

1 Simon Franzini (Cal. Bar No. 287631)
simon@dovel.com
2 Gabriel Z. Doble (Cal. Bar No. 335335)
gabe@dovel.com
3 DOVEL & LUNER, LLP
4 201 Santa Monica Blvd., Suite 600
Santa Monica, California 90401
5 Telephone: (310) 656-7066
6 Facsimile: (310) 656-7069

7 *Attorneys for Plaintiff 1440 Sports*
8 *Management Limited*

9 **UNITED STATES DISTRICT COURT**
10 **NORTHERN DISTRICT OF CALIFORNIA**

11
12 1440 SPORTS MANAGEMENT LIMITED,

13 *Plaintiff,*

14 v.

15 PGA TOUR, INC., FORTINET, INC., and
16 JAY VOELKER,

17 *Defendants.*
18

Case No.

COMPLAINT

DEMAND FOR JURY TRIAL

19
20
21
22
23
24
25
26
27
28

Table of Contents

1

2 Introduction..... 1

3 Parties..... 2

4 Jurisdiction and Venue..... 3

5 Divisional Assignment..... 4

6 Facts 4

7 A. 1440 Sports’ business. 4

8 B. 1440 Sports introduces PGA Tour and Fortinet. PGA Tour assures 1440

9 Sports that it will be paid if the introduction results in a sponsorship..... 5

10 C. After being introduced to Fortinet by 1440 Sports, PGA Tour breaks its

11 promises to 1440 Sports..... 11

12 D. 1440 Sports tries to get Fortinet to compensate it. Fortinet agrees, but then

13 later changes its mind..... 11

14 E. PGA Tour and Fortinet enter sponsorship agreement and receive benefits..... 13

15 F. Despite orchestrating the sponsorship deal between PGA Tour and

16 Fortinet, 1440 Sports receives no compensation for its services. 17

17 Claims 18

18 Count I: Breach of Contract..... 18

19 Count II: Quantum Meruit 19

20 Count III: Intentional Misrepresentation 21

21 Count IV: Negligent Misrepresentation..... 23

22 Count V: False Promise 25

23 Count VI: Unfair Competition (Violation of Cal. Bus. & Prof. Code § 17200)..... 27

24 Jury Demand 28

25 Prayer for Relief..... 28

26

27

28

Introduction

1
2 1. The PGA Tour is the preeminent series of golf tournaments for men in the United
3 States. It runs annually and is organized by Defendant PGA TOUR.

4 2. One of the golf tournaments that is part of the PGA Tour is the Fortinet
5 Championship, held in September in Napa. The reason it is called the “Fortinet” Championship is
6 that Defendant Fortinet sponsors it. The first Fortinet Championship was held in 2021. It is
7 scheduled to run annually through at least 2026.

8 3. Sponsoring the Fortinet Championship gives Defendant Fortinet major media
9 exposure at an extremely popular sporting event. Among other things, its logo is plastered
10 everywhere at the championship. For example, here is a picture from the Championship:¹



21 4. Defendant PGA Tour, for its part, receives millions of dollars per year from Fortinet
22 as part of the sponsorship. It uses this money pay the considerable expenses associated with
23 organizing and hosting a major sporting event. Without sponsorships like Fortinet’s, PGA Tour
24 would go out of business. Its very survival depends on these kinds of sponsorships.

25 5. The reason the Fortinet Championship exists is Ricky Paugh and his company,
26 Plaintiff 1440 Sports. Based on his many years of experience finding sponsors for major sporting
27

28

¹ Image from <https://www.fortinetchampionship.com/>

1 events, Mr. Paugh identified Fortinet as an ideal sponsor for the championship. He introduced the
2 right people at Fortinet to the right people at PGA Tour, at the right time and under considerable
3 time pressure. This introduction led to a six-year, \$50 million dollar+ commitment. Without the
4 sponsorship, PGA Tour would not have been able to go forward with the Championship.

5 6. Mr. Paugh dedicates his working life to identifying mutually beneficial partnership
6 opportunities for sports organizations like PGA Tour and sponsors like Fortinet.

7 7. Mr. Paugh’s company, 1440 Sports, is not a charity. It is a business. And the
8 introductions that Mr. Paugh makes are very valuable. His company is compensated accordingly, as
9 is customary and expected in the sports marketing industry. Typically, he charges a commission
10 consisting of a percentage of the overall sponsorship fee. The percentage ranges from 10% to 20%.

11 8. Mr. Paugh has been compensated for each and every one of the introductions he
12 made that resulted in a sponsorship, except for one: the introduction of Defendant Fortinet to
13 Defendant PGA Tour which led to the Fortinet Championship sponsorship. That sponsorship—
14 worth over \$50 million—was the direct result of an introduction Mr. Paugh made. And Mr. Paugh
15 was promised he would be paid for making that introduction, just like he always is, and just as is
16 customary in the industry. But he has yet to receive a single dollar in compensation, from either
17 PGA Tour or Fortinet. Meanwhile, both Defendants have reaped, and continue to reap, tens of
18 millions of dollars in benefits. Mr. Paugh and 1440 Sports bring this lawsuit to right this wrong.

19 **Parties**

20 9. Plaintiff 1440 Sports Management Limited (“1440 Sports”) is a corporation
21 organized under the laws of England and Wales, with its principal place of business in London,
22 United Kingdom. At all relevant times, Ricky Paugh was acting as an agent of 1440 Sports.

23 10. Defendant PGA TOUR, Inc. (“PGA Tour”) is a corporation organized under the laws
24 of Maryland with its principal place of business in Ponte Vedra, Florida. At all relevant times,
25 Defendant Jay Voelker and Phil Kennard were acting as agents of PGA Tour.

26 11. Defendant Fortinet, Inc. (“Fortinet”) is a corporation organized under the laws of
27 Delaware with its principal place of business in Sunnyvale, California. At all relevant times, John
28 Maddison, Jim Overbeck, and Jon Bove were acting as agents of Fortinet.

1 12. Defendant Jay Voelker is, and at all times mentioned in this Complaint was, an
 2 individual residing in Florida.

3 **Jurisdiction and Venue**

4 13. This Court has subject matter jurisdiction under 28 U.S.C. § 1332 because the
 5 amount in controversy is greater than \$75,000 and the plaintiff, 1440 Sports, is a citizen of a foreign
 6 state and the defendants, PGA Tour, Fortinet, and Voelker, are citizens of domestic states.

7 14. This Court has personal jurisdiction over Defendant Fortinet because Fortinet’s
 8 principal place of business is in Sunnyvale, California and because Fortinet regularly conducts
 9 business in this state, including sponsoring the annual Fortinet Championship in Napa, California,
 10 that is at the heart of this lawsuit.

