Nathanael R. Rulis, Esq. (#11259) 2 n.rulis@kempjones.com Ian P. McGinn, Esq. (#12818) 3 i.mcginn@kempjones.com KEMP JONES, LLP 4 3800 Howard Hughes Parkway, 17th Floor 5 Las Vegas, Nevada 89169 Telephone: (702) 385-6000 6 Attorneys for Defendant MM Development Company, Inc. 7 DISTRICT COURT 8 9 **CLARK COUNTY, NEVADA** 10 Case No.: TRYKE COMPANIES SO NV, LLC, a A-19-804883-C 11 Nevada limited liability company, Dept. No.: 24 12 Plaintiff, kjc@kempjones.com 13 VS. 14 MM DEVELOPMENT COMPANY, INC., dba PLANET 13, a Nevada corporation; 15 DOES I through C, inclusive; and ROE **APPEAL** BUSINESS ENTITIES I through C, 16 inclusive, 17 Defendants. 18 19 PROTECTIVE NOTICE OF APPEAL 20 21 22 23 24 25 decision made appealable by the same. 26 27 28

Will Kemp, Esq. (#1205)

1

**Electronically Filed** 10/9/2020 4:46 PM Steven D. Grierson CLERK OF THE COURT

Electronically Filed Oct 15 2020 09:04 a.m. Elizabeth A. Brown Clerk of Supreme Court

MM DEVELOPMENT COMPANY, INC.'S PROTECTIVE NOTICE OF

Please take note that Defendant MM Development Company, Inc. ("Planet 13"), by and through counsel of record, KEMP JONES, LLP hereby appeals to the Nevada Supreme Court from the Order Granting Plaintiff Tryke Companies SO NV LLC'S ("Reef") Motion for Preliminary Injunction, entered in this action on September 11, 2020, attached hereto as Exhibit 1, as well as all orders, rulings, or decisions relating thereto, and any other order, ruling, or

Planet 13 acknowledges that this Protective Notice of Appeal is likely premature in light of its pending Motion for Reconsideration of the Court's Order Granting Plaintiff's Motion for Preliminary Injunction or, in the Alternative, Motion to Amend Pursuant to NRCP 52(b) or, in

1	the Alternative, Motion for Clarification on Order Shortening Time before the District Court.
2	However, Planet 13 files this Notice out of an abundance of caution to preserve all rights.
3	DATED this <u>9th</u> day of October, 2020.
4	KEMP JONES, LLP
5	/s/ Nathanael Rulis
6	Will Kemp, Esq. (#1205) Nathanael R. Rulis, Esq. (#11259)
7	Ian P. McGinn, Esq. (#12818) 3800 Howard Hughes Parkway, 17th Floor
8	Las Vegas, Nevada 89169 Attorneys for Defendant
9	MM Development Company, Inc.
10	
11 6000	
LLP Parkway or () 385-60 om	
S, ] les II Flooda 8 da 8 702 5s.c	
ONE Hugh eenth Neva Fax (	
KEMP JONES, LI 3800 Howard Hughes Pan Seventeenth Floor Las Vegas, Nevada 89; kic@kempiones.con 2) 385-6000 • Fax (702); kic@kempiones.con	
K 000 1 28 38 38 1 38	
0, 17	
18	
19	
20	
21	
22	
23	
24	
25	
26	
27	
28	

# KEMP JONES, LLP 3800 Howard Hughes Parkway Seventeenth Floor

### **CERTIFICATE OF SERVICE**

I hereby certify that on the <u>9th</u> day of October, 2020, I served a true and correct copy of the foregoing **MM DEVELOPMENT COMPANY, INC.'S PROTECTIVE NOTICE OF APPEAL** via the Court's electronic filing system only, pursuant to the Nevada Electronic Filing and Conversion Rules, Administrative Order 14-2, to all parties currently on the electronic service list.

/s/ Ali Augustine
An employee of Kemp Jones, LLP

# Exhibit 1



		Electronically Filed 9/11/2020 1:50 PM Steven D. Grierson CLERK OF THE COURT
1	NEFF	Alumb. Lit
2	H1 LAW GROUP Eric D. Hone, NV Bar No. 8499	
	eric@h1lawgroup.com	
3	Joel Z. Schwarz, NV Bar No. 9181	
	joel@h1lawgroup.com	
4	Jamie L. Zimmerman, NV Bar No. 11749	
5	jamie@h1lawgroup.com 701 N. Green Valley Parkway, Suite 200	
5	Henderson NV 89074	
6	Phone 702-608-3720	
_	Fax 702-703-1063	
7	Paul A. Conant, AZ Bar No. 012667	
8	paulconant@conantlawfirm.com	
	(Pro Hac Vice)	
9	Conant Law Firm	
10	2398 East Camelback Road, Suite No. 925 Phoenix, AZ 85016	
10	Phone 602-508-9010	
11	Fax 602-508-9015	
12 13	Attorneys for Plaintiff Tryke Companies SO NV, LLC	
14	EIGHTH JUDICIAL	DISTRICT COURT
15	CLARK COUN	TY, NEVADA
16	TRYKE COMPANIES SO NV, LLC, a Nevada limited liability company,	CASE NO.: A-19-804883-C DEPT. NO.: 24
17	minited habinty company,	DEI 1. NO.: 24
• ′	Plaintiff,	
18	VS.	NOTICE OF ENTRY OF FINDINGS OF
19	MM DEVELOPMENT COMPANY, INC., dba	FACT, CONCLUSIONS OF LAW, AND ORDER GRANTING PLAINTIFF'S
20	PLANET 13, a Nevada corporation; DOES I through C, inclusive; and ROE BUSINESS	MOTION FOR PRELIMINARY INJUNCTION
∠∪	ENTITIES, I through C, inclusive,	INDUITE HOLT
21	Elville, i unough e, morusive,	
	Defendants.	
22		
23	NOTICE IS HEREBY GIVEN that on the	e 10 <sup>th</sup> day of September 2020 Findings of Fact,
24	Conclusions of Law, and Order Granting Plaintif	f's Motion for Preliminary Injunction was
25	entered.	
26	///	

HI LAW GROUP	701 N. Green Valley Parkway, Suite 200	Henderson, Nevada 89074	Tel: 702-608-3720

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

20

21

22

23

24

25

26

27

28

A copy of the Findings of Fact, Conclusions of Law, and Order is attached hereto.

DATED this 11<sup>th</sup> day of September 2020.

H1 LAW GROUP

Eric D. Hone, NV Bar No. 8499 eric@h1lawgroup.com Joel Z. Schwarz, NV Bar No. 9181 joel@h1lawgroup.com Jamie L. Zimmerman, NV Bar No. 11749 jamie@h1lawgroup.com 701 N. Green Valley Parkway, Suite 200 Henderson NV 89074

Paul A. Conant, AZ Bar No. 012667 paulconant@conantlawfirm.com (*Pro Hac Vice*) Conant Law Firm 2398 East Camelback Road, Suite No. 925 Phoenix, AZ 85016

Attorneys for Plaintiff
Tryke Companies SO NV, LLC

### **CERTIFICATE OF SERVICE**

The undersigned, an employee of H1 Law Group, hereby certifies that on the 11<sup>th</sup> day of September 2020, she caused a copy of the foregoing to be transmitted by electronic service in accordance with Administrative Order 14.2, to all interested parties, through the Court's

19 Odyssey E-File & Serve:

Katen M. Morrow, an Employee of H1 LAW GR

### **ELECTRONICALLY SERVED** 9/10/2020 10:10 PM

Electronically Filed 09/10/2020 10:10 PM CLERK OF THE COURT

# 701 N. Green Valley Parkway, Suite 200 Henderson, Nevada 89074 Tel: 702-608-3720 H1 LAW GROUP

15

16

18

19

20

21

22

23

1	FFCO
	H1 LAW GROUP
2	Eric D. Hone, NV Bar No. 8499
	eric@h1lawgroup.com
3	Joel Z. Schwarz, NV Bar No. 9181
	joel@h1lawgroup.com
4	Jamie L. Zimmerman, NV Bar No. 11749
	jamie@h1lawgroup.com
5	Moorea L. Katz, NV Bar No. 12007
_	moorea@h1lawgroup.com
6	701 N. Green Valley Parkway, Suite 200
_	Henderson NV 89074
7	Phone 702-608-3720
0	Fax 702-703-1063
8	D1 A C
0	Paul A. Conant, AZ Bar No. 012667
9	paulconant@conantlawfirm.com
10	( <i>Pro Hac Vice</i> ) Conant Law Firm
10	2398 East Camelback Road, Suite No. 925
11	Phoenix, AZ 85016
11	Phone 602-508-9010
12	Fax 602-508-9015
12	1 ux 002 300 7013
13	Attorneys for Plaintiff Tryke
	Companies SO NV, LLC
14	

### EIGHTH JUDICIAL DISTRICT COURT

### CLARK COUNTY, NEVADA

TRYKE COMPANIES SO NV, LLC, a Nevada limited liability company,	CASE NO.: A-19-804883-C DEPT. NO.: 24
Plaintiff,	
vs.  MM DEVELOPMENT COMPANY, INC., dba PLANET 13, a Nevada corporation; DOES I	FINDINGS OF FACT, COLLAW, AND ORDER GRAN PLAINTIFF'S MOTION F PRELIMINARY INJUNCT
through C, inclusive; and ROE BUSINESS ENTITIES, I through C, inclusive,	

Defendants.

NDINGS OF FACT, CONCLUSIONS OF W. AND ORDER GRANTING AINTIFF'S MOTION FOR ELIMINARY INJUNCTION

24

25

26

27

28

This matter having come before the Court for hearing on Plaintiff's (1) Motion for Preliminary Injunction; and (2) Application for Order Shortening Time on September 3, 2020; Paul A. Conant of the Conant Law Firm and Eric Hone and Joel Z. Schwarz of the H1 Law Group appeared on behalf of Plaintiff Tryke Companies SO NV, LLC ("Tryke" or "Reef

5

6

7

8

9

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

Dispensary," the brand name of its marijuana dispensary); Nathanael Rulis of the Kemp Jones law firm appeared on behalf of MM Development Company, Inc. ("MM Development" or "Planet 13," the brand name of its marijuana dispensary). The Court, having read and considered the motion, opposition, and reply on file herein, including the declarations and exhibits thereto; having considered the oral arguments of counsel at the hearing; for the reasons set forth on the record at the hearing; and for good cause appearing, the Court makes the following preliminary findings of fact and conclusions of law:

### **FINDINGS OF FACT**

- Since 2016, Plaintiff Tryke has operated the Nevada-licensed "Reef Dispensary" marijuana dispensary located at 3400 Western Avenue, Las Vegas, Nevada 89109. Defendant MM Development Company, Inc. is a competing company that in late 2018 opened its "Planet 13" marijuana dispensary fewer than 900 feet from Reef dispensary.
- 2. Within a short time after Planet 13 opened, in early 2019, a customer alerted Tryke that he had summoned an Uber with Tryke's Reef dispensary as the destination specified in the Uber software application but, instead of taking him to Reef, the Uber driver took him to a nearby competitor dispensary called "Planet 13".
- 3. Later, on a separate occasion, an Uber driver informed Reef that another dispensary pays "kickbacks" to drivers to bring passengers to shop there, and that if Reef will not also pay kickbacks, then drivers will take passengers to a dispensary that does.
- 4. Tryke has received similar statements from other Lyft and Uber drivers as well, including by voicemail, since that initial Uber driver interaction.
- 5. Aware that patrons of Uber, Lyft, and other rideshare services are required to enter their chosen destination as part of the ride scheduling process, and thus drivers are provided the passenger's chosen destination prior to ever picking them up, Tryke engaged in further investigation as to suspected unlawful diversion.
- 6. Tryke conducted a random "secret shopper" sampling of Uber and Lyft rides in Las Vegas between August 9 and September 17, 2019 to confirm that unlawful diversion was, in fact, occurring.

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

- 8. Tryke has obtained two Driver Diversion Incident Report Forms from two non-Tryke passengers of Uber and Lyft, who had similar experiences of diversion to Planet 13 as those reported in Tryke's "secret shopper" investigation.
- 9. Postings on the Las Vegas discussion board of www.uberpeople.net are consistent with Tryke's "secret shopper" sampling and demonstrate that rideshare service drivers divert passengers who have specified Reef Dispensary as their destination to Planet 13 instead.
- 10. Planet 13 operates a program of paying transportation services company drivers "kickbacks" or "commissions" in exchange for dropping passengers off at Planet 13. Planet 13 advertises this program to drivers on the web-based application called "KickBack".
- 11. Planet 13's program appeared to be suspended or discontinued earlier this year as of the time of the Covid-19 pandemic, during which time the Nevada dispensaries were closed other than for delivery services. Upon the reopening of marijuana dispensaries, however, Planet 13's program also resumed. As of August 19, 2020, Planet 13 continues to advertise that it pays rideshare service drivers "kickbacks" for diverting customers to Planet 13 on the KickBack application.
- 12. Unlike taxicab drivers who may pick up passengers who do not have a preconceived destination, rideshare service drivers get their passengers through their respective software applications. The passenger is required to enter both their pickup location and their chosen destination when ordering the ride. It is only after this required information is entered that the driver is notified of the ride requested. Thus, rideshare service drivers are always already given both the passenger's location and destination before the driver even meets the passenger.
- 13. Planet 13's program financially incentivizes and pays rideshare service drivers for unlawfully diverting Reef Dispensary-bound customers to Planet 13 instead. The drivers divert and alter a passenger's previously selected destination by means of disparaging and/or

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

- 14. On June 24, 2019, prior to commencing this action, Tryke notified Planet 13 that its kickback program resulted in payments to drivers for improper diversion, disparagement, and interference with Reef Dispensary's business. Despite Tryke's request, Planet 13 has refused to discontinue or modify its program to eliminate payments for diversion.
- 15. If any of the Findings of Fact are properly conclusions of law, they shall be treated as though appropriately identified and designated.

