

**IN THE CIRCUIT COURT OF THE SIXTH JUDICIAL CIRCUIT
IN AND FOR PINELLAS COUNTY, FLORIDA**

BIG 3 ENTERTAINMENT, LLC,
LOAN RANGER ACQUISITIONS, LLC,
BEMC, LLC and THE BILL EDWARDS
GROUP, LLC d/b/a THE EDWARDS
GROUP,

Case No. _____

Plaintiffs,

JURY TRIAL DEMANDED

vs.

JOSEPH C. JIMENEZ,

Defendant.

_____ /

COMPLAINT

The plaintiffs, Big 3 Entertainment, LLC ("Big 3"), Loan Ranger Acquisitions, LLC, ("Loan Ranger"), BEMC, LLC (BEMC") and The Bill Edwards Group, LLC d/b/a The Edwards Group ("The Edwards Group") (collectively hereinafter referred to as the "Companies"), sue the defendant, Joseph C. Jimenez ("Jimenez") and allege:

GENERAL ALLEGATIONS

1. This is an action for damages that exceed \$15,000 and for entry of a temporary and permanent injunction.

2. The plaintiff Big 3 is a Florida limited liability company which has extensive business in the hospitality and entertainment industries. For example, it has a contract with the City of St. Petersburg to operate the Mahaffey Theater. The plaintiff Loan Ranger is a Florida limited liability company

which owns and operates the Sundial shopping center in downtown St. Petersburg. BEMC is a Florida limited liability company which owns and operates two tenants of Sundial, Locale Market and FarmTable Cucina. The Edwards Group is a Florida limited liability company which develops real estate and provides services to other related entities including but not limited to Big 3, Loan Ranger, and BEMC. The Companies are all owned by William Edwards, chairman and chief executive officer.

3. Jimenez, a resident of Pinellas County, worked for the Companies from May 20, 2010 to January 11, 2019. Jimenez was hired as the Executive Director of Hospitality and Entertainment for Big 3 and during his employment, Jimenez was appointed Vice President of The Bill Edwards Group, LLC. After Jimenez resigned, the Companies learned of Jimenez's treachery which he had tried to hide by deleting his emails. When the deleted emails were retrieved, the Companies discovered that Jimenez betrayed his employers for more than three years by orchestrating a scheme in which he secretly funneled information and opportunities to competitors of the Companies and their affiliates to thwart their efforts to conduct business, particularly the development of real estate in downtown St. Petersburg. Jimenez did so with the full knowledge and intent that he was harming the Companies financially. He engaged and continues to engage in the subterfuge to enrich himself at the

expense of the Companies.

4. The Companies, under the leadership of Mr. Edwards, form a conglomerate. Together with other entities owned by Mr. Edwards, the Companies have developed and/or own among other ventures: 1) Sundial; 2) the Rowdies soccer club until it was recently sold; 3) the Mahaffey Theater, 4) a private club in Treasure Island, 5) a security company; 6) an entertainment business which includes music companies, and 7) the real estate development business.

5. Jimenez was involved in all these efforts and had access to confidential information in all aspects of the business empire. As a trusted employee, he was privy to financial information throughout the Companies and also privy to corporate opportunities which included those for The Edwards Group which was and continues to be involved in multi-million dollar real estate developments and transactions.

6. Jimenez and Mr. Edwards had been friends for 25 or more years and Mr. Edwards had trusted him as a right hand man to help with all aspects of the businesses. Jimenez was paid handsomely to help with all of his businesses, including hospitality, entertainment, charitable and development. Mr. Edwards had complete confidence in the man he considered a friend. Instead, for at least three years prior to filing this complaint, Jimenez engaged in corporate espionage whereby

Jimenez advanced his interests and the interests of third parties at the expense of the Companies. The arrival in St. Petersburg of a billionaire from New York with a penchant for real estate seems to have triggered Jimenez's double-crossing. The billionaire, John Catsimatidis, purchased the Pheil building in St. Petersburg after receiving Jimenez's covert assistance. This acquisition, for which Jimenez received equal credit, and Mr. Edwards' health issues in 2017, emboldened Jimenez to double his efforts to benefit himself and enrich third parties at the expense of his longtime employer and friend. Meanwhile, his friend was ill in a hospital in Cleveland, Ohio, where he underwent emergency open heart surgery and was unable to monitor the actions of his treacherous underling.

