

STATE OF INDIANA)
)
COUNTY OF MARION) CAUSE NO. _____

World Trade Center San Juan, LLC and)
Gantry LLC)

Plaintiffs,)

v.)

Discovery Land Company, Discovery Land)
San Juan,)
Will Geoghegan, Jim Sprayregen, Kelly Webb,)
Nicholas Prazuch, Rachel Sprayregen,)
T.R. Hollis,)

Defendants.)

**PLAINTIFFS COMPLAINT FOR ACTUAL DAMAGES, PUNITIVE DAMAGES,
AND DEMAND FOR JURY TRIAL**

The Plaintiffs state and allege as follows:

PARTIES, JURISDICTION & VENUE

1. Gantry, LLC is an Indiana company with its principal place of business in Indiana. Its owners reside in Marion County.

2. World Trade Center San Juan, LLC is a Puerto Rican company. Both entities are collectively referred to as "Plaintiffs."

3. Discovery Land Company Puerto Rico LLC is a foreign company.

4. Discovery Land Company is a foreign company. It works to develop exclusive golf course communities. The Discovery Land Defendants are referred to collectively as "Discovery Land."

5. Will Geoghegan is a professor at the Kelly School of Business in Bloomington, IN. He is referred to as “Professor.”

6. Jim Sprayregen, Kelly Webb, Nicholas Prazuch, Rachel Sprayregen, and T.R. Hollis are former students at the Kelly School of Business in Bloomington, IN. They are referred to collectively as the “Student Defendants.”

7. At the time of the actions in the complaint, they were graduate students in the MBA program.

8. The acts that gave rise in this complaint took place in Indiana or were directed at an Indiana Company.

9. Venue is proper in this Court under Ind. Trial Rule 75(A)(10).

GENERAL ALLEGATIONS

10. Plaintiffs are businesses that were formed to develop an exclusive golf resort in Puerto Rico. They formed a business plan and developed strategic partnerships with the biggest names in golf and golf course design, secured land rights, and had made a significant financial investment in both dollars, professional services and sweat-equity to create an exclusive golf course community.

11. The Plaintiffs, with the help of their strategic business relationships, had procured the exclusive use of 1500 acres from the Puerto Rican Local Redevelopment Authority (“LRA”), signed agreements with golf course development companies and others, and taken the other steps necessary to bring an ultra-luxury resort to a now-closed government facility. The area to be developed, and the golf course name, was to be called “Roosevelt Reserve.”

12. The agreement with the LRA was a contract for the exclusive right to negotiate with the LRA. It contained certain obligations in order to be terminated.

13. The profit expectations for this project were significant, with an analysis performed by Indiana University. Indiana University determined the profits would exceed \$1 billion dollars on the low end and exceed \$2 billion dollars on the higher end by including Discovery Land.

14. In the course of developing the land, and in addition to the commitments procured from the LRA, Plaintiffs had commitments and memoranda of understanding with others. They had begun the process of raising funds and expended hundreds of thousands of dollars in professional and other fees and expenses in reliance on the commitments and business relationships that had been formed.

15. Some of these commitments were from some of the most recognized names in golf and golf course design. Through its connections, Plaintiffs had created a unique opportunity.

16. Being proudly associated with Indiana University, the owners of Roosevelt Reserve agreed to allow Indiana University to create a class at the prestigious MBA program at the Kelley School of Business in Bloomington related to the project.

17. The class created groups, each group was to analyze the project and give feedback. The syllabus for the class is attached as Exhibit A.

18. Confidentiality was expected by Plaintiffs and guaranteed by Indiana University, the Professors and Student Defendants. The Professors agreed to the terms of a non-disclosure agreement, executed such, and induced Plaintiffs into

agreeing to the class by promising to have all students also execute their own NDA it. Suitable confidentiality agreements were signed, and expectations of confidentiality were communicated by Plaintiffs to the Professor, who acknowledged their importance.

19. The Professor at Indiana University made representations about both the confidentiality of the process and the qualifications of the students, upon which Plaintiffs relied.

20. The Professor also had obligations to supervise and convey the confidentiality requirements.

21. The Professor also had the obligation to understand and identify any potential conflict of interest between the course and its students.

22. The Professor's actions were outside the scope of his employment, and Plaintiffs later came to learn he did not have the actual authority to bind the University.

23. Had the Professor done any diligence, he would have learned that two of his students had a close personal or familial relationship with Discovery Land executives, with direct access to its CEO.

24. Discovery Land engages in similar activities to the Roosevelt Reserve project, and touts itself as a U.S. based developer of world-renowned properties.

25. Despite the confidentiality agreements and the sensitive information, the Student Defendants shared the idea of Roosevelt Reserves with executives at Discovery Land.

26. The Student Defendants made the following admissions in their recorded presentation:

- a. We “explore[d] a union with Discovery Land companies;” and
- b. They were “speaking with the Discovery team;” and
- c. They “knew what Discovery would pay in fees so they had to go deep with them to get a ‘quote;” and
- d. We had “conversations with key leaders at Discovery Land company.”

27. Each of these statements represents a violation of the confidentiality protections agreed to by the Professor and Student Defendants and they all show that Discovery Land was involved and provided the confidential information.

28. Discovery Land knew or should have known the information about Roosevelt Reserve was protected.

29. The Student Defendants, without the consent or knowledge of Plaintiffs, sought to partner Plaintiffs with Discovery Land.