### **CONCLUSIONS OF LAW**

### **Preliminary Injunction Standard**

- 16. In Nevada, the standards for a preliminary injunction are set forth in NRS 33.010. A preliminary injunction may be granted where: (1) the party seeking such relief enjoys a reasonable likelihood of success on the merits of at least one claim, and (2) the party's conduct to be enjoined, if permitted to continue, will result in irreparable harm for which compensatory damages are an inadequate remedy. See Dixon v. Thatcher, 103 Nev. 414, 415, 742 P.2d 1029, 1029 (1987); Sobel v. Capital Management Consultants, Inc., 102 Nev. 444, 446, 726 P.2d 335, 337 (1986).
- 17. Nevada courts may also consider two additional factors: (3) the relative interest of the parties – how much damage the plaintiff will suffer if injunctive relief is denied versus the hardship to the defendant if injunctive relief is granted, and (4) the interest the public may have in the litigation, if any. See Home Finance Co. v. Balcom, 61 Nev. 301, 127 P.2d 389 (1942); Ellis v. McDaniel, 95 Nev. 455, 596 P.2d 222 (1979).

### **Plaintiff Is Likely to Succeed on the Merits**

18. Nevada law requires only that a moving party demonstrate a "reasonable probability" of success on the merits, not an overwhelming likelihood, to obtain injunctive relief. See Dixon v. Thatcher, 103 Nev. 414, 742 P.2d 1029 (1987).

/// 28

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

- 20. In Nevada, the elements for a claim of wrongful interference with prospective economic advantage are: "(1) a prospective contractual relationship between the plaintiff and a third party; (2) the defendant's knowledge of this prospective relationship; (3) the intent to harm the plaintiff by preventing the relationship; (4) the absence of privilege or justification by the defendant; and (5) actual harm to the plaintiff as a result of the defendant's conduct." Las Vegas-Tonopah-Reno Stage Line, Inc. v. Gray Line Tours of Southern Nevada, 106 Nev. 283, 287, 792 P.2d 386, 388 (Nev. 1990).
- 21. "[T]he intent element for an intentional interference with prospective economic advantage claim does not require a specific intent to hurt the plaintiff, but instead, requires only an intent to interfere with the prospective contractual relationship." Hitt v. Ruthe, Case No. 65239, 2015 WL 4068435 (Nev. Ct. App. June 24, 2015) (citing Las Vegas-Tonopah-Reno Stage Line, Inc. v. Gray Line Tours of S. Nev., 106 Nev. 283, 287-88, 792 P.2d 386, 388 (1990)).
- 22. Tryke has prospective economic and contractual relationships with customers that request a rideshare service to take them to the Reef Dispensary. Planet 13 is aware of this relationship and, through its kickback program, Planet 13 purposefully incentivizes rideshare drivers as its agents and/or co-conspirators whom it pays to unlawfully divert these customers away from Reef Dispensary and to Planet 13 instead. Planet 13 has failed to claim any legitimate privilege or justification for its conduct, which is harming Tryke.
- 23. In Nevada, a claim for civil conspiracy may be established under the following rules:
  - (1) An act lawful when done by one individual may become an actionable wrong if done by a number of persons acting in concert, if the result injures the party against whom the action is directed;

///

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

(2) An act lawful when done by one individual may be the subject of an actionable civil conspiracy when it is done with the intention of injuring another or when, although done to benefit the conspirators, its natural consequence is the oppression of an individual; and

(3) An act lawful when done by one individual, because justified by his rights, becomes actionable when done by a combination of persons actuated by malice if harm results to another.

Hubbard Business Plaza v. Lincoln Liberty Life, 596 F. Supp. 344, 346 (D. Nev 1984).

- 24. Tryke satisfies the first rule for civil conspiracy because, while Planet 13 claims it does not "direct" action against Reef Dispensary, Planet 13's co-conspirators (the rideshare service drivers) do, as demonstrated by their own statements and conduct in the record.
- 25. Tryke satisfies the second rule for civil conspiracy because the injury to Reef Dispensary is the "natural consequence" of the oppression of passengers' stated intentions and the prospective relationship with Reef Dispensary.
- 26. Tryke satisfies the third rule for civil conspiracy because it provided Planet 13 with actual notice that its kickback program resulted in payments to drivers for improper diversion, disparagement, and interference with Reef Dispensary's business, and Planet 13 nonetheless continued to operate its program without alteration, thereby establishing malice.
- 27. Tryke is likely to succeed on the merits of its claims for tortious interference with prospective economic relations and civil conspiracy.
- 28. Because Tryke is likely to succeed on the merits of its claims, this factor weighs in favor of granting injunctive relief.

### Plaintiff Will Suffer Irreparable Harm If the Preliminary Injunction Is Not Granted

Irreparable harm is an injury "for which compensatory damage is an inadequate 29. remedy." Dixon v. Thatcher, 103 Nev. 414, 415, 742 P.2d 1029, 1029 (1987). Generally, harm is 'irreparable' if it cannot adequately be remedied by compensatory damages." Hamm v. Arrowcreek Homeowners' Ass'n, 124 Nev. 28, 183 P.2d 895, 901 (2008). "[A]n injury is not fully compensable by money damages if the nature of the plaintiff's loss would make damages difficult to calculate." Basicomputer Corp. v. Scott, 973 F.2d 507, 511 (6th Cir. 1992).

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

21

19

22 23

24

25

27

26

28

- 30. Injunctive relief is proper where "it is essential to preserve a business or property interest." Guion v. Terra Marketing of Nevada, Inc., 90 Nev. 237, 240, 523 P.2d 847, 848 (1974). Additionally, courts have recognized "the difficulty in calculating money damages to redress the loss of a client relationship that 'would produce an indeterminate amount of business in years to come." Excellence Cmty. Mgmt. v. Gilmore, 131 Nev. 347, 351 P.3d 720 (2015) (quoting *Ticor Title Ins. Co. v. Cohen*, 173 F.3d 63, 69 (2d Cir. 1999)).
- 31. The Nevada Supreme Court has "determined that 'acts committed without just cause which unreasonably interfere with a business or destroy its credit or profits, may do an irreparable injury." State, Dep't of Bus. & Indus., Fin. Institutions Div. v. Nevada Ass'n Servs., Inc., 128 Nev. 362, 370, 294 P.3d 1223, 1228 (2012) (quoting Sobol v. Capital Management, 102 Nev. 444, 446, 726 P.2d 335, 337 (1986)); see also Guion v. Terra Marketing of Nevada, Inc., 90 Nev. 237, 523 P.2d 847 (1974) (actions that interfere with a business "or destroy its custom, its credit or its profits, do an irreparable injury and thus authorize the issuance of an injunction.").
- 32. Planet 13's actions are causing substantial damage and irreparable harm to Tryke's sales and customer acquisitions that cannot be fully ascertained or redressed solely through money damages. This harm extends beyond mere financial damage caused by the inevitable decrease in sales. Planet 13's actions will also lead to the irremediable loss of Tryke's brand value, consumer loyalty, and inherent goodwill of the dispensary itself.
- 33. The damage caused by Planet 13 is exceptionally difficult to quantify in dollars because it involves harm to reputation and to customer relations.
- 34. Because Tryke will suffer irreparable harm if a preliminary injunction is not granted, this factor weighs in favor of granting injunctive relief.

### The Balance of the Equities Is in Plaintiff's Favor and a Preliminary Injunction Is in the Public Interest

35. In granting a preliminary injunction, courts may "weigh the potential hardships to the relative parties, and others, and the public interest." *Univ. & Cmty. Coll. Sys. of Nevada v.* Nevadans for Sound Gov't, 120 Nev. 712, 721, 100 P.3d 179, 187 (2004).

2

3

4

5

6

7

8

9

12

13

14

17

18

21

20

22 23

24

25 26

27

28

///

	36.	It is axiomatic that "[t]he public interest is not disserved by an injunction that
prec	udes ille	gal or tortious conduct." See Shell Offshore Inc. v. Greenpeace, Inc., 864 F. Supp
2d 8	39, 852 (	D. Alaska 2012). "Ensuring that [d]efendants do not further profit from illegal
activ	ity is in	the public interest." Huang Yiqiao v. California Investment Fund, LLC, Case No.
CV	8-6413-	MWF, 2019 WL 7997237, *4 (C.D. Cal. Nov. 27, 2019).

- 37. Analogously, in the trademark context, courts routinely address the public interest factor in favoring of issuing injunctions to protect the public from confusion or deception with respect to consumer transactions. See, e.g., Phillip Morris USA Inc. v. Shalabi, 352 F. Supp. 2d 1067, (C.D. Cal. 2004) (noting strong public interest in protecting consumers from confusion).
- 38. The balance of the hardships and public interest weigh in favor of issuing Tryke's requested preliminary injunction. Planet 13's actions are inducing conduct prohibited by Nevada statute and regulation and enticing drivers to risk their licensure by incentivizing them to engage in unlawful diversion. In addition, Planet 13's actions are deceiving customers and violating their right to choose which dispensary to patronize. Personal freedom to make safe choices to legally purchase marijuana is a concept which underpins Nevada's marijuana legalization laws.
- 39. Because the balance of hardships and public interest weigh in favor of Tryke, all factors weigh in favor of issuing a preliminary injunction.

### **Security Bond**

- 40. "[N]o restraining order or preliminary injunction shall issue except upon the giving of adequate security by the applicant, in such sum as the court deems proper, for the payment of such costs and damages as may be incurred or suffered by any party who is found to be wrongfully enjoined or restrained." NRCP 65(d).
- 41. Planet 13 stands to suffer no appreciable losses and will suffer only minimal harm as a result of an injunction.
- 42. Therefore, a security bond in the amount of \$10,000 is sufficient for issuance of this injunctive relief.



43. If any of the Conclusions of Law are properly findings of fact, they shall be treated as though appropriately identified and designated.

### <u>ORDER</u>

IT IS HEREBY ADJUDGED, ORDERED, AND DECREED that Plaintiff's Motion for Preliminary Injunction is GRANTED.

### IT IS FURTHER ORDERED:

- 1. Defendant Planet 13 is enjoined from paying any fee or commission to rideshare service drivers in exchange for the drivers bringing passengers to Planet 13 rather than another cannabis dispensary; and
- Defendant Planet 13 is enjoined from advertising to rideshare service drivers that 2. Planet 13 will provide compensation to drivers in exchange for the drivers bringing passengers to **Dated this 10th day of September, 2020** Planet 13 rather than another cannabis dispensary.

DISTRIC

Jim Crockett

day of September 2020. DATED th

BBB 62A 02D4 A3A2

**District Court Judge** 

Submitted by:

H1 LAW GROUP

18 19

1

2

3

4

5

6

7

8

9

10

13

14

15

16

17

Eric D. Hone, NV Bar No. 8499

Joel Z. Schwarz, NV Bar No. 9181 Jamie L. Zimmerman, NV Bar No. 11749

Moorea L. Katz, NV Bar No. 12007 701 N. Green Valley Parkway, Suite 200

22 | Henderson NV 89074

Paul A. Conant, AZ Bar No. 012667 (Pro Hac Vice)

Conant Law Firm

2398 East Camelback Road, Suite No. 925

Phoenix, AZ 85016 25

Attorneys for Plaintiff Tryke Companies SO NV, LLC 27

1 **CSERV** 2 DISTRICT COURT 3 CLARK COUNTY, NEVADA 4 5 Tryke Companies SO NV, LLC, CASE NO: A-19-804883-C 6 Plaintiff(s) DEPT. NO. Department 24 7 VS. 8 MM Development Company, 9 Inc., Defendant(s) 10 11 **AUTOMATED CERTIFICATE OF SERVICE** 12 This automated certificate of service was generated by the Eighth Judicial District 13 Court. The foregoing Findings of Fact, Conclusions of Law and Order was served via the court's electronic eFile system to all recipients registered for e-Service on the above entitled 14 case as listed below: 15 Service Date: 9/10/2020 16 p.stoppard@kempjones.com Patricia Stoppard 17 Ian McGinn i.mcginn@kempjones.com 18 Ali Augustine 19 a.augustine@kempjones.com 20 Nathanael Rulis n.rulis@kempjones.com 21 Alisa Hayslett a.hayslett@kempjones.com 22 Eric Hone eric@h1lawgroup.com 23 Jamie Zimmerman jamie@h1lawgroup.com 24 Pamela Montgomery p.montgomery@kempjones.com 25 Moorea Katz moorea@h1lawgroup.com 26 Karen Morrow karen@h1lawgroup.com 27

1	Joel Schwarz	joel@h1lawgroup.com
2 3	Candice Mata	lawclerk@h1lawgroup.com
4	Lisa Stewart	lisa@h1lawgroup.com
5	Judy Estrada	judy@h1lawgroup.com
6	Elias George	Elias@H1lawgroup.com
7	Paul Conant	docket@conantlawfirm.com
8		
9		
10		
11		
12		
13		
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
<ul><li>24</li><li>25</li></ul>		
26		
27		

1 2 3 4 5 6	Will Kemp, Esq. (#1205) Nathanael R. Rulis, Esq. (#11259) n.rulis@kempjones.com Ian P. McGinn, Esq. (#12818) i.mcginn@kempjones.com KEMP JONES, LLP 3800 Howard Hughes Parkway, 17 <sup>th</sup> Floor Las Vegas, Nevada 89169 Telephone: (702) 385-6000 Attorneys for Defendant MM Development Company, Inc.	Electronically Filed 10/9/2020 4:48 PM Steven D. Grierson CLERK OF THE COURT			
8	DISTRICT	T COURT			
9	CLARK COUN	TTY, NEVADA			
10 11	TRYKE COMPANIES SO NV, LLC, a Nevada limited liability company,	Case No.: A-19-804883-C Dept. No.: 24			
P way 35-600	Plaintiff,				
S, LL Ses Park Floor 14a 891 (702) 38 Scom	VS.				
KEMP JONES 3800 Howard Hughes Seventeenth Fl Las Vegas, Nevada vic@kempiones 102) 385-6000 • Fax (70 kic@kempiones	MM DEVELOPMENT COMPANY, INC., dba PLANET 13, a Nevada corporation; DOES I through C, inclusive; and ROE BUSINESS ENTITIES I through C, inclusive,	MM DEVELOPMENT COMPANY, INC.'S CASE APPEAL STATEMENT			
18	Defendants.				
19 20 21	1. Name of appellants filing this Case Appeal Statement:  MM Development Company, Inc. ("Planet 13").				
22	2. Identify the judge issuing the decision,	judgment or order appealed from:			
23	Honorable Jim Crockett.				
24		and address of counsel for each appellant:			
25	MM Development Company, Inc. ("P	rianet 13"):			
26 27	KEMP JONES, LLP Will Kemp, Esq. Nathanael R. Rulis, Esq. Ian P. McGinn, Esq.				
28	3800 Howard Hughes Parkway, 1 Las Vegas, Nevada 89169	7 <sup>th</sup> Floor			

26

27

28

4. Identify each respondent and the name and address of appellate counsel if known, for each respondent (if the name of a respondent's appellate counsel is unknown, indicate as much and provide the name and address of that respondent's trial counsel):

Tryke Companies SO NV LLC ("Reef"):

H1 LAW GROUP Eric D. Hone, Esq. Joel Z. Schwarz, Esq. Jamie L. Zimmerman, Esq. Moorea L. Katz, Esq. 701 N. Green Valley Parkway, Suite 200 Henderson, Nevada 89074

CONANT LAW FIRM Paul A. Conant, Esq. (pro hac vice) 2398 East Camelback Road Phoenix, Arizona 85016

5. Indicate whether any attorney identified above in response to question 3 or 4 is not licensed to practice law in Nevada, and if so, whether the district court granted that attorney permission to appear under SCR 42 (attach a copy of any district court order granting such permission):

Paul A. Conant, counsel for Reef, is not licensed in Nevada. The District Court Order Admitting to Practice regarding Mr. Conant's request to appear pursuant to SCR 42 was entered on March 4, 2020, and is attached hereto as **Exhibit 1**.