11 15. This Court has personal jurisdiction over Defendants PGA Tour, and Voelker,
 12 because those defendants regularly conducted business within this state and purposefully availed
 13 themselves of this state. Defendants PGA Tour and Voelker hold an annual professional golf
 14 tournament in Napa, California. They discussed finding a sponsor for that tournament with 1440
 15 Sports, and made representations to and entered an agreement with 1440 Sports regarding
 16 compensation for 1440 Sports for connecting PGA Tour with a potential sponsor. They conducted
 17 negotiations with 1440 Sports and Fortinet regarding a sponsorship agreement for that tournament.
 18 They entered such a sponsorship agreement with Fortinet, a company headquartered in California.
 19 And they held and attended the Fortinet Championship in California, and reaped the benefits of
 20 putting on that tournament.

21 16. This Court’s exercise of personal jurisdiction over Defendants is consistent with the
 22 Constitutions of the United States and the State of California.

23 17. Venue is proper in this District under 28 U.S.C. § 1391 because Defendants reside in
 24 this District for venue purposes and because a substantial part of the events or omissions giving rise
 25 to the claims occurred in this District. The claims center around a sponsorship agreement for a
 26 professional golf tournament held in this District, and the benefits that Defendants received from
 27 that tournament.
 28

Divisional Assignment

1
2 18. Assignment of this case to the San Francisco Division or the Oakland Division is
3 appropriate under Local Rule 3-2(d), because the claims center around a golf tournament in Napa,
4 California.

Facts

5
6 **A. 1440 Sports’ business.**

7 19. Sports organizations like PGA Tour typically rely on sponsorships to pay for
8 sporting events, like golf tours. In a sponsorship, the sponsor (usually a large company like
9 Fortinet) will give money to the sports organization. The sports organization uses that money to
10 pay for the many costs associated with putting on a sporting event. In exchange, the sponsor is
11 given certain rights associated with the sporting events (for example, the right to have their name
12 associated with the event; the right to place their logo in certain key positions around the venue; the
13 right to use imagery from the sporting property; the right to host customers, employees, and
14 prospective customers at events; and so forth).

15 20. Finding sports sponsors is very difficult. That is because sporting events are very
16 expensive, highly scrutinized and politicized internally, and at times hard to measure impact around.
17 Sponsoring a sporting event carries a very hefty price tag, usually in the millions or even tens of
18 millions of dollars for a multi-year sponsorship. In addition, many of the companies that do have
19 that kind of budget do not appreciate the value of sports sponsorships. For example, many
20 business-to-business companies—companies that sell products or services to other business, as
21 opposed to consumers—mistakenly believe sponsoring a sporting event doesn’t make sense for
22 them. They think that sporting event sponsorships are valuable only to consumer-facing businesses,
23 such as businesses that sell products or services directly to consumers. In truth, however, sports
24 sponsorships can be extremely valuable to primarily business-facing businesses too, for example
25 because they allow the sponsor to host and engage C-level executives from their customers and
26 prospective customers at events; engage with C-level executives from the other sponsors across the
27 eco-system of the sports platform (for example executives from other PGA Tour sponsors); excite
28 and engage their employees and potential employees; and put their brand into the media at the

1 intersection of their customers' personal passions and professional interests. But many big
2 companies do not appreciate these benefits.

3 21. 1440 Sports bridges this gap. Ricky Paugh, the founder of 1440 Sports, has a
4 background that bridges marketing, technology, and sports. He also had a successful decade-long
5 career in management consulting at a publicly traded company, where he worked directly with
6 Chief Marketing Officers at numerous Fortune 500 companies to optimize strategic best practices.
7 And he has almost ten years of experience securing sports sponsorships. This unique background
8 allows Mr. Paugh to identify the right company for the right sponsorship; and then explain the value
9 that such a sponsorship would provide. And because of this, Mr. Paugh has been very successful at
10 getting sponsors for sports rights holders.

11 22. Mr. Paugh does not provide this valuable service for free. If an introduction that Mr.
12 Paugh makes results in a sponsorship deal, 1440 Sports is paid a commission called an "introducer's
13 fee." Introducer's fees are standard in the industry, and typically range from 10-15% of the gross
14 sponsorship fee. 1440 Sports' standard introducer's fee is 12.5% of the total gross sponsorship fee.
15 But depending on the deal it can be more, as high as 20%. And it is always at least 10%. The
16 commission is usually paid by the organization receiving the sponsorship fee (in the case of the
17 Fortinet-PGA Tour deal, that would have been PGA Tour).

18 23. If an introduction that Mr. Paugh makes results in a sponsorship, the sponsorship
19 recipient will often hire 1440 Sports to help them make the most of that sponsorship. In that
20 situation, 1440 Sports charges the recipient an additional fee called an "activation" fee. This fee is
21 separate from and on top of the introducer's fee that 1440 Sports receives for making the
22 introduction (which is usually paid by the sponsor).

23 **B. 1440 Sports introduces PGA Tour and Fortinet. PGA Tour assures 1440 Sports**
24 **that it will be paid if the introduction results in a sponsorship.**

25 24. One of Mr. Paugh's sponsor clients is Defendant Fortinet. Fortinet is a cybersecurity
26 company based out of California. Mr. Paugh had introduced Fortinet to a European Formula E
27 racing team. This introduction resulted in a successful, multi-million-dollar sponsorship. Mr.
28 Paugh was paid an introducer's fee for making this introduction.

1 25. Like many businesses that sell their services to other businesses and not consumers,
2 when Mr. Paugh first suggested that Fortinet should consider sponsoring the Formula E racing
3 team, Fortinet was skeptical. What benefits would the sponsorship provide to Fortinet, whose
4 clients were mostly businesses? But Mr. Paugh explained to Fortinet the benefits that a sports
5 sponsorship can bring to a primarily business-facing company (described in greater detail above).
6 Once Fortinet understood these benefits, Fortinet was excited about the opportunity and signed on.

7 26. The Formula E sponsorship was very successful in helping Fortinet's European
8 business. Having learned to appreciate the benefits of a sports sponsorship, Fortinet wanted to
9 explore using a sports sponsorship to expand its reach in the US market too. Mr. Paugh began
10 thinking about options for this. He concluded that a golf sponsorship—and specifically, a
11 sponsorship of Defendant PGA Tour—might be a good option for Fortinet.

12 27. Defendant PGA Tour organizes professional golf tournaments throughout the United
13 States. Each year, in September, PGA Tour kicks off one of its biggest championships, the
14 FedExCup, with a tournament in Napa, California. The Napa tournament is the first tournament of
15 the regular season of the FedExCup.

16 28. Safeway, the supermarket chain, had been the sponsor of the Napa tournament since
17 2016. But when the most recent term of the sponsorship expired after the 2020 tournament,
18 Safeway unexpectedly decided not to renew its sponsorship. PGA Tour, therefore, needed to
19 quickly find a new sponsor for its opening tournament.

