

STATE OF NEW HAMPSHIRE

**HILLSBOROUGH, SS
NORTHERN DISTRICT**

SUPERIOR COURT

Richard Ronzio,
Individually and Derivatively

v.

Joshua Tannariello, et al.

226-2019-CV-671

Order on Renewed Request for Preliminary Injunction

Plaintiff has renewed his request for a preliminary injunction. For the reasons stated below, the renewed motion for a preliminary injunction is DENIED except with respect to the orders on page 16 and 17 that the Individual Defendants provide all documents relations to loans on which Plaintiff is a guarantor and cease interfering with Plaintiff's attempts to compete.¹

The Original Allegations

The following facts or summaries of allegations are drawn directly² from this court's December 9, 2019 Order (McNamara, J.) denying Plaintiff's request for a preliminary injunction:

In 2019, Plaintiff Richard Ronzio ("Ronzio") brought direct claims against Joshua Tannariello ("Tannariello") and Christopher Katsoupis ("Katsoupis") (collectively, the "Individual Defendants") alleging that he has been frozen out of and lost his interest in Eco Stoneworks, LLC, ("Eco Stoneworks"), CRJ Properties ("CRJ"), and Eco Stone

¹ The Court also GRANTS Plaintiff's request to supplement the record.

² Rather than attempt to restate these findings or make new findings based on a second review of the same evidence, the Court finds that it is more appropriate to build on Judge McNamara's prior findings.

South, LLC (“Eco South”). He and the Individual Defendants are members of Eco Stoneworks, Eco South, and CRJ. Ronzio alleges that the Individual Defendants have breached and violated the operating agreements of the LLCs, their fiduciary duties and obligations of good faith and fair dealing, and have converted corporate opportunities for their own benefit. He alleges that they have prevented him from receiving his due share of business earnings and profits and terminated his employment unlawfully.

The parties agree that Tannariello, Katsoupis and Ronzio are the founders and equal members of Eco Stoneworks, CRJ, and Eco South. Eco Stoneworks and CRJ are New Hampshire limited liability companies that maintain a principal place of business in Milford, New Hampshire. Eco Stoneworks is a producer, supplier, and installer of countertops based in Milford, New Hampshire and leases space owned by CRJ to operate its business. Eco Stoneworks was hired to complete a few jobs in Florida, and the members realized they had the potential to expand the business there. In order to do so, Eco South was formed jointly by Tannariello, Katsoupis, and Ronzio in 2018, in Florida. Eco South is a Florida limited liability company with a principal place of business in Miramar Beach, Florida. Eco South is a supplier and installer of countertops manufactured primarily in Asia and shipped directly to customer locations for installation.

Ronzio’s claims of corporate freeze-out, theft of corporate opportunities, and forced lowball buyout all have their genesis in his exclusion from the business in 2018. There appears to be no dispute that Ronzio left the business in late 2018 due to a substance abuse problem. In fact, Ronzio does not dispute that he had a substance abuse problem. But he asserts that Tannariello and Katsoupis have “always known of” his issues with substance abuse, which have “never interfered with the success of the

business and have been under control since he became verifiably clean in December, 2018.” Ronzio does not dispute that he agreed to take medical leave for drug treatment, which commenced on December 10, 2018.

Ronzio argues the Individual Defendants insisted that he undergo drug treatment as a pretext for their plan to take over the business. His allegations are set forth in detail in the Complaint, which has been sworn to by Ronzio. He alleges that Katsoupis sought to eliminate a member of the LLC to increase the profits of the other 2 members and, when he would not go along with an attempt to betray Tannariello so that he could be removed, he “made himself a target.” According to Ronzio, Katsoupis and Tannariello “hatched a scheme that exploited Ronzio’s need to address a long-standing issue with drug use” by “falsely promising to permit Ronzio’s expeditious return to work as before once ‘clean,’ and to be fairly paid during his absence.” (Mem. Supp. Pl.’s Mot. Prelim. Inj. Relief at 6.)

According to Ronzio’s Verified Complaint:

- On December 10, 2018, [Ronzio] entered medical leave and checked into a hospital for a drug-related procedure and permanently ceased using drugs.

- On December 17, 2018, [Ronzio] was discharged from the hospital but barred from returning to work by the [Individual Defendants], who demanded that he check into a 30-day treatment program while promising (again) that he would be welcomed back once he completed the program and would be paid “slightly” reduced compensation in the meantime. In fact, the [Individual Defendants] distributed a total of \$57,000 to Ronzio while taking multiples of that amount for themselves.