7. The Companies have retained the law firm of Johnson, Pope, Bokor, Ruppel & Burns, LLP, and have agreed to pay the firm a reasonable fee for its services.

8. All conditions precedent to the maintenance of this action have occurred or have been performed.

THE AGREEMENT

9. Jimenez and Big 3 entered into a Confidentiality and Non-Compete Agreement on May 20, 2010 ("Non-Compete Agreement"), a copy of which is attached as Exhibit A. The Non-Compete Agreement provides that "[f]or the purposes of this Agreement, the 'Company' means Big 3 Entertainment and any parent,

subsidiary and/or any other entity related to Big 3 Entertainment by significant common ownership.” Thus, the term Big 3 includes all the Companies including Loan Ranger, BEMC and The Edwards Group. The Non-Compete Agreement further provides, “The term ‘Confidential Information’ includes, without limitation, all information, data, or record(s), in any form, of any kind, or nature that are not generally available to the public. . . .” Non-Compete Agreement, §1(b).

10. The Non-Compete Agreement prohibits conflicts of interest, competing against the Companies and disclosure of confidential information and provides for both preliminary and permanent injunctions for violations including liquidated damages of \$20,000 per breach.

THE DEFENDANT’S ACTIONS

11. In 2016, Jimenez began conspiring with Red Apple Group (“Red Apple”) and Catsimatidis who were and remain in direct competition with the Companies in the business of real estate development. The scheme went into high gear in 2017 when Mr. Edwards had open heart surgery and Jimenez felt it was open season for him to commit corporate espionage while Mr. Edwards was incapacitated.

12. The actions Jimenez took while conspiring with Red Apple and Catsimatidis and while working for the Companies include, but are not limited to the following:

a) Jimenez assisted Red Apple and Catsimatidis in their efforts to compete with the Companies by introducing them to a variety of local decision makers including members of the St. Petersburg City Council, local entrepreneurs and Bob Glaser, a local real estate broker and owner of Smith & Associates;

b) Jimenez assisted Red Apple with its application to the St. Petersburg Downtown Partnership, introduced Catsimatidis to Susan Reiter who was working for the Companies and assisted Red Apple in retaining Ms. Reiter's consulting services.

c) Jimenez also recruited Kyle Parks, a member of an advisory council to one of the Companies, to advise Jimenez on a detailed public relations plan to counter anticipated community opposition to Red Apple's proposed downtown redevelopment project of the Pheil property. The plan was set forth in a lengthy email from Parks to Jimenez including such tips as, "we would want to tell the family story so that Red Apple is seen as a family, not a faceless company" Jimenez decided that he would invite local business leaders and local political leaders to a Russian New Year's party which many attended. Jimenez's plot to ingratiate Catsimatidis and Red Apple to local leaders and make them a "family, not a faceless company"

was hatched and came to fruition while he was working for the Companies knowing that Catsimatidis and Red Apple were competitors with his employers;

d) When Catsimatidis inquired about making a contribution to the City of St. Petersburg, Jimenez used the opportunity to attempt to ingratiate Catsimatidis with City Hall insiders. Had Jimenez not been betraying the Companies, he would have encouraged Catsimatidis to contribute to one of the non-profit organizations that Mr. Edwards supports financially which benefit entities like the Mahaffey Theater, Class Acts for students and its culturally diverse performances, or to charities that support underprivileged residents. Instead, Jimenez encouraged Catsimatidis to spend his money befriending the mayor;

e) Jimenez set up a meeting for Catsimatidis and Bob Zorn of Red Apple to meet local investors, including a local investor whom Jimenez described in one email as "a great friend of Bill Edwards and the Edwards Group" to give that investor credibility with Catsimatidis and to imply that The Edwards Group endorsed the introduction which it did not. In one particular instance, Jimenez set up the meeting between the investor and Red Apple after the investor sent Jimenez a text message shortly after Mr.