6. Indicate whether appellant was represented by appointed or retained counsel in the district court:

Appellant was represented by retained counsel in the district court.

7. Indicate whether appellant is represented by appointed or retained counsel on this appeal:

Appellant is represented by retained counsel on appeal.

8. Indicate whether appellant was granted leave to proceed in forma pauperis, and the date of entry of the district court order granting such leave:

Appellant did not request leave to proceed in forma pauperis.

9. Indicate the date of proceedings commenced in the district court:

November 5, 2019.

### KEMP JONES, LLP 3800 Howard Hughes Parkway Seventeenth Floor Las Vegas, Nevada 89169 (702) 385-6000 • Fax (702) 385-6001 kic@kempiones.com

10. Provide a brief description of the nature of the action and result in the district court, including the type of judgment or order being appealed and the relief granted by the district court:

At issue in this action is Planet 13's compensation program, which compensates taxicab and rideshare drivers who bring passengers to Planet 13, as is customary in the retail cannabis and several other industries in Las Vegas. On November 5, 2019, Reef initiated this action against Planet 13 alleging claims for 1) civil conspiracy, 2) aiding and abetting; and 3) intentional interference with economic advantage. All of Reef's claims arise out of its allegations that compensation provided by Planet 13 to taxicab and rideshare drivers dropping off passengers at Planet 13 is done with the intent to promote diversion.

On August 24, 2020, nearly ten months after filing its Complaint, Reef moved for a preliminary injunction on an Order Shortening Time. The hearing on the motion for preliminary injunction was held on September 3, 2020. The District Court granted Reef's motion for preliminary injunction and the Court's corresponding Order was entered on September 11, 2020. Planet 13 appeals from this Order and any other rulings and decisions made appealable thereby.

On September 25, 2020, Planet 13 filed a Motion for Reconsideration of the Court's Order Granting Plaintiff's Motion for Preliminary Injunction or, in the Alternative, Motion to Amend Pursuant to NRCP 52(b) or, in the Alternative, Motion for Clarification on Order Shortening Time, which is currently pending before the District Court.<sup>1</sup>

11. Indicate whether the case has been the subject of an appeal or original writ proceeding in the Supreme Court and, if so, the caption and Supreme Court docket number of the prior proceeding:

N/A.

12. Indicate whether this appeal involves child custody or visitation:

N/A.

13. If this is a civil case, indicate whether this appeal involves the possibility of settlement:

<sup>&</sup>lt;sup>1</sup> Planet 13 files the instant Case Appeal Statement and corresponding Protective Notice of Appeal out of an abundance of cause and to protect all of Planet 13's appellate rights and remedies.

1	The parties have agreed to submit this matter to a settlement conference.
2	DATED this <u>9th</u> day of October, 2020.
3	KEMP JONES, LLP
4	/s/ Nathanael Rulis
5	Will Kemp, Esq. (#1205) Nathanael R. Rulis, Esq. (#11259)
6	Ian P. McGinn, Esq. (#12818) 3800 Howard Hughes Parkway, 17th Floor
7	Las Vegas, Nevada 89169  Attorneys for Defendant
8	MM Development Company, Inc.
9	
10	
2000 12	
Kwa 69 85-17	
EMP JONES, LL Howard Hughes Par Seventeenth Floor s Vegas, Nevada 891 5-6000 • Fax (702) 3 kic@kempiones.com	
JONE rd Huglanteenth ss, Nevz Nevz empion	
KEMP JONES, 3800 Howard Hughes I Seventeenth Floo Las Vegas, Nevada 8 2) 385-6000 • Fax (702 kic@kempiones.c	
3800 I Tas (702) 3850 I Tas	
18	
19	
20	
21	
22	
23	
24	
25	
26	
27	
28	

# KEMP JONES, LLP 3800 Howard Hughes Parkway Seventeenth Floor

### **CERTIFICATE OF SERVICE**

I hereby certify that on the <u>9th</u> day of October, 2020, I served a true and correct copy of the foregoing **MM DEVELOPMENT COMPANY, INC.'S CASE APPEAL STATEMENT** via the Court's electronic filing system only, pursuant to the Nevada Electronic Filing and Conversion Rules, Administrative Order 14-2, to all parties currently on the electronic service list.

/s/ Ali Augustine
An employee of Kemp Jones, LLP

# Exhibit 1



27

28

**NOEJ** H1 LAW GROUP Eric D. Hone, NV Bar No. 8499 eric@h1lawgroup.com 701 N. Green Valley Parkway, Suite 200 Henderson NV 89074 Phone 702-608-3720 702-608-3759 Fax 5 Attorneys for Plaintiff Tryke Companies SO NV, LLC 6 7 EIGHTH JUDICIAL DISTRICT COURT 8 CLARK COUNTY, NEVADA 9 TRYKE COMPANIES SO NV, LLC, a Nevada | Case No. A-19-804883-C limited liability company, 10 Dept. No. 24 Plaintiff, 11 VS. 12 MM DEVELOPMENT COMPANY, INC., dba PLANET 13, a Nevada corporation; DOES I through C, inclusive; and ROE BUSINESS NOTICE OF ENTRY OF ORDER ENTITIES, I through C, inclusive, ADMITTING PAUL A. CONANT TO 14 **PRACTICE** Defendants. 15 PLEASE TAKE NOTICE that on the 28th day of February 2020, an Order Admitting to 16 Practice was entered in the above-reference matter. A copy of said Order is attached hereto. 18 Dated this 4th day of March 2020. 19 H1 LAW GROUP 20 21 Eric D. Hone, NV Bar No. 8499 22 eric@h1lawgroup.com 701 N. Green Valley Parkway, Suite 200 23 Henderson NV 89074 Attorneys for Plaintiff 24 25

Electronically Filed 3/4/2020 2:07 PM Steven D. Grierson CLERK OF THE COURT

# H1 LAW GROUP 701 N. Green Valley Parkway, Suite 200 Henderson, Nevada 89074

Tel: 702-608-3720 Fax: 702-608-3759

### **CERTIFICATE OF SERVICE**

The undersigned, an employee of H1 Law Group, hereby certifies that on the 4th day of
March, 2020, she caused a copy of the foregoing, to be transmitted by electronic service in
accordance with Administrative Order 14.2, to all interested parties, through the Court's <b>Odyssey</b>
E-File & Serve.

Judy Estrada, an employee of H1 LAW GROUP

**Electronically Filed** 2/28/2020 1:53 PM Steven D. Grierson CLERK OF THE COURT

701 N. Green Valley Parkway, Suite 200

**ORAP** 

H1 LAW GROUP

eric@h1lawgroup.com

Eric D. Hone, NV Bar No. 8499

1

# 702-608-3759 H1 LAW GROUP

Ş	æ	7
Park	Nevada 8	Fax:
<b>Green Valley Parkwa</b>	Henderson, N	702-608-3720
ż		2



CIT			ΓEI	חי	<b>\</b>
	1181	<b>\/I</b>	н.	) H	•

H1 Law Group

Eric D. Hone, NV Bar No. 8499

eric@h1lawgroup.com
701 N. Green Valley Parkway, Suite 200
Henderson NV 89074

Attorneys for Plaintiff

### CASE SUMMARY CASE NO. A-19-804883-C

Tryke Companies SO NV, LLC, Plaintiff(s)

vs.

MM Development Company, Inc., Defendant(s)

Location: Department 24
Judicial Officer: Crockett, Jim
Filed on: 11/05/2019

Case Number History:

Cross-Reference Case A804883

Number:

#### **CASE INFORMATION**

8888

Case Type: Other Civil Matters

Case Status: 11/05/2019 Open

DATE CASE ASSIGNMENT

**Current Case Assignment** 

Case Number A-19-804883-C
Court Department 24
Date Assigned 11/20/2019
Judicial Officer Crockett, Jim

### PARTY INFORMATION

Plaintiff Tryke Companies SO NV, LLC

Lead Attorneys

Hone, Eric D. Retained 702-608-3720(W)

Defendant MM Development Company, Inc.

Kemp, William Simon Retained 7023856000(W)

DATE EVENTS & ORDERS OF THE COURT INDEX

**EVENTS** 

11/05/2019

Complaint

Filed By: Plaintiff Tryke Companies SO NV, LLC Complaint and Demand for Jury Trial

11/05/2019

Disclosure Statement

Party: Plaintiff Tryke Companies SO NV, LLC

Tryke Companies SO NV, LLC's NRCP 7.1 Disclosure Statement

11/05/2019

Initial Appearance Fee Disclosure

Filed By: Plaintiff Tryke Companies SO NV, LLC

Tryke Companies SO NV, LLC's Initial Appearance Fee Disclosure

11/05/2019

Summons Electronically Issued - Service Pending

Party: Plaintiff Tryke Companies SO NV, LLC

Summons - Civil

11/12/2019

Affidavit of Service

Filed By: Plaintiff Tryke Companies SO NV, LLC

Affidavit of Service

## CASE SUMMARY CASE NO. A-19-804883-C

	CASE NO. A-19-804883-C
11/19/2019	Peremptory Challenge Filed by: Plaintiff Tryke Companies SO NV, LLC TRYKE COMPANIES SO NV, LLC S PEREMPTORY CHALLENGE OF JUDGE
11/20/2019	Notice of Department Reassignment  Notice of Department Reassignment
11/25/2019	Motion to Associate Counsel  Filed By: Plaintiff Tryke Companies SO NV, LLC  Plaintiff Motion To Associate Counsel; Proposed Order
12/06/2019	Motion to Dismiss  Filed By: Defendant MM Development Company, Inc.  MM Development Company, Inc.'s Motion to Dismiss
12/06/2019	Initial Appearance Fee Disclosure Initial Appearance Fee Disclosure (NRS Chapter 19)
12/06/2019	Disclosure Statement  Defendant's Disclosure Statement (NRCP 7.1)
12/09/2019	Clerk's Notice of Hearing  Notice of Hearing
12/19/2019	Clerk's Refund Request
01/06/2020	Notice of Hearing Filed By: Plaintiff Tryke Companies SO NV, LLC Request For Hearing On Unopposed Motion To Associate Counsel Pro Hac Vice
01/06/2020	Clerk's Notice of Hearing  Notice of Hearing
01/06/2020	Opposition to Motion to Dismiss  Filed By: Plaintiff Tryke Companies SO NV, LLC  Tryke Companies So NV, LLC's Response in Opposition to Motion to Dismiss
02/20/2020	Reply in Support  MM Development Company, Inc.'s Reply in Support of Motion to Dismiss
02/28/2020	Order Admitting to Practice  Filed By: Plaintiff Tryke Companies SO NV, LLC  Order Admitting to Practice
03/04/2020	Notice of Entry of Order Filed By: Plaintiff Tryke Companies SO NV, LLC NOTICE OF ENTRY OF ORDER ADMITTING PAUL A. CONANT TO PRACTICE
03/04/2020	Recorders Transcript of Hearing  Transcript Re: Defendant MM Development Company, Inc.'s Motion to Dismiss, Thursday, February 27, 2020
03/25/2020	

## CASE SUMMARY CASE NO. A-19-804883-C

	CASE NO. A-19-804883-C
	Order Denying Motion Filed By: Plaintiff Tryke Companies SO NV, LLC Order Denying Defendant's Motion to Dismiss
03/26/2020	Notice of Entry of Order  Filed By: Plaintiff Tryke Companies SO NV, LLC  Notice of Entry of Order Regarding Order Denying Defendant s Motion to Dismiss
04/08/2020	Motion  MM Development Company, Inc.'s Motion for Reconsideration of Court Order Denying  Defendant's Motion to Dismiss
04/08/2020	Clerk's Notice of Hearing  Notice of Hearing
04/10/2020	Notice of Intent Filed By: Plaintiff Tryke Companies SO NV, LLC Tryke Companies So NV, LLC s Notice of Intent to Take Default
04/15/2020	Answer to Complaint Filed by: Defendant MM Development Company, Inc.  MM Development Company, Inc. s Answer to Complaint
04/22/2020	Opposition Filed By: Plaintiff Tryke Companies SO NV, LLC Tryke Companies So Nv, LLC s Opposition to MM Development Company, Inc. s Motion For Reconsideration of Court Order Denying Defendant s Motion to Dismiss
05/05/2020	Reply in Support  MM Development Company, Inc.'s Reply in Support of Motion for Reconsideration of Court  Order Denying Defendant's Motion to Dismiss
05/20/2020	Order Denying Motion  Filed By: Plaintiff Tryke Companies SO NV, LLC  Order Denying Motion For Reconsideration of Court Order Denying Defendant's Motion To  Dismiss
05/21/2020	Notice of Entry of Order  Filed By: Plaintiff Tryke Companies SO NV, LLC  NOTICE OF ENTRY OF ORDER DENYING MOTION FOR RECONSIDERATION OF  COURT ORDER DENYING DEFENDANT S MOTION TO DISMISS
07/29/2020	Joint Case Conference Report  Filed By: Plaintiff Tryke Companies SO NV, LLC  Joint Case Conference Report
07/30/2020	Stipulation and Order Filed by: Plaintiff Tryke Companies SO NV, LLC Stipulated Confidentiality Agreement And Protective Order
07/30/2020	Stipulation and Order Filed by: Plaintiff Tryke Companies SO NV, LLC Stipulated Protocol Governing Production of Electronically Stored Information

