

**COURT OF CHANCERY
OF THE
STATE OF DELAWARE**

STEPHEN P. LAMB
VICE CHANCELLOR

New Castle County Courthouse
500 N. King Street, Suite 11400
Wilmington, Delaware 19801

Submitted: August 2, 2005

Decided: August 23, 2005

R. Bruce McNew, Esquire
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Greenville DE, 19807

Alfred Ronsdorf
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***RE: Randall Jacobson and Technology Development
Corporation v. Alfred Ronsdorf
C.A. No. 518-N***

Dear Mr. McNew and Mr. Ronsdorf:

Plaintiffs Randall Jacobson and Technology Development Corporation (USA) Ltd. (“TDC”) bring this suit against Alfred Ronsdorf,¹ seeking a declaratory judgment that Mr. Ronsdorf is not an officer, director or shareholder of TDC, and seeking a permanent injunction enjoining Mr. Ronsdorf from bringing suit against Mr. Jacobson, TDC, or any directors, shareholders or independent contractors of TDC in connection with TDC and its business.

¹ Mr. Ronsdorf is allegedly the brother of Mr. Jacobson. Mr. Ronsdorf allegedly changed his name to Jimmy Carter and, after that, to Alfred Olympus von Ronsdorf.

On December 23, 2004, the court issued a letter opinion (the “Opinion”) granting the plaintiffs’ motion to compel discovery. In that Opinion, the court found that Mr. Ronsdorf’s responses to the plaintiffs’ request for discovery and to the plaintiffs’ interrogatories were “woefully inadequate, to the point of being made in bad faith.”² Mr. Ronsdorf had failed to provide documents he purported to rely on, and his responses to interrogatories were both evasive and incomplete. For these reasons, the court ordered Mr. Ronsdorf to engage in meaningful, good faith discovery. The court warned Mr. Ronsdorf that failure to comply with the direction contained in the Opinion in this regard would result in appropriate sanctions under Delaware Court of Chancery Rule 37(b).

On February 2, 2005, the court entered an Order (the “Order”) implementing the direction contained in the Opinion and requiring Mr. Ronsdorf to file his supplemental discovery no later than February 22, 2005. The Order also stayed all other proceedings in this case until March 4, 2004.

On March 7, 2005, the plaintiffs filed a Motion For Sanctions, Entry Of Judgment By Default, And, In The Alternative, For Summary Judgment (the “Motion”). In the brief accompanying the Motion, the plaintiffs argue that Mr.

² The Opinion at 1.

Ronsdorf has failed to comply with the Order in such a flagrant manner that entry of judgment of default is appropriate. In the alternative, the plaintiffs argue that they are entitled to summary judgment. This is the court's disposition of the Motion.

A. Mr. Ronsdorf's Failure To Comply With The Order

Mr. Ronsdorf has failed to comply with the Order. Subsequent to the court issuing the Opinion, Mr. Ronsdorf filed several documents with the court, purportedly in response to the Opinion and the implementing Order. None of these documents could not be properly termed "briefs," because, rather than make any sort of rational argument, they are in reality a discursive rant.

On February 9, 2005, Mr. Ronsdorf filed a document titled "MOTION TO VACATE FEBRUARY 2005 ORDER, MOTION FOR RECUSAL, NOTICE OF SERVICE, MOTION FOR STAY, NOTICE OF FULL COMPLIANCE WITH ANY AND ALL DISCOVERY OBLIGATIONS" (the "Response"). The Response begins with the caption "YET MORE ERROR," and goes on to make a litany of allegations of error by the court, without any factual or rational basis to support these allegations.

In addition, in a section titled “FULL COMPLIANCE,” Mr. Ronsdorf makes clear that he has not complied with the Order, and has no intention of doing so. He states: “Vice Chancellor proposes waiting to see if Mr. Ronsdorf has complied with all discovery obligations. Vice Chancellor doesn’t have to wait. Since his December 23 order had NO requirements for any supplemental responses, Mr. Ronsdorf is naturally in full compliance.”

Mr. Ronsdorf is not in full compliance with the Order. In fact, his responses are grossly inadequate and propounded in bad faith. On February 23, 2005, Mr. Ronsdorf filed Amended Answers To Interrogatories. However, he did not amend his other responses, or provide additional documents, as required by the Opinion and Order.³

Moreover, Mr. Ronsdorf’s Amended Answers To Interrogatories provided little information and was, again, unresponsive to the interrogatories. For instance, while Mr. Ronsdorf states that he was Treasurer and President of TDC, he denies knowing the dates of his employment. He also denies having information as to the payments he was given on account of his services to TDC. Mr. Ronsdorf

³ For example, in the Opinion, the court noted that Mr. Ronsdorf had refused to provide a banking authorization that purportedly listed him as an officer of TDC, even though he relied upon this document in one of his “briefs.” He finally produced that document on July 26, 2005.

obviously has personal knowledge of, at least generally, his dates of employment and the salary he earned.

