

January 20, 2015

Rich Products lawsuit against competitor denied

Jan 20, 2015, 3:02pm EST



[Michael Petro](#)

Editor/Reporter Buffalo Law Journal-*Buffalo Business First*

[Rich Products Corp.](#) had an interference claim against Jacksonville-based dairy distributor Darifair Foods, Inc. dismissed last week by the U.S. District Court Western District of New York.

The court, on Jan. 15, denied Rich Products' motion for summary judgment and granted Darifair's cross-motion to dismiss the complaint.

The Buffalo-based food manufacturer sought financial damages and injunctive relief against competitor Darifair for allegedly interfering with a contract agreement and unfair competition, stemming from the hiring of former employee [David Bluemke](#).

Rich Products had a non-compete agreement, which contained confidentiality provisions, with Bluemke. The company claimed in the lawsuit that the contract gave it indisputable ownership of this intellectual property and would make it impossible for Bluemke to work with Darifair without violating the provisions.

The lawsuit was filed by Rich Products in January 2013 after Bluemke left the company for a sales manager position at Darifair in August 2012.

"It's a major win for us," said [Robert Zarco](#), the attorney for Darifair, who added the company will pursue going after Rich Products for attorney fees worth several hundred thousand dollars. Zarco tried the case along with [Alejandro Brito](#), who are partners at their Florida law firm.

Bluemke was hired by Rich Products in 1998, after the company purchased [MorningStar](#), where he formerly worked. Bluemke also had been part of a family-owned business which dealt with the manufacturing and sale of cream-based products.

According to the lawsuit, Rich Products sent a letter apprising Darifair of an outstanding confidentiality and non-compete provision that must be honored by Bluemke and stated it would not be possible for him to work there. Darifair responded by telling Rich Products that Bluemke would not be involved in any kind of work that would cause him to disclose confidential information.

Rich Products proceeded with the lawsuit. Zarco said a key moment in the proceedings was when a Rich Products' executive testified that there was no evidence that this non-compete and confidentiality agreement was ever breached. Zarco added it was also determined that Bluemke's cream-based product knowledge was considered industry information that belonged to him and could not be contracted away.

"We respect the court's decision in this particular case, and will continue to take steps to aggressively protect our intellectual property, which is of the utmost importance to us," said [Jill Bond](#), general counsel for Rich Products.

Zarco said this seemed to be a case of one competitor going after another.

"It's satisfying that my client had the personal conviction and desire to defend against what we perceived to be a completely frivolous lawsuit unsupported by the facts and evidence," he said. "It's a shame that a company like Rich Products would proceed to initiate a lawsuit without evidence to support their claim."