# CASE SUMMARY CASE No. A-19-804883-C

CASE NO. A-19-804883-C			
07/30/2020	Order		
07/31/2020	Notice of Entry of Stipulation and Order Filed By: Plaintiff Tryke Companies SO NV, LLC Notice of Entry of Stipulated Confidentiality Agreement and Protective Order		
07/31/2020	Notice of Entry of Stipulation and Order Filed By: Plaintiff Tryke Companies SO NV, LLC Notice of Entry of Stipulated Protocol Governing Production of Electronically Stored Information		
08/24/2020	Motion Filed By: Plaintiff Tryke Companies SO NV, LLC Tryke Companies SO NV, LLC's: (1) Motion For Preliminary Injunction; And Application For Order Shortening Time		
08/24/2020	Motion for Preliminary Injunction  Filed By: Plaintiff Tryke Companies SO NV, LLC  Tryke Companies SO NV, LLC s: (1) Motion For Preliminary Injunction; and (2) Application For Order Shortening Time and Appendix		
08/24/2020	Exhibits  Filed By: Plaintiff Tryke Companies SO NV, LLC  Exhibit A thru C-6		
08/24/2020	Exhibits  Filed By: Plaintiff Tryke Companies SO NV, LLC  Exhibit C-7 through C-13		
08/24/2020	Exhibits  Filed By: Plaintiff Tryke Companies SO NV, LLC  Exhibit C-14 - C20		
08/24/2020	Exhibits  Filed By: Plaintiff Tryke Companies SO NV, LLC  Exhibit D-1 - D2 and E-1 - E-8		
08/24/2020	Exhibits  Filed By: Plaintiff Tryke Companies SO NV, LLC  Exhibit F through H		
08/28/2020	Opposition to Motion  Filed By: Defendant MM Development Company, Inc.  MM Development Company, Inc.'s Opposition to Motion for Preliminary Injunction on Order Shortening Time		
09/01/2020	Motion to Seal/Redact Records  Filed By: Plaintiff Tryke Companies SO NV, LLC  (SEALED AS MOTION CONTAINS UNREDACTED DOCUMENT)Tryke Companies So Nv, LLC s Motion: (1) To File Unredacted Reply In Support Of Motion for Preliminary Injunction Under Seal; And (2) Application For Order Shortening Time		
09/01/2020	Reply in Support  Filed By: Plaintiff Tryke Companies SO NV, LLC  Tryke Companies SO NV, LLC's Reply in Support of Motion for Preliminary Injunction on		

## CASE SUMMARY CASE NO. A-19-804883-C

	CASE NO. A-19-804883-C
	Order Shortening Time
09/02/2020	Errata Filed By: Plaintiff Tryke Companies SO NV, LLC Errata to Tryke Companies SO NV, LLC's Reply in Support of Motion for Preliminary Injunction
09/02/2020	Motion to Seal/Redact Records  Filed By: Plaintiff Tryke Companies SO NV, LLC  (SEALED AS MOTION CONTAINS UNREDACTED DOCUMENT) Tryke's Motion to File  Under Seal Unredacted Reply ISO Motion for Preliminary Injunction
09/02/2020	Clerk's Notice of Hearing  Notice of Hearing
09/02/2020	Clerk's Notice of Nonconforming Document  Clerk's Notice of Nonconforming Document
09/03/2020	Demand for Jury Trial  MM Development Company, Inc.'s Demand for Jury Trial
09/08/2020	Recorders Transcript of Hearing  Recorders Transcript of Hearing Re: 09/03/20
09/10/2020	Findings of Fact, Conclusions of Law and Order  Filed By: Plaintiff Tryke Companies SO NV, LLC  Findings of Fact, Conclusions of Law and Order Granting Plaintiff's Motion for Preliminary Injunction
09/11/2020	Notice of Posting Bond  Filed By: Plaintiff Tryke Companies SO NV, LLC  Tryke Companies SO NV, LLC's Notice of Posting Bond
09/11/2020	Notice of Entry of Findings of Fact, Conclusions of Law Filed By: Plaintiff Tryke Companies SO NV, LLC Notice of Entry of Findings of Fact, Conclusions of Law, and Order Granting Plaintiff's Motion for Preliminary Injunction
09/24/2020	Scheduling and Trial Order  Scheduling Order and Order Setting Civil Jury Trial
09/25/2020	Motion to Reconsider  Filed By: Defendant MM Development Company, Inc.  MM Development Company, Inc.'s Motion for Reconsideration of the Court's Order Granting Plaintiff's Motion for Preliminary Injunction or, in the Alternative, Motion to Amend Pursuant to NRCP 52(b) or, in the Alternative, Motion for Clarification
09/28/2020	Clerk's Notice of Hearing  Notice of Hearing
10/05/2020	Order Granting Motion  Filed By: Plaintiff Tryke Companies SO NV, LLC  Order Granting Tryke Companies SO NV, LLC's Motion to File Unredacted Reply in Support of Motion fo Preliminary Injunction Under Seal

### CASE SUMMARY CASE No. A-19-804883-C

CASE NO. A-19-804883-C				
10/06/2020	Notice of Entry of Order Filed By: Plaintiff Tryke Companies SO NV, LLC Notice Of Entry Of Order Granting Tryke Companies SO NV, LLC s Motion To File Unredacted Reply In Support of Motion For Preliminary Injunction Under Seal			
10/06/2020	Filed Under Seal Filed By: Plaintiff Tryke Companies SO NV, LLC Tryke Companies SO NV, LLC s Reply In Support Of Motion For Preliminary Injunction ( Per Order Granting Tryke Companies SO NV, LLC's Motion to Filed Unredacted REply in Support of Motion; Filed 10/5/2020)			
10/09/2020	Notice of Appeal  MM Development Company, Inc.'s Protective Notice of Appeal			
10/09/2020	Case Appeal Statement  MM Development Company, Inc.'s Case Appeal Statement			
10/09/2020	Opposition to Motion  Filed By: Plaintiff Tryke Companies SO NV, LLC  Tryke Companies SO NV, LLC s Opposition To MM Development Company, Inc. s Motion For Reconsideration Of The Court s Order Granting Plaintiff s Motion For Preliminary Injunction Or, In The Alternative, Motion To Amend Pursuant To NRCP 52(b) Or, In The Alternative, Motion For Clarification			
10/10/2020	Stipulation and Order Stipulation and Order for Settlement Conference			
02/27/2020	HEARINGS  Motion to Dismiss (9:00 AM) (Judicial Officer: Crockett, Jim)  Defendant MM Development Company, Inc.'s Motion to Dismiss  Per LSF Fax 1/24/20  Denied;			
02/27/2020	Motion to Associate Counsel (9:00 AM) (Judicial Officer: Crockett, Jim)  Plaintiff's Request For Hearing On Unopposed Motion To Associate Counsel Pro Hac Vice Per LSF Fax 1/24/20 Granted;			
02/27/2020	All Pending Motions (9:00 AM) (Judicial Officer: Crockett, Jim)  Matter Heard; Journal Entry Details:  Mr. Paul Cohant (Pro Hac Vice) appeared on behalf of the Plaintiff. COURT NOTED, it disagrees that this is a matter that is to be pursued through the taxi authority; it is designed to protect customers that use the ride hailing service to pursue remedies through the administrative agency. In this case this is a straight Tort. Mr. Kemp argued the issue here is whether or not there is a diversion tort. Mr. Kemp further argued that there has to be a knowledge of a specific person involved in order to make the allegations. Following further arguments of counsel. COURT ORDERED. PLAINTIFF'S REQUEST FOR HEARING ON UNOPPOSED MOTION TO ASSOCIATE COUNSEL PRO HAC VICE - GRANTED DEFENDANT MM DEVELOPMENT COMPANY, INC'S MOTION TO DISMISS - COURT ORDERED, MOTION DENIED. 4-09-20 9:00 AM STATUS CHECK: FILING OF ORDER;			
04/09/2020	CANCELED Status Check (9:00 AM) (Judicial Officer: Crockett, Jim)  Vacated  Filing of Order			
05/07/2020	Motion For Reconsideration (3:00 AM) (Judicial Officer: Crockett, Jim)			

### CASE SUMMARY CASE NO. A-19-804883-C

MM Development Company, Inc.'s Motion for Reconsideration of Court Order Denying Defendant's Motion to Dismiss

Denied;

Journal Entry Details:

MM Development Company, Inc.'s Motion for Reconsideration of Court Order Denying Defendant's Motion to Dismiss COURT NOTES per Odyssey, MM Development has a filing fee balance of \$223. This COURT, having reviewed the Motion, Opposition and Reply and concludes there is no basis for reconsideration of the court s decision. Furthermore, MM Development is simply re-arguing the same arguments previously considered and rejected by the court. COURT ORDERED, Motion for Reconsideration DENIED. Counsel for Plaintiff to prepare and submit order to court for signature w/in 14 days per EDCR 7.21. COURT FURTHER ORDERED, matter SET for Status Check. 6/11/20 (CHAMBERS) STATUS CHECK: FILLING OF ORDER DENYING MOTION FOR RECONSIDERATION CLERK'S NOTE: The above minute order has been distributed to: Judy Estrada judy@hllawgroup.com Elias George Elias@H1lawgroup.com Eric D Hone eric@h1lawgroup.com Moorea L. Katz moorea@hllawgroup.com Candice Mata lawclerk@hllawgroup.com Karen Morrow karen@h1lawgroup.com Joel Z. Schwarz joel@h1lawgroup.com Lisa Stewart lisa@h1lawgroup.com Ali Augustine a.augustine@kempjones.com Alisa Hayslett a.hayslett@kempjones.com Ian P. McGinn i.mcginn@kempjones.com Pamela Montgomery p.montgomery@kempjones.com Nathanael R Rulis n.rulis@kempjones.com Patricia Stoppard p.stoppard@kempjones.com;

06/11/2020

CANCELED Status Check (3:00 AM) (Judicial Officer: Crockett, Jim)

Vacated

Status Check: Filling Of Order Denying Motion For Reconsideration

09/03/2020

Motion for Preliminary Injunction (9:00 AM) (Judicial Officer: Crockett, Jim)

Tryke Companies So NV LLC's (1) Motion for Preliminary Injunction; and (2) Application for Order Shortening Time

Granted;

Journal Entry Details:

TRYKE COMPANIES SO NV LLC'S (1) MOTION FOR PRELIMINARY INJUNCTION; AND (2) APPLICATION FOR ORDER SHORTENING TIME Court reviewed the procedural history of the case and stated inclination. Following arguments by counsel COURT ORDERED, Motion GRANTED; BOND set at \$10,000.00. Plaintiff's counsel to prepare and submit the Order within fourteen days. Colloquy regarding scheduling and proceeding as a bench trial. Mr. Rulis made an Oral Motion for Stay, Court advised counsel he must file a written Motion if he is requesting a stay.;

09/24/2020

Mandatory Rule 16 Conference (9:00 AM) (Judicial Officer: Crockett, Jim) Matter Heard;

09/24/2020

Motion (9:00 AM) (Judicial Officer: Crockett, Jim)

Tryke's Motion to File Under Seal Unredacted Reply ISO Motion for Preliminary Injunction Granted:

09/24/2020

All Pending Motions (9:00 AM) (Judicial Officer: Crockett, Jim)

Matter Heard;

Journal Entry Details:

TRYKE'S MOTION TO FILE UNDER SEAL UNREDACTED REPLY ISO MOTION FOR PRELIMINARY INJUNCTION ... MANDATORY RULE 16 CONFERENCE Colloquy regarding possible witness and scheduling, parties requested to keep current dates. COURT ORDERED, dates from Judicial Case Conference Report shall be used, Scheduling and Trial Order to issue from Chambers. COURT FURTHER ORDERED, Status Check: Trial Readiness SET for 12/8/2021. COURT ORDERED, Tryke's Motion to File Under Seal advanced to today; as the Motion is unopposed it is GRANTED. Order to be submitted within fourteen day. COURT FURTHER ORDERED, status check SET for the filing of the order. Parties stated they were willing to attend a Judicial Settlement Conference, Court advised counsel to submit a stipulation and order. 10/22/2020 STATUS CHECK: FILING OF THE ORDER (CHAMBERS);

10/22/2020

CANCELED Status Check (3:00 AM) (Judicial Officer: Crockett, Jim)

Vacated

## CASE SUMMARY CASE NO. A-19-804883-C

	Status Check: Filing of Order Granting Tryke's Motion to File Under Seal Unredacted Reply ISO Motion for Preliminary Injunction (9/24)	
10/27/2020	Motion For Reconsideration (3:00 AM) (Judicial Officer: Crockett, Jim)  MM Development Company, Inc.'s Motion for Reconsideration of the Court's Order Granting Plaintiff's Motion for Preliminary Injunction or, in the Alternative, Motion to Amend Pursuant to NRCP 52(b) or, in the Alternative, Motion for Clarification	
11/18/2020	Settlement Conference (1:30 PM)	
10/21/2021	Status Check (9:00 AM) (Judicial Officer: Crockett, Jim)	
01/06/2022	Pre Trial Conference (9:30 AM) (Judicial Officer: Crockett, Jim)	
02/03/2022	Calendar Call (9:30 AM) (Judicial Officer: Crockett, Jim)	
02/07/2022	Jury Trial (10:00 AM) (Judicial Officer: Crockett, Jim)	
DATE	FINANCIAL INFORMATION	
	<b>Defendant</b> MM Development Company, Inc.	
	Total Charges	282.00
	Total Payments and Credits  Balance Due as of 10/12/2020	282.00 <b>0.00</b>
	Datance Due as 01 10/12/2020	0.00
	Plaintiff Tryke Companies SO NV, LLC	007.00