In addition, in their interrogatories, the plaintiffs request that Mr. Ronsdorf identify all of the legal actions he has initiated against, and on behalf of, TDC. Mr. Ronsdorf does not answer this interrogatory. Instead, he states: “The many, totally legal, actions which I’ve initiated on behalf of TDC include, but are not limited to, software development, technical documentation, research, marketing, and collections.” He ends his *non sequitur* with an *ad hominem*, stating “Robin McNew is well known for his fabrication, including phony documents.” This answer is not only non-responsive, it is nonsensical.

There are numerous other examples of Mr. Ronsdorf’s failure to respond to discovery requests. In the Opinion, the court noted that Mr. Ronsdorf’s response to interrogatories about his employment with TDC was not sufficiently responsive. In response to interrogatories about the services he performed for TDC, Mr. Ronsdorf simply stated a number of hours and (ostensibly) his billing rate. He has not provided more information. In addition, neither Mr. Ronsdorf’s Amended Answers To Interrogatories nor his Response provide information about his various aliases, nor his security clearance, as requested in the interrogatories.

In short, the court ordered Mr. Ronsdorf to provide this information, or to make a good faith effort to do so. He has not. Therefore, he is in violation of this court's Order.

B. Mr. Ronsdorf's Other Misconduct

In addition to his failure to comply with the Order and his general refusal to engage in discovery, Mr. Ronsdorf's conduct throughout this litigation has been manifestly in bad faith. In his filings with the court, Mr. Ronsdorf has repeatedly made insulting, disrespectful comments regarding not only Mr. Jacobson and Mr. McNew, but to also the court in general and this judge in particular. Most recently, Mr. Ronsdorf sent an email to Mr. McNew, which Mr. McNew then delivered to the court under cover of a filed letter, openly suggesting that Mr. McNew is paying bribes to the court. As with nearly everything Mr. Ronsdorf has alleged in this case, Mr. Ronsdorf has adduced absolutely no factual evidence supporting this baseless claim.

Furthermore, Mr. Ronsdorf has repeatedly filed frivolous motions with the court, wasting both the plaintiffs' and the court's time. For instance, after each submission by the plaintiffs, Mr. Ronsdorf has filed what he terms a motion to strike. These supposed motions, like almost all of Mr. Ronsdorf's submissions, do

not conform to this court's Rules regarding motion practice, and do not contain a legal or factual basis for a motion to strike.

Mr. Ronsdorf also made submissions identifying himself as "Attorney for the Defendant." Mr. Ronsdorf is not an attorney, and in the Order, the court directed Mr. Ronsdorf to stop referring to himself as such. In his Response, Mr. Ronsdorf quotes from a dictionary to argue that he is, somehow, an attorney. This is just one more example of how Mr. Ronsdorf has failed to follow the Rules of this court and failed to show this court, and the opposing party and counsel, proper respect.

C. Sanctions Under Rule 37

Rule 37(b)(2)(C), grants the court the authority to enter default judgment against a party refusing to comply with an order of this court. While such a severe sanction must be reserved for the most serious and disruptive examples of noncompliance, the court finds the granting of default judgment to be appropriate in this case. Mr. Ronsdorf has been given numerous opportunities to engage in good faith discovery and numerous warnings about the consequences of failing to do so. Instead of accepting the court's decisions in this case and conforming his

conduct to the Rules of this court, Mr. Ronsdorf has decided to merely assert that he is in conformity with those Rules and those decisions.

Under our system of justice, it is impossible to conduct a case if one party decides not to engage in good faith discovery. In that circumstance, this court is empowered to enforce the rules of discovery, even to the point of entering default judgment. Given Mr. Ronsdorf's additional misconduct, and repeated refusal to follow the directives of this court, entry of judgment against him is an appropriate sanction.

For the foregoing reasons, the plaintiffs' motion for sanctions, entry of judgment by default, and for summary judgment is GRANTED. Counsel for the plaintiff is directed to promptly submit a form of order in conformity with this opinion that gives effect to the decision and also disposes of the stayed action, C.A. No. 20614, between the same parties.

/s/ Stephen P. Lamb
Vice Chancellor