- On December 19, 2018, the [Individual Defendants] terminated [Ronzio] as co-Manager of the Business without telling him.

- On December 21, 2018, [Ronzio] checked into a 30-day drug treatment program and while in the program, the [Individual Defendants] insisted that [Ronzio] continue rehab for several additional months before returning to work by June 2019.

- On May 30, 2019, the [Individual Defendants] delivered a letter to [Ronzio] apprising him of his termination as a Manager and employee of the Business, and that all benefits (including medical) and compensation would immediately cease. He has since received \$0 dollars as the [Individual Defendants] continue to pay themselves.

Id. at 6-7 (Mem. Supp. Pl.’s Mot. Prelim. Inj. Relief citing the Verified Complaint).

Ronzio alleges that he relied on what he characterizes as the “deliberately deceitful statements and actions” of the Individual Defendants “by extending his stint in the drug treatment program. . . signing certain corporate documentations placed in front of him during his absence, forbearing from taking legal or other measures to force his way back into employment, and otherwise abiding by the requests of the [Individual Defendants] until he received the May 30[, 2019] letter” that “revealed the freeze-out and financial squeeze-out that they had schemed. (Mem. Supp. Pl.’s Mot. Prelim. Inj. Relief at 13.)

The Individual Defendants dispute Ronzio’s claims and argue that their decision to remove him was made in order to restore the stability of the business. In support of their Objection to the Motion for Preliminary Injunctive Relief, the Individual Defendants have filed the Affidavit of Stephen Stepanek, a business consultant for Eco Stoneworks.

He states:

3. I had done some consulting for the company when it was established. In 2018, I was engaged again. It quickly became apparent the company was experiencing significant financial challenges due in large part to Richard Ronzio's addiction to heroin and fentanyl.

4. I personally observed Mr. Ronzio at meetings and while working at Eco in what I believed to be a very drugged state—I believe the term high as a kite would be an appropriate description. On one occasion, while outside the facility in Milford, NH (where Stone is worked on and moved with machinery) I saw Mr. Ronzio incoherent and barely functioning apparently having just taken drugs.

5. I believed as the company's business consultants—and I told the other 2 owners—that Mr. Ronzio posed a threat both to himself and to others at the company given the equipment and heavy slabs of stone that were being moved and worked on. I participated in discussions with Mr. Ronzio where we urged him to go to rehab and he resisted.

6. Ultimately, the company terminated Mr. Ronzio's employment since he was unable to perform his duties satisfactorily and was a real problem for the company, its customers and its vendors. Indeed, I had learned that his addiction was known to employees and vendors. At the time he was terminated as an employee, Mr. Ronzio was told that the company might take him back but there was no commitment in any way.

7. After he was terminated as an employee, it became increasingly apparent that Mr. Ronzio had contributed substantially to problems at the

company both on the sales side and the supply side. Without Mr. Ronzio as an employee the company was substantially stronger and profitable.

(Aff. of Stephen Stepanek, in Supp. Def.'s Obj. to Pltf.'s Mot. Prelim. Inj. Relief.)

Apart from his wrongful termination and freeze-out claims, Ronzio alleges that the Individual Defendants have transferred business and opportunities belonging to Eco Stoneworks and Eco South to a new entity controlled by them, Eco Stone USA. (Compl. ¶¶ 80-81, 83.) Ronzio alleges that the Individual Defendants are “cooking the books” by “placing earnings into Eco Stone USA, which [Ronzio] does not own, and related expenses. . . into Eco Stoneworks, which [Ronzio] does partially own.” (Mem. Supp. Pl.'s Mot. Prelim. Inj. Relief at 8.) In support of his claims, he has provided the Affidavit of Wendy Renard, who holds a bachelor's degree in accounting, has 25 years of experience as a bookkeeper and as an accounting services provider through companies in a variety of industries, and who was employed part-time as a bookkeeper for Eco Stone works from January, 2015 through July, 2019. (Aff. of Wendy Renard, ¶¶ 2-4.) She states in relevant part:

33. During the last months of my employment, I was instructed to book all income generated from fabricated jobs to Eco Stone works and to book all income generated from prefabricated projects to Eco USA.

34. The business included on the books of echo USA all income and associated direct expenses (e.g., payments to subcontractors or for product), but retained all other expenses and overhead (e.g., salaries, accounting, travel) on the books of Eco Stoneworks.