Total Charges

Total Payments and Credits

**Balance Due as of 10/12/2020** 

**Plaintiff** Tryke Companies SO NV, LLC Injunction Balance as of 10/12/2020

997.00

997.00

10,000.00

0.00

### DISTRICT COURT CIVIL COVER SHEET

County, Nevada

CLARK

	CLARK	County, Nevada
	Case No. (Assigned by Clerk's	CASE NO: A-19-804883-0
I. Party Information (provide both he	, ,	s Office) Department 1
Plaintiff(s) (name/address/phone):	ome and matting addresses if different)	Defendant(s) (name/address/phone):
TRYKE COMPANIES SO NV, LLC, a	Nevada limited liability company	
TITTLE COMPANIES CONV, ELO, a	revada iiriiled liability company,	a Nevada corporation; DOES I through C, inclusive; and
		ROE BUSINESS ENTITIES, I through C, inclusive,
Aug		A44
Attorney (name/address/phone):	I Zimmermen Meerce I Ketz	Attorney (name/address/phone):
H1 Law Group: Eric D. Hone, Jamie		
701 North Green Valley		
Henderson, N		
702-608-3	3720	
II. Nature of Controversy (please s	select the one most applicable filing type	e below)
Civil Case Filing Types		
Real Property	N1:	Torts
Landlord/Tenant	Negligence	Other Torts
Unlawful Detainer	Auto	Product Liability
Other Landlord/Tenant	Premises Liability	Intentional Misconduct
Title to Property	Other Negligence	Employment Tort
Judicial Foreclosure	Malpractice	Insurance Tort
Other Title to Property	Medical/Dental	Other Tort
Other Real Property	Legal	
Condemnation/Eminent Domain	Accounting	
Other Real Property	Other Malpractice	, , , , , , , , , , , , , , , , , , ,
Probate Probate (select case type and estate value)	Construction Defect & Contr Construction Defect	ract Judicial Review/Appeal  Judicial Review
Summary Administration	Chapter 40	Foreclosure Mediation Case
General Administration	Other Construction Defect	Petition to Seal Records
Special Administration	Contract Case	Mental Competency
Set Aside	Uniform Commercial Code	Nevada State Agency Appeal
Trust/Conservatorship	Building and Construction	Department of Motor Vehicle
Other Probate	Insurance Carrier	Worker's Compensation
Estate Value	Commercial Instrument	Other Nevada State Agency
Over \$200,000	Collection of Accounts	Appeal Other
Between \$100,000 and \$200,000	Employment Contract	Appeal from Lower Court
Under \$100,000 or Unknown	Other Contract	Other Judicial Review/Appeal
Under \$2,500		
Civi	il Writ	Other Civil Filing
Civil Writ		Other Civil Filing
Writ of Habeas Corpus	Writ of Prohibition	Compromise of Minor's Claim
Writ of Mandamus	Other Civil Writ	Foreign Judgment
Writ of Quo Warrant		Other Civil Matters
Business C	Court filings should be filed using the	e Business Court civil coversheet.
November 5, 2019		Such
Date	<del></del>	Signature of initiating party or representative
	See other side for family-rel	lated case filings.

Form PA 201 Nevada AOC - Research Statistics Unit Pursuant to NRS 3.275 Rev 3.1

16

18

19

20

21

22

23

24

25

26

27

28



1	FFCO
	H1 LAW GROUP
2	Eric D. Hone, NV Bar No. 8499
	eric@h1lawgroup.com
3	Joel Z. Schwarz, NV Bar No. 9181
	joel@h1lawgroup.com
4	Jamie L. Zimmerman, NV Bar No. 11749
	jamie@h1lawgroup.com
5	Moorea L. Katz, NV Bar No. 12007
	moorea@hllawgroup.com
6	701 N. Green Valley Parkway, Suite 200
	Henderson NV 89074
7	Phone 702-608-3720
_	Fax 702-703-1063
8	
	Paul A. Conant, AZ Bar No. 012667
9	paulconant@conantlawfirm.com
1.0	(Pro Hac Vice)
10	Conant Law Firm
1.1	2398 East Camelback Road, Suite No. 925
11	Phoenix, AZ 85016
12	Phone 602-508-9010 Fax 602-508-9015
12	rax 002-308-9013
13	Attorneys for Plaintiff Tryke
13	Companies SO NV, LLC
14	Companies so 117, EEC
- 1	II

#### EIGHTH JUDICIAL DISTRICT COURT

# CLARK COUNTY, NEVADA

limited liability company,	I
Plaintiff,	
vs.  MM DEVELOPMENT COMPANY, INC., dba PLANET 13, a Nevada corporation; DOES I through C, inclusive; and ROE BUSINESS ENTITIES, I through C, inclusive,	]
	ı

TRYKE COMPANIES SO NV, LLC, a Nevada limited liability company, CASE NO.: A-19-804883-C DEPT. NO.: 24

FINDINGS OF FACT, CONCLUSIONS OF LAW, AND ORDER GRANTING PLAINTIFF'S MOTION FOR PRELIMINARY INJUNCTION

This matter having come before the Court for hearing on Plaintiff's (1) Motion for Preliminary Injunction; and (2) Application for Order Shortening Time on September 3, 2020; Paul A. Conant of the Conant Law Firm and Eric Hone and Joel Z. Schwarz of the H1 Law

Group appeared on behalf of Plaintiff Tryke Companies SO NV, LLC ("Tryke" or "Reef

Defendants.

5

6

7

8

9

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

Dispensary," the brand name of its marijuana dispensary); Nathanael Rulis of the Kemp Jones law firm appeared on behalf of MM Development Company, Inc. ("MM Development" or "Planet 13," the brand name of its marijuana dispensary). The Court, having read and considered the motion, opposition, and reply on file herein, including the declarations and exhibits thereto; having considered the oral arguments of counsel at the hearing; for the reasons set forth on the record at the hearing; and for good cause appearing, the Court makes the following preliminary findings of fact and conclusions of law:

### **FINDINGS OF FACT**

- Since 2016, Plaintiff Tryke has operated the Nevada-licensed "Reef Dispensary" marijuana dispensary located at 3400 Western Avenue, Las Vegas, Nevada 89109. Defendant MM Development Company, Inc. is a competing company that in late 2018 opened its "Planet 13" marijuana dispensary fewer than 900 feet from Reef dispensary.
- 2. Within a short time after Planet 13 opened, in early 2019, a customer alerted Tryke that he had summoned an Uber with Tryke's Reef dispensary as the destination specified in the Uber software application but, instead of taking him to Reef, the Uber driver took him to a nearby competitor dispensary called "Planet 13".
- 3. Later, on a separate occasion, an Uber driver informed Reef that another dispensary pays "kickbacks" to drivers to bring passengers to shop there, and that if Reef will not also pay kickbacks, then drivers will take passengers to a dispensary that does.
- 4. Tryke has received similar statements from other Lyft and Uber drivers as well, including by voicemail, since that initial Uber driver interaction.
- 5. Aware that patrons of Uber, Lyft, and other rideshare services are required to enter their chosen destination as part of the ride scheduling process, and thus drivers are provided the passenger's chosen destination prior to ever picking them up, Tryke engaged in further investigation as to suspected unlawful diversion.
- 6. Tryke conducted a random "secret shopper" sampling of Uber and Lyft rides in Las Vegas between August 9 and September 17, 2019 to confirm that unlawful diversion was, in fact, occurring.

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

- 8. Tryke has obtained two Driver Diversion Incident Report Forms from two non-Tryke passengers of Uber and Lyft, who had similar experiences of diversion to Planet 13 as those reported in Tryke's "secret shopper" investigation.
- 9. Postings on the Las Vegas discussion board of www.uberpeople.net are consistent with Tryke's "secret shopper" sampling and demonstrate that rideshare service drivers divert passengers who have specified Reef Dispensary as their destination to Planet 13 instead.
- 10. Planet 13 operates a program of paying transportation services company drivers "kickbacks" or "commissions" in exchange for dropping passengers off at Planet 13. Planet 13 advertises this program to drivers on the web-based application called "KickBack".
- 11. Planet 13's program appeared to be suspended or discontinued earlier this year as of the time of the Covid-19 pandemic, during which time the Nevada dispensaries were closed other than for delivery services. Upon the reopening of marijuana dispensaries, however, Planet 13's program also resumed. As of August 19, 2020, Planet 13 continues to advertise that it pays rideshare service drivers "kickbacks" for diverting customers to Planet 13 on the KickBack application.
- 12. Unlike taxicab drivers who may pick up passengers who do not have a preconceived destination, rideshare service drivers get their passengers through their respective software applications. The passenger is required to enter both their pickup location and their chosen destination when ordering the ride. It is only after this required information is entered that the driver is notified of the ride requested. Thus, rideshare service drivers are always already given both the passenger's location and destination before the driver even meets the passenger.
- 13. Planet 13's program financially incentivizes and pays rideshare service drivers for unlawfully diverting Reef Dispensary-bound customers to Planet 13 instead. The drivers divert and alter a passenger's previously selected destination by means of disparaging and/or

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

- 14. On June 24, 2019, prior to commencing this action, Tryke notified Planet 13 that its kickback program resulted in payments to drivers for improper diversion, disparagement, and interference with Reef Dispensary's business. Despite Tryke's request, Planet 13 has refused to discontinue or modify its program to eliminate payments for diversion.
- 15. If any of the Findings of Fact are properly conclusions of law, they shall be treated as though appropriately identified and designated.

# **CONCLUSIONS OF LAW**

# **Preliminary Injunction Standard**

- 16. In Nevada, the standards for a preliminary injunction are set forth in NRS 33.010. A preliminary injunction may be granted where: (1) the party seeking such relief enjoys a reasonable likelihood of success on the merits of at least one claim, and (2) the party's conduct to be enjoined, if permitted to continue, will result in irreparable harm for which compensatory damages are an inadequate remedy. See Dixon v. Thatcher, 103 Nev. 414, 415, 742 P.2d 1029, 1029 (1987); Sobel v. Capital Management Consultants, Inc., 102 Nev. 444, 446, 726 P.2d 335, 337 (1986).
- 17. Nevada courts may also consider two additional factors: (3) the relative interest of the parties – how much damage the plaintiff will suffer if injunctive relief is denied versus the hardship to the defendant if injunctive relief is granted, and (4) the interest the public may have in the litigation, if any. See Home Finance Co. v. Balcom, 61 Nev. 301, 127 P.2d 389 (1942); Ellis v. McDaniel, 95 Nev. 455, 596 P.2d 222 (1979).

#### **Plaintiff Is Likely to Succeed on the Merits**

18. Nevada law requires only that a moving party demonstrate a "reasonable probability" of success on the merits, not an overwhelming likelihood, to obtain injunctive relief. See Dixon v. Thatcher, 103 Nev. 414, 742 P.2d 1029 (1987).

/// 28

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

- 20. In Nevada, the elements for a claim of wrongful interference with prospective economic advantage are: "(1) a prospective contractual relationship between the plaintiff and a third party; (2) the defendant's knowledge of this prospective relationship; (3) the intent to harm the plaintiff by preventing the relationship; (4) the absence of privilege or justification by the defendant; and (5) actual harm to the plaintiff as a result of the defendant's conduct." Las Vegas-Tonopah-Reno Stage Line, Inc. v. Gray Line Tours of Southern Nevada, 106 Nev. 283, 287, 792 P.2d 386, 388 (Nev. 1990).
- 21. "[T]he intent element for an intentional interference with prospective economic advantage claim does not require a specific intent to hurt the plaintiff, but instead, requires only an intent to interfere with the prospective contractual relationship." Hitt v. Ruthe, Case No. 65239, 2015 WL 4068435 (Nev. Ct. App. June 24, 2015) (citing Las Vegas-Tonopah-Reno Stage Line, Inc. v. Gray Line Tours of S. Nev., 106 Nev. 283, 287-88, 792 P.2d 386, 388 (1990)).
- 22. Tryke has prospective economic and contractual relationships with customers that request a rideshare service to take them to the Reef Dispensary. Planet 13 is aware of this relationship and, through its kickback program, Planet 13 purposefully incentivizes rideshare drivers as its agents and/or co-conspirators whom it pays to unlawfully divert these customers away from Reef Dispensary and to Planet 13 instead. Planet 13 has failed to claim any legitimate privilege or justification for its conduct, which is harming Tryke.
- 23. In Nevada, a claim for civil conspiracy may be established under the following rules:
  - (1) An act lawful when done by one individual may become an actionable wrong if done by a number of persons acting in concert, if the result injures the party against whom the action is directed;

///

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

(2) An act lawful when done by one individual may be the subject of an actionable civil conspiracy when it is done with the intention of injuring another or when, although done to benefit the conspirators, its natural consequence is the oppression of an individual; and

(3) An act lawful when done by one individual, because justified by his rights, becomes actionable when done by a combination of persons actuated by malice if harm results to another.

Hubbard Business Plaza v. Lincoln Liberty Life, 596 F. Supp. 344, 346 (D. Nev 1984).

- 24. Tryke satisfies the first rule for civil conspiracy because, while Planet 13 claims it does not "direct" action against Reef Dispensary, Planet 13's co-conspirators (the rideshare service drivers) do, as demonstrated by their own statements and conduct in the record.
- 25. Tryke satisfies the second rule for civil conspiracy because the injury to Reef Dispensary is the "natural consequence" of the oppression of passengers' stated intentions and the prospective relationship with Reef Dispensary.
- 26. Tryke satisfies the third rule for civil conspiracy because it provided Planet 13 with actual notice that its kickback program resulted in payments to drivers for improper diversion, disparagement, and interference with Reef Dispensary's business, and Planet 13 nonetheless continued to operate its program without alteration, thereby establishing malice.
- 27. Tryke is likely to succeed on the merits of its claims for tortious interference with prospective economic relations and civil conspiracy.
- 28. Because Tryke is likely to succeed on the merits of its claims, this factor weighs in favor of granting injunctive relief.