20 29. In early January 2021, Mr. Paugh heard that PGA Tour might need a new sponsor for
21 the Napa tournament. Although the 2021 tournament would not be for another nine months, Mr.
22 Paugh knew that time to find a sponsor was already running out. The sponsorship would have to be
23 secured sufficiently in advance of the tournament to allow the parties to finalize the deal and
24 organize and plan for the tournament. This usually takes close to a year to do.

25 30. Mr. Paugh believed that sponsoring PGA Tour would be a fantastic opportunity for
26 Fortinet to strengthen its competitive position in the U.S. market. For example, sponsoring the
27 tournament would give Fortinet unique access to top-level executives of other PGA Tour sponsors,
28 most of whom would be very lucrative potential clients. As a second example, it would allow

1 Fortinet to host events at the tournament to forge connections with other C-level executives of other
2 U.S. companies, many of whom are avid golf players and frequently attend PGA Tour
3 championships in general, and the FedExCup in particular. It would also allow Fortinet to use the
4 tournament to host certain important events such as their Customer Advisory Board meeting and
5 their Technology Summit.

6 31. So Mr. Paugh reached out to Defendant Jay Voelker, Vice President of Business
7 Development at PGA Tour. He asked Mr. Voelker what tournaments PGA needed a sponsor for.
8 He confirmed with Mr. Voelker that PGA Tour was looking for a new sponsor for the Napa
9 tournament. He told Mr. Voelker that he knew of a company who might be interested in sponsoring
10 the Napa tournament.

11 32. Defendant Voelker was interested. He set up a call between himself, Mr. Paugh, and
12 Phil Kennard, the Vice President and Head of Business Development of PGA Tour in Europe, for
13 the very next day, January 12, 2021. On the call, Mr. Voelker and Mr. Kennard confirmed that
14 PGA Tour was urgently seeking a title sponsor for the Napa tournament. They wanted a seven-year
15 commitment, at approximately \$10 million per year. In exchange, the sponsor would be the title
16 sponsor for the Napa tournament (meaning that the Tournament would be named after the sponsor,
17 hence the name “Fortinet Championship”). As part of the \$10M fee, the sponsor would also
18 become an Official Marketing Partner of the PGA Tour. This would give the sponsor a number of
19 benefits, including the ability to use the PGA logo in their communications, to advertise during the
20 broadcast PGA televised tournaments, to have hospitality across the season for guests, and so forth.

21 33. After discussing what PGA Tour was looking for, Mr. Voelker, Mr. Kennard, and
22 Mr. Paugh discussed how Mr. Paugh would be compensated if he made an introduction that led to a
23 sponsorship. Mr. Paugh explained that he typically receives an introducer’s fee consisting of a
24 percentage of the gross sponsorship fee. Mr. Voelker and Mr. Kennard told Mr. Paugh that PGA
25 Tour has a policy against paying agencies that kind of commission. But, they told him, PGA Tour
26 would compensate 1440 Sports for making an introduction that resulted in a sponsorship in a
27 different way. Specifically, they told him that PGA Tour would allow 1440 Sports to add a margin
28 on top of the sponsorship fee that PGA Tour was seeking, to cover his commission. For example, if

1 PGA Tour was seeking \$10 million/year, Mr. Paugh could charge potential sponsors \$12
2 million/year. The difference between the amount the sponsor paid and the amount PGA was
3 seeking would be used to compensate Mr. Paugh's company for making the introduction. They also
4 told Mr. Paugh that alternatively, at his election, he could add a margin on top of the fee paid to the
5 tournament operator, and be paid that way. (After receiving the sponsorship fee from the sponsor,
6 part of that money is used to pay the tournament operator who actually runs the tournament.) This
7 compensation structure—and particularly the first alternative, adding a margin to the gross
8 sponsorship fee—was acceptable to Mr. Paugh. So he told Mr. Voelker and Mr. Kennard that he
9 was comfortable proceeding on that basis.

10 34. 1440 Sports sometimes enters a written agreement with an organization seeking a
11 sponsorship fee before making an introduction. But oftentimes, 1440 Sports proceeds on the basis
12 of an oral agreement. This is common in the industry. One reason is that potential sponsorship
13 deals often do not materialize. So it doesn't make sense for a sponsoring organization to go through
14 the expensive and cumbersome process of papering a deal with an agent who has a potential deal for
15 them. If the deal falls through then all of the effort (and legal spend) that went into papering the
16 deal is for nothing. For that reason, it is common to proceed on the basis of an oral agreement, and
17 then memorialize the agreement between the organization and the introducer once the sponsorship
18 deal is close to being final.

19 35. So, Mr. Paugh was comfortable proceeding on the basis of an oral agreement.
20 Moreover—given the urgency with which PGA Tour needed to find a sponsor—there was not
21 enough time to negotiate a written agreement anyway. The window for Fortinet to (1) conduct
22 diligence on the opportunity; (2) decide to sponsor the tournament and negotiate a sponsorship
23 agreement; and (3) be ready to take advantage of the tournament by September was rapidly closing.

24 36. So, Mr. Paugh decided to proceed in reliance rely on PGA Tour's oral promises.
25 These oral promises included:

- 26 (1) that PGA Tour would compensate 1440 Sports for making introduction to a potential
27 sponsor that resulted in a sponsorship; and
28

1 (2) specifically, that PGA Tours would do so by allowing 1440 Sports to add a margin on
2 top of the gross amount of the sponsorship fee that PGA Tour was seeking, which would
3 be paid to 1440 Sports, or alternatively (at 1440 Sports' option) would add a margin to
4 the amount that would be paid to the tournament operator, which would be paid to 1440
5 Sports.

6 In reliance on those promises, Mr. Paugh told PGA Tour that the potential sponsor was Fortinet.
7 And he agreed that he would make the introduction as soon as possible (and without waiting for any
8 sort of written agreement to be entered between 1440 Sports and PGA Tour concerning 1440
9 Sports' compensation).

10 37. Under the circumstances, Mr. Paugh's reliance was reasonable. It is common in Mr.
11 Paugh's industry to proceed on the basis of an oral agreement in situations like these. PGA Tour is
12 a well-known, well-established, respectable business. Mr. Voelker and Mr. Kennard are high-level
13 executives at PGA Tour. Both men gave Mr. Paugh their word. And insisting on a written
14 agreement before making the introduction would introduced delay that could have derailed the deal.

15 38. Just two days later, on January 14, 2021, Mr. Paugh had a call with John Maddison
16 (Fortinet's Chief Marketing Officer) and Jim Overbeck (Fortinet's Vice President of Marketing in
17 North America). He told them that he had identified an opportunity that would allow Fortinet to
18 significantly expand its reach in the U.S. market: sponsoring PGA Tour's Napa tournament.

