New York); and in case of your failure to appear or answer, judgment will be taken against you by default for the relief demanded in the complaint.



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Plaintiffs designate Westchester County as the place of trial. Venue is based on

the residence of plaintiff Apple-Metro, Inc.

Dated: New York, New York September 16, 2020

## DAVIDOFF HUTCHER & CITRON LLP

By: Larry Hutcher

Larry Hutcher 605 Third Avenue New York, New York 10158 (212) 557-7200 Attorneys for Plaintiffs

Defendant's address:

LINEAGE FOODSERVICE SOLUTIONS, LLC c/o Corporation Service Company 80 State Street Albany, New York 12207-2543 NYSCEF DOC. NO. 1

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APPLE-METRO, INC, APPLE FOOD SERVICE OF NEW YORK, LLC, APPLE FOOD SERVICE OF NEW JERSEY, LLC, TLC WEST LLC, TLC CENTRAL LLC, TLC EAST LLC, POTOMAC FAMILY DINING GROUP OPERATING COMPANY, LLC, ROSE CASUAL DINING LP, DELAWARE VALLEY ROSE LP, SCOTT'S APPLE WEST, INC., SCOTT'S APPLE, INC., SCOTT'S M-6A JOINT VENTURE, SCOTT'S MOTEL, INC., SCOTT'S APPLE WARREN, INC.,

Plaintiffs,

Index No.

**COMPLAINT** 

- against -

LINEAGE FOODSERVICE SOLUTIONS, LLC,

Defendant.

-----X

Plaintiffs Apple-Metro, Inc., Apple Food Service of New York, LLC, Apple Food

Service of New Jersey, LLC, TLC West LLC, TLC Central LLC, TLC East LLC, Potomac

Family Dining Group Operating Company, LLC, Rose Casual Dining LP, Delaware Valley Rose

LP, Scott's Apple West, Inc., Scott's Apple, Inc., Scott's M-6A Joint Venture, Scott's Motel,

Inc. and Scott's Apple Warren, Inc. (collectively, "Plaintiffs"), by their attorneys, Davidoff

Hutcher & Citron LLP, as and for their complaint against defendant Lineage Foodservice

Solutions, LLC ("Defendant" or "Lineage"), allege and state as follows:

## PRELIMINARY STATEMENT

 Plaintiffs are franchisees operating restaurants under the trademark Applebee's Neighborhood Grill & Bar ("Applebee's"). This action seeks declaratory relief arising out of Lineage's wrongful demand for payment of monies allegedly owed by Plaintiffs to Maines Paper & Food Services, Inc. ("Maines"). As set forth below, prior to filing for bankruptcy and having

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Lineage acquire substantially all of its assets, Maines expressly released Plaintiffs of any and all claims. Accordingly, Plaintiffs are entitled to a declaratory judgment declaring and adjudging that the release bars Lineage from recovering monies allegedly owed by Plaintiffs to Maines.

#### THE PARTIES

2. Plaintiff Apple-Metro, Inc. is a New York corporation which owns and operates Applebee's restaurants in New York.

3. Plaintiffs Apple Food Service of New York, LLC and Apple Food Service of New Jersey, LLC are, respectively, New York and New Jersey limited liability companies which own and operate Applebee's restaurants in New York and New Jersey.

4. Plaintiffs TLC West LLC, TLC Central LLC, TLC East LLC are Virginia limited liability companies which own and operate Applebee's restaurants in New York and Connecticut.

5. Plaintiff Potomac Family Dining Group Operating Company, LLC is a Delaware limited liability company which owns and operates Applebee's restaurants in Maryland and Virginia.

 Plaintiffs Rose Casual Dining LP and Delaware Valley Rose LP are Pennsylvania limited partnerships which own and operate Applebee's restaurants in Pennsylvania, Maryland, Delaware and New Jersey.

7. Scott's Apple West, Inc., Scott's Apple, Inc., Scott's M-6A Joint Venture, Scott's Motel, Inc. and Scott's Apple Warren, Inc. are Pennsylvania corporations which own and operate Applebee's restaurants in Pennsylvania.

8. Upon information and belief, Defendant is a Delaware limited liability company which transacts business in the State of New York.

71605

#### **FACTS**

9. Centralized Supply Chain Services, LLC ("CSCS") is the exclusive purchasing agent for Applebee's franchisees who are its beneficial owners. CSCS's primary mission is to insure that its member franchisees receive the benefit of continuously available goods and distribution services in adequate quantities at the lowest sustainable delivered prices.

Maines is a 101-year-old family owned business. Prior to its bankruptcy filing,
Maines was one of the largest independent foodservice distributors in the nation.

11. Pursuant to a Distribution Services Agreement between CSCS and Maines, effective as of December 21, 2010 (the "DSA"), Maines agreed to provide distribution services to Applebee's franchisees in the Northeast distribution territory including Plaintiffs. Pursuant to Market Distribution Agreements ("MDAs") between Maines and Plaintiffs, Maines agreed to act as a distributor of approved food and related products to Plaintiffs. The MDAs provide that in the event the DSA is terminated, the MDAs also terminate as of the DSA's effective termination date.

12. Upon information and belief, in or about 2018, Maines began to experience serious financial difficulties due to truck driver and warehouse labor shortages. Thereafter, the quality of Maines' distribution services significantly declined causing Plaintiffs serious economic harm and prejudice. Maines was consistently late in delivering products and often failed to pay its suppliers who then stopped shipments to Plaintiffs. To cover the resulting supply gaps, Plaintiffs were forced, among other things, to purchase private label products at higher costs and spend considerable time and resources attempting to resolve ongoing logistical problems getting products to the restaurants. Indeed, Plaintiffs' own employees acted as *de facto* 

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