IN THE UNITED STATES DISTRICT COURT WESTERN DISTRICT OF TENNESSEE EASTERN DIVISION

WALT GOODMAN FARMS, INC.,

Plaintiff,

VS.

NO._____

HOGAN FARMS, LLC and CHARLES PHILIP HIGDON,

Defendants.

COMPLAINT

PARTIES AND JURISDICTION

1. Plaintiff, Walt Goodman Farms, Inc., is a Kentucky corporation with its principal business office at 6035 State Route 94 West, Hickman, Kentucky. Walter Goodman is the president and registered agent for Walt Goodman Farms, Inc.

2. Defendant, Hogan Farms, LLC, is a Tennessee limited liability company with its principal business office at 10034 Pointe Cove, Lakeland, Tennessee. The late David C. Hogan, Sr. is listed as the registered agent. The members of Hogan Farms, LLC are believed to be David Hogan, David Clay Hogan, Jr., Linda Hogan and Lacy Hogan Hurley and all are believed to be residents of Tennessee.

Defendant, Charles Philip Higdon, is a citizen and resident of Obion County,
Tennessee, residing at 5104 Claude Tucker Road, Union City, Tennessee, and is an employee of
Nutrien Ag Solutions in Union City, Tennessee.

4. This Court has jurisdiction under Title 28 U.S.C. Section 1332 (diversity of citizenship) as the amount in controversy exceeds the sum of Seventy-Five Thousand Dollars (\$75,000.00), exclusive of interest and costs, and the Plaintiff and each of the Defendants are citizens of different states such that complete diversity of citizenship exists.

5. Venue in this District Court is proper as the matters which are the subject of this litigation occurred in Obion County, Tennessee within this judicial district and division.

FACTS

6. Walt Goodman Farms, Inc. was incorporated in 1995. Its principal shareholder, Walter Goodman has been engaged in farming since 1970. Austin Goodman began working in the farming operation full-time in 2005. Jacob Goodman began working full-time in 2014.

7. On March 24, 2001, David C. Hogan and Linda Hogan purchased Two Hundred Seventy (270) acres in Fulton County, Kentucky, more particularly described as Section 26 and 27, Township/North, Range 6, from Walt Goodman Farms, Inc.

8. On April 3, 2001, David C. Hogan and wife, Linda Hogan, and Walt Goodman Farms, Inc. entered into a Rental Contract and Lease of Farm Land, a copy of which is attached hereto as Exhibit "A". David and Linda Hogan agreed to lease the above-described farm to Walt Goodman Farms, Inc. "for a term of the life of Walter Goodman commencing as of the date hereof and ending on the year following the date of death of Walter Goodman".

9. Walt Goodman Farms, Inc. rented two farms in Obion County, Tennessee, from Jesse B. Murphy, the father of Linda Hogan, from 1994 until his death in June 2001. David and Linda Hogan entered into an oral contract with Walt Goodman Farms, Inc. under which the parties agreed that Walt Goodman Farms, Inc. would continue to rent those farms and two

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additional farms David and Linda Hogan owned under the same terms in the lease attached hereto as Exhibit "A".

10. On December 3, 2012, David and Linda Hogan conveyed the farm in Fulton County, Kentucky to Hogan Farms, LLC. On November 9, 2012, the farms owned by David and Linda Hogan in Obion County, Tennessee were conveyed to Hogan Farms, LLC.

11. Walt Goodman, Austin Goodman, Jacob Goodman and David Hogan maintained an amicable relationship for many years.

12. In 2017, Defendant, Charles Philip Higdon, began inserting himself in the farming operation on behalf of Defendant, Hogan Farms, LLC without legal authority to do so.

