1922-CC00350

IN THE CIRCUIT COURT OF THE CITY OF ST. LOUIS STATE OF MISSOURI

LISTEN LIVE ENTERTAINMENT, LLC and LOUFEST, LLC,)
Plaintiffs,)
v.)) No.
LOGIC SYSTEMS SOUND AND) JURY TRIAL DEMANDED
LIGHTING, INC.)
Serve: Howard J. Self)
255 Marshall Road, Suite 160)
Valley Park, MO 63088)
HOWARD "CHIP" SELF)
Serve: Howard J. Self)
255 Marshall Road, Suite 160)
Valley Park, MO 63088	
Defendants.)

PETITION

COME NOW Plaintiffs, Listen Live Entertainment, LLC, and LouFest, LLC, by and through their attorneys, Cates Mahoney, LLC, and for their Petition against Defendants, Logic Systems Sound and Lighting, Inc., and Howard "Chip" Self, state as follows:

PARTIES

- 1. At all times relevant herein, Plaintiff, Listen Live Entertainment, LLC ("Listen Live"), was and is a Missouri limited liability company with its principal place of business located in the City of St. Louis, Missouri.
- 2. At all times relevant herein, Plaintiff, LouFest, LLC ("LouFest"), was and is a Missouri limited liability company with its principal place of business located in the City of St. Louis, Missouri.

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No.						

- 3. At all times relevant herein, Defendant, Logic Systems Sound and Lighting, Inc. ("Logic Systems"), was and is a Missouri corporation doing business in the City of St. Louis, Missouri with its principal place of business located at 255 Marshall Road, Suite 160, Valley Park, Missouri.
- 4. Upon information and belief, at all times relevant herein, Defendant, Howard "Chip" Self ("Chip Self"), was a resident of St. Louis County, Missouri and a citizen of the State of Missouri.
- 5. Upon information and belief, at all times relevant herein, Defendant, Chip Self, was the President of Logic Systems.
- 6. At all times relevant herein, Defendant, Chip Self, and Logic Systems' agents, representatives and/or employees were acting within the course and scope of their employment with Logic Systems.
- 7. At all times relevant herein, Defendant, Chip Self, had actual or constructive knowledge of the tortious conduct alleged herein and actively participated in the tortious conduct alleged herein.

FACTS COMMON TO ALL COUNTS

- 8. At all times relevant herein, Plaintiffs, Listen Live and LouFest (hereinafter collectively referred to as, "Plaintiffs"), owned, organized, operated and promoted the music festival commonly known as "LouFest," which took place annually in September in Forest Park in St. Louis, Missouri.
- 9. As a part of operations for the LouFest music festival, Plaintiffs entered into various contracts with sponsors, vendors, suppliers, production companies, talent agencies and artists months in advance in order to timely put on the festival.

- 10. Plaintiffs' contracts with the talent agencies and/or artists required certain deposits and payments in advance of the band's performance at LouFest.
- 11. As is common with many smaller music festivals, deposits and advanced payments before the actual show require a line of credit or loan with a lending institution or investor. Festival organizers, such as Plaintiffs, typically make payments in the days or weeks immediately preceding the actual event.
- 12. Some of the artists' contracts also contained escalators, which required an up-front payment of 100% of the total guaranteed fee if Plaintiffs failed to perform any material term of the contract, such as timely making the advanced deposit payment, or notably here, if Plaintiffs failed to fulfill any obligation relating to an engagement they may have had with any third party, such as failing to timely make advanced deposit payments to production vendors.
 - 13. In 2018, LouFest was scheduled to take place September 8-9, 2018.
- 14. On or about September 5, 2018, Plaintiffs were forced to cancel LouFest prior to the commencement of the festival.
- 15. Prior to the cancellation of LouFest 2018, Defendants were in direct contact with talent agents and made negative, misleading comments about Plaintiffs, exaggerated statements regarding LouFest funding issues, and suggested LouFest would be cancelled, all in a strategic effort to cause artists to withdraw from LouFest 2018 and/or alter the terms of their contracts to accelerate payments in full in advance of their respective performances.
- 16. On or about July 17, 2018, Plaintiff, Listen Live, contracted with Paradigm Talent Agency ("Paradigm") for the engagement of several of Paradigm's artists.
- 17. Upon information and belief, Defendant had actual or constructive knowledge of Listen Live's contracts with Paradigm.

