

**UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

**IN RE HONEY TRANSSHIPPING
LITIGATION**

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No. 13 C 2905

Judge Joan B. Gottschall

JURY TRIAL DEMANDED

INDIVIDUAL PLAINTIFFS' SECOND AMENDED CONSOLIDATED COMPLAINT

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INDIVIDUAL PLAINTIFFS' SECOND AMENDED CONSOLIDATED COMPLAINT

Individual Plaintiffs Chris Moore d/b/a Moore's Honey Farm, Cox Honey of Utah, LLC, Brett Adee d/b/a Adee Honey Farms, Kelvin Adee d/b/a Adee Honey Farms, Daniel C. Whitney d/b/a Dan's Honey Company, Bauer Honey, Inc., Bee Natural Honey, LLC, Bernard Casavan d/b/a Casavan Apiaries, Blake Shook d/b/a Desert Creek Honey, Ruby's Apiaries, Inc., Kallas Honey Farm, Inc., Larry Krause d/b/a Wind River Honey Company, Heaven's Honey, Inc. d/b/a Chip's Bees and Bennett's Honey Farm, Brad Stromme d/b/a Stromme Honey, William H. Perry d/b/a Perry Apiaries, McCoy's Sunny South Apiaries, Inc., Willow Bee, LLC, GloryBee Natural Sweeteners, Inc., Charles Hendrycks d/b/a/ Hendrycks Apiaries, and Drange Apiary, Inc. (collectively, "Individual Plaintiffs") file this Second Amended Consolidated Complaint against (i) Defendants Ernest L. Groeb, Troy L. Groeb, and Horizon Partners, Ltd., Inc. ("Horizon") (collectively, the "Groeb Defendants"), (ii) Defendants Honey Holding I, Ltd. d/b/a Honey Solutions ("Honey Solutions"), HHI Management, LLC ("HHI"), Douglas A. Murphy ("Murphy"), and Urbain Tran ("Tran") (collectively, the "Honey Solutions Defendants"), (iii) National Honey, Inc. ("National") and Jun Yang ("Yang") (together, the "National Defendants"), and (iv) Sunland Trading ("Sunland"), Ecotrade International, Inc. ("Ecotrade"), Ergogenic Nutrition ("Ergogenic"), Odem International, Inc. ("Odem"), and Bees Brothers, LLC ("Bees Brothers"), Brightmin Enterprises, LLC ("Brightmin"), China Industrial Manufacturing Group, Inc. ("China Industrial"), Mega Farm, Inc. ("Mega Farm"), Minnesota International Trading, Co. ("MN Trading"), Silver Spoon International, Inc. ("Silver Spoon"), and Texas Boga, Inc. ("Texas Boga") (collectively, the "Importer Defendants"). All Defendants collectively will be referred to herein as "Defendants."

Based on personal knowledge, information and belief, and the investigation of counsel, Individual Plaintiffs respectfully allege as follows:

NATURE OF THE CASE

1. This case involves a single commodity—honey. From January 1, 2000 (and possibly earlier) to February 20, 2013 (the “relevant time period”), Individual Plaintiffs produced, packed and/or wholesaled honey (and continue to do so). During the relevant time period, Defendants and their cohorts imported, produced, purchased, processed, filtered, blended, packed, packaged, marketed, sold and/or distributed honey (and many continue to do so). Also during this time, Defendants engaged in separate and distinct, parallel unlawful schemes to cheat and defraud Individual Plaintiffs by illegally importing and dumping cheap, transshipped honey from China and other unlawful source countries on the domestic honey market (on which Defendants fraudulently avoided paying the corresponding honey antidumping duties) by (i) suppressing the price of honey in the domestic market, (ii) stealing market share from Individual Plaintiffs, (iii) diverting sales, revenue and profits to themselves that otherwise would have been made by Individual Plaintiffs, (iv) eliminating Individual Plaintiffs as competitors by selling the illegally imported transshipped honey at substantially lower prices than Individual Plaintiffs could produce and sell honey,¹ (v) engaging in unfair competitive acts and practices, and (vi)

¹ See, e.g., Richard Pasco, “What Transshipped Honey is Doing to the U.S. Honey Market and What You can Do About It!,” *Catch the Buzz*, Feb. 2, 2010, available at <http://beekeeping4beginners.blogspot.com/2010/02/catch-buzz-transshipped-honey-hurting-us.html> (last visited May 8, 2015).

See also *Enforcing America’s Trade Laws in the Face of Customs Fraud and Duty Evasion: Hearing Before the S. Comm. On Finance, Subcommittee on Int’l Trade, Customs, and Global Competitiveness*, 112th Cong. 2 (May 5, 2011) (statement of American Honey Producers Association (“AHPA”)) at 4, available at <http://www.finance.senate.gov/imo/media/doc/050511ratest.pdf> (last visited May 7, 2015).

generally undermining the credibility and economics of the domestic honey market—to Defendants’ financial benefit and Individual Plaintiffs’ financial detriment.

2. By defrauding the Government out of honey antidumping duties, Defendants obtained honey at artificially cheaper prices, sold honey at substantially lower prices than honey produced and sold by Individual Plaintiffs, and put Individual Plaintiffs in a position where they could not compete with Defendants. It was a foreseeable and natural consequence of Defendants’ fraudulent conduct and schemes to obtain more honey sales for themselves that Individual Plaintiffs would make fewer honey sales. As a direct result of Defendants’ fraudulent conduct and schemes, Individual Plaintiffs lost honey sales to Defendants that Individual Plaintiffs otherwise would have made, or deeply discounted their prices in order to compete and made sales at severely reduced profit margins that Defendants did not experience. Under either scenario, Individual Plaintiffs suffered immediate injury to their business and property in the form of, *inter alia*, lost market share, lost sales, and lost profits. There was a direct causal relationship between Defendants fraudulently avoiding honey antidumping duties and, as a result, attaining a superior competitive position in the market vis-à-vis Individual Plaintiffs, and Individual Plaintiffs suffering the above-described economic damages and other actual injury and harm. There are no other business or market factors that caused Individual Plaintiffs to voluntarily lower their prices, relinquish market share, forego sales, and reduce their profits.

3. Individual Plaintiffs bring this action under Title IX (“RICO”) of Public Law 91-452, 84 Stat. 922 (1970) (as codified at 18 U.S.C. §§ 1961–1968, as amended) against certain Defendants for their above-referenced parallel fraud, negligent misrepresentation, conspiracy, and clandestine and fraudulent importation and dumping of transshipped Chinese honey (and possibly honey from other unlawful source countries) on the domestic honey market without

paying the corresponding antidumping duties, which directly and/or proximately damaged Individual Plaintiffs in their businesses and property.

4. On February 11, 2013, Groeb Farms, Inc. (“Groeb Farms”) entered into a Deferred Prosecution Agreement with the United States Attorney for the Northern District of Illinois for engaging in the above-described wrongful conduct, misrepresenting or mis-declaring to Government import authorities that the illegally imported transshipped honey was not from China or other unlawful source countries (on which such misrepresentations the Government relied), and fraudulently avoided over \$78 million of honey antidumping duties between February 2008 and April 2012. *See* Exhibit A. As a result of its wrongful conduct, Groeb Farms paid a \$2 million fine to the Government.

5. As part of such fraud and wrongful conduct, Defendants Ernest L. Groeb and Troy L. Groeb (together, the “Groeb Executives”) and Horizon (and, on information and belief, their co-conspirators, Sunland, Ecotrade, Ergogenic, Odem, and/or Bees Brothers, and possibly others) cheated and defrauded Individual Plaintiffs out of market share, sales, and profits by conducting and participating, directly and/or indirectly, in the affairs of Groeb Farms through a pattern of unlawful activity—to wit, they engaged in repetitious and systematic mail fraud and/or interstate and/or foreign wire fraud in violation of 18 U.S.C. §§ 1341 and 1343 by using or causing the use of the United States Postal Service (“USPS”), private or commercial interstate carriers and/or the wires in interstate and foreign commerce to repeatedly, systematically and fraudulently (i) cause honey originating in China (and possibly other unlawful source countries), including honey containing adulterated antibiotics and other unlawful contaminants, to be illegally transshipped (*i.e.*, “laundered”) through intermediate countries (including, *inter alia*, India, Thailand, Malaysia, the Philippines Cambodia, Mongolia, Russia and/or Vietnam) to the

United States; (ii) defraud Government import authorities by misrepresenting the illegally transshipped honey (a) originated in countries other than China and/or other unlawful source countries, and (b) was honey when, in fact, it constituted other products (including sugars and syrups) to avoid paying legally mandated antidumping duties (on which misrepresentations the Government relied); and (iii) dump, market, sell and distribute the illegally transshipped and fraudulently declared honey to businesses and persons throughout the United States. It was a foreseeable, natural, intended, and direct consequence of the Groeb Executives' and Horizon's and their co-conspirators' wrongful conduct and schemes, as they well knew and intended, without legal justification, that Individual Plaintiffs would incur economic damages and other actual injury and harm in the form of, *inter alia*, lost market share, lost honey sales, and lost profits—to the financial benefit of the Groeb Executives and Horizon (and, on information and belief, their co-conspirators, Sunland, Ecotrade, Ergogenic, Odem, and/or Bees Brothers, and possibly others), and the financial detriment of Individual Plaintiffs.

6. During the relevant time period, by their above-described unlawful acts, the Groeb Executives and Horizon (and, on information and belief, their co-conspirators, Sunland, Ecotrade, Ergogenic, Odem, and/or Bees Brothers, and possibly others) (i) conducted or participated in the affairs of a RICO enterprise (Groeb Farms) (in violation of 18 U.S.C. § 1962(c)), and/or (ii) conspired to violate 18 U.S.C. § 1962(c) (in violation of 18 U.S.C. §1962(d))—all with the intent to cheat and defraud Individual Plaintiffs.

7. On February 12, 2013, Honey Solutions entered into a Deferred Prosecution Agreement with the U.S. Attorney for the Northern District of Illinois for engaging in the above-described wrongful conduct, misrepresenting or mis-declaring to Government import authorities that the illegally imported transshipped honey was not from China or other unlawful source

countries (on which such misrepresentations the Government relied), and fraudulently avoided over \$33 million of honey antidumping duties between 2007 and June 2011. *See* Exhibit B. As a result of its wrongful conduct, Honey Solutions paid a \$1 million fine to the Government.

8. As part of such fraud and wrongful conduct, Defendants Murphy and Tran (together, the “Honey Solutions Executives”) and HHI cheated and defrauded Individual Plaintiffs out of market share, sales, and profits by conducting and participating, directly and/or indirectly, in the affairs of Honey Solutions through a pattern of unlawful activity—to wit, they engaged in repetitious and systematic mail fraud and/or interstate and/or foreign wire fraud in violation of 18 U.S.C. §§ 1341 and 1343 by using or causing the use of the USPS, private or commercial interstate carriers and/or the wires in interstate and foreign commerce to repeatedly, systematically and fraudulently (i) cause honey originating in China (and possibly other unlawful source countries), including honey containing adulterated antibiotics and other unlawful contaminants, to be illegally transshipped (*i.e.*, “laundered”) through intermediate countries (including, *inter alia*, India, Thailand, Malaysia, the Philippines Cambodia, Mongolia, Russia and/or Vietnam) to the United States; (ii) defraud Government import authorities by misrepresenting the illegally transshipped honey (a) originated in countries other than China and/or other unlawful source countries, and (b) was honey when, in fact, it constituted other products (including sugars and syrups) to avoid paying legally mandated antidumping duties (on which misrepresentations the Government relied); and (iii) dump, market, sell and distribute the illegally transshipped and fraudulently declared honey to businesses and persons throughout the United States. It was a foreseeable, natural, intended, and direct consequence of the Honey Solutions Executives’ and HHI’s wrongful conduct and schemes, as they well knew and intended, without legal justification, that Individual Plaintiffs would incur economic damages

and other actual injury and harm in the form of, *inter alia*, lost market share, lost honey sales, and lost profits—to the financial benefit of the Honey Solutions Executives, HHI, and Honey Solutions, and the financial detriment of Individual Plaintiffs.

9. During the relevant time period, by their above-described unlawful acts, the Honey Solutions Executives and HHI (i) conducted or participated in the affairs of a RICO enterprise (Honey Solutions) (in violation of 18 U.S.C. § 1962(c)), and/or (ii) conspired to violate 18 U.S.C. § 1962(c) (in violation of 18 U.S.C. § 1962(d))—all with the intent to cheat and defraud Individual Plaintiffs.

10. On November 14, 2013, Yang was sentenced to three years in federal prison for illegally brokering the sale of 778 mis-declared containers of Chinese-origin honey through National, which the National Defendants misrepresented as originating from India, Malaysia, and Vietnam. Yang paid financial penalties totaling \$2.89 million to the Government, including a \$250,000 fine, mandatory restitution of \$97,625, and agreed restitution of \$2,542,659.

11. As part of such fraud and wrongful conduct, Yang cheated and defrauded Individual Plaintiffs out of market share, sales, and profits by conducting and participating, directly and/or indirectly, in the affairs of National through a pattern of unlawful activity—to wit, Yang engaged in repetitious and systematic mail fraud and/or interstate and/or foreign wire fraud in violation of 18 U.S.C. §§ 1341 and 1343 by using or causing the use of the USPS, private or commercial interstate carriers and/or the wires in interstate and foreign commerce to repeatedly, systematically and fraudulently (i) cause honey originating in China (and possibly other unlawful source countries), including honey containing adulterated antibiotics and other unlawful contaminants, to be illegally transshipped (*i.e.*, “laundered”) through intermediate countries (including, *inter alia*, India, Thailand, Malaysia, the Philippines Cambodia, Mongolia,

Russia and/or Vietnam) to the United States; (ii) defraud Government import authorities by misrepresenting the illegally transshipped honey (a) originated in countries other than China and/or other unlawful source countries, and (b) was honey when, in fact, it constituted other products (including sugars and syrups) to avoid paying legally mandated antidumping duties (on which misrepresentations the Government relied); and (iii) dump, market, sell and distribute the illegally imported and fraudulently declared Chinese-origin honey to businesses and persons throughout the United States. It was a foreseeable, natural, intended, and direct consequence of Yang's wrongful conduct and schemes, as he well knew and intended, without legal justification, that Individual Plaintiffs would incur economic damages and other actual injury and harm in the form of, *inter alia*, lost market share, lost honey sales, and lost profits—to the financial benefit of Yang and National, and the financial detriment of Individual Plaintiffs.

12. During the relevant time period, by his above-described unlawful acts, Yang (i) conducted or participated in the affairs of a RICO enterprise (National) (in violation of 18 U.S.C. § 1962(c)), and/or (ii) conspired to violate 18 U.S.C. § 1962(c) (in violation of 18 U.S.C. §1962(d))—all with the intent to cheat and defraud Individual Plaintiffs.

13. In addition to violating the RICO statute, Defendants' wrongful conduct also violated the Lanham Act, 15 U.S.C. § 1125(a), and constitutes common law intentional misrepresentation, negligent misrepresentation, and unjust enrichment.

14. Individual Plaintiffs, therefore, seek to recover from Defendants their actual, consequential and incidental damages, punitive damages, treble damages, equitable relief in the form of disgorged gross revenues, injunctive relief to return the market to free competition, pre- and post-judgment interest, attorneys' fees, litigation expenses and court costs, and such other relief, as the Court may find just and appropriate.