19 39. Mr. Paugh told Mr. Maddison and Mr. Overbeck that the total price for the Napa
20 tournament title sponsorship and the Official Marketing Partnership would be \$12 million per year.
21 This amount included (1) the \$10 million per year that PGA Tour was seeking; and (2) an additional
22 \$2 million per year margin to compensate 1440 Sports for its services. This quote was consistent
23 with Mr. Paugh's conversation with Mr. Voelker and Mr. Kennard, who had promised Mr. Paugh
24 that PGA Tour would allow 1440 Sports to add a margin on top of the sponsorship fee that PGA
25
26
27
28

1 Tour was seeking.² Mr. Maddison and Mr. Overbeck told Mr. Paugh that Fortinet would be very
2 interested sponsoring PGA Tour on the terms Mr. Paugh presented.

3 40. Mr. Paugh told Fortinet about the PGA Tour sponsorship opportunity, and quoted
4 Fortinet the amount he quoted it, in reliance on PGA Tour's promise that it would let 1440 Sports
5 add a margin to the gross sponsorship fee to compensate 1440 Sports for making the introduction.
6 Without the promise of compensation, Mr. Paugh would never have made the introduction. After
7 all, being paid to identify valuable opportunities and make introductions is how Mr. Paugh makes a
8 living.

9 41. Because both Fortinet and PGA Tour were interested in moving forward, Mr. Paugh
10 set up a call between 1440 Sports, PGA Tour, and Fortinet for the following week. Defendant
11 Voelker emailed Mr. Paugh before the meeting to thank him for setting it up: "Thanks and look
12 forward to meeting them. Greatly appreciate you making this intro."

13 42. The call, which took place on January 21, 2021, went very well. Mr. Paugh attended
14 for 1440 Sports. Mr. Voelker and Mr. Kennard attended for PGA Tour. And Mr. Overbeck and Jon
15 Bove (Fortinet's Vice President of Channel Sales) attended for Fortinet. Both PGA Tour and
16 Fortinet expressed a great deal of interest in a sponsorship deal for the Napa tournament. The
17 parties shared some more information about themselves and their goals, and discussed the details of
18 the possible sponsorship.

19 43. After the call, both PGA Tour and Fortinet reached out to Mr. Paugh to tell him how
20 grateful they were for the introduction. Both said they thought the call went well. Defendant
21 Voelker from PGA Tour wrote Mr. Paugh: "Ricky – Thanks again for teeing this one up. I thought
22 today's call was excellent. As usual, we'll have some work to do but sounds as though they are
23 open to a partnership." Mr. Overbeck from Fortinet wrote Mr. Paugh: "Good call. Thanks for
24 putting this together."

25
26
27
28 ² This would be equivalent to a 16.6% commission on the total yearly amount paid by Fortinet
(\$2 million / \$12 million), which is well within the typical range of commission that Mr.
Paugh charges for making an introduction for a sports sponsorship.

1 **C. After being introduced to Fortinet by 1440 Sports, PGA Tour breaks its**
2 **promises to 1440 Sports.**

3 44. On the day after 1440 Sports introduced PGA Tour to Fortinet, PGA Tour went back
4 on its promises to 1440 Sports.

5 45. Defendant Voelker and Mr. Kennard told Mr. Paugh that—contrary to their
6 representations just ten days earlier—PGA Tour would not permit 1440 Sports to add a margin to
7 the sponsorship fee PGA Tours was seeking. They also told him that they would not permit a
8 margin to be added to the fee paid to the tournament operator to pay 1440 Sports and that there was
9 no other way 1440 Sports could be paid for making the introduction to Fortinet. In other words,
10 they told him that even though 1440 Sports had delivered on its side of the bargain, PGA Tour was
11 not going to pay 1440 Sports for its services. So as soon as Mr. Paugh held up his side of the
12 bargain and made the introduction that he had promised to make, PGA Tour broke its promises to
13 Mr. Paugh that Mr. Paugh relied on, and breached its agreement with 1440 Sports.

14 46. Mr. Kennard later admitted that PGA Tour’s conduct was wrongful. He apologized
15 to Mr. Paugh. And he admitted that PGA Tour’s bait and switch was “not our finest hour.”

16 **D. 1440 Sports tries to get Fortinet to compensate it. Fortinet agrees, but then**
17 **later changes its mind.**

18 47. After PGA Tour told Mr. Paugh that it was going back on its promises, Mr. Paugh
19 approached Fortinet, rather than PGA Tour, for compensation for making the introduction. At this
20 point, however—after the introduction had already been made—Fortinet had little economic
21 incentive to agree to pay 1440 Sports for making the introduction. That is because Fortinet had
22 already been told of the opportunity and been connected with the right people at PGA Tour.

23 48. From this weakened bargaining position, Mr. Paugh approached Mr. Overbeck about
24 receiving compensation for the introduction directly from Fortinet. Mr. Paugh explained that PGA
25 Tour was refusing to pay him. He told Mr. Overbeck 1440 Sports’ standard fee for making
26 connections like the PGA Tour–Fortinet connection. Mr. Overbeck initially said that Fortinet
27 would find a way to compensate 1440 Sports for the introduction, given that PGA Tour had refused
28 to compensate him.

1 49. After this conversation took place, however, Defendant Voelker sent a formal
2 proposal for the sponsorship deal directly to Mr. Overbeck and Mr. Bove at Fortinet. That proposal
3 made no mention of any compensation for 1440 Sports. And it proposed a sponsorship fee that did
4 not account for anything being left over to compensate 1440 Sports. This further reduced 1440
5 Sports' chances of getting compensation for the introduction it had made. At this point, not only
6 had Fortinet already been introduced to PGA Tour, but Fortinet had a concrete proposal in hand—
7 one that did not account for any compensation to 1440 Sports.

8 50. And indeed, after stringing Mr. Paugh along on this topic for many months and
9 proposing several different avenues to compensation, Mr. Overbeck ultimately refused to pay 1440
10 Sports.

11 51. In October 2021, following the first Fortinet Championship, Mr. Maddison of
12 Fortinet reached out to Mr. Paugh to see whether he had been paid for introducing Fortinet and
13 PGA Tour. Mr. Paugh told Mr. Maddison that he had not been, despite Mr. Overbeck's earlier
14 assurances. He also explained that PGA Tour had refused to pay him. So Mr. Maddison again
15 promised that Fortinet would compensate 1440 Sports. He told Mr. Paugh that he would get back to
16 him within two weeks with an offer of compensation. But he never did. Instead, he canceled
17 several calls with Mr. Paugh. And, ultimately, he too told Mr. Paugh that 1440 Sports would
18 receive nothing from Fortinet.

19 52. When Fortinet accepted Mr. Paugh's offer to introduce it to PGA Tour to pursue a
20 potential sponsorship, Fortinet knew that 1440 Sports expected to be compensated for the
21 introduction. Indeed, on two other occasions, 1440 Sports introduced Fortinet to a sports
22 organization that Fortinet ultimately decided to sponsor. Both times, 1440 Sports asked for—and
23 received—a commission for making the introduction. So Fortinet knew that 1440 Sports and Mr.
24 Paugh did not work for free, and instead were expecting to be paid a commission for making the
25 introduction to PGA Tour.