Edwards' heart surgery inquiring as to Mr. Edwards' health. Jimenez took the investor's concern for Mr. Edwards' health and turned it into a potential business opportunity for Catsimatidis by scheduling the meeting behind Mr. Edwards' back while he was recuperating;

f) Also in 2016, Jimenez put Red Apple in touch with Ed Kobel of DeBartolo Development, telling Kobel, "They [Red Apple] want to partner with someone local for a large development." Rather than working for the Companies that were depending upon his work and loyalty on a significant number of development projects, Jimenez wrote to Ralph Zirinsky of Red Apple, "If John [Catsimatidis] is interested I would like to get him with Ed DeBartolo and Ed Kobel (DeBartolo Development) who are headquartered out of Tampa. They are very well connected in the community, billions of dollars in developments worldwide (owners of the 49ers) and would go into partnership in developing this site. I have a close relationship with them and they are up to these opportunities with the right folks."

g) Jimenez kept Catsimatidis informed on the progress of discussions related to the potential redevelopment of the Tropicana Field. An earlier news article reported on the Mayor of St. Petersburg discussing the possibility of the Tampa Bay Rowdies, a professional

soccer team owned by Mr. Edwards, being relocated to that site as part of the Rowdies' efforts to become a Major League Soccer team. Jimenez was actively working on that MLS effort and he thus had confidential information about the Rowdies' views on that possibility;

h) In the summer of 2017, Jimenez secretly conveyed an offer to broker the sale of the Tradewinds Island Grande Resort ("Tradewinds") in St. Pete Beach to Catsimatidis. Jimenez had significant experience working in the hospitality business and specifically the condo hotel business which includes the Tradewinds as he had worked on the Crystal Palms Beach Resort for the Companies. The Companies had done significant business with the Tradewinds over many years. Jimenez wrote an email to Catsimatidis and Bob Zorn of Red Apple in which he said, "I think I mentioned to John [Catsimatidis] earlier last month that Angelina [Jimenez's wife] and I were spending a week in Newport/Nantucket with the managing partner of Tradewinds Resort [Tim Bogott] and his wife. As you noted - that if there were key assets/deals available in the St Petersburg region, you would like to at least be made aware. I believe that the partners at TW will soon be putting up this beachfront resort on the market. **Please note that this is strictly confidential between us and for your**

knowledge only. . . . Thank you for understanding the need for confidentiality here. . . . Let me know if this may be of interest to you, the above is only from my private conversations with Tim during our resent [sic] trip." [emphasis added].

i) Jimenez then secretly negotiated with the Tradewinds on behalf of Catsimatidis even though a Non-Disclosure Agreement (NDA) the Tradewinds drafted and sent to Jimenez was in the name of The Edwards Group. Tim Bogott of the Tradewinds told Jimenez, "I've enclosed an NDA made out to Edwards Group as prospective purchaser . . . [e]ven though we know Edwards Group is not a buyer." Jimenez did not present the NDA to the Edwards Group. Instead Jimenez responded, "Hi Tim, I will fill out and sign your NDA tomorrow. It will be from me and not from The Edwards Group. Please let me know if you hear from the principals at Red Apple Real Estate Group, John Catsimatidis' head of real estate acquisition."

j) On August 27, 2017, Bogott sent to Jimenez at his Big 3 email address a "consulting agreement/success fee" contract for the sale of all of Fortune Hotels, Inc. d/b/a Tradewinds properties **"to specifically John Catsimatidis or any of his affiliated entities but to no other party."**

[emphasis added]. The contract would have given Jimenez up to \$2.5 million if Catsimatidis bought the Tradewinds.

k) Jimenez sent confidential information and trade secrets to Catsimatidis relating to Sundial as early as 2016 when he began assisting Catsimatidis in bidding for the Pheil property in downtown St. Petersburg behind Mr. Edwards' back. The bid was successful, stealing the opportunity from the Companies. It also emboldened Jimenez to neglect his work for the Companies and thereafter to devote the majority of his efforts for Catsimatidis and Red Apple. Jimenez told Catsimatidis to have one of his employees call Mark Stroud, a local real estate broker who formerly worked for a company owned by Mr. Edwards, to assess the amount of the bid as Jimenez believed "\$16 Million is high for that piece in my estimation." Therefore, Jimenez assisted Catsimatidis in bidding to make sure he obtained the property. Jimenez then asked Catsimatidis for a job establishing a local office in St. Petersburg "with one assistant." Although Jimenez continued to work for the Companies, in reality he was actually working for Catsimatidis and Red Apple, and using his continued access to the Companies' confidential information, trade secrets, plans, projects and opportunities to steal from the Mr. Edwards and his