JURISDICTION AND VENUE

15. This Court has subject matter jurisdiction over Individual Plaintiffs' claims pursuant to (i) 18 U.S.C. § 1961, *et seq.*, under 18 U.S.C. § 1964(a), (c) and (d) (RICO); (ii) 15 U.S.C. § 1121(a) (Lanham Act), (iii) 28 U.S.C. § 1331, (iv) 28 U.S.C. § 1332(a) because the matter in controversy exceeds \$75,000, exclusive of interest and costs, and the Parties are citizens of different states and/or foreign states (diversity); and (v) 28 U.S.C. § 1367 (supplemental jurisdiction). This Court has *in personam* jurisdiction over Defendants because during the relevant time period, they resided, were found, had agents, directly and/or indirectly conducted business, committed the wrongful acts made the basis of this suit, conspired to commit the wrongful acts made the basis of this suit and/or were prosecuted by the Government in the Northern District of Illinois. Groeb Farms and Honey Solutions entered into the Deferred Prosecution Agreements for their wrongful conduct, which constitutes a significant portion of the basis of this suit, in the Northern District of Illinois. Yang was prosecuted and sentenced in the Northern District of Illinois for his wrongful conduct, which also constitutes a significant portion of the basis of this suit.

16. During the relevant time period, Defendants resided, were found, had agents, directly and indirectly conducted business, committed the wrongful actions made the basis of this suit, or were prosecuted by the Government in the Northern District of Illinois. Groeb Farms and Honey Solutions entered into the Deferred Prosecution Agreements for their wrongful conduct in the Northern District of Illinois. Yang was prosecuted and sentenced in the Northern District of Illinois. Defendants also committed and/or conspired to commit the wrongful acts made the basis of this suit in the Northern District of Illinois. A substantial part of Defendants' wrongful

acts occurred in the Northern District of Illinois. Venue, therefore, is proper in the Northern District of Illinois under, *inter alia*, 28 U.S.C § 1391(a) and 18 U.S.C § 1965.

PARTIES

PLAINTIFFS

17. Plaintiff Chris Moore d/b/a Moore's Honey Farm, during the relevant time period, was (and continues to be) a honey producer, packer and/or wholesaler, with his principal place of business in Houston, Texas, and, as of 2008, Kountze, Texas, who was damaged in his business or property by Defendants' above-described wrongful conduct.

18. Plaintiff Cox Honey of Utah, LLC, during the relevant time period, was (and continues to be) a honey producer, packer and/or wholesaler, with its principal place of business in Mendon, Utah, that was damaged in its business or property by Defendants' above-described wrongful conduct.

19. Plaintiff Brett Adee d/b/a Adee Honey Farms, during the relevant time period, was (and continues to be) a honey producer, packer and/or wholesaler, with his principal place of business in Toronto, South Dakota, who was damaged in his business or property by Defendants' above-described wrongful conduct.

20. Plaintiff Kelvin Adee d/b/a Adee Honey Farms, during the relevant time period, was (and continues to be) a honey producer, packer and/or wholesaler, with his principal place of business in Toronto, South Dakota, who was damaged in his business or property by Defendants' above-described wrongful conduct.

21. Plaintiff Daniel C. Whitney d/b/a Dan's Honey Company, during the relevant time period, was (and continues to be) a honey producer, packer and/or wholesaler, with his principal place of business in Ottertail, Minnesota, who was damaged in his business or property by Defendants' above-described wrongful conduct.

22. Plaintiff Bauer Honey, Inc., at all relevant times, during the relevant time period, was (and continues to be) a honey producer, packer and/or wholesaler, with its principal place of business in Fertile, Minnesota, that was damaged in its business or property by Defendants' above-described wrongful conduct.

23. Bee Natural Honey, LLC, at all relevant times, during the relevant time period, was (and continues to be) a honey producer, packer and/or wholesaler, with its principal place of business in Homestead, Florida, that was damaged in its business or property by Defendants' above-described wrongful conduct.

24. Plaintiff Bernard Casavan d/b/a Casavan Apiaries, during the relevant time period, was (and continues to be) a honey producer, packer and/or wholesaler, with his principal place of business in Wessington, South Dakota, who was damaged in his business or property by Defendants' above-described wrongful conduct.

25. Plaintiff Blake Shook d/b/a Desert Creek Honey, during the relevant time period, was (and continues to be) a honey producer, packer and/or wholesaler, with his principal place of business in Blue Ridge, Texas, who was damaged in his business or property by Defendants' above-described wrongful conduct.

26. Plaintiff Ruby's Apiaries, Inc., during the relevant time period, was (and continues to be) a honey producer, packer and/or wholesaler, with its principal place of business in Milnor, North Dakota, that was damaged in its business or property by Defendants' above-described wrongful conduct.

27. Plaintiff Kallas Honey Farm, Inc., during the relevant time period, was (and continues to be) a honey producer, packer and/or wholesaler, with its principal place of business

in Milwaukee, Wisconsin, that was damaged in its business or property by Defendants' above-described wrongful conduct.

28. Plaintiff Larry Krause d/b/a Wind River Honey Company, during the relevant time period, was (and continues to be) a honey producer, packer and/or wholesaler, with his principal place of business in Riverton, Wyoming, who was damaged in his business or property by Defendants' above-described wrongful conduct.

29. Plaintiff Heaven's Honey, Inc., d/b/a Chip's Bees and Bennett's Honey Farm, during the relevant time period, was (and continues to be) a honey producer, packer and/or wholesaler, with its principal place of business in Fillmore, California, that was damaged in its business or property by Defendants' above-described wrongful conduct.

30. Plaintiff Brad Stromme d/b/a Stromme Honey, during the relevant time period, was (and continues to be) a honey producer, packer and/or wholesaler, with his principal place of business in Kloten, North Dakota, who was damaged in his business or property by Defendants' above-described wrongful conduct.

31. Plaintiff William H. Perry d/b/a Perry Apiaries, during the relevant time period, was (and continues to be) a honey producer, packer and/or wholesaler, with its principal place of business in Dallas, Pennsylvania, who was damaged in his business or property by Defendants' above-described wrongful conduct.

32. Plaintiff McCoy's Sunny South Apiaries, Inc., during the relevant time period, was (and continues to be) a honey producer, packer and/or wholesaler, with its principal place of business in Loxahatchee, Florida, that was damaged in its business or property by Defendants' above-described wrongful conduct.

33. Plaintiff Willow Bee, LLC, during the relevant time period, was (and continues to be) a honey producer, packer and/or wholesaler, with its principal place of business in Gothenburg, Nebraska, that was damaged in its business or property by Defendants' above-described wrongful conduct.

34. Plaintiff GloryBee Natural Sweeteners, Inc., during the relevant time period, was (and continues to be) a honey producer, packer and/or wholesaler, with its principal place of business in Eugene, Oregon, that was damaged in its business or property by Defendants' above-described wrongful conduct.

35. Plaintiff Charles Hendrycks d/b/a/ Hendrycks Apiaries, during the relevant time period, was (and continues to be) a honey producer, packer and/or wholesaler, with its principal place of business in Lafayette, Minnesota, who was damaged in his business or property by Defendants' above-described wrongful conduct.

36. Plaintiff Drange Apiary, Inc., during the relevant time period, was (and continues to be) a honey producer, packer and/or wholesaler, with its principal place of business in Laurel, Montana, that was damaged in its business or property by Defendants' above-described wrongful conduct.

GROEB DEFENDANTS

37. Defendant Ernest L. Groeb is a citizen and resident of Onsted, Michigan. During the relevant time period, Ernest L. Groeb was the President, CEO and a Director of Groeb Farms who reported directly to (and was directed and supervised by) the Groeb Farms Board of Directors and/or Horizon, and exercised control, authority, responsibility, and/or supervision over Defendants Troy L. Groeb and Groeb Farms, including its operations and executive management team. During the relevant time period, Ernest L. Groeb also served as

management's primary point of contact with the Groeb Farms Board of Directors, Horizon, Groeb Farms' customers and the public regarding Groeb Farms' policies, positions and practices on food safety and illegally transshipped and illegally mis-declared honey. Because of his wrongful acts, which constitute a significant portion of the basis of this action, Ernest L. Groeb ceased serving as President and CEO of Groeb Farms sometime between May 2012 and December 3, 2012. Ernest L. Groeb engaged in and/or caused Groeb Farms to engage in the wrongful conduct made the basis of this action and profited as a result. Ernest L. Groeb has already been served with Summons and appeared in this case.

38. Defendant Troy L. Groeb is a citizen and resident of Anthony, Florida. During the relevant time period, Troy L. Groeb was a Groeb Farms senior executive who reported directly to (and was directed and supervised by) Ernest L. Groeb and, on information and belief, also reported directly to (and was directed and supervised by) Horizon. During the relevant time period, Troy L. Groeb also exercised control, authority, responsibility and/or supervision over purchasing bulk honey—including illegally transshipped and illegally mis-declared honey—for Groeb Farms. Because of his wrongful acts, which constitute a significant portion of the basis of this action, Troy L. Groeb ceased serving as a senior executive of Groeb Farms sometime between May 2012 and December 3, 2012. Troy L. Groeb engaged in and/or caused Groeb Farms to engage in the wrongful conduct made the basis of this action and profited as a result. Troy L. Groeb has already been served with Summons and appeared in this case.

39. Defendant Horizon is a Wisconsin corporation with its principal places of business in Milwaukee, Wisconsin and Naples, Florida. According to its website, www.horizonpartnersltd.com (last visited Apr. 17, 2013), Horizon is a "private investment holding company which acquires and builds private companies" that was founded by over thirty

CEOs “who have built successful companies in diverse industries.” Horizon acquired Groeb Farms in 2007 with full knowledge of the wrongful conduct engaged in by Groeb Farms regarding the purchase, receipt, processing, filtering, blending, packing, packaging, marketing, sale, and/or distribution of illegally transshipped and illegally mis-declared honey and, in fact, condoned, ratified, and continued such wrongful acts and practices and knowingly and intentionally collected the revenues and profits generated by its wrongful acts and practices. From the date it acquired Groeb Farms, Horizon engaged in and/or caused Groeb Farms to engage in the wrongful conduct made the basis of this action and Horizon and its owners profited as a result. Horizon has already been served with Summons and appeared in this case.

HONEY SOLUTIONS DEFENDANTS

40. Defendant Honey Solutions is a Texas limited partnership with its principal place of business in Baytown, Texas. During the relevant time period, Honey Solutions purchased, received, processed, filtered, blended, packaged, marketed, sold, and/or distributed bulk honey—including illegally transshipped and illegally mis-declared honey—to retail, foodservice, and industrial customers in the United States. According to its website, www.honeysolutions.com, (last visited September 7, 2013), “Honey Solutions is one of the largest dedicated industrial honey suppliers in the United States,” providing “approximately 20,000,000 pounds of industrial honey per year from coast to coast to America’s most premier bakeries and food processors.” (About). “Founded in 1940 as Hignite Packing Company, Honey [Solutions] is one of the largest processors of industrial honey in the United States. From its facility located on 6 acres outside Houston Texas, Honey [Solutions] provides honey coast to coast to most of America’s recognized bakers and food processors.” *Id.* (News). Honey Solutions is principally owned, controlled and/or operated by Murphy. Honey Solutions is the alter ego of Murphy in that

corporate formalities are not followed, separate and distinct books and records are not maintained, it is undercapitalized, Murphy uses it as his personal bank account and/or the line between owner/manager/principal/vice-principal and the entity is substantially blurred to the point that it is difficult—if not impossible—to determine where Murphy ends and Honey Solutions begins. Honey Solutions exists as a mere tool and business conduit for Murphy, which has resulted in an injustice to Individual Plaintiffs and the diminution of available resources from which they may obtain satisfaction of the damages directly and/or proximately caused by Honey Solutions' wrongful conduct. Honey Solutions has already been served with Summons and appeared in this case.

41. Defendant HHI is a Texas limited liability company. During the relevant time period, HHI was (and continues to be) the general partner of Honey Solutions. As the general partner of Honey Solutions, HHI engaged in and/or caused Honey Solutions to engage in the wrongful acts made the basis of this action and HHI and the Honey Solutions Executives (and possibly others) profited as a result. HHI is principally owned, controlled and/or operated by Murphy. HHI also is the alter ego of Murphy in that corporate formalities are not followed, separate and distinct books and records are not maintained, it is undercapitalized, Murphy uses it as his personal bank account and/or the line between owner/manager/principal/vice-principal and the entity is substantially blurred to the point that it is difficult—if not impossible—to determine where Murphy ends and HHI begins. HHI exists as a mere tool and business conduit for Murphy, which has resulted in an injustice to Individual Plaintiffs and the diminution of available resources from which they may obtain satisfaction of the damages directly and/or proximately caused by HHI's wrongful conduct. HHI has already been served with Summons and appeared in this case.

42. Defendant Murphy is a citizen and resident of Kingwood, Texas. From approximately 2003 to May 2008, Murphy was Director of Sales at Honey Solutions and responsible for the purchase of wholesale quantities of honey, maintaining relationships with wholesale honey suppliers, and the sale of honey by Honey Solutions in the United States. During the relevant time period, Murphy was (and, on information and belief, continues to be) a principal and the managing member of Defendant HHI, the general partner of Honey Solutions, and, therefore, the managing partner of Honey Solutions. In this position, Murphy exercised (and continues to exercise) control, authority, responsibility and/or supervision over Defendants Honey Solutions and HHI, including their operations and executive management team. Murphy also served as management's primary point of contact with Honey Solutions' customers and the public regarding Honey Solutions' policies, positions and practices on food safety and illegally transshipped and illegally mis-declared honey. Murphy managed, operated and treated HHI and Honey Solutions as his personal bank accounts (and continues to do so) in such a way that HHI and Honey Solutions are his alter egos because corporate formalities are not followed, separate and distinct books and records are not maintained, HHI and Honey Solutions are undercapitalized and the line between owner/manager and the entities is substantially blurred to the point that it is difficult—if not impossible—to determine where HHI and Honey Solutions end and Murphy begins. HHI and Honey Solutions exist as mere tools and business conduits for Murphy, which has resulted in an injustice to Individual Plaintiffs and the diminution of available resources from which they may obtain satisfaction of the damages directly and/or proximately caused by Murphy's wrongful conduct. Because of his wrongful acts, which constitute a significant portion of the basis of this action, Murphy was indicted by the Government. Murphy engaged in and/or caused Honey Solutions to engage in the wrongful acts

made the basis of this action and personally profited as a result. Murphy has already been served with Summons and appeared in this case.

43. Defendant Tran is a citizen and resident of the State of California. Beginning at least as early as 2006, and during the relevant time period, Tran was an employee and/or agent of Honey Solutions with the primary responsibility of locating, arranging, and sourcing honey for Honey Solutions. During the relevant time period, Tran brokered transactions in which Honey Solutions purchased Chinese-origin honey from at least seven shell and front companies controlled by Chinese honey producers and manufacturers, including AHCOF USA Inc., Bo Bay Corporation, Chengda Trading Ltd., Glory Spring Enterprise Co., Ltd., Pineco Import/Export Ltd., SilverSpoon International, Inc. and Sweet Campo Co., Ltd. (“Sweet Campo”). During the relevant time period, Tran acted within the scope of his agency relationship for Honey Solutions, intending to benefit himself and Honey Solutions while discharging his duties. Sweet Campo is a shell import company that falsely and fraudulently imported Chinese-origin honey into the United States without paying antidumping duties and at times, honey assessment fees, which Sweet Campo sold to Honey Solutions through transactions brokered by Tran. Between about 2007 and in or around June 2011, Tran, as part of a fraudulent practice to enter and introduce, and cause others to enter and introduce, and attempt to enter and introduce, Chinese-origin honey into United States commerce, arranged for Honey Solutions to purchase hundreds of shipping containers of Chinese-origin honey from these companies, valued at approximately \$12,319,201 USD, even though Tran knew the honey was falsely and fraudulently imported, entered, marketed and sold as non-Chinese honey and, at other times, as sugars and syrups.