- 18. Upon information and belief, on or about August 21, 2018, Defendant, Logic Systems, by and through its agents, representatives and/or employees, were in direct contact with Paradigm agents and/or representatives of Paradigm artists, and told them that none of the production vendors for LouFest 2018 had received their deposits.
- 19. The aforementioned statement was misleading because none of the deposits to production vendors were due at that time.
- 20. On or about August 22, 2018, Plaintiffs, by and through their agent, representative and/or employee, Mike Van Hee ("MVH"), received inquiries from a Paradigm agent as to whether production vendors would show up for LouFest 2018 since they did not have their deposits. When MVH asked the Paradigm agent which vendors he was referring to, the agent responded, "Stage, sound, lights, etc." the same services Logic Systems was to provide for LouFest 2018.
- 21. At or about that same time on August 22, 2018, Defendant, Logic Systems, contacted Plaintiffs and threatened that it was halting work with the artists for LouFest 2018 unless Plaintiffs signed a document with Logic Systems outlining payment terms. Logic Systems demanded Plaintiffs execute this document on or before August 23, 2018.
- 22. This request was unusual in Plaintiffs' business dealings with production vendors and historically inconsistent in Plaintiffs' dealings with Defendant, Logic Systems, for LouFest events in prior years. In 2018, and in years past, Plaintiffs had vendors sign "Vendor Agreements" outlining the scope of work, services rendered, and payment structure for LouFest.
- 23. At the time Defendant, Logic Systems, demanded Plaintiffs sign the aforementioned document, Plaintiffs did not have a "Vendor Agreement" in place with Logic Systems.

- 24. On or about August 22, 2018, pursuant to Defendants demands, Plaintiff, Listen Live, signed a document with Defendant, Logic Systems, that contained certain payment terms and requested a 50% deposit by August 29, 2018.
- 25. At or about this time, Plaintiffs were in discussions with Kranzberg Arts Foundation regarding expanding their ongoing business relationship and partnership, and working together to secure funding for a line of credit with Plaintiffs' commercial lender for LouFest in 2018 and future years.
- 26. Upon information and belief, at the time Logic Systems presented the aforementioned term sheet to Listen Live, Defendants had actual or constructive knowledge that Plaintiffs were in the process of seeking funding for LouFest 2018, and would likely be unable to make an advanced deposit payment to Logic Systems in advance of securing additional funding.
- 27. On or about August 28, 2018, Plaintiffs received notice from their commercial lender that the funding for LouFest 2018 could not be processed.
- 28. On or about August 29, 2018, in response to the loss of funding, Plaintiffs sought and received a bridge loan from a private investor in order to start paying vendors and artists.
- 29. Due to more pressing payment obligations to other vendors and artists, Plaintiff, Listen Live, could not make a 50% advanced deposit payment to Defendant, Logic Systems, on August 29, 2018.
- 30. On or about August 30, 2018, Defendant, Logic Systems, notified Listen Live that the deposit obligation had passed and represented that Logic Systems was releasing its gear and staff to other customers.
- 31. At or about that same time on August 30, 2018, Defendant, Chip Self, told St. Louis Public Radio that Logic Systems was not doing LouFest 2018 because Listen Live failed to make

payments due on their contract. Chip Self also stated Defendants believed other vendors had stepped back from the project, and put the reporter in touch with other production vendors, who purportedly had payment issues in past years with LouFest, and who, conveniently, shared a building with Logic Systems.