Companies and give them to Catsimatidis, Red Apple and others;

1) Jimenez shared confidential information and trade secrets with Catsimatidis about Locale Market and FarmTable Cucina, both located at Sundial, in hopes of luring him into investing in downtown St. Petersburg in competition with the Companies. Mr. Edwards developed Sundial as well as Locale Market and FarmTable Cucina, which Mr. Edwards also owns, at enormous expense as an investment in St. Petersburg to bring tourism and future development to the City. At one point, Mr. Edwards was approached by a third-party interested in marketing Sundial to prospective purchasers. Confidential information and trade secrets were collected, compiled into a book and the prospective purchasers were required to sign NDAs to review it. Jimenez was involved in the effort but then he also secretly sent Catsimatidis an "overview" of Sundial, including the confidential financial information and trade secrets without Loan Ranger's permission and without having Catsimatidis sign an NDA. Jimenez wrote to Catsimatidis, "This is for you only, kindly do not share." In another email sent to Red Apple executives, Jimenez shared additional confidential information and trade secrets relating to Sundial and told them, "I ask you to keep this

document strictly confidential and not share or forward to anyone. . . ." Jimenez had access to the confidential information and trade secrets solely by virtue of his employment with the Companies and was intent on keeping his scheme hidden from the Companies so he could continue to betray his employers and line his own pockets;

m) In addition, Jimenez secretly advised Catsimatidis on several other real estate opportunities including Plaza Tower, Halcyon and the Bank of America tower in downtown St. Petersburg, a tract of land in the 800 block of First Ave. South in St. Petersburg owned by the City, and the Tampa Bay Marina Center in Tampa. The Halcyon proposal was one that The Edwards Group had through another entity placed a contract on as part of a significant office development project in which The Edwards Group had invested considerable internal resources into and which would have greatly benefited the City. That project fell through but The Edwards Group was still considering an investment when Jimenez informed Catsimatidis in a July 14, 2016 email that the Edwards Group had been "approached on this development," once again alerting a competitor to The Edwards Group's interest in a project;

n) Jimenez frequently tried to leverage the Companies' connections established through the years of

development, entertainment, and charitable endeavors. For example, on April 28, 2018, he wrote to Catsimatidis telling him, "Hi John, leaving Las Vegas now, we were here producing a show at the MGM for Cleveland Clinic with Michael Buble and Elton John," when in fact he accompanied Mr. Edwards to that event which Mr. Edwards and his Companies produced. Jimenez had nothing to do with producing the show;

o) Jimenez assisted Catsimatidis in his hotel operations all the while ignoring the Companies' interests in developing hotels. Jimenez referred a friend of a friend, Paul Wischermann, a hotel manager from Minnesota, to Red Apple to potentially manage Red Apple's future hotel operations in St. Pete. It was Jimenez, rather than an actual Red Apple employee, who informed Wischermann that his offer had been turned down. However, Jimenez assured Wischermann in an email dated September 25, 2018, that Catsimatidis "is looking at several other projects and I would like to keep you front center on their dashboard I hope to get you involved in a project here in Tampa Bay."

p) Jimenez never divulged any of his secret dealings to Mr. Edwards or the Companies. No employee of the Companies was copied on any of the clandestine emails and

no employees of the Companies attended the nefarious meetings Jimenez arranged. Jimenez deleted the emails before his employment was terminated.

13. All of the actions described above were performed via emails. To add insult to injury, Jimenez would sign these emails as "Managing Director" of The Edwards Group, implying that Mr. Edwards was aware of Jimenez's clandestine activities. Jimenez was well aware that he was not and had never been the "Managing Director" of The Edwards Group. In fact, Mr. Edwards in 2013 had instructed Jimenez to stop using the title "Managing Director." Jimenez preferred it as he felt "it is more unique in that there's only one," objecting to the use of "Vice President" except for "corporate document purposes" which the public would not view.