35. As a result, the book value of Eco USA was artificially inflated and the book value of Eco Stoneworks artificially deflated.

(Aff. of Wendy Renard, ¶¶ 33-35.)

However, the Individual Defendants have produced the affidavit of an accountant named Collette M. Foggo who avers that she was hired by Eco Stoneworks and Eco Stone USA to perform accounting and bookkeeping functions at the request of the Individual Defendants. Foggo recites that she was “hired to clean up the books and records.” (Aff. of Foggo ¶ 2.) She further recites:

3. Wendy Renard had previously provided accounting and bookkeeping services for [Eco Stoneworks and Eco Stone USA]. In reviewing the books and records of the [Eco Stoneworks and Eco Stone USA] that had been maintained by Wendy Renard, I found them to be in a state of disarray. I identified a number of errors and nonconformities that I have corrected or am in the process of correcting.

4. In addition, the allocation of revenue and expenses among the companies needed to be completely overhauled and corrected to accurately reflect the business operations of Eco Stoneworks, Eco South and Eco USA.

(Def.’s Mot. Leave to File Surreply, Ex. A, Aff. of Foggo ¶¶ 3-4.)

In its December 9, 2019 order, this court denied Ronzio’s request for a preliminary injunction. Pointing to the conflicting affidavits on several factual issues, the court concluded that it was “impossible” to make a finding of likelihood of success. The court also concluded that Ronzio had not established the inadequacy of money damages and thus could not establish irreparable harm.

Facts Submitted in 2020

On September 25, 2020, Ronzio filed a renewed and restated motion for preliminary injunction. Faced with the court’s decision in December 2019 that the

numerous factual disputes prevented a finding of likelihood of success, Ronzio presented new evidence on several of these factual disputes.

One of Ronzio's central claims is the Individual Defendants attempted to freeze him out of the business when they created Eco USA and made only themselves members. Defendants have asserted that it was necessary to form Eco USA without Ronzio because he refused to sign a line of credit ("LOC"). But Ronzio has always insisted that he was willing to sign the LOC. Defendants apparently also argued at the beginning of this case that Eastern Bank insisted on the creation of a new entity given the representation that Ronzio refused to sign the LOC. But In his renewed motion, Ronzio points to the deposition of an Eastern Bank employee who testified that the Bank would have been able to go forward with just the signatures of the Individual Defendants. Defendants now make a more nuanced argument, suggesting that the Individual Defendants *understood* that removing Ronzio was a necessary predicate to obtaining financing. Perhaps more saliently, they also note their agreement that Ronzio has an equitable interest in South. While not being willing to quantify that interest, their counsel indicated that Ronzio would receive an equal share of any dividends.

Ronzio also points to the August financial statements which indicate that the companies are in financial distress. There is general agreement between all parties that the companies have had "significant financial difficulties," a phrase used by counsel for Eco Stoneworks, LLC, CRJ Properties, LLC, and Eco Stone South, LLC. The parties disagree as to the cause of these problems. During the November 30, 2020 hearing, Ronzio pointed to the negative combined net income of \$ 1.4 million for both the North and South entities, \$1.3 million of which was attributable to the South entity. Counsel argued that the net loss of \$1.3 million evidenced the inappropriate emphasis by

management on the South. He argued that the financial problems are the result of mismanagement generally, pointing as an example to the problems in paying suppliers, which led to liens being filed against ACPI – one of Defendants’ customers – which in turn led ACPI to sever its relationship with Defendants.

Defendants note that sales have essentially doubled since Ronzio’s employment was terminated. They argue that the cash flow problems in 2020 have been a result of difficulties in importing countertops from China as a result of the pandemic. Ronzio disagrees with this explanation but does not offer any evidence suggesting that imports were not affected by the pandemic. To the contrary, counsel for Ronzio noted in his argument that cash flow problems were created by South’s strategy to import countertops.