# Plaintiff Will Suffer Irreparable Harm If the Preliminary Injunction Is Not Granted

Irreparable harm is an injury "for which compensatory damage is an inadequate 29. remedy." Dixon v. Thatcher, 103 Nev. 414, 415, 742 P.2d 1029, 1029 (1987). Generally, harm is 'irreparable' if it cannot adequately be remedied by compensatory damages." Hamm v. Arrowcreek Homeowners' Ass'n, 124 Nev. 28, 183 P.2d 895, 901 (2008). "[A]n injury is not fully compensable by money damages if the nature of the plaintiff's loss would make damages difficult to calculate." Basicomputer Corp. v. Scott, 973 F.2d 507, 511 (6th Cir. 1992).

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

21

19

22 23

24

25

27

26

28

- 30. Injunctive relief is proper where "it is essential to preserve a business or property interest." Guion v. Terra Marketing of Nevada, Inc., 90 Nev. 237, 240, 523 P.2d 847, 848 (1974). Additionally, courts have recognized "the difficulty in calculating money damages to redress the loss of a client relationship that 'would produce an indeterminate amount of business in years to come." Excellence Cmty. Mgmt. v. Gilmore, 131 Nev. 347, 351 P.3d 720 (2015) (quoting *Ticor Title Ins. Co. v. Cohen*, 173 F.3d 63, 69 (2d Cir. 1999)).
- 31. The Nevada Supreme Court has "determined that 'acts committed without just cause which unreasonably interfere with a business or destroy its credit or profits, may do an irreparable injury." State, Dep't of Bus. & Indus., Fin. Institutions Div. v. Nevada Ass'n Servs., Inc., 128 Nev. 362, 370, 294 P.3d 1223, 1228 (2012) (quoting Sobol v. Capital Management, 102 Nev. 444, 446, 726 P.2d 335, 337 (1986)); see also Guion v. Terra Marketing of Nevada, Inc., 90 Nev. 237, 523 P.2d 847 (1974) (actions that interfere with a business "or destroy its custom, its credit or its profits, do an irreparable injury and thus authorize the issuance of an injunction.").
- 32. Planet 13's actions are causing substantial damage and irreparable harm to Tryke's sales and customer acquisitions that cannot be fully ascertained or redressed solely through money damages. This harm extends beyond mere financial damage caused by the inevitable decrease in sales. Planet 13's actions will also lead to the irremediable loss of Tryke's brand value, consumer loyalty, and inherent goodwill of the dispensary itself.
- 33. The damage caused by Planet 13 is exceptionally difficult to quantify in dollars because it involves harm to reputation and to customer relations.
- 34. Because Tryke will suffer irreparable harm if a preliminary injunction is not granted, this factor weighs in favor of granting injunctive relief.

# The Balance of the Equities Is in Plaintiff's Favor and a Preliminary Injunction Is in the Public Interest

35. In granting a preliminary injunction, courts may "weigh the potential hardships to the relative parties, and others, and the public interest." *Univ. & Cmty. Coll. Sys. of Nevada v.* Nevadans for Sound Gov't, 120 Nev. 712, 721, 100 P.3d 179, 187 (2004).

2

3

4

5

6

7

8

9

12

13

14

17

18

21

20

22 23

24

25 26

27

28

///

	36.	It is axiomatic that "[t]he public interest is not disserved by an injunction that
prec	udes ille	gal or tortious conduct." See Shell Offshore Inc. v. Greenpeace, Inc., 864 F. Supp
2d 8	39, 852 (	D. Alaska 2012). "Ensuring that [d]efendants do not further profit from illegal
activ	ity is in	the public interest." Huang Yiqiao v. California Investment Fund, LLC, Case No.
CV	8-6413-	MWF, 2019 WL 7997237, *4 (C.D. Cal. Nov. 27, 2019).

- 37. Analogously, in the trademark context, courts routinely address the public interest factor in favoring of issuing injunctions to protect the public from confusion or deception with respect to consumer transactions. See, e.g., Phillip Morris USA Inc. v. Shalabi, 352 F. Supp. 2d 1067, (C.D. Cal. 2004) (noting strong public interest in protecting consumers from confusion).
- 38. The balance of the hardships and public interest weigh in favor of issuing Tryke's requested preliminary injunction. Planet 13's actions are inducing conduct prohibited by Nevada statute and regulation and enticing drivers to risk their licensure by incentivizing them to engage in unlawful diversion. In addition, Planet 13's actions are deceiving customers and violating their right to choose which dispensary to patronize. Personal freedom to make safe choices to legally purchase marijuana is a concept which underpins Nevada's marijuana legalization laws.
- 39. Because the balance of hardships and public interest weigh in favor of Tryke, all factors weigh in favor of issuing a preliminary injunction.

# **Security Bond**

- 40. "[N]o restraining order or preliminary injunction shall issue except upon the giving of adequate security by the applicant, in such sum as the court deems proper, for the payment of such costs and damages as may be incurred or suffered by any party who is found to be wrongfully enjoined or restrained." NRCP 65(d).
- 41. Planet 13 stands to suffer no appreciable losses and will suffer only minimal harm as a result of an injunction.
- 42. Therefore, a security bond in the amount of \$10,000 is sufficient for issuance of this injunctive relief.



43. If any of the Conclusions of Law are properly findings of fact, they shall be treated as though appropriately identified and designated.

### <u>ORDER</u>

IT IS HEREBY ADJUDGED, ORDERED, AND DECREED that Plaintiff's Motion for Preliminary Injunction is GRANTED.

#### IT IS FURTHER ORDERED:

- 1. Defendant Planet 13 is enjoined from paying any fee or commission to rideshare service drivers in exchange for the drivers bringing passengers to Planet 13 rather than another cannabis dispensary; and
- Defendant Planet 13 is enjoined from advertising to rideshare service drivers that 2. Planet 13 will provide compensation to drivers in exchange for the drivers bringing passengers to **Dated this 10th day of September, 2020** Planet 13 rather than another cannabis dispensary.

DISTRIC

Jim Crockett

day of September 2020. DATED th

BBB 62A 02D4 A3A2

**District Court Judge** 

Submitted by:

H1 LAW GROUP

18 19

1

2

3

4

5

6

7

8

9

10

13

14

15

16

17

Eric D. Hone, NV Bar No. 8499

Joel Z. Schwarz, NV Bar No. 9181 Jamie L. Zimmerman, NV Bar No. 11749

Moorea L. Katz, NV Bar No. 12007 701 N. Green Valley Parkway, Suite 200

22 | Henderson NV 89074

Paul A. Conant, AZ Bar No. 012667 (Pro Hac Vice)

Conant Law Firm

2398 East Camelback Road, Suite No. 925

Phoenix, AZ 85016 25

Attorneys for Plaintiff Tryke Companies SO NV, LLC 27

1 **CSERV** 2 DISTRICT COURT 3 CLARK COUNTY, NEVADA 4 5 Tryke Companies SO NV, LLC, CASE NO: A-19-804883-C 6 Plaintiff(s) DEPT. NO. Department 24 7 VS. 8 MM Development Company, 9 Inc., Defendant(s) 10 11 **AUTOMATED CERTIFICATE OF SERVICE** 12 This automated certificate of service was generated by the Eighth Judicial District 13 Court. The foregoing Findings of Fact, Conclusions of Law and Order was served via the court's electronic eFile system to all recipients registered for e-Service on the above entitled 14 case as listed below: 15 Service Date: 9/10/2020 16 p.stoppard@kempjones.com Patricia Stoppard 17 Ian McGinn i.mcginn@kempjones.com 18 Ali Augustine 19 a.augustine@kempjones.com 20 Nathanael Rulis n.rulis@kempjones.com 21 Alisa Hayslett a.hayslett@kempjones.com 22 Eric Hone eric@h1lawgroup.com 23 Jamie Zimmerman jamie@h1lawgroup.com 24 Pamela Montgomery p.montgomery@kempjones.com 25 Moorea Katz moorea@h1lawgroup.com 26 Karen Morrow karen@h1lawgroup.com 27

1	Joel Schwarz	joel@h1lawgroup.com
2 3	Candice Mata	lawclerk@h1lawgroup.com
4	Lisa Stewart	lisa@h1lawgroup.com
5	Judy Estrada	judy@h1lawgroup.com
6	Elias George	Elias@H1lawgroup.com
7	Paul Conant	docket@conantlawfirm.com
8		
9		
10		
11		
12		
13		
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
<ul><li>24</li><li>25</li></ul>		
26		
27		



		Electronically Filed 9/11/2020 1:50 PM Steven D. Grierson CLERK OF THE COURT
1	NEFF	Alumb. Lit
2	H1 LAW GROUP Eric D. Hone, NV Bar No. 8499	
	eric@h1lawgroup.com	
3	Joel Z. Schwarz, NV Bar No. 9181	
	joel@h1lawgroup.com	
4	Jamie L. Zimmerman, NV Bar No. 11749	
5	jamie@h1lawgroup.com 701 N. Green Valley Parkway, Suite 200	
5	Henderson NV 89074	
6	Phone 702-608-3720	
_	Fax 702-703-1063	
7	Paul A. Conant, AZ Bar No. 012667	
8	paulconant@conantlawfirm.com	
	(Pro Hac Vice)	
9	Conant Law Firm	
10	2398 East Camelback Road, Suite No. 925 Phoenix, AZ 85016	
10	Phone 602-508-9010	
11	Fax 602-508-9015	
12 13	Attorneys for Plaintiff Tryke Companies SO NV, LLC	
14	EIGHTH JUDICIAL	DISTRICT COURT
15	CLARK COUN	TY, NEVADA
16	TRYKE COMPANIES SO NV, LLC, a Nevada limited liability company,	CASE NO.: A-19-804883-C DEPT. NO.: 24
17	minited habinty company,	DEI 1. NO.: 24
• ′	Plaintiff,	
18	VS.	NOTICE OF ENTRY OF FINDINGS OF
19	MM DEVELOPMENT COMPANY, INC., dba	FACT, CONCLUSIONS OF LAW, AND ORDER GRANTING PLAINTIFF'S
20	PLANET 13, a Nevada corporation; DOES I through C, inclusive; and ROE BUSINESS	MOTION FOR PRELIMINARY INJUNCTION
∠∪	ENTITIES, I through C, inclusive,	INDUITE HOLT
21	Elville, i unough e, morusive,	
	Defendants.	
22		
23	NOTICE IS HEREBY GIVEN that on the	e 10 <sup>th</sup> day of September 2020 Findings of Fact,
24	Conclusions of Law, and Order Granting Plaintif	f's Motion for Preliminary Injunction was
25	entered.	
26	///	

H1 LAW GROUP	701 N. Green Valley Parkway, Suite 200	Henderson, Nevada 89074	Tel: 702-608-3720

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

20

21

22

23

24

25

26

27

28

A copy of the Findings of Fact, Conclusions of Law, and Order is attached	d hereto.
DATED this 11 <sup>th</sup> day of September 2020.	

Eric D. Hone, NV Bar No. 8499

Eric D. Hone, NV Bar No. 8499 eric@h1lawgroup.com Joel Z. Schwarz, NV Bar No. 9181 joel@h1lawgroup.com Jamie L. Zimmerman, NV Bar No. 11749 jamie@h1lawgroup.com 701 N. Green Valley Parkway, Suite 200 Henderson NV 89074

Paul A. Conant, AZ Bar No. 012667 paulconant@conantlawfirm.com (*Pro Hac Vice*) Conant Law Firm 2398 East Camelback Road, Suite No. 925 Phoenix, AZ 85016

Attorneys for Plaintiff
Tryke Companies SO NV, LLC

# **CERTIFICATE OF SERVICE**

The undersigned, an employee of H1 Law Group, hereby certifies that on the 11<sup>th</sup> day of September 2020, she caused a copy of the foregoing to be transmitted by electronic service in accordance with Administrative Order 14.2, to all interested parties, through the Court's

19 Odyssey E-File & Serve:

Katen M. Morrow, an Employee of H1 LAW GROUP

#### **ELECTRONICALLY SERVED** 9/10/2020 10:10 PM

Electronically Filed 09/10/2020 10:10 PM **CLERK OF THE COURT** 

# 701 N. Green Valley Parkway, Suite 200 Henderson, Nevada 89074 Tel: 702-608-3720 H1 LAW GROUP

15

16

18

19

20

21

22

23

1	FFCO
	H1 LAW GROUP
2	Eric D. Hone, NV Bar No. 8499
	eric@h1lawgroup.com
3	Joel Z. Schwarz, NV Bar No. 9181
	joel@h1lawgroup.com
4	Jamie L. Zimmerman, NV Bar No. 11749
	jamie@h1lawgroup.com
5	Moorea L. Katz, NV Bar No. 12007
_	moorea@h1lawgroup.com
6	701 N. Green Valley Parkway, Suite 200
_	Henderson NV 89074
7	Phone 702-608-3720
0	Fax 702-703-1063
8	D1 A C
0	Paul A. Conant, AZ Bar No. 012667
9	paulconant@conantlawfirm.com
10	( <i>Pro Hac Vice</i> ) Conant Law Firm
10	2398 East Camelback Road, Suite No. 925
11	Phoenix, AZ 85016
11	Phone 602-508-9010
12	Fax 602-508-9015
12	1 ux 002 300 7013
13	Attorneys for Plaintiff Tryke
	Companies SO NV, LLC
14	

#### EIGHTH JUDICIAL DISTRICT COURT

# CLARK COUNTY, NEVADA

TRYKE COMPANIES SO NV, LLC, a Nevada limited liability company,	CASE NO.: A-19-804883-C DEPT. NO.: 24
Plaintiff,	
vs.  MM DEVELOPMENT COMPANY, INC., dba PLANET 13, a Nevada corporation; DOES I	FINDINGS OF FACT, COLLAW, AND ORDER GRAN PLAINTIFF'S MOTION F PRELIMINARY INJUNCT
through C, inclusive; and ROE BUSINESS ENTITIES, I through C, inclusive,	

Defendants.