- 32. At the time Defendant, Chip Self, made the foregoing statements, Logic Systems did not have a contract with Plaintiffs but rather just the August 22, 2018 term sheet.
- 33. At or about that same time on August 30, 2018, Defendant, Chip Self, called a representative of Kranzberg Arts Foundation and misrepresented that artists were looking for available venues the weekend of September 8-9, 2018 due to LouFest's impending cancellation.
- 34. Upon information and belief, at the time Chip Self contacted a representative of Kranzberg Arts Foundation, Defendants had actual or constructive knowledge of Plaintiffs' business relationship with this nonprofit group.
- 35. As of August 30, 2018, Plaintiffs intended to go forward with LouFest 2018 and had not suggested to anyone that the festival would be cancelled.
- 36. The foregoing communications by Defendants were false statements of material fact intentionally made for the purpose of harming Plaintiffs and damaging Plaintiffs' ability to organize and promote LouFest in 2018 and thereafter.
- 37. On or about August 31, 2018, Defendant, Chip Self, met with a representative of Kranzberg Arts Foundation and requested Logic Systems be brought in as equity owners of LouFest.
- 38. The foregoing demand demonstrates Defendants' improper motive in obtaining an ownership interest in LouFest and/or taking over the music festival in 2018 and the subsequent years.

- 39. At or about that same time on August 31, 2018, St. Louis Public Radio requested comment from Plaintiffs about "LouFest vendors complaining about not being paid promptly." St. Louis Public Radio released a story that same date about LouFest 2018 production vendors, which included the aforementioned comments from Chip Self, claiming that Logic Systems had pulled out of LouFest 2018 because Listen Live failed to meet its contractual obligations.
- 40. At or about this time, Defendants continued to make negative comments in the press designed to create distrust in Plaintiffs with the public, sponsors, vendors, talent agencies and artists as to the viability of LouFest 2018.
- 41. At or about that same time on August 31, 2018, MVH contacted Chip Self about the comments to St. Louis Public Radio and media. Chip Self advised MVH at that time that Logic Systems still had its gear and would work LouFest 2018 if Logic Systems received an advanced deposit by September 4, 2018. This statement was contrary to what Defendants had stated to the public in the media.
- 42. On or about September 1, 2018, Defendant, Logic Systems, confirmed to Plaintiffs that it had all of its gear and staff available for LouFest 2018 and was ready to move forward pending receipt of an advanced deposit payment on September 4, 2018.
- 43. On or about September 2, 2018, Plaintiffs advised Defendant, Logic Systems, that a funding plan has been put in place and Plaintiffs will be receiving another bridge loan from a commercial lender and others, including Front Gate Tickets, a subsidiary of Live Nation, in order to proceed with LouFest 2018.
 - 44. With funding now secured in principal, LouFest 2018 was set to occur as scheduled.

- 45. Between September 2, 2018 and September 4, 2018, negative press continued to be published regarding LouFest 2018 fueled by comments and statements made by agents, representatives and/or employees of Defendant, Logic Systems, and Chip Self.
- 46. At the time Defendants continued to speak to the press and others, Defendants knew from their communications with Plaintiffs that Plaintiffs had reached tentative agreements for funding that was to occur in the days prior to LouFest 2018 and that when Plaintiffs received funding, LouFest 2018 would proceed as scheduled.
- 47. On or about September 4, 2018, Plaintiffs received notification from their commercial lender that they were no longer providing the funding for LouFest 2018 due primarily to the negative press. Front Gate Tickets likewise withdrew funding.
- 48. As much of the revenues generated from LouFest are from "walk-up" ticket sales and day of show revenue, the negative press orchestrated by Defendants in advance of LouFest 2018 caused and/or contributed to cause Plaintiffs' financial lenders to withdraw from providing funding for the festival.
- 49. Upon information and belief, due to their knowledge and experience in the industry, and history of working with Plaintiffs for prior LouFest events, Defendants knew or reasonably should have known that Plaintiffs were reliant on outside funding for LouFest 2018, and that any negative press could significantly impact Plaintiffs ability to fulfill the payment obligations of its contracts with vendors, suppliers, talent agencies and artists, effectively cancelling LouFest 2018.
- 50. On or about September 4, 2018, after additional attempts to obtain financing were made, Plaintiffs decided to cancel LouFest 2018.
- 51. On or about September 5, 2018, all sponsors, vendors, suppliers, talent agencies, ticket holders, and the general public were notified of the cancellation, including Defendants.