26 53. For example, around the same time that 1440 Sports introduced PGA Tour and
27 Fortinet, 1440 Sports also separately introduced Fortinet and PGA European Tour. (Despite the
28 similarity in the name, PGA European Tour is a different organization that holds professional golf

1 events in Europe.) This introduction led to Fortinet sponsoring PGA European Tour and becoming
2 an Official Marketing Partner of PGA European Tour. And 1440 Sports was paid an introducer's
3 fee. Fortinet was aware that 1440 was being paid this commission.

4 **E. PGA Tour and Fortinet enter sponsorship agreement and receive benefits.**

5 54. In March 2021, PGA Tour and Fortinet entered a sponsorship agreement for the
6 Napa tournament. Fortinet will sponsor the Napa tournament for six years. And it will receive an
7 exclusive negotiation period to extend the sponsorship.³

8 55. Both PGA Tour and Fortinet received, and will continue to receive, substantial
9 benefit from the sponsorship.

10 56. PGA Tour got a title sponsor—and, therefore, a substantial sponsorship fee—for its
11 Napa tournament, for six years. The total sponsorship fee for the first six years amounts to over \$50
12 million. If the sponsorship is extended, the fee for the seventh year will be over \$10 million. Thus,
13 PGA Tour received at least \$50 million—and likely significantly more if the parties extended the
14 sponsorship—from the sponsorship.

15
16
17
18
19
20
21
22
23
24
25
26 ³ 1440 Sports does not currently have access to the final, executed agreement between PGA
27 Tour and Fortinet. The allegations that follow are based on the most recent version that
28 1440 Sports has access to. Because the version 1440 Sports has access to is a near-final
version, 1440 Sports is informed and believes that the terms of the final agreement are
substantially the same as to the ones in that near-final draft.

1 57. The sponsorship also benefits Fortinet. One important benefit is brand exposure.
2 For example, PGA changed the name of the tournament from the Safeway Championship to the
3 Fortinet Championship. As a second example, Fortinet has the right to display its name and image
4 prominently throughout the tournament venue. Fortinet is taking full advantage of this opportunity.
5 For example:⁴



⁴ Images from <https://www.fortinetchampionship.com/>.

1
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



1 58. In fact, the tournament trophy consists entirely of a gigantic Fortinet logo:
2
3
4
5
6
7
8
9
10
11
12
13
14



15 59. In addition to brand exposure at the venue, the sponsorship also gives Fortinet brand
16 exposure in TV broadcasts and other media. For example, Fortinet billboards are prominently
17 displayed during each day of media coverage. Fortinet's name or logo appear on all leaderboard
18 graphics, which are shown at least once every half hour in all broadcasts. The sponsorship
19 guarantees Fortinet the right to address viewers directly during the tournament broadcast, and to
20 have its CEO interviewed on the broadcast by the TV presenters. And it gives Fortinet many
21 advertising spots during coverage and replay of the tournament.

22 60. The sponsorship also gives Fortinet the opportunity to make valuable business
23 connections with customers, potential customers, and other PGA Tour sponsors. For example, as a
24 title sponsor of The Fortinet Championship, Fortinet can host events at the tournament and invite
25 other companies to attend. This gives Fortinet the ability to leverage its sponsorship to connect with
26 important contacts at other businesses, often at the leadership level. The opportunity to build these
27 business-to-business relationships was very important to Fortinet when it was considering whether
28 to agree to sponsor the Championship.

1 61. The sponsorship also benefitted Fortinet because it denied its competitors the
2 opportunity to benefit from certain PGA Tour events. For example, the sponsorship agreement
3 provides that Fortinet’s competitors cannot receive any marketing exposure during the Fortinet
4 Championship—including television or radio advertisements. In addition, Fortinet’s competitors
5 cannot serve as title sponsors for any PGA Tour tournaments in the San Francisco, San Jose, or
6 Sacramento areas during the sponsorship term. These provisions ensure that Fortinet receives
7 exclusivity as the sole cybersecurity company sponsoring PGA Tour tournaments in the critical
8 Northern California region.

9 62. Finally, because of the success Fortinet experienced with the PGA Tour sponsorship,
10 Fortinet has also secured multi-year sponsorships with PGA Tour Canada (for the season-long
11 Fortinet Cup) and PGA Australia (for the Fortinet Australian PGA Championship). It Has also
12 secured sponsorships with PGA golfers. These additional benefits flowed directly from the
13 sponsorship with PGA Tour.

14 63. Thus, both PGA Tour and Fortinet received substantial benefits from the sponsorship
15 deal set up by 1440 Sports.

16 **F. Despite orchestrating the sponsorship deal between PGA Tour and Fortinet,**
17 **1440 Sports receives no compensation for its services.**

18 64. 1440 Sports was critical to the success of the PGA Tour/Fortinet sponsorship deal.
19 PGA Tour and Fortinet would not have received any of the benefits described above if 1440 Sports
20 had not (1) identified the sponsorship as a mutually beneficial opportunity for both sides and (2)
21 made the introduction. These services were critical. As the other sponsorship deals 1440 Sports
22 has orchestrated show, 1440 Sports deserves to be compensated for these services.

23 65. Both PGA Tour and Fortinet recognized that 1440 Sports’ services in identifying the
24 opportunity and connecting them were critical to sponsorship, and that the sponsorship would not
25 exist without 1440 Sports’ efforts.

26 66. For example, Mr. Voelker from PGA Tour stated in an email that “Ricky was the
27 man who made this all happen, facilitating the intro to Fortinet.”
28

1 67. Similarly, Mr. Overbeck from Fortinet stated in an email that “Ricky has hand
 2 delivered both the BMW and PGA sponsorship opportunities.” In another email, Mr. Overbeck
 3 stated that Mr. Paugh “is the incubator for both the BMW & PGA sponsorships.” And in a third
 4 email, Mr. Overbeck stated that “Ricky is the guy who brought us the BMW, Fortinet
 5 Championship and potentially PGA European Tour OMP so he has done us well.”

6 68. Despite Mr. Paugh and 1440 Sports’ critical role in allowing PGA Tour and Fortinet
 7 to secure the benefits of their sponsorship, 1440 Sports has still not received any compensation from
 8 either company for its services.

9 **Claims**

10 **Count I: Breach of Contract**

11 **(against Defendant PGA Tour)**

12 69. 1440 Sports realleges and incorporates by reference paragraphs 1 through 68 of the
 13 Complaint.

14 70. 1440 Sports and PGA Tour entered into a valid, oral contract supported by valid
 15 consideration.