Analysis

“The issuance of injunctions, either temporary or permanent, has long been considered an extraordinary remedy.” *Murphy v. McQuade*, 122 N.H. 314, 316 (1982). “A preliminary injunction is a provisional remedy that preserves the status quo pending a final determination of the case on the merits.” *DuPont v. Nashua Police Dep’t*, 167 N.H. 429, 434 (2015) (citation omitted). A preliminary injunction should not be issued unless the moving party demonstrates: (1) a likelihood of success on the merits; (2) that “there is an immediate danger of irreparable harm to the party seeking injunctive relief”; and (3) that “there is no adequate remedy at law.” *N.H. Dep’t of Envtl. Servs. v. Mottolo*, 155 N.H. 57, 63 (2007). Courts must also determine that the public interest will not be adversely affected if they grant the preliminary injunction. See *UniFirst Corp. v. City of Nashua*, 130 N.H. 11, 14–15, 533 A.2d 372, 374 (1987). Federal courts have pointed out that likelihood of success is the “touchstone of the

preliminary injunction inquiry.” *Maine Educ. Ass’n Benefits Trust v. Cioppa*, 695 F.3d 145, 152 (1st Cir. 2012). “If the moving party cannot demonstrate that he is likely to succeed in his quest, the remaining factors become matters of idle curiosity.” *Id.* The logic behind this emphasis is obvious. If the moving party cannot show that it is likely to prevail at the end of the case, it makes little to sense to change the status quo on the assumption that the moving party will win. Finally, “the granting of an injunction is a matter within the sound discretion of the Court exercised upon a consideration of all the circumstances of each case and controlled by established principles of equity.” *Dupont*, 167 N.H. at 434.

The Request for Restoration of Employment and Back Pay

The Court begins its analysis by addressing Ronzio’s request for the effective restoration of employment through the payment of all wages and benefits that would have been owed starting on May 30, 2019. This request for relief is clearly tied to Ronzio’s breach of fiduciary duty / corporate freeze-out claim and so the Court first considers the likelihood of success of this claim. As an initial matter, this Court agrees with prior superior court orders that have found that the New Hampshire Supreme Court would likely adopt the corporate freeze out claim. *See Meehan v. Gould*, 218-2017-CV-1322 at 9 (Merrimack Sup. Ct., July 31, 2019) (McNamara, J.) (predicting New Hampshire Supreme Court would impose a fiduciary duty on majority shareholders and denying motion to dismiss); *Stone v. New England Document Sys., Inc.*, 2007 WL 711566, 216-2006-CV-201 (N.H. Super., Jan. 11, 2007) (Lewis, J.) (assuming existence of freeze out claim under New Hampshire law and denying motion to dismiss); *see also Thorndike v. Thorndike*, 154 N.H. 443, 447 (2006) (assuming existence of rule but concluding that it would not be a continuing tort); (*Kennedy v*

Titcomb, 131 N.H. 399, 402-03 (1989) (assuming existence of rule and holding that complaint failed to state a claim).

The Court notes, however, that the analytic underpinning of these decisions is the fiduciary duty normally owed by majority shareholders to minority shareholders. For example in *Stone*, the court cited *Donahue v. Rodd Electrottype Co. of New England, Inc.*, 328 N.E.2d 505, 515 (Mass. 1975). In *Donahue*, the seminal case in Massachusetts, the Supreme Judicial Court of Massachusetts held that shareholders in closely held companies owe the same duty of “utmost good faith and loyalty” as is owed by one partner to another. *Id.* “[S]tockholders in the close corporation owe one another substantially the same fiduciary duty in the operation of the enterprise that partners owe to one another.” *Id.* After citing *Donahue*, the court in *Stone* stated that “Based on this fiduciary duty, minority shareholders in close corporations have been permitted, under at least Massachusetts precedent, to bring ‘freeze-out’ claims against the majority where ‘the majority shareholders have embarked upon a plan to freeze-out the minority from their rightful benefits.’” 2007 WL 711566³ (citing *Kennedy*, 131 N.H. at 402).

As is clear from this case, the assumed existence of the freeze-out claim under New Hampshire law is based on the existence of a fiduciary duty between shareholders in a closely held corporation. Here, however, the members of Eco Stoneworks agreed that the members would owe no fiduciary duty to the LLC and, more relevantly to the analysis here, no manager owed any duty of care to the members. Paragraph 7.10 of the Limited Liability Company Agreement (the “LLC Agreement”) states “No manager shall owe any duty of care or any duty of loyalty to the Company or to the member [sic]; and each such fiduciary duty is eliminated to the great extent permitted under the Act

³ Page citations do not appear to be available in Westlaw.

and applicable law.” Although the Agreement notes that managers still are subject to the implied covenant of good faith and fair dealing, the Agreement proceeds to note that managers will not be deemed to have violated that covenant if, *inter alia*, the manager acted “in a manner the Manager reasonably believed to be in the best interests of the limited liability company.” Paragraph 7.10.