14. Jimenez took these actions while he working for the Companies and made every effort to keep his assistance to Red Apple and Catsimatidis secret, even insisting that no one in the cabal tell Mr. Edwards of his duplicity. Jimenez's disclosure of confidential information, trade secrets and efforts on behalf of the competitors put the Companies at a competitive disadvantage in pursuing their development business, causing lost profits and lost opportunities.

15. Jimenez's disloyal actions were not limited to assisting Red Apple and Catsimatidis compete with the Companies.

Jimenez, intent on finding a developer for the Tropicana Field site, introduced another potential developer to a City official. In an email, once again erroneously calling himself the "Managing Director" of The Edwards Group, Jimenez told the developer that he had worked with the city official for the past eight years and that he "and his team are as good as anyone we've worked with," thus giving the false impression that The Edwards Group endorsed Jimenez's behavior.

16. In addition to conspiring with Red Apple and Catsimatidis, Jimenez approached Major League Baseball to discuss sports betting and prepared a memo to Major League Baseball on the topic. He also approached the American Gaming Association in hopes of procuring a position with it.

17. After termination of his employment in January of 2019, Jimenez continued to compete against the Companies.

a) His efforts led to the Companies losing an opportunity to develop a downtown luxury hotel site near Sundial which the Companies had attempted to develop for years. Mr. Edwards had repeatedly asked Jimenez to arrange meetings with the owner of that property and thus Jimenez knew that the Companies were interested in that project. The owner of the project was seeking an investor and the Companies were willing to lend the money needed to to finish the development. Nevertheless, after the

termination of his employment, on information and belief, Jimenez arranged for Red Apple to provide financing to the property owner so that the Companies could not acquire the deal. When the Companies made the offer to the owner, he said they were a day late. He had just accepted an offer from Red Apple;

b) A month after the termination of Jimenez's employment, Glaser sent an email to Jimenez to ask if Sundial had space to rent to Red Apple, a competitor, for a sales office apparently for the development on the Pheil land.

18. The Companies have a legitimate business interest as Jimenez has trade secrets, valuable confidential business information that otherwise does not qualify as trade secrets, and/or received extraordinary or specialized training. Fla. Stat. §542.335(1)(b)(2); §542.335 (1)(b)(5). When Jimenez started working for the Companies, he had no training or experience in real estate development or the complexities of local governmental approvals required to plan and develop real property in Florida, particularly in Pinellas County and St. Petersburg. By his work for the Companies, Jimenez was introduced to and worked with City and County officials, planners, developers, architects, engineers, investors, lenders and other real estate professionals. The Companies therefore

provided Jimenez with training in real estate development and the Companies' confidential information and trade secrets to compete in the competitive real estate market of downtown St. Petersburg. That confidential information and those trade secrets included but was not limited to valuation of particular properties, the Companies' future plans and proposals from other developers, financial performance, and proposals from developers and investors doing business with the Companies. During his employment, Jimenez developed substantial relationships with prospective or existing clients as more fully described above. For example, he would never have known Tim Bogott at the Tradewinds, the investor who inquired as to Mr. Edwards' health, and the city official who he introduced to other developers but for his work with the Companies.

COUNT I

19. This is an action for damages by the Companies for breach of fiduciary duty.

20. The Companies re-allege the allegations in paragraphs 2-18.

21. As a corporate officer and an employee who was given access to highly confidential information and trade secrets, Jimenez owed a fiduciary duty to the Companies. The Companies placed Jimenez in a position of trust and confidences, and Jimenez accepted that position and promised to act in the

Companies' best interest.

22. Jimenez breached his fiduciary duty to the Companies.

23. The Companies have been damaged by Jimenez's breach of his fiduciary duty.

WHEREFORE, the Companies demand judgment against Jimenez for damages, together with pre-judgment interest, court costs, and such other relief as the Court deems appropriate.

COUNT II

24. This is an action by the Companies for injunctive relief for breach of the Non-Compete Agreement.

25. The Companies re-allege the allegations in paragraphs 2-18.

26. Jimenez obtained confidential information and trade secrets while he was employed by the Companies and breached the Non-Compete Agreement when he divulged the confidential information and trade secrets to third parties.