16 71. PGA Tour agreed that, if 1440 Sports connected PGA Tour with the potential
 17 sponsor, then PGA Tour would make sure that 1440 Sports would be compensated for making the
 18 introduction if the sponsorship deal materialized. Specifically, PGA Tour stated that it would allow
 19 1440 Sports to add a margin on top of the gross amount of the sponsorship fee that PGA Tour was
 20 seeking, which would be paid to 1440 Sports, or alternatively (at 1440 Sports’ option) would add a
 21 margin to the amount that would be paid to the tournament operator, which would be paid to 1440
 22 Sports. In exchange, 1440 Sports agreed to connect PGA Tour with the potential sponsor, Fortinet.

23 72. 1440 Sports did all of the significant things that the contract required it to do. 1440
 24 Sports revealed the identity of the potential Sponsor (Fortinet) to PGA Tour, and connected PGA
 25 Tour with Fortinet.

26 73. PGA Tour failed to do something that the contract required it to do. Specifically,
 27 PGA Tour failed to make sure that 1440 Sports would be compensated for making the introduction
 28 to Fortinet, despite the fact that it entered a sponsorship agreement with Fortinet. Indeed, the day

1 after 1440 Sports connected PGA Tour with Fortinet, PGA Tour told 1440 Sports that PGA Tour
2 would not allow 1440 Sports to add a add a margin to be paid to 1440 Sports on top of the amount
3 of the gross sponsorship fee that Fortinet was to pay PGA Tour. PGA Tour also told 1440 Sports
4 that there was no alternative way for 1440 Sports to be paid. As a result, 1440 Sports has not been
5 paid.

6 74. As a result of PGA Tour's breach of contract, 1440 Sports suffered harm. 1440
7 Sports did not receive a margin on top of the sponsorship fee. Nor has 1440 Sports received any
8 other compensation for its services identifying the sponsorship opportunity and connecting PGA
9 Tour and Fortinet.

10 75. PGA Tour's breach of contract was a substantial factor in causing 1440 Sports'
11 harm. If PGA Tour had kept its promise to make sure 1440 Sports would be paid, 1440 Sports
12 would have been paid. In addition, if PGA Tour had permitted 1440 Sports to add a margin to the
13 sponsorship fee, 1440 Sports would have been paid that margin.

14 76. The actions of Defendant PGA Tour have caused losses and damages to 1440 Sports
15 in an amount to be determined at trial.

16 **Count II: Quantum Meruit**

17 **(against Defendants PGA Tour and Fortinet)**

18 77. 1440 Sports realleges and incorporates by reference paragraphs 1 through 68 of the
19 Complaint.

20 78. PGA Tour requested, by words and conduct, that 1440 Sports perform the service of
21 connecting PGA Tour with the potential sponsor that 1440 Sports had identified. When 1440
22 Sports reached out to PGA Tour and stated that it had identified a potential sponsor, PGA Tour
23 expressed interest in the sponsorship opportunity and requested that 1440 Sports connected PGA
24 Tour with the potential sponsor.

25 79. Fortinet also requested, by words and conduct, that 1440 Sports perform the service
26 of connecting it with the potential sponsorship opportunity that 1440 Sports had identified. When
27 1440 Sports reached out to Fortinet and stated that it had identified a potential sponsorship
28

1 opportunity, Fortinet expressed interest in the sponsorship opportunity and requested that 1440
2 Sports make the connection.

3 80. 1440 Sports performed the services as requested by PGA Tour and Fortinet. 1440
4 Sports connected PGA Tour and Fortinet with each other for the purposes of pursuing a sponsorship
5 deal.

6 81. 1440 Sports performed the services under an understanding and expectation of all
7 parties that compensation for 1440 Sports' services was to be made.

8 82. 1440 Sports understood and expected that compensation for its services was to be
9 made. 1440 Sports had performed similar services numerous times in the past, including for
10 Fortinet, and had been compensated each time. 1440 Sports did not intend to provide its services
11 for free. Indeed, 1440 Sports expressly raised the issue of compensation on its first call with PGA
12 Tour, and PGA Tour assured 1440 Sports that PGA Tour would make sure that 1440 Sports would
13 be paid if a sponsorship deal materialized.

14 83. PGA Tour understood and expected that compensation for 1440 Sports' services was
15 to be made. 1440 Sports expressly raised the issue of compensation on its first call with PGA Tour,
16 and PGA Tour assured 1440 Sports that PGA Tour would make sure that 1440 Sports would be paid
17 if a sponsorship deal materialized.

18 84. Fortinet understood and expected that compensation for 1440 Sports' services was to
19 be made. 1440 Sports had performed similar services for Fortinet in the past, for which 1440 Sports
20 had been compensated. Moreover, when 1440 Sports approached Fortinet about compensation after
21 PGA Tour had backed out, Fortinet repeatedly recognized that 1440 Sports should be compensated
22 for its services.

23 85. Neither PGA Tour nor Fortinet has compensated 1440 Sports for its services
24 connecting PGA Tour and Fortinet for the purposes of pursuing a sponsorship deal. 1440 Sports
25 has not been compensated for those services.

26 86. The reasonable value of 1440 Sports' services connecting PGA Tour and Fortinet for
27 the purposes of pursuing a sponsorship deal can be determined by applying 1440 Sports' standard
28

1 compensation for such services to the sponsorship fee provided for in the sponsorship agreement
2 between Fortinet and PGA Tour.

3 87. The actions of Defendants PGA Tour and Fortinet have caused losses and damages
4 to 1440 Sports in an amount to be determined at trial.

5 **Count III: Intentional Misrepresentation**
6 **(against Defendants PGA Tour and Voelker)**

7 88. 1440 Sports realleges and incorporates by reference paragraphs 1 through 68 of the
8 Complaint.

9 89. Defendants PGA Tour and Voelker made false representations of fact to 1440 Sports.

10 90. In a call on January 12, 2021, Defendants PGA Tour and Voelker represented to
11 1440 Sports that PGA Tour could and would make sure that 1440 Sports would be paid if a
12 sponsorship deal materialized between PGA Tour and the potential sponsor. Specifically, those
13 Defendants represented that PGA Tour could and would allow 1440 Sports to add a margin on top
14 of the gross amount of the sponsorship fee that PGA Tour was seeking, which would be paid to
15 1440 Sports, or alternatively (at 1440 Sports' option) would add a margin to the amount that would
16 be paid to the tournament operator, which would be paid to 1440 Sports.

17 91. Those representations were false. PGA Tour would not facilitate compensation for
18 1440 Sports if a sponsorship deal materialized between PGA Tour and the potential sponsor. In
19 fact, it was PGA Tour's policy not to provide for third-party compensation with a margin structure,
20 such that PGA Tour would not allow the sponsorship deal with Fortinet to include a margin that
21 would compensate 1440 Sports. In addition, it was PGA Tour's policy not to allow agencies like
22 1440 Sports to be paid by tournament operators, and therefore a margin for 1440 Sports could not
23 be added to the fee Fortinet would pay the tournament operator. Nor was there any other way for
24 PGA Tour to facilitate compensation for 1440 Sports.