In light of these provisions, this Court cannot find that Ronzio is likely to succeed on his fiduciary duty/corporate freeze-out claim. The parties broadly disclaimed fiduciary duties and in so doing impliedly agreed not to bring corporate freeze-out claims against each other. This is a serious obstacle to this claim. Moreover, a finding of unlikelihood of success on this claim is likely a bar to the restoration of his job and payment of back wages and benefits – that is likely not the kind of relief that Ronzio could obtain on any of his remaining claims which generally focus on conversion of assets, breach of contract, or breach of the implied covenant of good faith. During the November 30, 2020 hearing, Ronzio’s counsel acknowledged that there is nothing in the operating agreement or any other document that would confer upon Ronzio the right to employment. Accordingly, without a fiduciary duty / corporate freeze-out claim, Ronzio does not appear to be likely to succeed on his claims for resumption of employment and payment of back wages.⁴

Ronzio also claims that Defendants breached the implied covenant of good faith in the LLC Agreement. Under New Hampshire law, the implied covenant of good faith

⁴ The Court also agrees with Judge McNamara’s prior order and its conclusion that Ronzio has not established irreparable harm in connection with his fiduciary duty claims. For example, the Court does find that Ronzio has established a likelihood of success in connection with his argument that the creation of Eco Stone USA was improper. The Court finds that the evolving explanation by Defendants casts some doubt on their current position. It is not entirely clear, however, to the Court at this point as to what claim this activity would fit under and even assuming that these facts do support an existing claim, Ronzio cannot establish irreparable harm in connection with the creation of Eco Stone USA given Defendants agreement to share equally with him all dividends that are issued by that entity and the availability of money damages in the event that they do not issue dividends appropriately.

applies in three contractual situations: “(1) contract formation; (2) termination of at will employment agreements; and (3) limitation of discretion in contractual performance.” *Skinny Pancake – Hanover, LLC v. Crotix*, 172 N.H. 372, 379 (2019). The Verified Complaint does not explain which branch of the implied covenant doctrine Ronzio is relying on. The Court assumes that the first branch – contract formation – is not at issue as none of the allegations or evidence in this case suggests any impropriety in the formation of the LLC Agreement. Ronzio may be pointing to the second branch – termination of at will employment – but he would face an uphill climb given his admitted fentanyl addiction and the evidence that this addiction harmed the company.

It seems more likely that Ronzio’s implied covenant claim is directed at the third branch – discretion in contractual performance. “While this third category [of implied covenant claims] is comparatively narrow, its broader purpose is to prohibit behavior inconsistent with the parties’ agreed-upon common purpose and justified expectations.” *Livingston v. 18 Mile Point Drive, Ltd.*, 158 N.H. 619, 624 (2009). The scope of the implied covenant is measured with reference to the contract in question. *Centronics v. Genicom Corp.*, 132 N.H. 133, 143 (1989). “[T]he parties’ intent to be bound by an enforceable contract raises an implied obligation of good faith to observe reasonable limits in exercising that discretion, *consistent with the parties’ purpose or purposes in contracting.*” *Id.* (emphasis added).

As an initial matter, the LLC Agreement provides little support for this claim because it does not address a right to continued employment. Nor could counsel point to any other document or agreement supporting that claim. In the absence of that supporting documentation, the question of whether shareholders are entitled to continued employment is fact specific. Defendants cite *Gunderson v. Alliance of*

Computer Professionals, Inc., 628 N.W.2d 173, 191 (Minn. Ct. App. 2001), in which the court recognized that shareholders in closely held companies may have a reasonable expectation of continued employment if “continuing employment can fairly be characterized as part of the shareholder’s investment.” The *Gunderson* court also recognized, however, that even when this expectation is reasonable it must be balanced against management’s “need for flexibility to run the business in a productive manner.” *Id.* Moreover, the *Gunderson* court held that an expectation of employment is not reasonable when the “shareholder’s employee’s own misconduct or incompetence caused the termination of employment.” *Id.* at 192; see also *Roemmich v Eagle Eye Dev., LLC*, 2006 WL 2433410, 04-cv-079 (D. N.D., Aug. 16, 2006) (minority shareholder’s abandonment of job site negated reasonable expectation of short-term employment).