NDINGS OF FACT, CONCLUSIONS OF W. AND ORDER GRANTING AINTIFF'S MOTION FOR ELIMINARY INJUNCTION

24

25

26

27

28

This matter having come before the Court for hearing on Plaintiff's (1) Motion for Preliminary Injunction; and (2) Application for Order Shortening Time on September 3, 2020; Paul A. Conant of the Conant Law Firm and Eric Hone and Joel Z. Schwarz of the H1 Law Group appeared on behalf of Plaintiff Tryke Companies SO NV, LLC ("Tryke" or "Reef

5

6

7

8

9

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

Dispensary," the brand name of its marijuana dispensary); Nathanael Rulis of the Kemp Jones law firm appeared on behalf of MM Development Company, Inc. ("MM Development" or "Planet 13," the brand name of its marijuana dispensary). The Court, having read and considered the motion, opposition, and reply on file herein, including the declarations and exhibits thereto; having considered the oral arguments of counsel at the hearing; for the reasons set forth on the record at the hearing; and for good cause appearing, the Court makes the following preliminary findings of fact and conclusions of law:

### **FINDINGS OF FACT**

- Since 2016, Plaintiff Tryke has operated the Nevada-licensed "Reef Dispensary" marijuana dispensary located at 3400 Western Avenue, Las Vegas, Nevada 89109. Defendant MM Development Company, Inc. is a competing company that in late 2018 opened its "Planet 13" marijuana dispensary fewer than 900 feet from Reef dispensary.
- 2. Within a short time after Planet 13 opened, in early 2019, a customer alerted Tryke that he had summoned an Uber with Tryke's Reef dispensary as the destination specified in the Uber software application but, instead of taking him to Reef, the Uber driver took him to a nearby competitor dispensary called "Planet 13".
- 3. Later, on a separate occasion, an Uber driver informed Reef that another dispensary pays "kickbacks" to drivers to bring passengers to shop there, and that if Reef will not also pay kickbacks, then drivers will take passengers to a dispensary that does.
- 4. Tryke has received similar statements from other Lyft and Uber drivers as well, including by voicemail, since that initial Uber driver interaction.
- 5. Aware that patrons of Uber, Lyft, and other rideshare services are required to enter their chosen destination as part of the ride scheduling process, and thus drivers are provided the passenger's chosen destination prior to ever picking them up, Tryke engaged in further investigation as to suspected unlawful diversion.
- 6. Tryke conducted a random "secret shopper" sampling of Uber and Lyft rides in Las Vegas between August 9 and September 17, 2019 to confirm that unlawful diversion was, in fact, occurring.

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

- 8. Tryke has obtained two Driver Diversion Incident Report Forms from two non-Tryke passengers of Uber and Lyft, who had similar experiences of diversion to Planet 13 as those reported in Tryke's "secret shopper" investigation.
- 9. Postings on the Las Vegas discussion board of www.uberpeople.net are consistent with Tryke's "secret shopper" sampling and demonstrate that rideshare service drivers divert passengers who have specified Reef Dispensary as their destination to Planet 13 instead.
- 10. Planet 13 operates a program of paying transportation services company drivers "kickbacks" or "commissions" in exchange for dropping passengers off at Planet 13. Planet 13 advertises this program to drivers on the web-based application called "KickBack".
- 11. Planet 13's program appeared to be suspended or discontinued earlier this year as of the time of the Covid-19 pandemic, during which time the Nevada dispensaries were closed other than for delivery services. Upon the reopening of marijuana dispensaries, however, Planet 13's program also resumed. As of August 19, 2020, Planet 13 continues to advertise that it pays rideshare service drivers "kickbacks" for diverting customers to Planet 13 on the KickBack application.
- 12. Unlike taxicab drivers who may pick up passengers who do not have a preconceived destination, rideshare service drivers get their passengers through their respective software applications. The passenger is required to enter both their pickup location and their chosen destination when ordering the ride. It is only after this required information is entered that the driver is notified of the ride requested. Thus, rideshare service drivers are always already given both the passenger's location and destination before the driver even meets the passenger.
- 13. Planet 13's program financially incentivizes and pays rideshare service drivers for unlawfully diverting Reef Dispensary-bound customers to Planet 13 instead. The drivers divert and alter a passenger's previously selected destination by means of disparaging and/or

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

- 14. On June 24, 2019, prior to commencing this action, Tryke notified Planet 13 that its kickback program resulted in payments to drivers for improper diversion, disparagement, and interference with Reef Dispensary's business. Despite Tryke's request, Planet 13 has refused to discontinue or modify its program to eliminate payments for diversion.
- 15. If any of the Findings of Fact are properly conclusions of law, they shall be treated as though appropriately identified and designated.

# **CONCLUSIONS OF LAW**

# **Preliminary Injunction Standard**

- 16. In Nevada, the standards for a preliminary injunction are set forth in NRS 33.010. A preliminary injunction may be granted where: (1) the party seeking such relief enjoys a reasonable likelihood of success on the merits of at least one claim, and (2) the party's conduct to be enjoined, if permitted to continue, will result in irreparable harm for which compensatory damages are an inadequate remedy. See Dixon v. Thatcher, 103 Nev. 414, 415, 742 P.2d 1029, 1029 (1987); Sobel v. Capital Management Consultants, Inc., 102 Nev. 444, 446, 726 P.2d 335, 337 (1986).
- 17. Nevada courts may also consider two additional factors: (3) the relative interest of the parties – how much damage the plaintiff will suffer if injunctive relief is denied versus the hardship to the defendant if injunctive relief is granted, and (4) the interest the public may have in the litigation, if any. See Home Finance Co. v. Balcom, 61 Nev. 301, 127 P.2d 389 (1942); Ellis v. McDaniel, 95 Nev. 455, 596 P.2d 222 (1979).

#### **Plaintiff Is Likely to Succeed on the Merits**

18. Nevada law requires only that a moving party demonstrate a "reasonable probability" of success on the merits, not an overwhelming likelihood, to obtain injunctive relief. See Dixon v. Thatcher, 103 Nev. 414, 742 P.2d 1029 (1987).

/// 28

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

19. Under Nevada law, unlawful "diversion" occurs if a transportation services company driver deceives or attempts to deceive "any passenger who rides or desires to ride" in the driver's vehicle, or conveys or attempts to convey "any passenger to a destination other than the one directed by the passenger." NRS 706A.280(2)(a) and (b) and NAC 706.552(1).

- 20. In Nevada, the elements for a claim of wrongful interference with prospective economic advantage are: "(1) a prospective contractual relationship between the plaintiff and a third party; (2) the defendant's knowledge of this prospective relationship; (3) the intent to harm the plaintiff by preventing the relationship; (4) the absence of privilege or justification by the defendant; and (5) actual harm to the plaintiff as a result of the defendant's conduct." Las Vegas-Tonopah-Reno Stage Line, Inc. v. Gray Line Tours of Southern Nevada, 106 Nev. 283, 287, 792 P.2d 386, 388 (Nev. 1990).
- 21. "[T]he intent element for an intentional interference with prospective economic advantage claim does not require a specific intent to hurt the plaintiff, but instead, requires only an intent to interfere with the prospective contractual relationship." Hitt v. Ruthe, Case No. 65239, 2015 WL 4068435 (Nev. Ct. App. June 24, 2015) (citing Las Vegas-Tonopah-Reno Stage Line, Inc. v. Gray Line Tours of S. Nev., 106 Nev. 283, 287-88, 792 P.2d 386, 388 (1990)).
- 22. Tryke has prospective economic and contractual relationships with customers that request a rideshare service to take them to the Reef Dispensary. Planet 13 is aware of this relationship and, through its kickback program, Planet 13 purposefully incentivizes rideshare drivers as its agents and/or co-conspirators whom it pays to unlawfully divert these customers away from Reef Dispensary and to Planet 13 instead. Planet 13 has failed to claim any legitimate privilege or justification for its conduct, which is harming Tryke.
- 23. In Nevada, a claim for civil conspiracy may be established under the following rules:
  - (1) An act lawful when done by one individual may become an actionable wrong if done by a number of persons acting in concert, if the result injures the party against whom the action is directed;

///

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

(2) An act lawful when done by one individual may be the subject of an actionable civil conspiracy when it is done with the intention of injuring another or when, although done to benefit the conspirators, its natural consequence is the oppression of an individual; and

(3) An act lawful when done by one individual, because justified by his rights, becomes actionable when done by a combination of persons actuated by malice if harm results to another.

Hubbard Business Plaza v. Lincoln Liberty Life, 596 F. Supp. 344, 346 (D. Nev 1984).

- 24. Tryke satisfies the first rule for civil conspiracy because, while Planet 13 claims it does not "direct" action against Reef Dispensary, Planet 13's co-conspirators (the rideshare service drivers) do, as demonstrated by their own statements and conduct in the record.
- 25. Tryke satisfies the second rule for civil conspiracy because the injury to Reef Dispensary is the "natural consequence" of the oppression of passengers' stated intentions and the prospective relationship with Reef Dispensary.
- 26. Tryke satisfies the third rule for civil conspiracy because it provided Planet 13 with actual notice that its kickback program resulted in payments to drivers for improper diversion, disparagement, and interference with Reef Dispensary's business, and Planet 13 nonetheless continued to operate its program without alteration, thereby establishing malice.
- 27. Tryke is likely to succeed on the merits of its claims for tortious interference with prospective economic relations and civil conspiracy.
- 28. Because Tryke is likely to succeed on the merits of its claims, this factor weighs in favor of granting injunctive relief.

# Plaintiff Will Suffer Irreparable Harm If the Preliminary Injunction Is Not Granted

Irreparable harm is an injury "for which compensatory damage is an inadequate 29. remedy." Dixon v. Thatcher, 103 Nev. 414, 415, 742 P.2d 1029, 1029 (1987). Generally, harm is 'irreparable' if it cannot adequately be remedied by compensatory damages." Hamm v. Arrowcreek Homeowners' Ass'n, 124 Nev. 28, 183 P.2d 895, 901 (2008). "[A]n injury is not fully compensable by money damages if the nature of the plaintiff's loss would make damages difficult to calculate." Basicomputer Corp. v. Scott, 973 F.2d 507, 511 (6th Cir. 1992).

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

21

19

22 23

24

25

27

26

28

- 30. Injunctive relief is proper where "it is essential to preserve a business or property interest." Guion v. Terra Marketing of Nevada, Inc., 90 Nev. 237, 240, 523 P.2d 847, 848 (1974). Additionally, courts have recognized "the difficulty in calculating money damages to redress the loss of a client relationship that 'would produce an indeterminate amount of business in years to come." Excellence Cmty. Mgmt. v. Gilmore, 131 Nev. 347, 351 P.3d 720 (2015) (quoting *Ticor Title Ins. Co. v. Cohen*, 173 F.3d 63, 69 (2d Cir. 1999)).
- 31. The Nevada Supreme Court has "determined that 'acts committed without just cause which unreasonably interfere with a business or destroy its credit or profits, may do an irreparable injury." State, Dep't of Bus. & Indus., Fin. Institutions Div. v. Nevada Ass'n Servs., Inc., 128 Nev. 362, 370, 294 P.3d 1223, 1228 (2012) (quoting Sobol v. Capital Management, 102 Nev. 444, 446, 726 P.2d 335, 337 (1986)); see also Guion v. Terra Marketing of Nevada, Inc., 90 Nev. 237, 523 P.2d 847 (1974) (actions that interfere with a business "or destroy its custom, its credit or its profits, do an irreparable injury and thus authorize the issuance of an injunction.").
- 32. Planet 13's actions are causing substantial damage and irreparable harm to Tryke's sales and customer acquisitions that cannot be fully ascertained or redressed solely through money damages. This harm extends beyond mere financial damage caused by the inevitable decrease in sales. Planet 13's actions will also lead to the irremediable loss of Tryke's brand value, consumer loyalty, and inherent goodwill of the dispensary itself.
- 33. The damage caused by Planet 13 is exceptionally difficult to quantify in dollars because it involves harm to reputation and to customer relations.
- 34. Because Tryke will suffer irreparable harm if a preliminary injunction is not granted, this factor weighs in favor of granting injunctive relief.

# The Balance of the Equities Is in Plaintiff's Favor and a Preliminary Injunction Is in the Public Interest

35. In granting a preliminary injunction, courts may "weigh the potential hardships to the relative parties, and others, and the public interest." *Univ. & Cmty. Coll. Sys. of Nevada v.* Nevadans for Sound Gov't, 120 Nev. 712, 721, 100 P.3d 179, 187 (2004).

2

3

4

5

6

7

8

9

12

13

14

17

18

21

20

22 23

24

25 26

27

28

///

	36.	It is axiomatic that "[t]he public interest is not disserved by an injunction that
prec	udes ille	gal or tortious conduct." See Shell Offshore Inc. v. Greenpeace, Inc., 864 F. Supp
2d 8	39, 852 (	D. Alaska 2012). "Ensuring that [d]efendants do not further profit from illegal
activ	ity is in	the public interest." Huang Yiqiao v. California Investment Fund, LLC, Case No.
CV	8-6413-	MWF, 2019 WL 7997237, *4 (C.D. Cal. Nov. 27, 2019).

- 37. Analogously, in the trademark context, courts routinely address the public interest factor in favoring of issuing injunctions to protect the public from confusion or deception with respect to consumer transactions. See, e.g., Phillip Morris USA Inc. v. Shalabi, 352 F. Supp. 2d 1067, (C.D. Cal. 2004) (noting strong public interest in protecting consumers from confusion).
- 38. The balance of the hardships and public interest weigh in favor of issuing Tryke's requested preliminary injunction. Planet 13's actions are inducing conduct prohibited by Nevada statute and regulation and enticing drivers to risk their licensure by incentivizing them to engage in unlawful diversion. In addition, Planet 13's actions are deceiving customers and violating their right to choose which dispensary to patronize. Personal freedom to make safe choices to legally purchase marijuana is a concept which underpins Nevada's marijuana legalization laws.
- 39. Because the balance of hardships and public interest weigh in favor of Tryke, all factors weigh in favor of issuing a preliminary injunction.

# **Security Bond**

- 40. "[N]o restraining order or preliminary injunction shall issue except upon the giving of adequate security by the applicant, in such sum as the court deems proper, for the payment of such costs and damages as may be incurred or suffered by any party who is found to be wrongfully enjoined or restrained." NRCP 65(d).
- 41. Planet 13 stands to suffer no appreciable losses and will suffer only minimal harm as a result of an injunction.
- 42. Therefore, a security bond in the amount of \$10,000 is sufficient for issuance of this injunctive relief.