44. As part of these fraudulent acts and practices, Tran obtained, and caused others at Honey Solutions to receive, fake and fraudulent bills of lading, invoices, packing lists, country of origin certificates and other papers, which Tran knew to be fake, to falsely and fraudulently declare Chinese-origin honey as having originated from countries other than China, including Cambodia, Malaysia, Mongolia, Russia and Vietnam, and at times, as sugars and syrups, and coordinated with freight forwarding companies to cause hundreds of shipping containers of fraudulently entered Chinese-origin honey to be delivered to Honey Solutions. As part of these fraudulent acts and practices, between about 2009 and 2012, Tran accepted approximately \$330,941 in undisclosed payments from Chinese honey producers and manufacturers in exchange for brokering transactions with their companies while knowing these producers and manufacturers were illegally transshipping and illegally mis-declaring Chinese-origin honey purchased by Honey Solutions. Also as part of these fraudulent acts and practices, Tran communicated by email and telephone with others, including in the Northern District of Illinois, in furtherance of Honey Solutions purchasing and receiving illegally mis-declared Chinese-origin honey that avoided antidumping duties and honey assessment fees. Tran engaged in and/or caused Honey Solutions to engage in such wrongful conduct and personally profited as a result. Tran has already been served with Summons and appeared in this case.

NATIONAL DEFENDANTS

45. Defendant National d/b/a National Commodities Company is a Texas corporation with its principal place of business in Houston, Texas. During the relevant time period, National purchased, received, processed, filtered, blended, packaged, marketed, sold, and distributed bulk honey—including illegally transshipped and illegally mis-declared honey—to retail, foodservice, and industrial customers in the United States. Yang is the President of

National. National is principally owned, controlled and/or operated by Yang. National is the alter ego of Yang in that corporate formalities are not followed, separate and distinct books and records are not maintained, it is undercapitalized, Yang uses it as his personal bank account and/or the line between owner/manager/principal/vice-principal and the entity is substantially blurred to the point that it is difficult—if not impossible—to determine where Yang ends and National begins. National exists as a mere tool and business conduit for Yang, which has resulted in an injustice to Individual Plaintiffs and the diminution of available resources from which they may obtain satisfaction of the damages directly and/or proximately caused by National's wrongful conduct. National has already been served with Summons and appeared in this case.

46. Defendant Yang is a citizen and resident of Houston, Texas. During the relevant time period, Yang was (and continues to be) the President of National, and responsible for the purchase of wholesale quantities of honey, maintaining relationships with wholesale honey suppliers, and the sale of honey by National in the United States. In this position, Yang exercised (and continues to exercise) control, authority, responsibility and/or supervision over National, including its operations and management team. Yang also served as management's primary point of contact with National's customers and the public regarding National's policies, positions and practices on food safety and illegally transshipped and illegally mis-declared honey. Yang managed, operated and treated National as his personal bank account (and continues to do so) in such a way that National is his alter ego because corporate formalities are not followed, separate and distinct books and records are not maintained, National is undercapitalized and the line between owner/manager and the entity is substantially blurred to the point that it is difficult—if not impossible—to determine where National ends and Yang

begins. National exists as a mere tool and business conduit for Yang, which has resulted in an injustice to Individual Plaintiffs and the diminution of available resources from which they may obtain satisfaction of the damages directly and/or proximately caused by Yang's wrongful conduct. Yang engaged in and/or caused National to engage in the wrongful acts made the basis of this action and personally profited as a result.

IMPORTER DEFENDANTS

47. Defendant Sunland is a Connecticut corporation with its principal place of business in New Canaan, Connecticut. Sunland is a leading honey importer in the United States. At all relevant times, Sunland engaged in a fraudulent scheme or schemes to import into, supply and/or distribute illegally transshipped and illegally mis-declared honey within the United States.

48. Defendant Ecotrade is an Arizona corporation with its principal place of business in Gilbert, Arizona. At all relevant times, Ecotrade engaged in a fraudulent scheme or schemes to import into, supply and/or distribute illegally transshipped and illegally mis-declared honey within the United States.

49. Defendant Ergogenic is a California-based business with its principal place of business in Danville, California. At all relevant times, Ergogenic engaged in a fraudulent scheme or schemes to import into, supply and/or distribute illegally transshipped and illegally mis-declared honey within the United States.

50. Defendant Odem is a Canadian company with its principal place of business in Rosemere, Quebec. At all relevant times, Odem engaged in a fraudulent scheme or schemes to import into, supply and/or distribute illegally transshipped and illegally mis-declared honey within the United States.

51. Defendant Bees Brothers is a Florida limited liability company with its principal place of business in Coral Gables, Florida. At all relevant times, Bees Brothers engaged in a fraudulent scheme or schemes to import into, supply and/or distribute illegally transshipped and illegally mis-declared honey within the United States.

52. Defendant Brightmin is a Texas limited liability company with its principal place of business in Cypress, Texas. At all relevant times, Brightmin engaged in a fraudulent scheme or schemes to import into, supply and/or distribute illegally transshipped and illegally mis-declared honey within the United States.

53. Defendant China Industrial is a New Jersey corporation with its principal place of business in Houston, Texas. At all relevant times, China Industrial engaged in a fraudulent scheme or schemes to import into, supply and/or distribute illegally transshipped and illegally mis-declared honey within the United States.

54. Defendant Mega Farm is a California corporation with its principal place of business in Hacienda Heights, California. At all relevant times, Mega Farm engaged in a fraudulent scheme or schemes to import into, supply and/or distribute illegally transshipped and illegally mis-declared honey within the United States.

55. Defendant MN Trading is a Minnesota corporation with its principal place of business in Circle Pines, Minnesota. At all relevant times, MN Trading engaged in a fraudulent scheme or schemes to import into, supply and/or distribute illegally transshipped and illegally mis-declared honey within the United States.

56. Defendant Silver Spoon is a dissolved California corporation, albeit with an ongoing principal place of business in Hacienda Heights, California. At all relevant times, Silver

Spoon engaged in a fraudulent scheme or schemes to import into, supply and/or distribute illegally transshipped and illegally mis-declared honey within the United States.

57. Defendant Texas Boga is a dissolved Texas corporation, albeit with an ongoing principal place of business in Houston, Texas. At all relevant times, Texas Boga engaged in a fraudulent scheme or schemes to import into, supply and/or distribute illegally transshipped and illegally mis-declared honey within the United States.

FACTS

58. During the relevant time period, since as early as 2000, the Groeb Defendants, Honey Solutions Defendants, National Defendants, and Importer Defendants participated in the above-described separate, parallel international conspiracies and schemes to cheat, defraud, and injure Individual Plaintiffs in their businesses and property by (i) deceiving Government import authorities and their customers about the origins of honey Defendants illegally imported, sold, and distributed, (ii) fraudulently avoiding the payment of the corresponding honey antidumping duties on the Chinese honey, and (iii) wrongfully securing a competitive advantage over Individual Plaintiffs in the marketplace. On information and belief, during the relevant time period, Sunland, Ecotrade, Ergogenic, Odem, and Bees Brothers conspired with one or more of the Groeb Defendants and/or Honey Solutions Defendants in connection with carrying out such conspiracies and schemes to cheat, defraud, and injure Individual Plaintiffs in their businesses and property.

59. In furtherance of their conspiracies and schemes, the Groeb Executives, Horizon, Honey Solutions Executives, HHI (and, on information and belief, their co-conspirators, Sunland, Ecotrade, Ergogenic, Odem, and Bees Brothers), and Yang engaged in repetitious and systematic mail fraud and/or interstate and/or foreign wire fraud in violation of 18 U.S.C. §§

1341 and 1343 by using or causing the use of the USPS, private or commercial interstate carriers and/or the wires in interstate and foreign commerce to repeatedly, systematically and fraudulently (i) cause honey originating in China (and possibly other unlawful source countries), including honey containing adulterated antibiotics and other unlawful contaminants, to be illegally transshipped (*i.e.*, “laundered”) through intermediate countries (including, *inter alia*, India, Thailand, Malaysia, the Philippines Cambodia, Mongolia, Russia and/or Vietnam) to the United States; (ii) defraud Government import authorities by misrepresenting the illegally transshipped honey (a) originated in countries other than China and/or other unlawful source countries, and (b) was honey when, in fact, it constituted other products (including sugars and syrups) to avoid paying legally mandated antidumping duties (on which misrepresentations the Government relied); and (iii) dump, market, sell and distribute the illegally imported and fraudulently declared Chinese-origin honey to businesses and persons throughout the United States. It was a foreseeable, natural, intended, and direct consequence of these Defendants’ wrongful conduct and schemes, as they well knew and intended, without legal justification, that Individual Plaintiffs would incur economic damages and other actual injury and harm in the form of, *inter alia*, lost market share, lost honey sales, and lost profits—to Defendants’ financial benefit and Individual Plaintiffs’ financial detriment.

60. Defendants’ conspiracies and wrongful conduct inflicted severe economic hardship on Individual Plaintiffs who are legitimate domestic honey producers, packers and/or wholesalers. The illegal importation of fraudulently declared transshipped Chinese-origin honey directly and/or proximately caused widely divergent market prices for honey during the relevant time period—one price for legitimate honey and another “rock bottom” price for the illegally transshipped and fraudulently declared Chinese-origin honey. *See Enforcing America’s Trade*

Laws in the Face of Customs Fraud and Duty Evasion: Hearing Before the S. Comm. on Finance, Subcommittee on Int'l Trade, Customs, and Global Competitiveness, 112th Cong. 2 (May 5, 2011) (statement of American Honey Producers Association).

61. According to the United States Department of Agriculture (“USDA”), in 2010, for example, the average price of all honey sold in the United States was \$1.45 per pound. *Id.* at 4. At the same time, illegally transshipped and fraudulently declared Chinese-origin honey was offered for sale at prices as low as \$.75 per pound—prices that would not be possible without evading payment of applicable antidumping duties. *Id.* “This fraudulent and illicit trade [made] it almost impossible for honey packers who refuse to purchase transshipped product to compete against those who are engaged in this activity.” *Id.*

62. The AHPA summarized the extent of Defendants’ fraudulent and unlawful acts and practices as follows:

In 2008, 2009, and 2010, at least 80 million pounds of Chinese-origin honey entered the United States each year without paying the anti-dumping duty. That is the equivalent of 35% of all United States honey imports in 2008 and 44% of all honey imported in 2009. In sum, duties of \$300 million otherwise owed to the U.S. Treasury have not been collected. This, of course, does not account for the millions in economic harm done to the domestic industry over the same three-year period. When added together, the numbers are staggering for a relatively small sector of the economy.

Id.

THE DOMESTIC HONEY INDUSTRY

63. Honey is most commonly used as a functional sweetener and appears in a variety of products, such as baked goods, cereal, condiments, candy, medicine and shampoo. Honey also contains mild antiseptic properties when used on the skin.

64. From 2006 to 2011, the United States, on average, imported approximately 405 million pounds of honey per year. *See* USITC, *Honey from China*, Investigation No. 731-TA-893

(Second Review), at I-23 (Nov. 2012) (Publ. 4364). As of August 2011, United States honey producers supplied approximately 48% of the domestic honey demand; the remaining 52% was imported from foreign countries. Andrew Schneider, *Asian Honey, Banned in Europe, Is Flooding U.S. Grocery Shelves*, FOOD POLITICS, at 2 (August 15, 2011).

65. Honey is produced in beehives by colonies of honeybees. Honey production begins by honeybees gathering nectar from various plants. Honeybees may forage several miles from their hives to find nectar and each bee may make several trips for nectar per day. Upon returning to the hive, bees regurgitate the nectar into the mouths of specialized house bees, which add enzymes and regurgitate the mixture (unripe honey) into the hexagonal cells of the comb. The hexagonal cells containing the unripe honey are capped with a thin layer of wax and the honey is allowed to ripen.

66. The United States domestic honey industry comprises producers of both raw and processed honey, including beekeepers that produce and/or wholesale raw honey and packers that gather, consolidate, process and pack both raw and processed honey for sale to industrial users and consumers.

67. Beekeepers maintain bee colonies and extract honey from their hives. Beekeepers in the United States are often migratory, moving their hives as needed to areas needing pollination services and/or rich in certain flora to promote production of a distinct type of honey.

68. Beekeepers use smoke, low pressure air and/or chemicals to harvest honey from beehives. The raw, unprocessed honey is then (i) placed in large drums and transported to large independent packers for further processing, (ii) processed by small beekeeper packers and bottled for local sale, or (iii) left in its raw form and bottled by the beekeeper for local sale.

69. Large independent honey packers purchase honey from multiple sources and process and pack the honey for resale in the regional or national markets. Small beekeepers/packers extract honey from their own beehives and typically process and pack the honey for resale in a local market.

70. The domestic honey industry is a critical component of agriculture in the United States. One industry leader recently explained bee pollination is “critical in the production of more than 90 food, fiber and seed crops, and directly results in approximately \$20 billion in U.S. farm output.” *Enforcing America’s Trade Laws in the Face of Customs Fraud and Duty Evasion: Hearing Before the S. Comm. on Finance, Subcommittee on Int’l Trade, Customs, and Global Competitiveness*, 112th Cong. 2 (May 5, 2011) (statement of AHPA).

REGULATING GOODS IMPORTED INTO THE UNITED STATES

71. The Bureau of Customs and Border Protection (“CBP”) of the United States Department of Homeland Security is responsible for (i) examining goods entering the United States to ensure they are admissible under, and in compliance with, United States laws, and (ii) assessing and collecting taxes, fees and duties on imported goods, including antidumping duties.

72. In order to facilitate the entry of goods into the United States, importers commonly work with customs house brokers, which file entry documents with the CBP based on information provided by the importers.

73. CBP Entry Forms 3461 (Entry/Immediate Delivery) and 7501 (Entry Summary) require importers to provide specific and truthful information pertaining to imported goods, including a description of the goods and their harmonized tariff code, manufacturer, value and country of origin.

74. Goods are “transshipped” when shipped from their country of origin to a country of intermediate destination, then shipped to the United States, and fraudulently declared to Government import authorities as originating in a country other than their true country of origin. Thus, for example, Chinese-origin honey shipped to an intermediate destination country (such as India, Thailand, Malaysia, the Philippines Cambodia, Mongolia, Russia and/or Vietnam), then shipped to the United States, and fraudulently declared as originating in a country other than China is illegally “transshipped.”

75. On the other hand, Chinese-origin honey imported into the United States and declared to be a product other than honey, such as molasses, fructose, rice syrup, glucose syrup, honey syrup and apple juice concentrate (collectively “sugars and syrups”) is fraudulently mis-declared Chinese-origin honey.

76. The United States Food and Drug Administration enforces the Food, Drug and Cosmetic Act (“FDCA”), 21 U.S.C. § 301 *et seq.*, to ensure that foods, including imported goods, are safe, sanitary, and properly labeled.

77. The FDCA prohibits the delivery or introduction and/or causing the delivery or introduction of adulterated food. Food containing unsafe food additives—including the antibiotics Ciprofloxacin, Norfloxacin, and Chloramphenicol—is considered adulterated under the FDCA.

**ANTIDUMPING ORDER IMPOSED BY THE UNITED STATES DEPARTMENT OF COMMERCE ON
CHINESE-ORIGIN HONEY**

78. Dumping occurs when imported goods are sold in the United States at less than fair value; dumping is generally considered to be an unfair trade practice.

79. Antidumping duties are intended to counter international price discrimination that injures United States industries by dumping goods, thereby promoting fair competition between United States industries and foreign industries.

80. An antidumping duty order is a formal determination issued by the United States Department of Commerce requiring a duty to be collected on imports of a particular product from specified countries. United States industries may petition the Department of Commerce and the United States International Trade Commission (“USITC”) for relief from imports that are “dumped” and sold at less than fair value in the United States. The Department of Commerce and USITC conduct antidumping investigations.