25 92. Defendants PGA Tour and Voelker knew that their representations were false when
26 made, or made their representations recklessly and without regard for their truth. Those Defendants
27 knew that PGA Tour's policies would not allow PGA Tour to facilitate compensation for 1440
28 Sports in the ways that the Defendants promised, or they recklessly failed to check whether PGA

1 Tour's policies would allow PGA Tour to do so before representing that it would do so to 1440
2 Sports without regard for the truth of those representations.

3 93. Defendants PGA Tour and Voelker intended that 1440 Sports rely on their
4 representations. Those Defendants intended that 1440 Sports reveal the identity of the potential
5 sponsor and connect PGA Tour with the potential sponsor in reliance on PGA Tour's assurances
6 that it would facilitate compensation for 1440 Sports.

7 94. 1440 Sports reasonably relied on the representations made by Defendants PGA Tour
8 and Voelker. 1440 Sports would not have revealed that Fortinet was the potential sponsor or
9 connected PGA Tour and Fortinet if PGA Tour had not represented that it could and would
10 facilitate compensation for 1440 Sports if a deal materialized. It is common in the industry to
11 proceed on the basis of oral promises. Moreover, PGA Tour is a well-established, globally
12 recognized sports organization, and 1440 Sports reasonably believed that PGA Tour and its
13 representatives were familiar with PGA Tour's policies and were telling the truth when they said
14 that PGA Tour could and would facilitate compensation for 1440 Sports in the ways described.
15 Moreover, given the tight timeline (with the tournament scheduled for September of the same year),
16 1440 Sports did not have time to conduct potentially lengthy negotiations to reach a written
17 agreement covering 1440 Sports' compensation because the window of opportunity could very well
18 close during that time.

19 95. 1440 Sports was harmed. 1440 Sports performed valuable services for PGA Tour
20 and Fortinet by connecting them for the purposes of a sponsorship agreement, and 1440 Sports has
21 not been compensated for its services.

22 96. 1440 Sports' reliance on Defendants PGA Tour and Voelker's representations was a
23 substantial factor in causing harm to 1440 Sports. In reliance on those representations, 1440 Sports
24 revealed that Fortinet was the potential sponsor, discussed the sponsorship opportunity with
25 Fortinet, connected PGA Tour and Fortinet, and served as a liaison between PGA Tour and Fortinet
26 while each party considered the potential sponsorship agreement. 1440 Sports took these actions in
27 reliance on Defendants' representations that PGA Tour would facilitate compensation for 1440
28

1 Sports. As a result of Defendants' misrepresentations, 1440 Sports has not been compensated for its
2 services.

3 97. The actions of Defendants PGA Tour and Voelker have caused losses and damages
4 to 1440 Sports in an amount to be determined at trial.

5 **Count IV: Negligent Misrepresentation**
6 **(against Defendants PGA Tour and Voelker)**

7 98. 1440 Sports realleges and incorporates by reference paragraphs 1 through 68 of the
8 Complaint.

9 99. Defendants PGA Tour and Voelker made false representations of fact to 1440 Sports.

10 100. In a call on January 12, 2021, Defendants PGA Tour and Voelker represented to
11 1440 Sports that PGA Tour could and would facilitate compensation for 1440 Sports if a
12 sponsorship deal materialized between PGA Tour and the potential sponsor. Specifically, those
13 Defendants represented that PGA Tour could and would allow 1440 Sports to add a margin on top
14 of the gross amount of the sponsorship fee that PGA Tour was seeking, which would be paid to
15 1440 Sports, or alternatively (at 1440 Sports' option) would add a margin to the amount that would
16 be paid to the tournament operator, which would be paid to 1440 Sports.

17 101. Those representations were false. PGA Tour would not facilitate compensation for
18 1440 Sports if a sponsorship deal materialized between PGA Tour and the potential sponsor. In
19 fact, it was PGA Tour's policy not to provide for third-party compensation with a margin structure,
20 such that PGA Tour would not allow the sponsorship deal with Fortinet to include a margin that
21 would compensate 1440 Sports. In addition, it was PGA Tour's policy not to allow agencies like
22 1440 Sports to be paid by tournament operators, and therefore a margin for 1440 Sports could not
23 be added to the fee Fortinet would pay the tournament operator. Nor was there any other way for
24 PGA Tour to facilitate compensation for 1440 Sports.

25 102. Defendants PGA Tour and Voelker had no reasonable ground for believing their
26 representations were true when made. In fact, it was PGA Tour's policy not to provide for third-
27 party compensation with a margin structure, such that PGA Tour would not allow the sponsorship
28 deal with Fortinet to include a margin that would compensate 1440 Sports. In addition, it was PGA

1 Tour's policy not to allow agencies like 1440 Sports to be paid by tournament operators, and
2 therefore a margin for 1440 Sports could not be added to the fee Fortinet would pay the tournament
3 operator. Finally, PGA Tour would not allow a commission for the Napa tournament. Accordingly,
4 Defendants PGA Tour and Voelker had no reasonable grounds for believing that PGA Tour could
5 and would take these actions to facilitate compensation for 1440 Sports.

6 103. Defendants PGA Tour and Voelker intended that 1440 Sports rely on their
7 representations. Those Defendants intended that 1440 Sports reveal the identity of the potential
8 sponsor and connect PGA Tour with the potential sponsor in reliance on PGA Tour's assurances
9 that it would facilitate compensation for 1440 Sports.

10 104. 1440 Sports reasonably relied on the representations made by Defendants PGA Tour
11 and Voelker. 1440 Sports would not have revealed that Fortinet was the potential sponsor or
12 connected PGA Tour and Fortinet if PGA Tour had not represented that it could and would
13 facilitate compensation for 1440 Sports if a deal materialized. It is common in the industry to
14 proceed on the basis of oral promises. Moreover, PGA Tour is a well-established, nationally
15 recognized sports organization, and 1440 Sports reasonably believed that PGA Tour and its
16 representatives were familiar with PGA Tour's policies and were telling the truth when they said
17 that PGA Tour could and would facilitate compensation for 1440 Sports in the ways described.
18 Moreover, given the tight timeline (with the tournament scheduled for September of the same year),
19 1440 Sports did not have time to conduct potentially lengthy negotiations to reach a written
20 agreement covering 1440 Sports' compensation because the window of opportunity could very well
21 close during that time.

22 105. 1440 Sports was harmed. 1440 Sports performed valuable services for PGA Tour
23 and Fortinet by connecting them for the purposes of a sponsorship agreement, and 1440 Sports has
24 not been compensated for its services.

25 106. 1440 Sports' reliance on Defendants PGA Tour and Voelker's representations was a
26 substantial factor in causing harm to 1440 Sports. In reliance on those representations, 1440 Sports
27 revealed that Fortinet was the potential sponsor, discussed the sponsorship opportunity with
28 Fortinet, connected PGA Tour and Fortinet, and served as a liaison between PGA Tour and Fortinet

1 while each party considered the potential sponsorship agreement. 1440 Sports took these actions in
2 reliance on Defendants' representations that PGA Tour would facilitate compensation for 1440
3 Sports. As a result of Defendants' misrepresentations, 1440 Sports has not been compensated for its
4 services.