13. In 2017, Hogan Farms (sic) and Goodman Farms (sic) entered into a Memorandum of Understanding, a copy of which is attached hereto as Exhibit "B", which outlines the agreement of the parties to place two (2) irrigation units on farms owned by Hogan Farms, LLC in Obion County, Tennessee, referred to as Murphy 1, 2 and 3. According to the agreement, Hogan Farms, LLC would pay the cost of the irrigation units in the same manner crop revenue was allocated: 1/3 to be paid by Hogan Farms, LLC and 2/3 to be paid by Goodman Farms, Inc. A payment schedule was attached to the Memorandum of Understanding which provided that "should Goodman Farms, Inc. cease to farm Murphy 1, 2 and 3 before all payments are made, they will no longer be obligated to make the remaining payments".

14. Walt Goodman Farms, Inc. made four (4) payments totaling \$125,419.17 in addition, Walt Goodman Farms, Inc. incurred expenses in connection with the irrigation system.

15. On or about May 27, 2021, Walt Goodman Farms, Inc., Walter Goodman, Austin Goodman and Jacob Goodman were notified by Hogan Farms, LLC that they would no longer be allowed to farm any of its farmland after the end of crop year 2021. A copy of the written

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notice is attached hereto as Exhibit "C". The notice stated that the irrigation payment will not be required in 2021 or thereafter.

UNJUST ENRICHMENT

16. Plaintiff re-alleges the allegations set forth in paragraphs 1-15 above and incorporates the same herein by reference.

17. Walt Goodman Farms, Inc. farmed one farm in Obion County, Tennessee, pursuant to an oral agreement with Hogan Farms, LLC. The terms of the oral agreement were the same as the terms of the written lease between the parties for the farm located in Fulton County, Kentucky, under which Walt Goodman Farms, Inc. could lease the farm until the year after Walt Goodman's death.

18. In reliance on that agreement, Walt Goodman Farms, Inc. invested a substantial amount of money on the irrigation system installed on the farms in Obion County, Tennessee, only to have Hogan Farms, LLC give notice of the termination of the oral lease pursuant to the Common Law of the State of Tennessee.

19. Walt Goodman Farms Inc. made improvements to the farms, including, but not limited to, the irrigation systems which are a valuable improvement to the property of Hogan Farms, LLC.

20. Walt Goodman Farms, Inc. reasonably believed that it would reap the benefit of its investment in the irrigation systems for years in the future.

21. It is manifestly unjust and inequitable to allow Hogan Farms, LLC to benefit from the payments Walt Goodman Farms, Inc. made for four (4) years on a seven (7) year loan commitment. The irrigation equipment has an anticipated lifespan of forty-five years, potentially longer.

22. Due to the actions of Hogan Farms, LLC, Walt Goodman Farms, Inc. is entitled to reimbursement of the four (4) payments totaling \$125,419.17 in connection with the irrigation system and reimbursement of expenses incurred related to the irrigation system in the approximate amount of \$125,000.

INTENTIONAL INTERFERENCE WITH BUSINESS RELATIONSHIP

23. Plaintiff re-alleges the allegations set forth in paragraphs 16-22 above and incorporates the same herein by reference.

24. Beginning on or about June 1, 2017, Defendant, Charles Philip Higdon, a salesman for Nutrien Ag Solutions began advising Hogan Farms, LLC regarding farming procedures. Walt Goodman Farms, Inc.'s account with Nutrien Ag Solutions is handled by a salesman from the office in Clinton, Kentucky, not by Mr. Higdon.

25. Higdon began coming to the farm properties rented by Walton Goodman Farms, Inc. After Higdon's visits, David Hogan would call or come to the farms to complain about information given to him by Higdon. Higdon recommended input and testing that were not necessary and provided information about planting and harvesting that was not reasonable considering weather and ground conditions. Higdon insisted on the use of certain seed, not because it was more suited to the farms but because it was marketed by his employer. The relationship between the principals, Walt Goodman Farms, Inc. and Hogan Farms, LLC deteriorated as a result of Higdon's constant interference and criticism of the farming practices utilized by Walt Goodman Farms, Inc.

26. Higdon knew or should have known of the contractual relationship between Walt Goodman Farms, Inc. and Hogan Farms, LLC.

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