As there is no dispute that Ronzio suffered from a substance use addiction and temporarily left the employment of ECO Stone USA to seek drug treatment, Ronzio has a high burden to overcome in arguing that his termination was not the result of his own misconduct. Given the evidence in the Stepanek Affidavit in which he claims that he observed significant business issues as a result of Ronzio’s drug addiction, it appears unlikely that Ronzio will prevail in claiming he had a reasonable expectation of continued employment under his implied covenant claim. As noted by Defendants, this evidence also provides support for the business judgment rule found at RSA 304-C:107 which states that a manager of an LLC has not breached his duty of care if he has “(a) acted in contractual good faith (b) in manner the manager reasonably believed to be in the best interest of the limited liability company and (c) on the basis of reasonably adequate information.” The LLC Agreement provides an even more forgiving standard:

a manager does not violate the implied covenant of good faith if the manager acted “in a manner the Manager reasonably believed to be in the best interests of the limited liability company.” Paragraph 7.10. The Court understands that Ronzio is claiming that Defendants used his drug addiction as a pretext for terminating his employment and otherwise freezing him out of the business but at least at this stage of the proceeding, Ronzio has not yet established a likelihood of success of prevailing on this argument given the evidence before the Court. More narrowly, he has not established a likelihood of prevailing on a claim that termination of his employment was a violation of the implied covenant of good faith that would, on a preliminary basis, warrant the restoration of his employment with Defendants.

The Misappropriation Claims

Even if Ronzio was no longer entitled to continued employment in 2018, he did not lose his rights as a member of ECO Stone and ECO South and the remaining members of these LLC’s were under an obligation to manage the companies consistent with the reality that one of the members was no longer an employee. For example, while it would be permissible for an LLC to effectively pay dividends through an exceedingly generous car allowance for employees when all members are employees, the LLC cannot continue that practice once a member is no longer an employee. Counsel for the Individual Defendants defended the current car allowances as being consistent with past practices. That argument misses the point. Once one member is no longer an employee, the LLC’s practices can no longer be maintained if they are above market rates. As it does not appear that the Individual Defendants have adopted a mindset that is consistent with this reality, the Court finds that Ronzio has established a likelihood of success on his claims that concern misappropriation of assets.

Ronzio has not, however, shown any irreparable harm in connection with these claims concerning misappropriation. There is no question that the money damages will be adequate to address these claims. Accordingly, no injunctive relief is warranted in connection with these claims.

Additional Requested Relief

During the November 30, 2020 hearing, Ronzio devoted much time to arguing that Defendant's businesses are in serious financial difficulty that warrants the imposition of a limited form of court-supervised receivership. As an initial matter, Ronzio's complaint does not claim that there is mismanagement that would warrant receivership. He claims that the companies have suffered monetarily as a result of the alleged conversion but not that the managing members have harmed the companies through their management decisions. Defendants, moreover, note that revenues have essentially doubled since the termination of Ronzio's employment. Both sides agree that the losses absorbed by Eco South have been a result of that company's decision to import its countertops from China. But the Court finds credible the explanation of the Individual Defendants that the imports from China were greatly hampered by the pandemic. Accordingly, the Court is not persuaded at this stage that the decision to import countertops is not protected by the statutory business judgment rule and its more lenient counterpart in the LLC Agreement. And it is not clear to the Court that there is a level of mismanagement that would warrant receivership even if such a remedy were available. Therefore, the Court DENIES the requests for financial controls and more speedy delivery of financial information except that Ronzio is entitled to full disclosure on any loans to which he is a guarantor.

Ronzio is also seeking a restraint against Defendants' making disparaging

comments about his former substance abuse issues. This dispute appears largely to be about comments made to one supplier on one occasion. The Individual Defendants claim that one of them was simply inquiring about his wellbeing. More broadly, Ronzio claims that Defendants are interfering with his ability to work with suppliers and claims that Katsoupis warned a contractor to “keep away” from Ronzio. The Court is persuaded by this argument. Given the LLC Agreement’s embrace of competition and Defendant’s termination of Ronzio’s employment, any effort to wrongfully compete with Ronzio is at the very least inconsistent with both their actions and the language of the LLC Agreement. And it is clear that Ronzio will be irreparably harmed by such actions. Accordingly, Defendants are hereby ENJOINED from making any disparaging comments about Ronzio or otherwise wrongfully interfering with his prospective business relationships.

In sum, the renewed motion for a preliminary injunction is DENIED except with respect to the prior sentence in this order and the requirement that Defendants provide Ronzio with documents concerning outstanding bank loans on which he is a guarantor.

So Ordered.

December 11, 2020

Date



Judge David A. Anderson