- 52. On or about September 5, 2018, Defendant, Logic Systems, by and through its agents and/or employees, including Chip Self, contacted the Office of Special Events for the City of St. Louis and inquired whether Defendants could get Plaintiffs' permit for a music festival in Forest Park for the same dates in 2019.
- 53. At all times relevant herein, Plaintiffs maintained the exclusive right and permit with the City of St. Louis to organize and promote a multi-day music event in Forest Park with multiple stages and artists, otherwise known as LouFest.
- 54. Upon information and belief, at all times relevant herein, Defendants had actual or constructive knowledge of Plaintiffs' exclusive right to organize and promote LouFest in Forest Park.
- 55. In news articles following the cancellation, Defendant, Chip Self, stated there were a number of different groups considering taking it over and doing it the right way, and that, the general consensus was that it's a viable festival under different management.
- 56. Upon information and belief, at all times relevant herein, Defendants desired to organize and promote LouFest for themselves and engaged in the foregoing conduct to cause such severe damage to Plaintiffs that they would no longer hold the exclusive right to the permit for LouFest each year with the City of St. Louis.
- 57. At all times relevant herein, Defendants statements and actions were intentional and without any reasonable justification, and caused and/or contributed to cause Plaintiffs' damages alleged herein.

JURISDICTION & VENUE

- 58. Jurisdiction is proper in this Court as all parties are Missouri residents.
- 59. Venue is proper in this Court pursuant to R.S.Mo. 508.010(4) as Plaintiffs were

first injured in the City of St. Louis, Missouri.

COUNT I

(Tortious Interference With Contract - Logic Systems Sound and Lighting, Inc.)

COME NOW Plaintiffs, Listen Live Entertainment, LLC and LouFest, LLC, by and through their attorneys, Cates Mahoney, LLC, and for Count I of their Petition against Defendant, Logic Systems Sound and Lighting, Inc. ("Logic Systems"), state as follows:

- 60. Plaintiffs allege and incorporate paragraphs 1-59 above as though fully set forth herein.
- 61. At all times relevant herein, Plaintiffs had contracts with various artists and/or their talent agencies to perform at LouFest 2018, which included guaranteed payments pursuant to the terms of the contracts.
- 62. As experienced sound and lighting vendors in the music industry, Defendants knew that if talent agencies and/or artists believed that there were financial issues with LouFest, they would terminate their contracts with Plaintiffs and/or modify the terms to demand 100% of the guaranteed fee up-front prior to the commencement of the festival.
- 63. As experienced sound and lighting vendors in the music industry, and as a production vendor for LouFest music festivals in years past, Defendants knew that Plaintiffs had a reasonable expectation of entering into contracts and/or business relationships for the production of LouFest 2018 and the years that follow.
- 64. As a result of Defendants' foregoing knowledge, Defendants engaged in a scheme to disparage Plaintiffs to the LouFest sponsors, vendors, talent agencies and the public in an effort to cause damage to Plaintiffs so that Plaintiffs could no longer organize and promote LouFest 2018 and/or any future music festival in Forest Park in the years that follow.

- 65. Defendants' statements and actions alleged herein were made without any reasonable justification in that if LouFest was cancelled, Plaintiffs would not receive any revenue with which to pay Defendant, Logic Systems.
- 66. Defendants' statements and actions alleged herein were made with the intent of inducing a modification, breach, or termination of Plaintiffs' contracts with sponsors, vendors, suppliers, talent agencies and/or artists in an effort to further Defendants' own interests of owning, organizing and promoting LouFest in the future.
- 67. At all times relevant herein, Defendants engaged in improper means designed to prevent Plaintiffs from proceeding with LouFest in 2018 and subsequent years so that Defendants could usurp the business opportunity to provide a music festival in Forest Park for the City of St. Louis.
- 68. The statements made by Defendant Logic Systems' agents, representatives and/or employees, including Chip Self, to production vendors, talent agents and/or Plaintiffs' financial partners were made with actual malice in that they knew or reasonably should have known that the statements were false and/or misleading, and that such statements would damage Plaintiffs.
- 69. The disparaging statements and conduct of Defendant Logic Systems' agents, representatives and/or employees were intentional and constituted an unjustified interference by Defendant, which induced breach of contracts and legitimate business expectations held by Plaintiffs, including the termination of funding from various lenders.
- 70. As a direct and proximate result of Defendant's intentional conduct, Plaintiffs lost funding commitments and opportunities for LouFest 2018.