81. When a petition is filed requesting relief from imports being “dumped” and sold at less than fair value in the United States, the Department of Commerce determines whether the alleged dumping, in fact, occurred and, if so, the margin of such dumping. The USITC, on the other hand, is responsible for determining whether a United States industry was materially injured or threatened with material injury by reason of the imports under investigation. When both the Department of Commerce and USITC reach affirmative final determinations on these questions, the Department of Commerce issues an antidumping duty order establishing the antidumping duty to be paid on the dumped foreign product.

82. In September 2000, the AHPA, the principal trade association of domestic honey producers, and the Sioux Honey Association (“SHA”), a non-profit cooperative marketing organization that collects, processes, packs, and markets honey products, filed a petition with the Department of Commerce and USITC, alleging the honey industry in the United States was materially injured and threatened with further material injury by the importation, dumping, and sale of Chinese-origin honey.

83. In September 2001, the Department of Commerce concluded that Chinese-origin honey² was being sold, or likely to be sold, into the United States at less than fair value, in contravention of § 735(a) of the Tariff Act of 1930. In November 2001, the USITC found the domestic honey industry was materially injured by the importation of Chinese-origin honey sold in the United States at less than fair value. The Department of Commerce issued an antidumping duty order on December 10, 2001.

84. In June 2007, the USITC conducted an expedited five-year review of the antidumping order on Chinese-origin honey. The USITC determined that revocation of the order would likely lead to the continuation or recurrence of material injury to the domestic honey industry within the reasonably foreseeable future. USITC, *Honey from Argentina and China*, Investigation Nos. 701-TA-402 and 731-TA-892 and 893, p. 3 (June 2007) (Publ. 3929). In November 2012, the USITC conducted its second five-year review and reached the same conclusion. USITC, *Honey from China*, Investigation No. 731-TA-893 (Second Review), p. 3 (Nov. 2012) (Publ. 4364).

85. Between December 10, 2001 and October 2005, the default antidumping duty on Chinese-origin honey was approximately 183%. From June 2006 to mid-July 2007, the default

² The Department of Commerce defined the types of Chinese-origin honey products subject to the antidumping duties as follows:

The products covered by the order are natural honey, artificial honey containing more than 50 percent natural honey by weight, preparations of natural honey containing more than 50 percent natural honey by weight, and flavored honey. The subject merchandise includes all grades and colors of honey whether in liquid, creamed, comb, cut comb, or chunk form, and whether packaged in retail or bulk forms.

USITC, *Honey from China*, Investigation No. 731-TA-893 (Second Review), p. I-8 (Nov. 2012) (Publ. 4364).

rate changed to approximately 212%. From mid-July 2007 to mid-July 2008, the default rate was approximately 221%.

86. Since July 2008, antidumping duties on Chinese-origin honey are assessed against the entered net weight of the imported honey, first at \$2.06 per net kilogram and later, from January 2009 to the present, at \$2.63 per net kilogram. There also is a “honey assessment fee” of one cent per pound.

87. The geographic origin of honey can be ascertained by studying the composition and characteristics of the pollen naturally contained in the honey.

88. As a result, transshipped Chinese-origin honey (and transshipped honey from other unlawful source countries) is subjected to a filtration process whereby all of its pollen is filtered out at the molecular level to erase all traces of its geographic origin, so it will pass inspection at the United States border.

89. This filtering process, known as ultrafiltration, entails adding water to honey, filtering it under high pressure—which removes even molecular-sized particulates—and then removing the water. The ultrafiltration process transforms the honey into a sweetener that no longer retains the identity of honey.

90. Under U.S. standards, honey that undergoes ultrafiltration or contains added sweeteners, such as sugar or corn syrup, cannot be labeled as honey. Illegally imported transshipped Chinese-origin honey (and transshipped honey from other unlawful source countries) that is subjected to the ultrafiltration process is improperly, falsely, and misleadingly labeled as honey when distributed and sold in the United States.

DEFENDANTS' WRONGFUL CONDUCT

91. During the relevant time period, Groeb Farms, acting by and through its officers, directors, employees, shareholders, and/or agents, including the Groeb Executives and Horizon (and, on information and belief, their co-conspirators, Sunland, Ecotrade, Ergogenic, Odem, and/or Bees Brothers, and possibly others), knowingly, intentionally, and repeatedly conspired with each other and others to import, purchase, receive, process, filter, blend, package, market, sell, and/or distribute illegally transshipped and illegally mis-declared honey to retail, foodservice and industrial customers in the United States. The dates and substance of the Groeb Defendants' and their co-conspirators' fraudulent communications to the Government via the mails and/or interstate and/or foreign wires (on which the Government relied), as well as the communications by and between themselves via the mails and/or interstate and/or foreign wires in furtherance of their fraudulent schemes, are in their possession, custody, and control, to the exclusion of Individual Plaintiffs, and await discovery.

92. During the relevant time period, Honey Solutions, acting by and through its officers, directors, employees, shareholders, and/or agents, including the Honey Solutions Executives and HHI (and, on information and belief, their co-conspirators, Sunland, Ecotrade, Ergogenic, Odem, and/or Bees Brothers, and possibly others), knowingly, intentionally, and repeatedly conspired with each other and others to import, purchase, receive, process, filter, blend, package, market, sell, and/or distribute illegally transshipped and illegally mis-declared honey to retail, foodservice and industrial customers in the United States. The dates and substance of the Honey Solutions Defendants' and their co-conspirators' fraudulent communications to the Government via the mails and/or interstate and/or foreign wires (on which the Government relied), as well as the communications by and between themselves via the

mails and/or interstate and/or foreign wires in furtherance of their fraudulent schemes, are in their possession, custody, and control, to the exclusion of Individual Plaintiffs, and await discovery.

93. During the relevant time period, National, acting by and through its officers, directors, employees, shareholders, and/or agents, including Yang (and possibly others), knowingly, intentionally, and repeatedly conspired with each other and others to import, purchase, receive, process, filter, blend, package, market, sell, and/or distribute illegally transshipped and illegally mis-declared honey to retail, foodservice and industrial customers in the United States. The dates and substance of the National Defendants' fraudulent communications to the Government via the mails and/or interstate and/or foreign wires (on which the Government relied), as well as the communications by and between themselves via the mails and/or interstate and/or foreign wires in furtherance of their fraudulent schemes, are in their possession, custody, and control, to the exclusion of Individual Plaintiffs, and await discovery.

94. During the relevant time period, the Importer Defendants, acting by and through their officers, directors, employees, shareholders, and/or agents, knowingly, intentionally, and repeatedly conspired with each other and others to import, purchase, receive, process, filter, blend, package, market, sell, and/or distribute illegally transshipped and illegally mis-declared honey to retail, foodservice and industrial customers in the United States. The dates and substance of the Importer Defendants' fraudulent communications to the Government via the mails and/or interstate and/or foreign wires (on which the Government relied), as well as the communications by and between themselves via the mails and/or interstate and/or foreign wires

in furtherance of their fraudulent schemes, are in their possession, custody, and control, to the exclusion of Individual Plaintiffs, and await discovery.

95. During the relevant time period, the Groeb Defendants knowingly, intentionally, and repeatedly worked with each other (and, on information and belief, their co-conspirators, Sunland, Ecotrade, Ergogenic, Odem, and/or Bees Brothers, and possibly others) to facilitate the importation, marketing, transportation, sale, and/or distribution of Chinese-origin honey (and transshipped honey from other unlawful source countries) throughout the United States that was fraudulently declared to Government import authorities, via the mails and/or interstate and/or foreign wires, as originating in countries other than China (or other unlawful source countries). The dates and substance of the Groeb Defendants' and their co-conspirators' fraudulent communications to the Government via the mails and/or interstate and/or foreign wires (on which the Government relied), as well as the communications by and between themselves via the mails and/or interstate and/or foreign wires in furtherance of their fraudulent schemes, are in their possession, custody, and control, to the exclusion of Individual Plaintiffs, and await discovery.

96. During the relevant time period, the Honey Solutions Defendants knowingly, intentionally, and repeatedly worked with each other (and, on information and belief, their co-conspirators, Sunland, Ecotrade, Ergogenic, Odem, and/or Bees Brothers, and possibly others) to facilitate the importation, marketing, transportation, sale, and/or distribution of Chinese-origin honey (and transshipped honey from other unlawful source countries) throughout the United States that was fraudulently declared to Government import authorities, via the mails and/or interstate and/or foreign wires, as originating in countries other than China (or other unlawful source countries). The dates and substance of the Honey Solutions Defendants' and their co-

conspirators' fraudulent communications to the Government via the mails and/or interstate and/or foreign wires (on which the Government relied), as well as the communications by and between themselves via the mails and/or interstate and/or foreign wires in furtherance of their fraudulent schemes, are in their possession, custody, and control, to the exclusion of Individual Plaintiffs, and await discovery.

97. During the relevant time period, the National Defendants knowingly, intentionally, and repeatedly worked with each other (and possibly others) to facilitate the importation, marketing, transportation, sale, and/or distribution of Chinese-origin honey (and transshipped honey from other unlawful source countries) throughout the United States that was fraudulently declared to Government import authorities, via the mails and/or interstate and/or foreign wires, as originating in countries other than China (or other unlawful source countries). The dates and substance of the National Defendants' fraudulent communications to the Government via the mails and/or interstate and/or foreign wires (on which the Government relied), as well as the communications by and between themselves via the mails and/or interstate and/or foreign wires in furtherance of their fraudulent schemes, are in their possession, custody, and control, to the exclusion of Individual Plaintiffs, and await discovery.

98. During the relevant time period, the Importer Defendants knowingly, intentionally, and repeatedly worked with each other (and possibly others) to facilitate the importation, marketing, transportation, sale, and/or distribution of Chinese-origin honey (and transshipped honey from other unlawful source countries) throughout the United States that was fraudulently declared to Government import authorities, via the mails and/or interstate and/or foreign wires, as originating in countries other than China (or other unlawful source countries). The dates and substance of the Importer Defendants' fraudulent communications to the

Government via the mails and/or interstate and/or foreign wires (on which the Government relied), as well as the communications by and between themselves via the mails and/or interstate and/or foreign wires in furtherance of their fraudulent schemes, are in their possession, custody, and control, to the exclusion of Individual Plaintiffs, and await discovery.

99. During the relevant time period, the Groeb Defendants (and, on information and belief, their co-conspirators, Sunland, Ecotrade, Ergogenic, Odem, and/or Bees Brothers, and possibly others) knowingly, intentionally, and repeatedly conspired to (and did) import, purchase, receive, market, transport, sell, and/or distribute Chinese-origin honey (and transshipped honey from other unlawful source countries) throughout the United States that was repeatedly and fraudulently declared to Government import authorities, via the mails and/or interstate and/or foreign wires, as originating in countries other than China (or other unlawful source countries) and/or to be a product other than honey, including sugars and syrups. The dates and substance of the Groeb Defendants' and their co-conspirators' fraudulent communications to the Government via the mails and/or interstate and/or foreign wires (on which the Government relied), as well as the communications by and between themselves via the mails and/or interstate and/or foreign wires in furtherance of their fraudulent schemes (on which the Government relied), are in their possession, custody, and control, to the exclusion of Individual Plaintiffs, and await discovery.

100. During the relevant time period, the Honey Solutions Defendants (and, on information and belief, their co-conspirators, Sunland, Ecotrade, Ergogenic, Odem, and/or Bees Brothers, and possibly others) knowingly, intentionally, and repeatedly conspired to (and did) import, purchase, receive, market, transport, sell, and/or distribute Chinese-origin honey (and transshipped honey from other unlawful source countries) throughout the United States that was

repeatedly and fraudulently declared to Government import authorities, via the mails and/or interstate and/or foreign wires, as originating in countries other than China (or other unlawful source countries) and/or to be a product other than honey, including sugars and syrups. The dates and substance of the Honey Solutions Defendants' and their co-conspirators' fraudulent communications to the Government via the mails and/or interstate and/or foreign wires (on which the Government relied), as well as the communications by and between themselves via the mails and/or interstate and/or foreign wires in furtherance of their fraudulent schemes (on which the Government relied), are in their possession, custody, and control, to the exclusion of Individual Plaintiffs, and await discovery.

101. During the relevant time period, the National Defendants (and possibly others) knowingly, intentionally, and repeatedly conspired to (and did) import, purchase, receive, market, transport, sell, and/or distribute Chinese-origin honey (and transshipped honey from other unlawful source countries) throughout the United States that was repeatedly and fraudulently declared to Government import authorities, via the mails and/or interstate and/or foreign wires, as originating in countries other than China (or other unlawful source countries) and/or to be a product other than honey, including sugars and syrups. The dates and substance of the National Defendants' fraudulent communications to the Government via the mails and/or interstate and/or foreign wires (on which the Government relied), as well as the communications by and between themselves via the mails and/or interstate and/or foreign wires in furtherance of their fraudulent schemes (on which the Government relied), are in their possession, custody, and control, to the exclusion of Individual Plaintiffs, and await discovery.

102. During the relevant time period, the Importer Defendants (and possibly others) knowingly, intentionally, and repeatedly conspired to (and did) import, purchase, receive,

market, transport, sell, and/or distribute Chinese-origin honey (and transshipped honey from other unlawful source countries) throughout the United States that was repeatedly and fraudulently declared to Government import authorities, via the mails and/or interstate and/or foreign wires, as originating in countries other than China (or other unlawful source countries) and/or to be a product other than honey, including sugars and syrups. The dates and substance of the Importer Defendants' fraudulent communications to the Government via the mails and/or interstate and/or foreign wires (on which the Government relied), as well as the communications by and between themselves via the mails and/or interstate and/or foreign wires in furtherance of their fraudulent schemes (on which the Government relied), are in their possession, custody, and control, to the exclusion of Individual Plaintiffs, and await discovery.

103. During the relevant time period, the Groeb Defendants (and, on information and belief, their co-conspirators, Sunland, Ecotrader, Ergogenic, Odem, and/or Bees Brothers, and possibly others) knowingly, intentionally, and repeatedly falsely represented to United States import authorities that its honey complied with applicable laws. These representations were false, deceptive, and misleading. The dates and substance of the Groeb Defendants' and their co-conspirators' fraudulent communications to the Government via the mails and/or interstate and/or foreign wires (on which the Government relied), as well as the communications by and between themselves via the mails and/or interstate and/or foreign wires in furtherance of their fraudulent schemes, are in their possession, custody, and control, to the exclusion of Individual Plaintiffs, and await discovery.

104. During the relevant time period, the Honey Solutions Defendants (and, on information and belief, their co-conspirators, Sunland, Ecotrader, Ergogenic, Odem, and/or Bees Brothers, and possibly others) knowingly, intentionally, and repeatedly falsely represented to

United States import authorities that its honey complied with applicable laws. These representations were false, deceptive, and misleading. The dates and substance of the Honey Solutions Defendants' and their co-conspirators' fraudulent communications to the Government via the mails and/or interstate and/or foreign wires (on which the Government relied), as well as the communications by and between themselves via the mails and/or interstate and/or foreign wires in furtherance of their fraudulent schemes, are in their possession, custody, and control, to the exclusion of Individual Plaintiffs, and await discovery.

105. During the relevant time period, the National Defendants (and possibly others) knowingly, intentionally, and repeatedly falsely represented to United States import authorities that its honey complied with applicable laws. These representations were false, deceptive, and misleading. The dates and substance of the National Defendants' fraudulent communications to the Government via the mails and/or interstate and/or foreign wires (on which the Government relied), as well as the communications by and between themselves via the mails and/or interstate and/or foreign wires in furtherance of their fraudulent schemes, are in their possession, custody, and control, to the exclusion of Individual Plaintiffs, and await discovery.