27. Jimenez would not have received confidential information and trade secrets except for his agreement to keep all such information confidential pursuant to the terms of the Non-Compete Agreement.

28. Jimenez has breached the Non-Compete Agreement by working for competitors within a 75 mile radius of the Companies' offices and by divulging confidential information and trade secrets.

29. The Non-Compete Agreement also prohibits conflicts of interest. Jimenez breached the Non-Compete Agreement by virtue of his conflicts of interests.

30. The Non-Compete Agreement provides that the Companies are entitled to injunctive relief.

31. The Companies have suffered and continues to suffer irreparable harm because of Jimenez's actions. The Companies lack an adequate remedy at law because money damages will not fully compensate them for violation of the Non-Compete Agreement.

32. The Companies have a substantial likelihood of success on the merits.

33. The threatened injury to the Companies outweighs any possible harm to Jimenez. Furthermore, the entry of an injunction will not disserve the public interest.

WHEREFORE, the Companies request this Court to enter a temporary and permanent injunction requiring Jimenez to comply with the terms of the Non-Compete Agreement, prohibiting Jimenez from working for competitors within a 75 mile radius of the Companies' offices and by divulging confidential information and trade secrets, together an award of court costs and attorney's fees pursuant to Fla. Stat. §542.335(k) in enforcing the Non-Compete Agreement and for such other relief as this Court deems appropriate.

COUNT III

34. This is an action by the Companies for damages for breach of the Non-Compete Agreement.

35. The Companies re-allege the allegations in paragraphs 2-18 and paragraphs 26 through 29.

36. Jimenez has breached the Non-Compete Agreement.

37. The Companies have been damaged by Jimenez's breach.

38. Pursuant to paragraph 3(b) of the Non-Compete Agreement, the Companies are entitled to \$20,000 in damages for each breach of the Non-Compete Agreement.

WHEREFORE, the Companies demand judgment against Jimenez for \$20,000 for each breach of the Non-Compete Agreement together with pre-judgment, attorney's fees pursuant to Fla. Stat. §542.335(k) in enforcing the Non-Compete Agreement, interest, court costs, and such other relief as the Court deems appropriate.

COUNT IV

39. This is an action by the Companies for damages for violation of the Uniform Trade Secrets Act, Fla. Stat. §688.001 et seq.

40. The Companies re-allege the allegations in paragraphs 2-18.

41. Jimenez obtained and disclosed trade secrets by improper means as defined by the statute in that he breached his duty to maintain the secrecy of the information. The trade secrets he disclosed included but were not limited to financial and other confidential information relating to the Companies from which they derive independent economic value from not being generally known to, and not being readily ascertainable by, proper means by other persons who can obtain economic value for its disclosure or use and which is the subject of efforts that are reasonable under the circumstances to maintain their secrecy.

42. The Companies have been damaged by Jimenez's violation of the statute.

43. The Companies are entitled to an award of attorney's fees pursuant to §688.005.

WHEREFORE, the Companies request this Court to enter a judgment for damages against Jimenez, together with together with pre-judgment interest, court costs and attorney's fees pursuant to Fla. Stat. §688.005 and such other relief as this Court deems appropriate.

COUNT V

44. This is an action by the Companies for a temporary and a permanent injunction for violation of the Uniform Trade Secrets Act, Fla. Stat. §688.001 et seq ("the statute").

45. The Companies re-allege the allegations in paragraphs 2-18 and 41 through 43.

46. The Companies are entitled to injunctive relief pursuant to §688.003.

47. The Companies have suffered and continues to suffer irreparable harm because of Jimenez's actions. The Companies lack an adequate remedy at law because money damages will not fully compensate them for violation of the statute.

48. The Companies have a substantial likelihood of success on the merits.

49. The threatened injury to the Companies outweighs any possible harm to Jimenez. Furthermore, the entry of an injunction will not disserve the public interest.

WHEREFORE, the Companies request this Court to enter a temporary and permanent injunction prohibiting Jimenez from disclosing the Companies' trade secrets, together with court costs and attorney's fees pursuant to §688.005 and such other relief as this Court deems appropriate.

JURY TRIAL DEMAND

The plaintiffs hereby demand a trial by jury on all issues so triable.

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