5 107. The actions of Defendants PGA Tour and Voelker have caused losses and damages
6 to 1440 Sports in an amount to be determined at trial.

7 **Count V: False Promise**

8 **(against Defendants PGA Tour and Voelker)**

9 108. 1440 Sports realleges and incorporates by reference paragraphs 1 through 68 of the
10 Complaint.

11 109. In a call on January 12, 2021, Defendants PGA Tour and Voelker promised 1440
12 Sports that they would facilitate compensation for 1440 Sports if a sponsorship deal materialized
13 between PGA Tour and the potential sponsor. Specifically, those Defendants promised that they
14 would allow 1440 Sports to add a margin on top of the gross amount of the sponsorship fee that
15 PGA Tour was seeking, which would be paid to 1440 Sports, or alternatively (at 1440 Sports'
16 option) would add a margin to the amount that would be paid to the tournament operator, which
17 would be paid to 1440 Sports.

18 110. Defendants PGA Tour and Voelker did not intend to perform those promises when
19 they made them. In fact, it was PGA Tour's policy not to provide for third-party compensation with
20 a margin structure, such that PGA Tour would not allow the sponsorship deal with Fortinet to
21 include a margin that would compensate 1440 Sports. In addition, it was PGA Tour's policy not to
22 allow agencies like 1440 Sports to be paid by tournament operators, and therefore a margin for 1440
23 Sports could not be added to the fee Fortinet would pay the tournament operator. Nor was there any
24 other way for PGA Tour to facilitate compensation for 1440 Sports.

25 111. Defendants PGA Tour and Voelker intended that 1440 Sports rely on their promises.
26 Those Defendants intended that 1440 Sports reveal the identity of the potential sponsor and connect
27 PGA Tour with the potential sponsor in reliance on their promises that they would facilitate
28 compensation for 1440 Sports.

1 112. 1440 Sports reasonably relied on the promises made by Defendants PGA Tour and
2 Voelker. 1440 Sports would not have revealed that Fortinet was the potential sponsor or connected
3 PGA Tour and Fortinet if those Defendants had not promised to facilitate compensation for 1440
4 Sports if a sponsorship deal materialized. It is common in the industry to proceed on the basis of
5 oral promises. Moreover, PGA Tour is a well-established, nationally recognized sports
6 organization, and 1440 Sports reasonably believed that PGA Tour and its representatives were
7 familiar with PGA Tour's policies and were telling the truth when they promised that PGA Tour
8 would facilitate compensation for 1440 Sports in the ways described. Moreover, given the tight
9 timeline (with the tournament scheduled for September of the same year), 1440 Sports did not have
10 time to conduct potentially lengthy negotiations to reach a written agreement covering 1440 Sports'
11 compensation because the window of opportunity could very well close during that time.

12 113. Defendants PGA Tour and Voelker did not perform the promised acts. They did not
13 facilitate compensation for 1440 Sports, despite the fact that PGA Tour entered a sponsorship
14 agreement with Fortinet. Indeed, the day after 1440 Sports connected PGA Tour with Fortinet,
15 Defendants PGA Tour and Voelker told 1440 Sports that PGA Tour would not facilitate
16 compensation for 1440 Sports.

17 114. 1440 Sports was harmed. 1440 Sports was harmed. 1440 Sports performed valuable
18 services for PGA Tour and Fortinet by connecting them for the purposes of a sponsorship
19 agreement, and 1440 Sports has not been compensated for its services.

20 115. 1440 Sports' reliance on the promises made by Defendants PGA Tour and Voelker
21 was a substantial factor in causing harm to 1440 Sports. In reliance on those promises, 1440 Sports
22 revealed that Fortinet was the potential sponsor, discussed the sponsorship opportunity with
23 Fortinet, connected PGA Tour and Fortinet, and served as a liaison between PGA Tour and Fortinet
24 while each party considered the potential sponsorship agreement. 1440 Sports took these actions in
25 reliance on Defendants' promises that they would facilitate compensation for 1440 Sports. As a
26 result of Defendants' false promises, 1440 Sports has not been compensated for its services.

27 116. The actions of Defendants PGA Tour and Voelker have caused losses and damages
28 to 1440 Sports in an amount to be determined at trial.

Count VI: Unfair Competition (Violation of Cal. Bus. & Prof. Code § 17200)
(against Defendants PGA Tour & Fortinet)

117. This claim and the allegations herein are made in the alternative to 1440 Sports' claims seeking legal remedies.

118. 1440 Sports realleges and incorporates by reference paragraphs 1 through 68 of the Complaint.

119. California's Unfair Competition Law forbids, in relevant part, any "unlawful, unfair or fraudulent act or practice."

120. PGA Tour and Fortinet engaged in "unfair" business acts or practices by inducing 1440 Sports to provide services to them, and for receiving benefits from those services, without providing any compensation for 1440 Sports' services.

121. PGA Tour engaged in "fraudulent" business acts or practices by representing to 1440 Sports that PGA Tour could and would facilitate compensation for 1440 Sports if a sponsorship deal materialized between PGA Tour and the potential sponsor. Specifically, PGA Tour represented that it could and would allow 1440 Sports to add a margin on top of the gross amount of the sponsorship fee that PGA Tour was seeking, which would be paid to 1440 Sports, or alternatively (at 1440 Sports' option) would add a margin to the amount that would be paid to the tournament operator, which would be paid to 1440 Sports.

122. Based on PGA Tour's representations, a reasonably company in 1440 Sports' position would be misled into thinking that PGA Tour could and would facilitate compensation for 1440 Sports if a sponsorship deal materialized between PGA Tour and Fortinet. Based on PGA Tour's representations, 1440 Sports was misled into thinking that that PGA Tour could and would facilitate compensation for 1440 Sports if a sponsorship deal materialized between PGA Tour and Fortinet.

123. PGA Tour's and Fortinet's unfair and fraudulent business acts or practices were a substantial factor and proximate cause in causing harm and financial injury to 1440 Sports. 1440 Sports performed services for and bestowed benefits upon PGA Tour and Fortinet but received no compensation for its services.

1 Dated: May 10, 2022

Respectfully submitted,

2 By: /s/ Simon Franzini
3 Simon Franzini (Cal. Bar No. 287631)
4 simon@dovel.com
5 Gabriel Z. Doble (Cal. Bar No. 335335)
6 gabe@dovel.com
7 DOVEL & LUNER, LLP
8 201 Santa Monica Blvd., Suite 600
9 Santa Monica, California 90401
10 Telephone: (310) 656-7066
11 Facsimile: (310) 656-7069

*Attorneys for Plaintiff 1440 Sports
Management Limited*

1
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