106. During the relevant time period, the Importer Defendants (and possibly others) knowingly, intentionally, and repeatedly falsely represented to United States import authorities that its honey complied with applicable laws. These representations were false, deceptive, and misleading. The dates and substance of the Importer Defendants' fraudulent communications to the Government via the mails and/or interstate and/or foreign wires (on which the Government relied), as well as the communications by and between themselves via the mails and/or interstate and/or foreign wires in furtherance of their fraudulent schemes, are in their possession, custody, and control, to the exclusion of Individual Plaintiffs, and await discovery.

107. During the relevant time period, the Groeb Defendants knowingly, intentionally, and repeatedly purchased honey from United States honey brokers and/or certain Asian suppliers (including, on information and belief, Sunland, Ecotrader, Ergogenic, Odem, and/or Bees Brothers, and possibly others) knowing full well such brokers and suppliers were trafficking illegally transshipped Chinese-origin honey (and transshipped honey from other unlawful source countries) that had been fraudulently declared to United States import authorities as having originated in countries other than China (or other unlawful source countries). The dates and substance of such fraudulent communications to the Government via the mails and/or interstate and/or foreign wires (on which the Government relied), as well as the communications by and between the Groeb Defendants and their honey brokers and suppliers via the mails and/or interstate and/or foreign wires in furtherance of their fraudulent schemes, are in their possession, custody, and control, to the exclusion of Individual Plaintiffs, and await discovery.

108. During the relevant time period, the Honey Solutions Defendants knowingly, intentionally, and repeatedly purchased honey from United States honey brokers and/or certain Asian suppliers (including, on information and belief, Sunland, Ecotrader, Ergogenic, Odem, and/or Bees Brothers, and possibly others) knowing full well such brokers and suppliers were trafficking illegally transshipped Chinese-origin honey (and transshipped honey from other unlawful source countries) that had been fraudulently declared to United States import authorities as having originated in countries other than China (or other unlawful source countries). The dates and substance of such fraudulent communications to the Government via the mails and/or interstate and/or foreign wires (on which the Government relied), as well as the communications by and between the Honey Solutions Defendants and their honey brokers and suppliers via the mails and/or interstate and/or foreign wires in furtherance of their fraudulent

schemes, are in their possession, custody, and control, to the exclusion of Individual Plaintiffs, and await discovery.

109. During the relevant time period, the National Defendants knowingly, intentionally, and repeatedly purchased honey from United States honey brokers and/or certain Asian suppliers knowing full well such brokers and suppliers were trafficking illegally transshipped Chinese-origin honey (and transshipped honey from other unlawful source countries) that had been fraudulently declared to United States import authorities as having originated in countries other than China (or other unlawful source countries). The dates and substance of such fraudulent communications to the Government via the mails and/or interstate and/or foreign wires (on which the Government relied), as well as the communications by and between the National Defendants via the mails and/or interstate and/or foreign wires in furtherance of their fraudulent schemes, are in their possession, custody, and control, to the exclusion of Individual Plaintiffs, and await discovery.

110. During the relevant time period, the Importer Defendants knowingly, intentionally, and repeatedly purchased honey from United States honey brokers and/or certain Asian suppliers knowing full well such brokers and suppliers were trafficking illegally transshipped Chinese-origin honey (and transshipped honey from other unlawful source countries) that had been fraudulently declared to United States import authorities as having originated in countries other than China (or other unlawful source countries). The dates and substance of such fraudulent communications to the Government via the mails and/or interstate and/or foreign wires (on which the Government relied), as well as the communications by and between the Importer Defendants via the mails and/or interstate and/or foreign wires in

furtherance of their fraudulent schemes, are in their possession, custody, and control, to the exclusion of Individual Plaintiffs, and await discovery.

111. During the relevant time period, the Groeb Defendants (and, on information and belief, their co-conspirators, Sunland, Ecotrader, Ergogenic, Odem, and/or Bees Brothers, and possibly others) knowingly, intentionally, and repeatedly conspired to (and did) obtain and receive, and cause others to obtain and receive, fake and fraudulent bills of lading, invoices, packing lists, country of origin certificates, test results, and other related papers used to fraudulently declare to United States import authorities that Chinese-origin honey (and transshipped honey from other unlawful source countries) had originated in countries other than China (or other unlawful source countries). The dates and substance of the Groeb Defendants' and their co-conspirators' fraudulent communications to the Government via the mails and/or interstate and/or foreign wires (on which the Government relied), as well as the communications by and between themselves via the mails and/or interstate and/or foreign wires in furtherance of their fraudulent schemes, are in their possession, custody, and control, to the exclusion of Individual Plaintiffs, and await discovery.

112. During the relevant time period, the Honey Solutions Defendants (and, on information and belief, their co-conspirators, Sunland, Ecotrader, Ergogenic, Odem, and/or Bees Brothers, and possibly others) knowingly, intentionally, and repeatedly conspired to (and did) obtain and receive, and cause others to obtain and receive, fake and fraudulent bills of lading, invoices, packing lists, country of origin certificates, test results, and other related papers used to fraudulently declare to United States import authorities that Chinese-origin honey (and transshipped honey from other unlawful source countries) had originated in countries other than China (or other unlawful source countries). The dates and substance of the Honey Solutions

Defendants' and their co-conspirators' fraudulent communications to the Government via the mails and/or interstate and/or foreign wires (on which the Government relied), as well as the communications by and between themselves via the mails and/or interstate and/or foreign wires in furtherance of their fraudulent schemes, are in their possession, custody, and control, to the exclusion of Individual Plaintiffs, and await discovery.

113. During the relevant time period, the National Defendants (and possibly others) knowingly, intentionally, and repeatedly conspired to (and did) obtain and receive, and cause others to obtain and receive, fake and fraudulent bills of lading, invoices, packing lists, country of origin certificates, test results, and other related papers used to fraudulently declare to United States import authorities that Chinese-origin honey (and transshipped honey from other unlawful source countries) had originated in countries other than China (or other unlawful source countries). The dates and substance of the National Defendants' fraudulent communications to the Government via the mails and/or interstate and/or foreign wires (on which the Government relied), as well as the communications by and between themselves via the mails and/or interstate and/or foreign wires in furtherance of their fraudulent schemes, are in their possession, custody, and control, to the exclusion of Individual Plaintiffs, and await discovery.

114. During the relevant time period, the Importer Defendants (and possibly others) knowingly, intentionally, and repeatedly conspired to (and did) obtain and receive, and cause others to obtain and receive, fake and fraudulent bills of lading, invoices, packing lists, country of origin certificates, test results, and other related papers used to fraudulently declare to United States import authorities that Chinese-origin honey (and transshipped honey from other unlawful source countries) had originated in countries other than China (or other unlawful source countries). The dates and substance of the Importer Defendants' fraudulent communications to

the Government via the mails and/or interstate and/or foreign wires (on which the Government relied), as well as the communications by and between themselves via the mails and/or interstate and/or foreign wires in furtherance of their fraudulent schemes, are in their possession, custody, and control, to the exclusion of Individual Plaintiffs, and await discovery.

115. During the relevant time period, the Groeb Defendants knowingly, intentionally, and repeatedly misled the Government regarding Groeb Farms' importation, purchasing, receiving, processing, and mislabeling of Chinese-origin honey (and transshipped honey from other unlawful source countries) that was fraudulently declared as to country of origin upon importation into the United States. The dates and substance of the Groeb Defendants' fraudulent communications to the Government via the mails and/or interstate and/or foreign wires (on which the Government relied), as well as the communications by and between themselves via the mails and/or interstate and/or foreign wires in furtherance of their fraudulent schemes, are in their possession, custody, and control, to the exclusion of Individual Plaintiffs, and await discovery.

116. During the relevant time period, the Honey Solutions Defendants knowingly, intentionally, and repeatedly misled the Government regarding Honey Solutions' importation, purchasing, receiving, processing, and mislabeling of Chinese-origin honey (and transshipped honey from other unlawful source countries) that was fraudulently declared as to country of origin upon importation into the United States. The dates and substance of the Honey Solutions Defendants' fraudulent communications to the Government via the mails and/or interstate and/or foreign wires (on which the Government relied), as well as the communications by and between themselves via the mails and/or interstate and/or foreign wires in furtherance of their fraudulent

schemes, are in their possession, custody, and control, to the exclusion of Individual Plaintiffs, and await discovery.

117. During the relevant time period, the National Defendants knowingly, intentionally, and repeatedly misled the Government regarding National's importation, purchasing, receiving, processing, and mislabeling of Chinese-origin honey (and transshipped honey from other unlawful source countries) that was fraudulently declared as to country of origin upon importation into the United States. The dates and substance of the National Defendants' fraudulent communications to the Government via the mails and/or interstate and/or foreign wires (on which the Government relied), as well as the communications by and between themselves via the mails and/or interstate and/or foreign wires in furtherance of their fraudulent schemes, are in their possession, custody, and control, to the exclusion of Individual Plaintiffs, and await discovery.

118. During the relevant time period, the Importer Defendants knowingly, intentionally, and repeatedly misled the Government regarding National's importation, purchasing, receiving, processing, and mislabeling of Chinese-origin honey (and transshipped honey from other unlawful source countries) that was fraudulently declared as to country of origin upon importation into the United States. The dates and substance of the Importer Defendants' fraudulent communications to the Government via the mails and/or interstate and/or foreign wires (on which the Government relied), as well as the communications by and between themselves via the mails and/or interstate and/or foreign wires in furtherance of their fraudulent schemes, are in their possession, custody, and control, to the exclusion of Individual Plaintiffs, and await discovery.

119. During the relevant time period, the Groeb Defendants (and, on information and belief, their co-conspirators, Sunland, Ecotrade, Ergogenic, Odem, and/or Bees Brothers, and possibly others) knowingly, intentionally, and repeatedly misrepresented, concealed, and hid, and caused to be misrepresented, concealed, and hidden, the above-described wrongful acts and practices, and the purposes of such acts and practices—to cheat and defraud Individual Plaintiffs—committed in furtherance of their unlawful activities.

120. During the relevant time period, the Honey Solutions Defendants (and, on information and belief, their co-conspirators, Sunland, Ecotrade, Ergogenic, Odem, and/or Bees Brothers, and possibly others) knowingly, intentionally, and repeatedly misrepresented, concealed, and hid, and caused to be misrepresented, concealed, and hidden, the above-described wrongful acts and practices, and the purposes of such acts and practices—to cheat and defraud Individual Plaintiffs—committed in furtherance of their unlawful activities.

121. During the relevant time period, the National Defendants knowingly, intentionally, and repeatedly misrepresented, concealed, and hid, and caused to be misrepresented, concealed, and hidden, the above-described wrongful acts and practices, and the purposes of such acts and practices—to cheat and defraud Individual Plaintiffs—committed in furtherance of their unlawful activities.

122. During the relevant time period, the Importer Defendants knowingly, intentionally, and repeatedly misrepresented, concealed, and hid, and caused to be misrepresented, concealed, and hidden, the above-described wrongful acts and practices, and the purposes of such acts and practices—to cheat and defraud Individual Plaintiffs—committed in furtherance of their unlawful activities.

123. As a direct and/or proximate result of the Groeb Defendants' above-described wrongful conduct, the Honorable Virginia M. Kendall, United States District Judge for the Northern District of Illinois, entered the above-described two-year Deferred Prosecution Agreement between the United States and Groeb Farms (Exhibit A). *See U.S. v. Groeb Farms, Inc.*, No. 13 CR 137 (Feb. 20, 2013).

124. As a direct and/or proximate result of the Honey Solutions Defendants' above-described wrongful conduct, the Honorable Virginia M. Kendall, United States District Judge for the Northern District of Illinois, entered the above-described two-year Deferred Prosecution Agreement between the United States and Honey Solutions (Exhibit B). *See U.S. v. Honey Holding I, Ltd., d/b/a Honey Solutions*, No. 13 CR 138 (Feb. 20, 2013).

125. As a direct and/or proximate result of Murphy's above-described wrongful conduct, Murphy entered into a plea agreement with the Government, wherein Murphy admitted to purchasing honey he knew to be adulterated with the antibiotic Chloramphenicol, rendering such honey adulterated and prohibited for sale in the United States, and to selling such adulterated honey to customers in the United States for Honey Solutions without disclosing its adulterated nature and by falsely representing to Honey Solutions' customers that the honey did not contain a prohibited antibiotic. *See U.S. v. Douglas A. Murphy*, No. 1:13-cr-00138 (N.D. Ill.), at 4 (Feb. 20, 2013) (Exhibit C).

126. As a direct and/or proximate result of Tran's above-described wrongful acts, Tran entered into a plea agreement with the Government, wherein Tran admitted that while acting within the scope of his agency relationship with Honey Solutions and as Honey Solutions' Director of Procurement, he knowingly facilitated and arranged for the purchase, distribution, and sale of Chinese-origin honey he knew to have been falsely and fraudulently declared to

Government import authorities as to country of origin upon entry and importation into the United States. Tran admitted that he brokered transactions in which Honey Defendants purchased from shell companies that Tran knew were controlled by Chinese honey producers Chinese-origin honey that was falsely and fraudulently imported, introduced, marketed, and sold as non-Chinese honey and other times, as sugars and syrups. *See U.S. v. Urbain Tran*, 1:13-cr-01040 (N.D. Ill.), at 2-6 (Feb. 26, 2013) (Exhibit D).

127. As a direct and proximate result of Yang's above-described wrongful acts, Yang admitted in a plea agreement with the Government that, serving as National's principal point of contact for brokering the sale of honey between overseas honey suppliers and U.S. customers, Yang facilitated the sale of imported honey knowing that the honey was of Chinese-origin and was transshipped, imported, and brought into the United States contrary to law. Specifically, Yang admitted to brokering the sale of two container loads of purported "100% Pure Indian Honey" knowing that the honey was falsely and fraudulently imported and brought into the United States as a product of India in avoidance of U.S.-imposed antidumping duties. According to the agreement, 778 container loads of transshipped and smuggled Chinese-origin honey were delivered to U.S. buyers through Yang's efforts. Yang further admitted to knowingly concealing and covering up three laboratory reports showing the presence of Chloramphenicol—an antibiotic not authorized in food—in honey sold by Yang. *U.S. v. Jun Yang*, No. 13-cr-00139 (N.D. Ill. Mar. 12, 2013).

PATTERN OF UNLAWFUL ACTIVITY UNDER 18 U.S.C. § 1961, *et seq.*: MAIL FRAUD AND/OR INTERSTATE AND/OR FOREIGN WIRE FRAUD (GROEB EXECUTIVES, HORIZON, SUNLAND, ECOTRADE, ERGOGENIC, ODEM, AND BEES BROTHERS)

128. The preceding factual statements and allegations are incorporated by reference.

129. The Groeb Executives and Horizon (and, on information and belief, their co-conspirators, Sunland, Ecotrade, Ergogenic, Odem, and/or Bees Brothers, and possibly others) engaged in an open-ended scheme to cheat and defraud Individual Plaintiffs by (i) illegally importing transshipped honey and mis-declaring honey originating in China (and possibly other unlawful source countries), including honey containing adulterated antibiotics, through intermediate countries to the United States, (ii) fraudulently avoiding Government import authorities by misrepresenting the Chinese-origin honey (a) originated in countries other than China and/or (b) was honey when, in fact, it constituted other products (including sugars and syrups) to avoid paying antidumping duties (on which representations the Government relied), (iii) dumping, marketing, selling, and distributing the illegally imported and fraudulently declared Chinese-origin honey throughout the United States, (iv) undercutting and destroying their competition (*i.e.*, Individual Plaintiffs), (v) substantially depressing the price of honey legitimately produced, packed, marketed, and sold in the United States, and (vi) causing Individual Plaintiffs to suffer damages and other actual injury and harm in their businesses and property in the form of, *inter alia*, lost market share, lost sales, and lost profits. This scheme was a consistent, regular, and dominant part of the manner in which the Groeb Executives and Horizon (and, on information and belief, their co-conspirators, Sunland, Ecotrade, Ergogenic, Odem, and/or Bees Brothers, and possibly others) participated in and conducted the day-to-day business affairs of Groeb Farms (the RICO enterprise), and would have continued but for the Government's intervention.