43. If any of the Conclusions of Law are properly findings of fact, they shall be treated as though appropriately identified and designated.

### <u>ORDER</u>

IT IS HEREBY ADJUDGED, ORDERED, AND DECREED that Plaintiff's Motion for Preliminary Injunction is GRANTED.

#### IT IS FURTHER ORDERED:

- 1. Defendant Planet 13 is enjoined from paying any fee or commission to rideshare service drivers in exchange for the drivers bringing passengers to Planet 13 rather than another cannabis dispensary; and
- Defendant Planet 13 is enjoined from advertising to rideshare service drivers that 2. Planet 13 will provide compensation to drivers in exchange for the drivers bringing passengers to **Dated this 10th day of September, 2020** Planet 13 rather than another cannabis dispensary.

DISTRIC

Jim Crockett

day of September 2020. DATED th

BBB 62A 02D4 A3A2

**District Court Judge** 

Submitted by:

H1 LAW GROUP

18 19

1

2

3

4

5

6

7

8

9

10

13

14

15

16

17

Eric D. Hone, NV Bar No. 8499

Joel Z. Schwarz, NV Bar No. 9181 Jamie L. Zimmerman, NV Bar No. 11749

Moorea L. Katz, NV Bar No. 12007 701 N. Green Valley Parkway, Suite 200

22 | Henderson NV 89074

Paul A. Conant, AZ Bar No. 012667 (Pro Hac Vice)

Conant Law Firm

2398 East Camelback Road, Suite No. 925

Phoenix, AZ 85016 25

Attorneys for Plaintiff Tryke Companies SO NV, LLC 27

1 **CSERV** 2 DISTRICT COURT 3 CLARK COUNTY, NEVADA 4 5 Tryke Companies SO NV, LLC, CASE NO: A-19-804883-C 6 Plaintiff(s) DEPT. NO. Department 24 7 VS. 8 MM Development Company, 9 Inc., Defendant(s) 10 11 **AUTOMATED CERTIFICATE OF SERVICE** 12 This automated certificate of service was generated by the Eighth Judicial District 13 Court. The foregoing Findings of Fact, Conclusions of Law and Order was served via the court's electronic eFile system to all recipients registered for e-Service on the above entitled 14 case as listed below: 15 Service Date: 9/10/2020 16 p.stoppard@kempjones.com Patricia Stoppard 17 Ian McGinn i.mcginn@kempjones.com 18 Ali Augustine 19 a.augustine@kempjones.com 20 Nathanael Rulis n.rulis@kempjones.com 21 Alisa Hayslett a.hayslett@kempjones.com 22 Eric Hone eric@h1lawgroup.com 23 Jamie Zimmerman jamie@h1lawgroup.com 24 Pamela Montgomery p.montgomery@kempjones.com 25 Moorea Katz moorea@h1lawgroup.com 26 Karen Morrow karen@h1lawgroup.com 27

1	Joel Schwarz	joel@h1lawgroup.com
2 3	Candice Mata	lawclerk@h1lawgroup.com
4	Lisa Stewart	lisa@h1lawgroup.com
5	Judy Estrada	judy@h1lawgroup.com
6	Elias George	Elias@H1lawgroup.com
7	Paul Conant	docket@conantlawfirm.com
8		
9		
10		
11		
12		
13		
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
<ul><li>24</li><li>25</li></ul>		
26		
27		

# DISTRICT COURT CLARK COUNTY, NEVADA

A-19-804883-C Tryke Companies SO NV, LLC, Plaintiff(s) vs.
MM Development Company, Inc., Defendant(s)

February 27, 2020 9:00 AM All Pending Motions

**HEARD BY:** Crockett, Jim COURTROOM: Phoenix Building 11th Floor

116

**COURT CLERK:** Phyllis Irby

**RECORDER:** Deloris Scott

REPORTER:

**PARTIES** 

**PRESENT:** Hone, Eric D. Attorney Kemp, William Simon Attorney

# **JOURNAL ENTRIES**

- Mr. Paul Cohant (Pro Hac Vice) appeared on behalf of the Plaintiff. COURT NOTED, it disagrees that this is a matter that is to be pursued through the taxi authority; it is designed to protect customers that use the ride hailing service to pursue remedies through the administrative agency. In this case this is a straight Tort.

Mr. Kemp argued the issue here is whether or not there is a diversion tort. Mr. Kemp further argued that there has to be a knowledge of a specific person involved in order to make the allegations. Following further arguments of counsel. COURT ORDERED.

PLAINTIFF'S REQUEST FOR HEARING ON UNOPPOSED MOTION TO ASSOCIATE COUNSEL PRO HAC VICE - GRANTED

DEFENDANT MM DEVELOPMENT COMPANY, INC'S MOTION TO DISMISS - COURT ORDERED, MOTION DENIED.

PRINT DATE: 10/12/2020 Page 1 of 6 Minutes Date: February 27, 2020

#### A-19-804883-C

4-09-20 9:00 AM STATUS CHECK: FILING OF ORDER

PRINT DATE: 10/12/2020 Page 2 of 6 Minutes Date: February 27, 2020

# DISTRICT COURT CLARK COUNTY, NEVADA

Other Civil Matters		COURT MINUTES	May 07, 2020
A-19-804883-C	Tryke Companies SO NV, LLC, Plaintiff(s) vs. MM Development Company, Inc., Defendant(s)		
May 07, 2020	3:00 AM	Motion For Reconsideration	
HEARD BY: Crocke	ett, Jim	COURTROOM:	Phoenix Building 11th Floor 116
COURT CLERK: Ti	a Everett		
RECORDER:			
REPORTER:			
PARTIES PRESENT:			

#### **JOURNAL ENTRIES**

- MM Development Company, Inc.'s Motion for Reconsideration of Court Order Denying Defendant's Motion to Dismiss

COURT NOTES per Odyssey, MM Development has a filing fee balance of \$223.

This COURT, having reviewed the Motion, Opposition and Reply and concludes there is no basis for reconsideration of the court's decision. Furthermore, MM Development is simply re-arguing the same arguments previously considered and rejected by the court. COURT ORDERED, Motion for Reconsideration DENIED. Counsel for Plaintiff to prepare and submit order to court for signature w/in 14 days per EDCR 7.21. COURT FURTHER ORDERED, matter SET for Status Check.

6/11/20 (CHAMBERS) STATUS CHECK: FILLING OF ORDER DENYING MOTION FOR RECONSIDERATION

PRINT DATE: 10/12/2020 Page 3 of 6 Minutes Date: February 27, 2020

#### A-19-804883-C

CLERK'S NOTE: The above minute order has been distributed to:

Judy Estrada judy@h1lawgroup.com
Elias George Elias@H1lawgroup.com
Eric D Hone eric@h1lawgroup.com
Moorea L. Katz moorea@h1lawgroup.com
Candice Mata lawclerk@h1lawgroup.com
Karen Morrow karen@h1lawgroup.com
Joel Z. Schwarz joel@h1lawgroup.com
Lisa Stewart lisa@h1lawgroup.com
Ali Augustine a.augustine@kempjones.com
Alisa Hayslett a.hayslett@kempjones.com
Ian P. McGinn i.mcginn@kempjones.com
Pamela Montgomery p.montgomery@kempjones.com
Nathanael R Rulis n.rulis@kempjones.com
Patricia Stoppard p.stoppard@kempjones.com

# DISTRICT COURT CLARK COUNTY, NEVADA

A-19-804883-C Tryke Companies SO NV, LLC, Plaintiff(s)
vs.
MM Development Company, Inc., Defendant(s)

September 03, 2020 9:00 AM Motion for Preliminary

Injunction

HEARD BY: Crockett, Jim COURTROOM: Phoenix Building 11th Floor

116

**COURT CLERK:** Rem Lord

**RECORDER:** Nancy Maldonado

**REPORTER:** 

**PARTIES** 

**PRESENT:** Conant, Paul A. Attorney

Rulis, Nathanael R., ESQ Attorney Schwarz, Joel Z. Attorney

#### **JOURNAL ENTRIES**

- TRYKE COMPANIES SO NV LLC'S (1) MOTION FOR PRELIMINARY INJUNCTION; AND (2) APPLICATION FOR ORDER SHORTENING TIME

Court reviewed the procedural history of the case and stated inclination. Following arguments by counsel COURT ORDERED, Motion GRANTED; BOND set at \$10,000.00. Plaintiff's counsel to prepare and submit the Order within fourteen days. Colloquy regarding scheduling and proceeding as a bench trial. Mr. Rulis made an Oral Motion for Stay, Court advised counsel he must file a written Motion if he is requesting a stay.

PRINT DATE: 10/12/2020 Page 5 of 6 Minutes Date: February 27, 2020

# DISTRICT COURT CLARK COUNTY, NEVADA

A-19-804883-C Tryke Companies SO NV, LLC, Plaintiff(s) vs.
MM Development Company, Inc., Defendant(s)

September 24, 2020 9:00 AM All Pending Motions

**HEARD BY:** Crockett, Jim COURTROOM: Phoenix Building 11th Floor

116

**COURT CLERK:** Rem Lord

**RECORDER:** Nancy Maldonado

REPORTER:

**PARTIES** 

**PRESENT:** Conant, Paul A. Attorney

Rulis, Nathanael R., ESQ Attorney Schwarz, Joel Z. Attorney

#### **JOURNAL ENTRIES**

- TRYKE'S MOTION TO FILE UNDER SEAL UNREDACTED REPLY ISO MOTION FOR PRELIMINARY INJUNCTION ... MANDATORY RULE 16 CONFERENCE

Colloquy regarding possible witness and scheduling, parties requested to keep current dates. COURT ORDERED, dates from Judicial Case Conference Report shall be used, Scheduling and Trial Order to issue from Chambers. COURT FURTHER ORDERED, Status Check: Trial Readiness SET for 12/8/2021. COURT ORDERED, Tryke's Motion to File Under Seal advanced to today; as the Motion is unopposed it is GRANTED. Order to be submitted within fourteen day. COURT FURTHER ORDERED, status check SET for the filing of the order. Parties stated they were willing to attend a Judicial Settlement Conference, Court advised counsel to submit a stipulation and order.

10/22/2020 STATUS CHECK: FILING OF THE ORDER (CHAMBERS)

PRINT DATE: 10/12/2020 Page 6 of 6 Minutes Date: February 27, 2020



# EIGHTH JUDICIAL DISTRICT COURT CLERK'S OFFICE NOTICE OF DEFICIENCY ON APPEAL TO NEVADA SUPREME COURT

WILL KEMP, ESQ. 3800 HOWARD HUGHES PKWY., 17<sup>TH</sup> FLOOR LAS VEGAS, NV 89169

DATE: October 12, 2020 CASE: A-19-804883-C

**RE CASE**: TRYKE COMPANIES SO NV, LLC vs. MM DEVELOPMENT COMPANY, INC. dba PLANET 13

NOTICE OF APPEAL FILED: October 9, 2020

YOUR APPEAL HAS BEEN SENT TO THE SUPREME COURT.

#### PLEASE NOTE: DOCUMENTS **NOT** TRANSMITTED HAVE BEEN MARKED:

- \$250 Supreme Court Filing Fee (Make Check Payable to the Supreme Court)\*\*

   If the \$250 Supreme Court Filing Fee was not submitted along with the original Notice of Appeal, it must be mailed directly to the Supreme Court. The Supreme Court Filing Fee will not be forwarded by this office if submitted after the Notice of Appeal has been filed.

   \$24 District Court Filing Fee (Make Check Payable to the District Court)\*\*
- S500 − Cost Bond on Appeal (Make Check Payable to the District Court)\*\*
  - NRAP 7: Bond For Costs On Appeal in Civil Cases
    - Previously paid Bonds are not transferable between appeals without an order of the court.
- ☐ Case Appeal Statement
  - NRAP 3 (a)(1), Form 2
- ☐ Order
- ☐ Notice of Entry of Order

#### NEVADA RULES OF APPELLATE PROCEDURE 3 (a) (3) states:

"The district court clerk must file appellant's notice of appeal despite perceived deficiencies in the notice, including the failure to pay the district court or Supreme Court filing fee. The district court clerk shall apprise appellant of the deficiencies in writing, and shall transmit the notice of appeal to the Supreme Court in accordance with subdivision (g) of this Rule with a notation to the clerk of the Supreme Court setting forth the deficiencies. Despite any deficiencies in the notice of appeal, the clerk of the Supreme Court shall docket the appeal in accordance with Rule 12."

#### Please refer to Rule 3 for an explanation of any possible deficiencies.

<sup>\*\*</sup>Per District Court Administrative Order 2012-01, in regards to civil litigants, "...all Orders to Appear in Forma Pauperis expire one year from the date of issuance." You must reapply for in Forma Pauperis status.

# **Certification of Copy**

State of Nevada
County of Clark

I, Steven D. Grierson, the Clerk of the Court of the Eighth Judicial District Court, Clark County, State of Nevada, does hereby certify that the foregoing is a true, full and correct copy of the hereinafter stated original document(s):

MM DEVELOPMENT COMPANY, INC.'S PROTECTIVE NOTICE OF APPEAL; MM DEVELOPMENT COMPANY, INC.'S CASE APPEAL STATEMENT; DISTRICT COURT DOCKET ENTRIES; CIVIL COVER SHEET; FINDINGS OF FACT, CONCLUSIONS OF LAW, AND ORDER GRANTING PLAINTIFF'S MOTION FOR PRELIMINARY INJUNCTION; NOTICE OF ENTRY OF FINDINGS OF FACT, CONCLUSIONS OF LAW, AND ORDER GRANTING PLAINTIFF'S MOTION FOR PRELIMINARY INJUNCTION; DISTRICT COURT MINUTES; NOTICE OF DEFICIENCY

TRYKE COMPANIES SO NV, LLC,

Plaintiff(s),

VS.

MM DEVELOPMENT COMPANY, INC. dba PLANET 13,

Defendant(s),

now on file and of record in this office.

Case No: A-19-804883-C

Dept No: XXIV

IN WITNESS THEREOF, I have hereunto Set my hand and Affixed the seal of the Court at my office, Las Vegas, Nevada This 12 day of October 2020.

Steven D. Grierson, Clerk of the Court

Heather Ungermann, Deputy Clerk