- 71. As a further direct and proximate result of Defendant's intentional conduct, Plaintiffs were unable to make all required deposits with production vendors and/or talent agencies prior to commencement of LouFest 2018 resulting in the cancellation of LouFest 2018.
- 72. As a further direct and proximate result of Defendant's intentional conduct, various talent agencies demanded full guaranteed payments up-front prior to commencement of LouFest 2018 in breach and/or modification of their existing contracts with Plaintiffs.
- 73. As a further direct and proximate result of Defendant's intentional conduct, Plaintiffs have suffered severe financial damages in excess of \$4,000,000 and irreparable harm to reputation.

WHEREFORE, Plaintiffs, Listen Live Entertainment, LLC and LouFest, LLC, pray for entry of a judgment against Defendant, Logic Systems Sound and Lighting, Inc., in such sum as may be fair and reasonable in the premises but in excess of Twenty-Five Thousand Dollars (\$25,000.00) for their injuries and damages, for punitive damages in a sum to be determined at trial, for their attorneys' fees and costs of suit incurred herein, and for such other or further relief as the Court deems just.

COUNT II

(Tortious Interference With Business Expectancy – Logic Systems Sound and Lighting, Inc.)

COME NOW Plaintiffs, Listen Live Entertainment, LLC and LouFest, LLC, by and through their attorneys, Cates Mahoney, LLC, and for Count II of their Petition against Defendant, Logic Systems Sound and Lighting, Inc., state as follows:

- 74. Plaintiff alleges and incorporates paragraphs 1-73 above as though fully set forth herein.
- 75. As a direct and proximate result of Defendant's intentional conduct, Plaintiffs have lost business relationships that would have resulted in a reasonable expectancy of financial benefit,

and Plaintiffs have been damaged in their ability to enter into future business relationships for the operation of LouFest in subsequent years.

76. As a further direct and proximate result of Defendant's intentional conduct, Plaintiffs have been hindered in their ability to organize and promote LouFest in subsequent years.

77. As a further direct and proximate result of Defendant's intentional conduct, Plaintiffs lost future business opportunities to organize and promote other music festivals in the St. Louis area.

WHEREFORE, Plaintiffs, Listen Live Entertainment, LLC and LouFest, LLC, pray for entry of a judgment against Defendant, Logic Systems Sound and Lighting, Inc., in such sum as may be fair and reasonable in the premises but in excess of Twenty-Five Thousand Dollars (\$25,000.00) for their injuries and damages, punitive damages in a sum to be determined at trial, for their attorneys' fees and costs of suit incurred herein, and for such other or further relief as the Court deems just.

<u>COUNT III</u> (Tortious Interference With Contract – Howard "Chip" Self)

COME NOW Plaintiffs, Listen Live Entertainment, LLC and LouFest, LLC, by and through their attorneys, Cates Mahoney, LLC, and for Count III of their Petition against Defendant, Howard "Chip" Self ("Chip Self"), state as follows:

- 78. Plaintiff alleges and incorporates paragraphs 1-77 above as though fully set forth herein.
- 79. At all times relevant herein, Plaintiffs had contracts with various artists and/or their talent agencies to perform at LouFest 2018, which included guaranteed payments pursuant to the terms of the contracts.

As experienced sound and lighting vendors in the music industry, Defendants knew that if talent agencies and/or artists believed that there were financial issues with LouFest, they would terminate their contracts with Plaintiffs and/or modify the terms to demand 100% of the guaranteed fee up front prior to the commencement of the festival.

80. As experienced sound and lighting vendors in the music industry, and as a production vendor for LouFest music festivals in years past, Defendants knew that Plaintiffs had a reasonable expectation of entering into contracts and/or business relationships for the production of LouFest 2018 and the years that follow.

81. As a result of Defendants' foregoing knowledge, Defendants engaged in a scheme to disparage Plaintiffs to the LouFest sponsors, vendors, talent agencies and the public in an effort to cause damage to Plaintiffs so that Plaintiffs could no longer organize and promote LouFest 2018 and/or any future music festival in Forest Park in the years that follow.