30. Because Plaintiffs had already advanced the project, they had no interest in this partnership.

31. At least two of the students (the Sprayregens) have relatives with close relationships to Discovery Land.

32. These relationships extend to the CEO.

33. One additional student, T.R. Hollis, has additional ties to the professional golfing community.

34. The Professor and Student Defendants, through their various acts and omissions, worked on concert with one another to allow this idea to be shared with Discovery Land.

35. Discovery Land seized the opportunity with no regard to where the idea originated or the investment by Plaintiffs.

36. Discovery Land induced the LRA to breach its agreement with Plaintiffs and took the Roosevelt Reserve project.

37. Discovery Land never contacted Plaintiffs to buy their idea or partner with them, instead they began a campaign to steal the project.

38. Beginning with undermining the Plaintiffs' relationship with the LRA and continuing through the business relationships Plaintiffs had developed with the golf course designers, investors, developers, and others, Discovery Land systematically interfered with and ultimately stole Plaintiffs entire business model.

39. Discovery Land had no developments or planned developments in Puerto Rico prior to learning of the Roosevelt Reserve project.

40. This outrageous act of stealing Plaintiffs protected business idea has caused significant harm to Plaintiffs both in terms of their initial investment and lost profits.

41. The Defendants each acted outrageously by stealing the confidential and protected ideas of the Plaintiffs and utilizing them for their own benefit, despite the information being protected.

COUNT I—TORTIOUS INTERFERENCE WITH CONTRACTS AGAINST DISCOVERY LAND AND THE STUDENT DEFENDANTS

42. Plaintiffs incorporate each preceding paragraph as if fully restated herein.

43. There existed valid and enforceable contracts between Plaintiffs and the LRA and others.

44. Defendants knew of the existence of the contracts.

45. Discovery Land, with the help of the Student Defendants, intentionally interfered with the contracts, causing them to be breached or cancelled.

46. The Student Defendants, in whole or in part, worked in concert with Discovery Land to interfere with the contracts.

47. There was no legal justification for intentionally interfering with the contracts, and this interference was motivated by profit and the stealing of Plaintiffs business idea.

48. Plaintiffs have been damaged by the interference.

Wherefore, Plaintiffs respectfully request that the Court enter judgment in its favor and against Discovery Land and the Student Defendants on Count I of its complaint in an amount to be proven at trial, in addition to its attorneys' fees, punitive damages, pre- and post-judgment interest, and costs.

COUNT II—TORTIOUS INTERFERENCE WITH BUSINESS RELATIONSHIPS AGAINST DISCOVERY LAND AND THE STUDENT DEFENDANTS

49. Plaintiffs incorporate each preceding paragraph as if fully restated herein.

50. There existed valid business relationships between Plaintiffs and key stake holders in the Roosevelt Reserve project.

51. Discovery Land and the Student Defendants knew of the existence of the business relationships, as these were disclosed to the students through Indiana University, who had been provided access to all documents, information and contracts for the project.

52. Discovery Land and the Student Defendants interfered with the business relationships between Plaintiffs and the LRA, the golf course designers, other professionals and investors.

53. There was no legal justification for Discovery Land and the Student Defendants to interfere with Plaintiffs' business relationships.

54. Plaintiffs have been damaged by Discovery Land and the Student Defendants interfering with the business relationships.

Wherefore, Plaintiffs respectfully request that the Court enter judgment in its favor and against Discovery Land and the Student Defendants on Count II of its complaint in an amount to be proven at trial, in addition to its attorneys' fees, punitive damages, pre- and post-judgment interest, and costs.

COUNT III – NEGLIGENT SUPERVISION AGAINST THE PROFESSOR

55. Plaintiffs incorporate each preceding paragraph as if fully restated herein.

56. The Professor knew or should have known that his students had connections to competitors of Plaintiffs.

57. The Professor knew Plaintiffs required confidentiality as a part of the project, and repeatedly acknowledged the same including by executing a confidentiality agreement.

58. The Professor owed a duty to Plaintiffs to ensure that conflicts had been disclosed and the information Plaintiffs provided was protected.

59. The Professor breached those duties.

60. This breach was a proximate cause of Plaintiffs injuries.

61. Plaintiffs were damaged by this breach.

Wherefore, Plaintiffs respectfully request that the Court enter judgment in its favor and against Discovery Land and the Student Defendants on Count III of its complaint in an amount to be proven at trial, in addition to its attorneys' fees, punitive damages, pre- and post-judgment interest, and costs.

**COUNT IV – PUNITIVE DAMAGES AGAINST DISCOVERY LAND AND THE
STUDENT DEFENDANTS**

62. Plaintiffs incorporate each preceding paragraph as if fully restated herein.

63. There has been a mingling of bad faith in a wanton, malicious and intentional manner such that punitive damages are in the interests of society.

64. Discovery Land engaged in a systematic plan to steal a business idea it knew was confidential, and cause the contracts and business relationships with Plaintiffs to be broken, without regard for Plaintiffs or their investment.

65. Discovery Land used information it knew was not public to insert its business into the shoes of Plaintiffs.

66. These actions shock the conscience and should be deterred. As a result, punitive damages are appropriate here.

Wherefore, Plaintiffs respectfully request that the Court enter judgment in its favor and against Discovery Land and the Student Defendants on Count IV of its complaint in an amount to punish this conduct and deter future conduct, for attorneys' fees, and for all other just and proper relief.

Respectfully submitted,

/s/ Paul L. Jefferson

DEMAND FOR JURY TRIAL

Plaintiffs hereby demand a trial by jury on all matters so triable.

/s/ Paul L. Jefferson

Paul L. Jefferson