130. The Groeb Executives and Horizon (and, on information and belief, their co-conspirators, Sunland, Ecotrade, Ergogenic, Odem, and/or Bees Brothers, and possibly others) devised, instigated, perpetrated, and executed the scheme by engaging in the above-described repeated and systematic mail fraud and/or interstate and/or foreign wire fraud, in violation of 18 U.S.C. §§ 1341; 1343, under which they repeatedly defrauded and/or conspired to defraud Government authorities by misrepresenting the Chinese-origin honey (and transshipped honey from other unlawful source countries) (a) originated in countries other than China (or such other unlawful source countries), and/or (b) was not honey, but other products, including sugars and syrups—to the financial benefit of themselves, Groeb Farms, and possibly others, and to Individual Plaintiffs’ financial detriment. Specifically, the Groeb Executives and Horizon (and, on information and belief, their co-conspirators, Sunland, Ecotrade, Ergogenic, Odem, and/or Bees Brothers, and possibly others), individually and/or for Groeb Farms (and possibly others), used and/or caused Groeb Farms (the RICO enterprise) to use the USPS and/or private or commercial interstate carriers and/or interstate and/or foreign wires in interstate and/or foreign commerce repeatedly and fraudulently to defraud Government import authorities by misrepresenting, *inter alia*, that the Chinese-origin honey (and transshipped honey from other unlawful source countries) (a) originated in countries other than China (or such other unlawful source countries), and/or (b) was not honey, but other products, including sugars and syrups. The dates and substance of the Groeb Defendants’ and their co-conspirators’ fraudulent communications to the Government via the mails and/or interstate and/or foreign wires (on which the Government relied), as well as the communications by and between themselves via the mails and/or interstate and/or foreign wires in furtherance of their fraudulent scheme, are in their possession, custody, and control, to the exclusion of Individual Plaintiffs, and await discovery.

By their unlawful actions, the Groeb Executives and Horizon (and, on information and belief, their co-conspirators, Sunland, Ecotrade, Ergogenic, Odem, and/or Bees Brothers, and possibly others) (i) conducted and/or participated in the affairs of Groeb Farms (the RICO enterprise) (in violation of 18 U.S.C. § 1962(c)) and/or (ii) conspired to violate 18 U.S.C. § 1962(c) (in violation of 18 U.S.C. § 1962(d))—all with the intent to cheat and defraud Individual Plaintiffs.

131. The Groeb Executives', Horizon's, and their co-conspirators' multiple, repeated and continuous acts of mail fraud and/or interstate and/or foreign wire fraud set forth above constitute a pattern of unlawful activity under 18 U.S.C. § 1961(1); (5). Nothing in the nature of their above-described scheme demonstrates that the scheme would ever have terminated but for the Government's intervention. Independent of the duration of the scheme, the Groeb Executives', Horizon's, and their co-conspirators' wrongful conduct was a consistent, regular and dominant part of the manner in which they conducted and/or participated in the day-to-day business and financial affairs of Groeb Farms (the RICO enterprise).

**PATTERN OF UNLAWFUL ACTIVITY UNDER 18 U.S.C. § 1961, *et seq.*: MAIL
FRAUD AND/OR INTERSTATE AND/OR FOREIGN WIRE FRAUD
(HONEY SOLUTIONS EXECUTIVES, HHI, SUNLAND, ECOTRADE,
ERGOGENIC, ODEM, AND BEES BROTHERS)**

132. The preceding factual statements and allegations are incorporated by reference.

133. The Honey Solutions Executives and HHI (and, on information and belief, their co-conspirators, Sunland, Ecotrade, Ergogenic, Odem, and/or Bees Brothers, and possibly others) engaged in an open-ended scheme to cheat and defraud Individual Plaintiffs by (i) illegally importing transshipped honey and mis-declaring honey originating in China (and possibly other unlawful source countries), including honey containing adulterated antibiotics, through intermediate countries to the United States, (ii) fraudulently avoiding Government import authorities by misrepresenting the Chinese-origin honey (a) originated in countries other

than China and/or (b) was honey when, in fact, it constituted other products (including sugars and syrups) to avoid paying antidumping duties (on which representations the Government relied), (iii) dumping, marketing, selling, and distributing the illegally imported and fraudulently declared Chinese-origin honey throughout the United States, (iv) undercutting and destroying their competition (*i.e.*, Individual Plaintiffs), (v) substantially depressing the price of honey legitimately produced, packed, marketed, and sold in the United States, and (vi) causing Individual Plaintiffs to suffer damages and other actual injury and harm in their businesses and property in the form of, *inter alia*, lost market share, lost sales, and lost profits. This scheme was a consistent, regular, and dominant part of the manner in which the Honey Solutions Executives and HHI (and, on information and belief, their co-conspirators, Sunland, Ecotrade, Ergogenic, Odem, and/or Bees Brothers, and possibly others) participated in and conducted the day-to-day business affairs of Honey Solutions (the RICO enterprise), and would have continued but for the Government's intervention.

134. The Honey Solutions Executives and HHI (and, on information and belief, their co-conspirators, Sunland, Ecotrade, Ergogenic, Odem, and/or Bees Brothers, and possibly others) devised, instigated, perpetrated, and executed the scheme by engaging in the above-described repeated and systematic mail fraud and/or interstate and/or foreign wire fraud, in violation of 18 U.S.C. §§ 1341; 1343, under which they repeatedly defrauded and/or conspired to defraud Government authorities by misrepresenting the Chinese-origin honey (and transshipped honey from other unlawful source countries) (a) originated in countries other than China (or such other unlawful source countries), and/or (b) was not honey, but other products, including sugars and syrups—to the financial benefit of themselves, Honey Solutions, and possibly others, and to Individual Plaintiffs' financial detriment. Specifically, the Honey Solutions Executives and HHI

(and, on information and belief, their co-conspirators, Sunland, Ecotrade, Ergogenic, Odem, and/or Bees Brothers, and possibly others), individually and/or for Honey Solutions (and possibly others) and/or their unnamed co-conspirators, used and/or caused Honey Solutions (the RICO enterprise) to use the USPS and/or private or commercial interstate carriers and/or interstate and/or foreign wires in interstate and/or foreign commerce repeatedly and fraudulently to defraud Government import authorities by misrepresenting, *inter alia*, that the Chinese-origin honey (and transshipped honey from other unlawful source countries) (a) originated in countries other than China (or such other unlawful source countries), and/or (b) was not honey, but other products, including sugars and syrups. The dates and substance of the Honey Solutions Defendants' and their co-conspirators' fraudulent communications to the Government via the mails and/or interstate and/or foreign wires (on which the Government relied), as well as the communications by and between themselves via the mails and/or interstate and/or foreign wires in furtherance of their fraudulent scheme, are in their possession, custody, and control, to the exclusion of Individual Plaintiffs, and await discovery. By their unlawful actions, the Honey Solutions Executives and HHI (and, on information and belief, their co-conspirators, Sunland, Ecotrade, Ergogenic, Odem, and/or Bees Brothers, and possibly others) (i) conducted and/or participated in the affairs of Honey Solutions (the RICO enterprise) (in violation of 18 U.S.C. § 1962(c)) and/or (ii) conspired to violate 18 U.S.C. § 1962(c) (in violation of 18 U.S.C. § 1962(d))—all with the intent to cheat and defraud Individual Plaintiffs.

135. The Honey Solutions Executives', HHI's, and their co-conspirators' multiple, repeated and continuous acts of mail fraud and/or interstate and/or foreign wire fraud set forth above constitute a pattern of unlawful activity under 18 U.S.C. § 1961(1); (5). Nothing in the nature of their above-described scheme demonstrates that the scheme would ever have

terminated but for the Government's intervention. Independent of the duration of the scheme, the Honey Solutions Executives', HHI's, and their co-conspirators' wrongful conduct was a consistent, regular and dominant part of the manner in which they conducted and/or participated in the day-to-day business and financial affairs of Honey Solutions (the RICO enterprise).

YANG'S PATTERN OF UNLAWFUL ACTIVITY UNDER 18 U.S.C. § 1961, et seq.:
MAIL FRAUD AND/OR INTERSTATE AND/OR FOREIGN WIRE FRAUD

136. The preceding factual statements and allegations are incorporated by reference.

137. Yang engaged in an open-ended scheme to cheat and defraud Individual Plaintiffs by (i) illegally importing transshipped honey and mis-declaring honey originating in China (and possibly other unlawful source countries), including honey containing adulterated antibiotics, through intermediate countries to the United States, (ii) fraudulently avoiding Government import authorities by misrepresenting the Chinese-origin honey (a) originated in countries other than China and/or (b) was honey when, in fact, it constituted other products (including sugars and syrups) to avoid paying antidumping duties (on which representations the Government relied), (iii) dumping, marketing, selling, and distributing the illegally imported and fraudulently declared Chinese-origin honey throughout the United States, (iv) undercutting and destroying their competition (*i.e.*, Individual Plaintiffs), (v) substantially depressing the price of honey legitimately produced, packed, marketed, and sold in the United States, and (vi) causing Individual Plaintiffs to suffer damages and other actual injury and harm in their businesses and property in the form of, *inter alia*, lost market share, lost sales, and lost profits. This scheme was a consistent, regular, and dominant part of the manner in which Yang participated in and conducted the day-to-day business affairs of National (the RICO enterprise), and would have continued but for the Government's intervention.

138. Yang devised, instigated, perpetrated, and executed the scheme by engaging in the above-described repeated and systematic mail fraud and/or interstate and/or foreign wire fraud, in violation of 18 U.S.C. §§ 1341; 1343, under which they repeatedly defrauded and/or conspired to defraud Government authorities by misrepresenting the Chinese-origin honey (and transshipped honey from other unlawful source countries) (a) originated in countries other than China (or such other unlawful source countries), and/or (b) was not honey, but other products, including sugars and syrups—to the financial benefit of himself, National, and possibly others and to Individual Plaintiffs’ financial detriment. Specifically, Yang, individually and/or for National (and possibly others) and/or their unnamed co-conspirators, used and/or caused National (the RICO enterprise) to use the USPS and/or private or commercial interstate carriers and/or interstate and/or foreign wires in interstate and/or foreign commerce repeatedly and fraudulently to defraud Government import authorities by misrepresenting, *inter alia*, that the Chinese-origin honey (and transshipped honey from other unlawful source countries) (a) originated in countries other than China (or such other unlawful source countries), and/or (b) was not honey, but other products, including sugars and syrups. The dates and substance of the National Defendants’ fraudulent communications to the Government via the mails and/or interstate and/or foreign wires (on which the Government relied), as well as the communications by and between themselves via the mails and/or interstate and/or foreign wires in furtherance of their fraudulent scheme, are in their possession, custody, and control, to the exclusion of Individual Plaintiffs, and await discovery. By their unlawful actions, Yang (i) conducted and/or participated in the affairs of Honey Solutions (the RICO enterprise) (in violation of 18 U.S.C. § 1962(c)) and/or (ii) conspired to violate 18 U.S.C. § 1962(c) (in violation of 18 U.S.C. § 1962(d))—all with the intent to cheat and defraud Individual Plaintiffs.

139. Yang's multiple, repeated and continuous acts of mail fraud and/or interstate and/or foreign wire fraud set forth above constitute a pattern of unlawful activity under 18 U.S.C. § 1961(1); (5). Nothing in the nature of his above-described scheme demonstrates that the scheme would ever have terminated but for the Government's intervention. Independent of the duration of the scheme, Yang's wrongful conduct was a consistent, regular and dominant part of the manner in which he conducted and/or participated in the day-to-day business and financial affairs of National (the RICO enterprise).

CLAIMS FOR RELIEF/CAUSES OF ACTION

COUNT I

VIOLATION OF 18 U.S.C. § 1962(c)

(AGAINST THE GROEB EXECUTIVES AND HORIZON)

140. The preceding factual statements and allegations are incorporated by reference.

141. Each Individual Plaintiff is a "person" within the meaning of 18 U.S.C. §§ 1961(3), 1964(c).

142. The Groeb Executives and Horizon are "persons" within the meaning of 18 U.S.C. §§ 1961(3) and 1962(c).

143. Groeb Farms is an "enterprise" within the meaning of 18 U.S.C. §§ 1961(4) and 1962(c) and, at all relevant times, was engaged in, and the activities of which affected, interstate and/or foreign commerce within the meaning of 18 U.S.C. §§ 1961(4), 1962(c), 1962(d).

144. The Groeb Executives and Horizon conducted and/or participated in the business and financial affairs of Groeb Farms (the RICO enterprise) through the above-described pattern of unlawful activity within the meaning of 18 U.S.C. §§ 1961(1)(B), 1961(5), 1962(c)—to wit,

the above-described multiple, repeated, and continuous acts of mail fraud and/or interstate and/or foreign wire fraud in violation of 18 U.S.C. §§ 2, 1341, 1343.

145. The Groeb Executives' and Horizon's pattern of unlawful activity and corresponding violations of 18 U.S.C. § 1962(c) proximately and/or directly caused Individual Plaintiffs to suffer injury to their businesses and/or property within the meaning of 18 U.S.C. § 1964(c) in the form of, *inter alia*, lost market share, lost sales, and lost profits—to wit, Individual Plaintiffs were damaged by the Groeb Executives and Horizon engaging in their scheme to cheat and defraud Individual Plaintiffs by illegally importing and dumping cheap, transshipped honey from China and other unlawful source countries on the domestic honey market (on which Honey Solutions fraudulently avoided paying the corresponding honey antidumping duties), and (i) suppressing the price of honey in the domestic market, (ii) stealing market share from Individual Plaintiffs, (iii) diverting sales, revenue and profits to themselves that otherwise would have been made by Individual Plaintiffs, (iv) eliminating Individual Plaintiffs as competitors by selling the illegally imported transshipped honey at substantially lower prices than Individual Plaintiffs could produce and sell honey, (v) engaging in unfair competitive acts and practices, and (vi) generally undermining the credibility and economics of the domestic honey market—to their financial benefit and Individual Plaintiffs' financial detriment.

146. The Groeb Executives and Horizon knew their tactics, misrepresentations and unlawful actions were fraudulent, misleading, and illegal, and would cause Individual Plaintiffs to suffer economic damages and other actual injury and harm—all of which were reasonably foreseeable by the Groeb Executives and Horizon and/or anticipated as a substantial factor and a natural consequence of their pattern of unlawful activity.

COUNT II

VIOLATION OF 18 U.S.C. § 1962(c)

(AGAINST THE HONEY SOLUTIONS EXECUTIVES AND HHI)

147. The preceding factual statements and allegations are incorporated by reference.

148. Each Individual Plaintiff is a “person” within the meaning of 18 U.S.C. §§ 1961(3), 1964(c).

149. The Honey Solutions Executives and HHI are “persons” within the meaning of 18 U.S.C. §§ 1961(3) and 1962(c).

150. Honey Solutions is an “enterprise” within the meaning of 18 U.S.C. §§ 1961(4) and 1962(c) and, at all relevant times, was engaged in, and the activities of which affected, interstate and/or foreign commerce within the meaning of 18 U.S.C. §§ 1961(4), 1962(c), 1962(d).

151. The Honey Solutions Executives and HHI conducted and/or participated in the business and financial affairs of Honey Solutions (the RICO enterprise) through the above-described pattern of unlawful activity within the meaning of 18 U.S.C. §§ 1961(1)(B), 1961(5), 1962(c)—to wit, the above-described multiple, repeated, and continuous acts of mail fraud and/or interstate and/or foreign wire fraud in violation of 18 U.S.C. §§ 2, 1341, 1343.