82. Defendants' statements and actions alleged herein were made without any reasonable justification in that if LouFest was cancelled, Plaintiffs would not receive any revenue with which to pay Defendant, Logic Systems, pursuant to the aforementioned term sheet.

83. Defendants' statements and actions alleged herein were made with the intent of inducing a modification, breach, or termination of Plaintiffs' contracts with sponsors, vendors, suppliers, talent agencies and/or artists in an effort to further Defendants' own interests of owning, organizing and promoting LouFest in the future.

84. At all times relevant herein, Defendants engaged in improper means designed to prevent Plaintiffs from proceeding with LouFest in 2018 and subsequent years so that Defendants could usurp the business opportunity to provide a music festival in Forest Park for the City of St. Louis.

- 85. The statements made by Defendant, Chip Self, to production vendors, talent agents and/or Plaintiffs' financial partners were made with actual malice in that he knew or reasonably should have known that the statements were false and/or misleading, and that such statements would damage Plaintiffs.
- 86. Defendant Chip Self's disparaging statements and conduct was intentional and constituted an unjustified interference by Defendant, which induced a breach of contracts and legitimate business expectations held by Plaintiffs, including the termination of funding from various lenders.
- 87. As a direct and proximate result of Defendant's intentional conduct, Plaintiffs lost funding commitments and opportunities for LouFest 2018.
- 88. As a further direct and proximate result of Defendant's intentional conduct, Plaintiffs were unable to make all required deposits with production vendors and/or talent agencies prior to commencement of LouFest 2018 resulting in the cancellation of LouFest 2018.
- 89. As a further direct and proximate result of Defendant's intentional conduct, various talent agencies demanded full guaranteed payments up front prior to commencement of LouFest 2018 in breach and/or modification of their existing contracts with Plaintiffs.
- 90. As a further direct and proximate result of Defendant's intentional conduct, Plaintiffs have suffered severe financial damages in excess of \$4,000,000 and irreparable harm to reputation.

WHEREFORE, Plaintiffs, Listen Live Entertainment, LLC and LouFest, LLC, pray for entry of a judgment against Defendant, Howard "Chip" Self, in such sum as may be fair and reasonable in the premises but in excess of Twenty-Five Thousand Dollars (\$25,000.00) for their injuries and damages, for punitive damages in a sum to be determined at trial, for their attorneys'

fees and costs of suit incurred herein, and for such other or further relief as the Court deems just.

COUNT IV

(Tortious Interference With Business Expectancy – Howard "Chip" Self)

COME NOW Plaintiffs, Listen Live Entertainment, LLC and LouFest, LLC, by and through their attorneys, Cates Mahoney, LLC, and for Count IV of their Petition against Defendant, Howard "Chip" Self ("Chip Self"), state as follows:

- 91. Plaintiff alleges and incorporates paragraphs 1-90 above as though fully set forth herein.
- 92. As a direct and proximate result of Defendant's intentional conduct, Plaintiffs have lost business relationships that would have resulted in a reasonable expectancy of financial benefit, and Plaintiffs have been damaged in their ability to enter into future business relationships for the operation of LouFest in subsequent years.
- 93. As a further direct and proximate result of Defendant's intentional conduct, Plaintiffs have been hindered in their ability to organize and promote LouFest in subsequent years.
- 94. As a further direct and proximate result of Defendant's intentional conduct, Plaintiffs lost future business opportunities to organize and promote other music festivals in the St. Louis area.

WHEREFORE, Plaintiffs, Listen Live Entertainment, LLC and LouFest, LLC, pray for entry of a judgment against Defendant, Howard "Chip" Self, in such sum as may be fair and reasonable in the premises but in excess of Twenty-Five Thousand Dollars (\$25,000.00) for their injuries and damages, for punitive damages in a sum to be determined at trial, for their attorneys' fees and costs of suit incurred herein, and for such other or further relief as the Court deems just.

PLAINTIFF DEMANDS TRIAL BY JURY ON ALL COUNTS

Respectfully Submitted,

By: /s/ Ryan J. Mahoney

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