152. The Honey Solutions Executives’ and HHI’s pattern of unlawful activity and corresponding violations of 18 U.S.C. § 1962(c) proximately and/or directly caused Individual Plaintiffs to suffer injury to their businesses and/or property within the meaning of 18 U.S.C. § 1964(c) in the form of, *inter alia*, lost market share, lost sales, and lost profits—to wit, Individual Plaintiffs were damaged by the Honey Solutions Executives and HHI engaging in their scheme to cheat and defraud Individual Plaintiffs by illegally importing and dumping cheap, transshipped

honey from China and other unlawful source countries on the domestic honey market (on which Honey Solutions fraudulently avoided paying the corresponding honey antidumping duties), and (i) suppressing the price of honey in the domestic market, (ii) stealing market share from Individual Plaintiffs, (iii) diverting sales, revenue and profits to themselves that otherwise would have been made by Individual Plaintiffs, (iv) eliminating Individual Plaintiffs as competitors by selling the illegally imported transshipped honey at substantially lower prices than Individual Plaintiffs could produce and sell honey, (v) engaging in unfair competitive acts and practices, and (vi) generally undermining the credibility and economics of the domestic honey market—to their financial benefit and Individual Plaintiffs' financial detriment.

153. The Honey Solutions Executives and HHI knew their tactics, misrepresentations and unlawful actions were fraudulent, misleading, and illegal, and would cause Individual Plaintiffs to suffer economic damages and other actual injury and harm—all of which were reasonably foreseeable by the Honey Solutions Executives and HHI and/or anticipated as a substantial factor and a natural consequence of their pattern of unlawful activity.

COUNT III

VIOLATION OF 18 U.S.C. § 1962(c)

(AGAINST YANG)

154. The preceding factual statements and allegations are incorporated by reference.

155. Each Individual Plaintiff is a “person” within the meaning of 18 U.S.C. §§ 1961(3), 1964(c).

156. Yang is a “person” within the meaning of 18 U.S.C. §§ 1961(3) and 1962(c).

157. National is an “enterprise” within the meaning of 18 U.S.C. §§ 1961(4) and 1962(c) and, at all relevant times, was engaged in, and the activities of which affected, interstate and/or foreign commerce within the meaning of 18 U.S.C. §§ 1961(4), 1962(c), 1962(d).

158. Yang conducted and/or participated in the business and financial affairs of National (the RICO enterprise) through the above-described pattern of unlawful activity within the meaning of 18 U.S.C. §§ 1961(1)(B), 1961(5), 1962(c)—to wit, the above-described multiple, repeated, and continuous acts of mail fraud and/or interstate and/or foreign wire fraud in violation of 18 U.S.C. §§ 2, 1341, 1343.

159. Yang’s pattern of unlawful activity and corresponding violations of 18 U.S.C. § 1962(c) proximately and/or directly caused Individual Plaintiffs to suffer injury to their businesses and/or property within the meaning of 18 U.S.C. § 1964(c) in the form of, *inter alia*, lost market share, lost sales, and lost profits—to wit, Individual Plaintiffs were damaged by Yang engaging in his scheme to cheat and defraud Individual Plaintiffs by illegally importing and dumping cheap, transshipped honey from China and other unlawful source countries on the domestic honey market (on which National fraudulently avoided paying the corresponding honey antidumping duties), and (i) suppressing the price of honey in the domestic market, (ii) stealing market share from Individual Plaintiffs, (iii) diverting sales, revenue and profits to themselves that otherwise would have been made by Individual Plaintiffs, (iv) eliminating Individual Plaintiffs as competitors by selling the illegally imported transshipped honey at substantially lower prices than Individual Plaintiffs could produce and sell honey, (v) engaging in unfair competitive acts and practices, and (vi) generally undermining the credibility and economics of the domestic honey market—to his financial benefit and Individual Plaintiffs’ financial detriment.

160. Yang knew his tactics, misrepresentations and unlawful actions were fraudulent, misleading, and illegal, and would cause Individual Plaintiffs to suffer economic damages and other actual injury and harm—all of which were reasonably foreseeable by Yang and/or anticipated as a substantial factor and a natural consequence of his pattern of unlawful activity.

COUNT IV

VIOLATION OF 18 U.S.C. § 1962(d) BY CONSPIRING TO VIOLATE 18 U.S.C. § 1962(c)

(AGAINST THE GROEB EXECUTIVES, HORIZON, SUNLAND, ECOTRADE, ERGOGENIC, ODEM, AND BEES BROTHERS)

161. The preceding factual statements and allegations are incorporated by reference.

162. Each Individual Plaintiff is a “person” within the meaning of 18 U.S.C. §§ 1961(3), 1964(c).

163. The Groeb Executives, Horizon, Sunland, Ecotrade, Ergogenic, Odem, and Bees Brothers are “persons” within the meaning of 18 U.S.C. §§ 1961(3) and 1962(c).

164. Groeb Farms is an “enterprise” within the meaning of 18 U.S.C. §§ 1961(4) and 1962(c) and, at all relevant times, was engaged in, and the activities of which affected, interstate and/or foreign commerce within the meaning of 18 U.S.C. §§ 1961(4), 1962(c), 1962(d).

165. The Groeb Executives, Horizon and, on information and belief, Sunland, Ecotrade, Ergogenic, Odem, and Bees Brothers conspired with other persons and/or each other within the meaning of 18 U.S.C. § 1962(d) to violate 18 U.S.C. § 1962(c)); that is, the Groeb Executives, Horizon and, on information and belief, Sunland, Ecotrade, Ergogenic, Odem, and Bees Brothers conspired to conduct and/or participate in the business and financial affairs of Groeb Farms (the RICO enterprise) through a pattern of unlawful activity within the meaning of 18 U.S.C. §§ 1961(1)(B), 1961(5), and 1962(c)—to wit, the above multiple, repeated, and

continuous acts of mail fraud and/or interstate and/or foreign wire fraud in violation of 18 U.S.C. §§ 2; 1341; 1343.

166. The Groeb Executives', Horizon's and, on information and belief, Sunland's, Ecotrade's, Ergogenic's, Odem's, and Bees Brothers' pattern of unlawful activity and corresponding violations of 18 U.S.C. § 1962(c) proximately and/or directly caused Individual Plaintiffs to suffer injury to their businesses and/or property within the meaning of 18 U.S.C. § 1964(c) in the form of, *inter alia*, lost market share, lost sales, and lost profits—to wit, Individual Plaintiffs were damaged by the Groeb Executives, Horizon and, on information and belief, Sunland, Ecotrade, Ergogenic, Odem, and Bees Brothers engaging in their scheme to cheat and defraud Individual Plaintiffs by illegally importing and dumping cheap, transshipped honey from China and other unlawful source countries on the domestic honey market (on which Groeb Farms fraudulently avoided paying the corresponding honey antidumping duties), and (i) suppressing the price of honey in the domestic market, (ii) stealing market share from Individual Plaintiffs, (iii) diverting sales, revenue and profits to themselves that otherwise would have been made by Individual Plaintiffs, (iv) eliminating Individual Plaintiffs as competitors by selling the illegally imported transshipped honey at substantially lower prices than Individual Plaintiffs could produce and sell honey, (v) engaging in unfair competitive acts and practices, and (vi) generally undermining the credibility and economics of the domestic honey market—to their financial benefit and Individual Plaintiffs' financial detriment.

167. The Groeb Executives, Horizon and, on information and belief, Sunland, Ecotrade, Ergogenic, Odem, and Bees Brothers knew their tactics, misrepresentations and unlawful actions were fraudulent, misleading, and illegal, and would cause Individual Plaintiffs to suffer economic damages and other actual injury and harm—all of which were reasonably

foreseeable by the Groeb Executives, Horizon and, on information and belief, Sunland, Ecotrade, Ergogenic, Odem, and Bees Brothers and/or anticipated as a substantial factor and a natural consequence of their pattern of unlawful activity.

COUNT V

**VIOLATION OF 18 U.S.C. § 1962(d) BY
CONSPIRING TO VIOLATE 18 U.S.C. § 1962(c)**

**(AGAINST THE HONEY SOLUTIONS EXECUTIVES, HHI, SUNLAND, ECOTRADE,
ERGOGENIC, ODEM, AND BEES BROTHERS)**

168. The preceding factual statements and allegations are incorporated by reference.

169. Each Individual Plaintiff is a “person” within the meaning of 18 U.S.C. §§ 1961(3), 1964(c).

170. The Honey Solutions Executives, HHI and, on information and belief, Sunland, Ecotrade, Ergogenic, Odem, and Bees Brothers are “persons” within the meaning of 18 U.S.C. §§ 1961(3) and 1962(c).

171. Honey Solutions is an “enterprise” within the meaning of 18 U.S.C. §§ 1961(4) and 1962(c) and, at all relevant times, was engaged in, and the activities of which affected, interstate and/or foreign commerce within the meaning of 18 U.S.C. §§ 1961(4), 1962(c), 1962(d).

172. The Honey Solutions Executives, HHI and, on information and belief, Sunland, Ecotrade, Ergogenic, Odem, and Bees Brothers conspired with other persons and/or each other within the meaning of 18 U.S.C. § 1962(d) to violate 18 U.S.C. § 1962(c)); that is, the Honey Solutions Executives, HHI and, on information and belief, Sunland, Ecotrade, Ergogenic, Odem, and Bees Brothers conspired to conduct and/or participate in the business and financial affairs of Honey Solutions (the RICO enterprise) through a pattern of unlawful activity within the meaning

of 18 U.S.C. §§ 1961(1)(B), 1961(5), and 1962(c)—to wit, the above multiple, repeated, and continuous acts of mail fraud and/or interstate and/or foreign wire fraud in violation of 18 U.S.C. §§ 2; 1341; 1343.

173. The Honey Solutions Executives', HHI's and, on information and belief, Sunland's, Ecotrade's, Ergogenic's, Odem's, and Bees Brothers' pattern of unlawful activity and corresponding violations of 18 U.S.C. § 1962(c) proximately and/or directly caused Individual Plaintiffs to suffer injury to their businesses and/or property within the meaning of 18 U.S.C. § 1964(c) in the form of, *inter alia*, lost market share, lost sales, and lost profits—to wit, Individual Plaintiffs were damaged by the Honey Solutions Executives, HHI and, on information and belief, Sunland, Ecotrade, Ergogenic, Odem, and Bees Brothers engaging in their scheme to cheat and defraud Individual Plaintiffs by illegally importing and dumping cheap, transshipped honey from China and other unlawful source countries on the domestic honey market (on which Honey Solutions fraudulently avoided paying the corresponding honey antidumping duties), and (i) suppressing the price of honey in the domestic market, (ii) stealing market share from Individual Plaintiffs, (iii) diverting sales, revenue and profits to themselves that otherwise would have been made by Individual Plaintiffs, (iv) eliminating Individual Plaintiffs as competitors by selling the illegally imported transshipped honey at substantially lower prices than Individual Plaintiffs could produce and sell honey, (v) engaging in unfair competitive acts and practices, and (vi) generally undermining the credibility and economics of the domestic honey market—to their financial benefit and Individual Plaintiffs' financial detriment.

174. The Honey Solutions Executives, HHI and, on information and belief, Sunland, Ecotrade, Ergogenic, Odem, and Bees Brothers knew their tactics, misrepresentations and unlawful actions were fraudulent, misleading, and illegal, and would cause Individual Plaintiffs

to suffer economic damages and other actual injury and harm—all of which were reasonably foreseeable by the Honey Solutions Executives, HHI and, on information and belief, Sunland, Ecotrade, Ergogenic, Odem, and Bees Brothers and/or anticipated as a substantial factor and a natural consequence of their pattern of unlawful activity.

COUNT VI

**VIOLATION OF 18 U.S.C. § 1962(d) BY
CONSPIRING TO VIOLATE 18 U.S.C. § 1962(c)**

(AGAINST YANG)

175. The preceding factual statements and allegations are incorporated by reference.

176. Each Individual Plaintiff is a “person” within the meaning of 18 U.S.C. §§ 1961(3), 1964(c).

177. Yang is a “person” within the meaning of 18 U.S.C. §§ 1961(3) and 1962(c).

178. National is an “enterprise” within the meaning of 18 U.S.C. §§ 1961(4) and 1962(c) and, at all relevant times, was engaged in, and the activities of which affected, interstate and/or foreign commerce within the meaning of 18 U.S.C. §§ 1961(4), 1962(c), 1962(d).

179. Yang conspired with other persons including, without limitation, Lin Huang, the Vice-President and Director of National, within the meaning of 18 U.S.C. § 1962(d) to violate 18 U.S.C. § 1962(c)); that is, Yang conspired with Lin Huang and other persons to conduct and/or participate in the business and financial affairs of National (the RICO enterprise) through a pattern of unlawful activity within the meaning of 18 U.S.C. §§ 1961(1)(B), 1961(5), and 1962(c)—to wit, the above multiple, repeated, and continuous acts of mail fraud and/or interstate and/or foreign wire fraud in violation of 18 U.S.C. §§ 2; 1341; 1343.

180. Yang’s pattern of unlawful activity and corresponding violations of 18 U.S.C. § 1962(c) proximately and/or directly caused Individual Plaintiffs to suffer injury to their

businesses and/or property within the meaning of 18 U.S.C. § 1964(c) in the form of, *inter alia*, lost market share, lost sales, and lost profits—to wit, Individual Plaintiffs were damaged by Yang engaging in his scheme to cheat and defraud Individual Plaintiffs by illegally importing and dumping cheap, transshipped honey from China and other unlawful source countries on the domestic honey market (on which National fraudulently avoided paying the corresponding honey antidumping duties), and (i) suppressing the price of honey in the domestic market, (ii) stealing market share from Individual Plaintiffs, (iii) diverting sales, revenue and profits to themselves that otherwise would have been made by Individual Plaintiffs, (iv) eliminating Individual Plaintiffs as competitors by selling the illegally imported transshipped honey at substantially lower prices than Individual Plaintiffs could produce and sell honey, (v) engaging in unfair competitive acts and practices, and (vi) generally undermining the credibility and economics of the domestic honey market—to his financial benefit and Individual Plaintiffs' financial detriment.

181. Yang his tactics, misrepresentations and unlawful actions were fraudulent, misleading, and illegal, and would cause Individual Plaintiffs to suffer economic damages and other actual injury and harm—all of which were reasonably foreseeable by Yang and/or anticipated as a substantial factor and a natural consequence of his pattern of unlawful activity.

COUNT VII

VIOLATION OF THE LANHAM ACT, 15 U.S.C. § 1125(a)

(AGAINST ALL DEFENDANTS)

182. The preceding factual statements and allegations are incorporated by reference.

183. As previously set forth above, and in violation of 15 U.S.C. § 1125(a), Defendants used in commerce false designations of origin, and false and misleading descriptions and

representations of fact pertaining to the illegally imported transshipped and/or adulterated honey, which were likely to (and did) cause confusion, mistake, and deception regarding Defendants' affiliation, connection, or association with other persons and entities, and the origin, sponsorship, and approval of such transshipped, adulterated honey.

184. In further violation of 15 U.S.C. § 1125(a), Defendants used in commerce false designations of origin, and false and misleading descriptions and representations of fact pertaining to the illegally imported transshipped and/or adulterated honey, which in commercial advertising and promotions, misrepresented the nature, characteristics, qualities, and geographic origin of such honey and Defendants' commercial activities.

185. In further violation of 15 U.S.C. § 1125(a), Defendants falsely designated and misrepresented the geographic origin of the illegally imported transshipped and/or adulterated honey by importing, selling, labeling, designating, marking, and representing to Government import authorities, wholesalers, distributors, and consumers that Chinese-origin honey (and possibly honey from other unlawful source countries) originated in countries other than China (or such other unlawful source countries).

186. In further violation of 15 U.S.C. § 1125(a), Defendants falsely described and misrepresented the composition, nature, characteristics, and quality of the illegally imported transshipped and/or adulterated honey by importing, selling, labeling, designating, marking, and passing off as honey ultra-filtered honey and honey adulterated with Chloramphenicol, other antibiotics, deleterious substances, and artificial sweeteners in violation of United States law.

187. Potential and actual wholesalers, distributors, and consumers of Defendants' illegally imported transshipped and/or adulterated honey were likely to (and did) falsely believe

Defendants' honey met the quality and labeling standards of United States authorities, and were comparable in quality and composition to the honey produced and sold by Individual Plaintiffs.

188. Defendants sold the illegally imported transshipped and/or adulterated honey at lower prices than Individual Plaintiffs could produce and sell their honey as a result of the illegally imported transshipped and/or adulterated honey's inferior quality, Defendants' violation of 15 U.S.C. § 1125(a), and Defendants' avoidance of honey antidumping duties.

189. Individual Plaintiffs are Defendants' direct competitors for honey sales in the domestic honey market. Potential and actual wholesalers, distributors, and consumers of Defendants' illegally imported transshipped and/or adulterated honey were more likely to (and actually did) transact business with Defendants instead of Individual Plaintiffs because of their mistaken belief that Defendants offered honey of equal source and/or quality at a lower price.

190. Individual Plaintiffs were damaged by Defendants' false designations and misrepresentations of geographic origin, false and misleading descriptions and representations of fact, and misrepresentations of the composition, nature, characteristics, and quality of their illegally imported transshipped and/or adulterated honey. Individual Plaintiffs' market share, sales volume, and profits decreased as a direct and proximate result of Defendants' wrongful conduct. But for Defendants' above-described wrongful conduct in violation of 15 U.S.C. § 1125(a), Individual Plaintiffs would have enjoyed a higher market share, sales volumes, and profits than they actually realized during the relevant time period.

191. Defendants also were unjustly enriched by the illicit profits that were the fruit of their above-described wrongful conduct that repeatedly and systematically violated 15 U.S.C. § 1125(a) over a long period of time. Defendants illegally facilitated and participated in the illegal importation, distribution, and sale of transshipped and/or adulterated Chinese-origin

honey (and possibly honey from other unlawful source countries) at a price that did not include the honey antidumping duties that Defendants should have paid, as required by law, but avoided through fraud. Consequently, Defendants were able to sell the illegally imported transshipped and/or adulterated honey for substantial profits, yet at substantially cheaper prices than Individual Plaintiffs could produce and sell honey—thereby directly and/or proximately causing Individual Plaintiffs to suffer economic damages and other actual injury and harm in the form of, *inter alia*, lost market share, lost sales, and lost profits.

COUNT VIII

NEGLIGENT MISREPRESENTATION

(AGAINST ALL DEFENDANTS)

192. The preceding factual statements and allegations are incorporated by reference.

193. By their above-described wrongful conduct, Defendants repeatedly, systematically, and negligently misrepresented to Government import authorities that the illegally imported transshipped and/or adulterated honey (i) originated in countries other than China and/or other unlawful source countries, and/or (ii) was honey when, in fact, it constituted other products (including sugars and syrups) to avoid paying legally mandated honey antidumping duties (on which misrepresentations the Government relied). As a result of their negligent misrepresentations, Defendants were unknowingly given the green light to dump, market, distribute, and sell the illegally imported transshipped and/or adulterated honey in the domestic honey market that, in turn, directly and/or proximately caused Individual Plaintiffs to suffer the above-described economic damages and other actual injury and harm in the form of, *inter alia*, lost market share, lost sales, and lost profits.

194. The honey antidumping duties were enacted to protect the businesses and livelihoods of domestic honey producers, such as Individual Plaintiffs, from the illegal importation, dumping, and sale at supra-cheap prices the very transshipped and/or adulterated honey imported, dumped, and sold by Defendants. As honey producers and/or importers, Defendants knew that Individual Plaintiffs are part of the class of businesses protected by the honey antidumping duties. Defendants also knew that their negligent misrepresentations to Government import authorities, which allowed Defendants to import, dump, and sell the transshipped and/or adulterated honey without paying the corresponding honey antidumping duties would damage Individual Plaintiffs. Defendants' wrongful conduct constitutes negligent misrepresentation at common law.

COUNT IX

INTENTIONAL MISREPRESENTATION

(AGAINST ALL DEFENDANTS)

195. The preceding factual statements and allegations are incorporated by reference.

196. By their above-described wrongful conduct, Defendants repeatedly, systematically, and intentionally misrepresented to Government import authorities that the illegally imported transshipped and/or adulterated honey (i) originated in countries other than China and/or other unlawful source countries, and/or (ii) was honey when, in fact, it constituted other products (including sugars and syrups) to avoid paying legally mandated honey antidumping duties (on which misrepresentations the Government relied). As a result of their intentional misrepresentations, Defendants were unknowingly given the green light to dump, market, distribute, and sell the illegally imported transshipped and/or adulterated honey in the domestic honey market that, in turn, directly and/or proximately caused Individual Plaintiffs to

suffer the above-described economic damages and other actual injury and harm in the form of, *inter alia*, lost market share, lost sales, and lost profits.

197. The honey antidumping duties were enacted to protect the businesses and livelihoods of domestic honey producers, such as Individual Plaintiffs, from the illegal importation, dumping, and sale at supra-cheap prices the very transshipped and/or adulterated honey imported, dumped, and sold by Defendants. As honey producers and/or importers, Defendants knew that Individual Plaintiffs are part of the class of businesses protected by the honey antidumping duties. Defendants also knew that their intentional misrepresentations to Government import authorities, which allowed Defendants to import, dump, and sell the transshipped and/or adulterated honey without paying the corresponding honey antidumping duties would damage Individual Plaintiffs. Defendants' wrongful conduct constitutes intentional misrepresentation at common law.

COUNT X

UNJUST ENRICHMENT

(AGAINST ALL DEFENDANTS)

198. The preceding factual statements and allegations are incorporated by reference.

199. By virtue of their above-described wrongful conduct, Defendants (and possibly other persons and entities, including Defendants' current or former officers, directors, employees, shareholders, agents, and/or representatives, the identities of whom are known only to Defendants at this time) have been (and continue to be) unjustly enriched by, *inter alia*, (i) the revenue and profits on the sales of the above-described illegally imported, fraudulently declared, and wrongfully dumped and transshipped honey on the domestic honey market, (ii) the negligently or fraudulently avoided honey antidumping duties, and (iii) the use and/or investment

of such ill-gotten gains. Accordingly, Individual Plaintiffs seek to impose a constructive trust over (and recover) all amounts by which Defendants (and possibly other persons and entities, including Defendants' current or former officers, directors, employees, shareholders, agents, and/or representatives) have been (and continue to be) unjustly enriched. Defendants should be compelled to disgorge their illicitly earned gross revenue and saved back honey antidumping duties to Individual Plaintiffs.

TOLLING OF THE STATUTES OF LIMITATION

200. The preceding factual statements and allegations are incorporated by reference.

201. **FRAUDULENT CONCEALMENT.** Defendants took active steps to conceal that they wrongfully, improperly, illegally, and repeatedly imported and fraudulently declared transshipped honey, and then wrongfully dumped such transshipped honey on the United States honey market without paying honey antidumping duties. The details of Defendants' efforts to conceal their above-described unlawful conduct are in their possession, custody, and control, to the exclusion of Individual Plaintiffs, and await further discovery. When this material information was first revealed to Individual Plaintiffs during February 2013—when Groeb Farms and Honey Solutions entered into their respective Deferred Prosecution Agreements with the United States Attorney for the Northern District of Illinois that were filed with the Court and became a matter of public record—Individual Plaintiffs exercised due diligence by thoroughly investigating the situation, retaining counsel, and pursuing their claims. Defendants fraudulently concealed their above-described wrongful conduct. Should such be necessary, therefore, any applicable statutes of limitation are tolled under the fraudulent concealment doctrine.

202. **EQUITABLE ESTOPPEL.** Defendants took active steps to conceal that they wrongfully, improperly, illegally, and repeatedly imported and fraudulently declared

transshipped honey, and then wrongfully dumped such transshipped honey on the United States honey market without paying honey antidumping duties. The details of Defendants' efforts to conceal their above-described unlawful conduct are in their possession, custody, and control, to the exclusion of Individual Plaintiffs, and await further discovery. When this material information was first revealed to Individual Plaintiffs during February 2013—when Groeb Farms and Honey Solutions entered into their respective Deferred Prosecution Agreements with the United States Attorney for the Northern District of Illinois that were filed with the Court and became a matter of public record—Individual Plaintiffs exercised due diligence by thoroughly investigating the situation, retaining counsel, and pursuing their claims. Defendants fraudulently concealed their above-described wrongful conduct. Should such be necessary, therefore, all applicable statutes of limitation (if any) are tolled under the doctrine of equitable estoppel.

203. **EQUITABLE TOLLING.** Defendants took active steps to conceal that they wrongfully, improperly, illegally, and repeatedly imported and fraudulently declared transshipped honey, and then wrongfully dumped such transshipped honey on the United States honey market without paying honey antidumping duties. The details of Defendants' efforts to conceal their above-described unlawful conduct are in their possession, custody, and control, to the exclusion of Individual Plaintiffs, and await further discovery. When this material information was first revealed to Individual Plaintiffs during February 2013—when Groeb Farms and Honey Solutions entered into their respective Deferred Prosecution Agreements with the United States Attorney for the Northern District of Illinois that were filed with the Court and became a matter of public record—Individual Plaintiffs exercised due diligence by thoroughly investigating the situation, retaining counsel, and pursuing their claims. Defendants fraudulently

concealed their above-described wrongful conduct. Should such be necessary, therefore, all applicable statutes of limitation (if any) are tolled under the doctrine of equitable tolling.

RESPONDEAT SUPERIOR/AGENCY

204. The preceding factual statements and allegations are incorporated by reference.

205. Horizon, Honey Solutions, HHI, National, and the Importer Defendants also are liable—under the doctrines of *respondeat superior* and/or agency theory—for the above-described wrongful conduct committed by their current or former officers, directors, employees, agents, and/or representatives during the course and scope of their employment by, or their respective representation of, Horizon, Honey Solutions, HHI, National, and the Importer Defendants—to wit, such wrongful acts were committed (i) within their general authority, (ii) in furtherance of their business, and (iii) to accomplish the objective for which the officers, directors, employees, agents, and/or representatives were hired—all of which directly and/or proximately caused Individual Plaintiffs to suffer damages to their businesses and/or property to Defendants’ financial benefit.

RELIEF REQUESTED

206. The preceding factual statements and allegations are incorporated by reference.

207. **ACTUAL, CONSEQUENTIAL, AND/OR INCIDENTAL DAMAGES.** As a direct and/or proximate result of Defendants’ above-described wrongful conduct, Individual Plaintiffs have sustained actual, consequential, and/or incidental damages in the form of, *inter alia*, lost market share, lost sales, and lost profits—for which Individual Plaintiffs are entitled to compensation. Individual Plaintiffs also are entitled to Defendants’ profits under 15 U.S.C. § 1117(a)(1). Alternatively, Individual Plaintiffs are entitled to restitution and/or disgorgement of Defendants’ illicitly earned gross revenue and/or saved back honey antidumping duties. All of Individual

Plaintiffs' damages were reasonably foreseeable by Defendants, for which they are jointly and severally liable. All conditions precedent to Individual Plaintiffs' claims have been performed and/or occurred.

208. **PUNITIVE DAMAGES.** Defendants' wrongful acts were committed intentionally, willfully, wantonly, and/or with reckless disregard for Individual Plaintiffs' rights and interests. Accordingly, Individual Plaintiffs are entitled to punitive damages from Defendants—both as punishment and to discourage such wrongful conduct in the future. All conditions precedent to Individual Plaintiffs' claims for relief have been performed or occurred.

209. **TREBLE DAMAGES.** Individual Plaintiffs also are entitled to automatic treble damages under, *inter alia*, 18 U.S.C. § 1964(c) and, under the circumstances, 15 U.S.C. § 1117(a)(3).

210. **INJUNCTIVE RELIEF.** Defendants' illegal importation, dumping, and sale of transshipped and/or adulterated honey from China and other unlawful source countries without paying honey antidumping duties has caused (and will continue to cause) Individual Plaintiffs to suffer irreparable harm in the form of, *inter alia*, lost market share, lost sales, lost profits, and/or lost business opportunities. Many domestic honey producers, packers and/or wholesalers were permanently driven out of business by Defendants' above-described wrongful conduct. Such irreparable harm will not cease unless enjoined by this Court. Individual Plaintiffs, therefore, are entitled to a temporary injunction, a permanent injunction and/or other appropriate affirmative relief, including disgorgement of gross revenues, against Defendants' above-described wrongful conduct. All conditions precedent to Individual Plaintiffs' claims have been performed and/or occurred.

211. **ATTORNEYS' FEES, LITIGATION EXPENSES AND COURT COSTS.** Plaintiffs also are entitled to recover their attorneys' fees, litigation expenses, and court costs under, *inter alia*, 18 U.S.C. § 1964(c) and 15 U.S.C. § 1117(a)(3). All conditions precedent to Individual Plaintiffs' claims for attorneys' fees, litigation expenses, and court costs have been performed and/or occurred.

PRAYER

WHEREFORE, Individual Plaintiffs respectfully request Defendants to appear and answer this lawsuit and, upon final trial or hearing, judgment be awarded against Defendants, jointly and severally, in favor of Individual Plaintiffs for:

- (a) Regarding Counts I-VI (violations of 18 U.S.C. § 1961, *et seq.*)--
 - (i) Threefold the actual, consequential and/or incidental damages sustained by Individual Plaintiffs with costs of suit, attorneys' fees, litigation expenses, and court costs, all under 18 U.S.C. § 1964(c), and with pre- and post-judgment interest at the highest legal rates;
 - (ii) Equitable relief, as may be appropriate, under 18 U.S.C. § 1964(a), including an equitable accounting for all benefits, consideration, and gross revenues received, directly or indirectly, including imposing a constructive trust, the voiding of unlawful transfers, and the disgorgement of all ill-gotten gross revenues; and
 - (iii) injunctive relief.
- (b) Regarding Count VII:
 - (i) actual, consequential and/or incidental damages to be determined by the trier of fact;
 - (ii) disgorgement of Defendants' profits;
 - (iii) treble damages under the circumstances; and
 - (iv) attorneys' fees, litigation expenses, and court costs incurred through the trial and any appeals of this case.
- (c) Regarding Counts VIII-X:

- (i) actual, consequential and/or incidental damages to be determined by the trier of fact;
 - (ii) punitive damages;
 - (iii) all amounts by which Defendants have been unjustly enriched;
 - (iv) an equitable accounting for all benefits, consideration, and gross revenues received, directly or indirectly, by the Defendants, including imposing a constructive trust, the voiding of unlawful transfers, and the disgorgement of all ill-gotten gross revenues;
 - (v) injunctive relief (as set forth above);
 - (vi) pre- and post-judgment interest at the highest legal rates;
 - (vii) attorneys' fees and litigation expenses incurred through the trial and any appeals of this case; and
 - (viii) costs of suit.
- (d) Regarding all Counts, such other and further relief the Court deems just and proper.

JURY DEMAND

Individual Plaintiffs respectfully demand a trial by jury on all of their claims so triable.

Date: May 8, 2015

Respectfully submitted,

By: /s/ Ben Barnow
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Of Counsel for Individual Plaintiffs

CERTIFICATE OF SERVICE

I certify that on May 8, 2015, I electronically filed Individual Plaintiffs' Second Amended Consolidated Complaint using the CM/ECF system, which will send notification of such filing, via electronic mail, to all registered counsel of record in this matter.

By: /s/ Ben Barnow