

**IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ALABAMA
MIDDLE DIVISION**

BARKER INDUSTRIAL |
CONTRACTING and SELLERS |
MECHANICAL SERVICES, INC., |
 |
Plaintiffs, |
 |
v. |
 |
GPS CONSULTING, LLC, a limited |
liability company; JBB, LLC, a limited |
liability company; BUDDY MILLER, |
and JESSICA DUKE, |
 |
Defendants. |

CIVIL ACTION NO.:
4:12-cv-1877-KOB

MEMORANDUM OPINION

This matter is before the court on Plaintiff Barker Industrial Contracting and Plaintiff Sellers Mechanical Services, Inc.’s “Application for Entry of Default Judgment.” (Doc. 32). The Plaintiffs sued Defendant Buddy Miller and two companies, Defendant GPS Consulting, LLC and Defendant JBB, LLC, for breaching contracts, committing fraud, and making misrepresentations about various plumbing and conveyor system installation jobs in poultry processing plants across the United States in 2010.¹ (Doc. 1). Miller and his companies failed to respond to the complaint or otherwise defend the case. The court entered default judgment against Miller and his companies on July 31, 2014. (Doc. 29).

The only remaining issue to determine as to the Defendants in default is the amount of damages to award the Plaintiffs. On October 15, 2014, the court held an evidentiary hearing to

¹The Plaintiffs also sued defendant Jessica Duke, but the Plaintiffs’ claims against Duke are not implicated in this judgment.

determine the amount of damages to award the Plaintiffs. At the hearing, the court heard evidence reflecting the commingling of funds between Miller, GPS Consulting, LLC, and JBB, LLC sufficient for the court to disregard the companies' corporate structures and to hold Miller individually liable for damages. For the reasons discussed below, the court enters judgment against the defaulting Defendants for Barker in the amount of \$1,337,609.00, and enters judgment against the defaulting Defendants for Sellers in the amount of \$1,505,486.27. The court awards costs of \$775.27 to the Plaintiffs.

I. Background

Buddy Miller is the owner of GPS Consulting, LLC and JBB, LLC. Miller has a history working in the poultry processing industry as a broker for plant installations. Barker and Sellers worked with Miller as subcontractors for several years leading up to 2010. Historically, Miller paid the Plaintiffs on time. Around 2010, however, Miller and his companies only partially paid the Plaintiffs for jobs in Delaware, Wisconsin, and Virginia. Miller and his companies also under-supplied jobs by failing to provide equipment and labor, which caused further delays in payment to the Plaintiffs. Miller lied to the Plaintiffs, saying the poultry plants had not paid him and, thus, he could not pay the Plaintiffs when, in fact, they had paid him. At the same time, however, Miller bragged to the Plaintiffs about his extravagant purchases, including a new farm and new vehicles for his family.

Miller lied to the Plaintiffs about his business problems rather than owning up. Throughout late 2009 and early 2010, Miller and his companies operated while undercapitalized. The Plaintiffs received payments from both GPS Consulting, LLC and JBB, LLC and were never quite sure exactly for whom they worked. Miller floated checks between projects to keep up with

the demands of his customers and subcontractors. All the while, he assured the Plaintiffs that they would be paid soon. Finally, however, his house of cards collapsed. He stopped returning phone calls and text messages from the Plaintiffs and completely stopped paying the Plaintiffs' invoices. Miller ran and hid.

Throughout this time, the Plaintiffs put their own reputations on the line. The Plaintiffs sank more money and labor into the projects in Delaware, Wisconsin, and Virginia to stay on schedule and have any hope of ultimately being paid directly by the poultry processing plants. Sellers could not give bonuses to employees, could not pay its bills, missed out on other jobs, and had to pay overtime to its stressed-out work crews, who often worked eighteen hour days to make up for the manpower Miller failed to provide.

Barker was in even worse shape. While Miller bought new trucks for his family, Barker sold company vehicles, including a truck and a passenger van. Barker also laid off most of its employees, and its reputation as having a reliable work crew was ruined. Both Barker and Sellers borrowed substantial sums of money to stay afloat.

Finally, the Plaintiffs filed a complaint against Miller and his companies. Miller and his companies never answered their complaint, however, and failed to defend the case. The court entered default judgment against Miller and his companies.

The Plaintiffs requested the following categories and amounts of damages:

- | | |
|---|---------------------------|
| 1. Sellers Mechanical Services, Inc. | |
| A. Breach of Contract | \$255,486.27 ² |
| B. Misrepresentation/Fraud | |

²At the hearing, Sellers reduced its original claim of \$424,561.27 for breach of contract to \$255,486.27 because it received \$169,075.00 in compensation for Miller's breach of contract from a non-party to this lawsuit.

	1. Compensatory Damages	\$750,000.00
	2. Punitive Damages	\$500,000.00
	Total	\$1,505,486.27
2.	Barker Industrial Contracting	
	A. Breach of Contract	\$87,609.00
	B. Misrepresentation/Fraud	
	1. Compensatory Damages	\$750,000.00
	2. Punitive Damages	\$500,000.00
	Total	\$1,337,609.00

II. Compensatory Damages for Breach of Contract

The Plaintiffs presented evidence establishing that Miller breached the contracts between Barker and Miller and between Sellers and Miller. Miller damaged the Plaintiffs as a result of those breaches. The evidence presented at the hearing confirmed the amount of damages sustained by each Plaintiff because of Miller's breach of contract. Therefore, the court finds that Miller breached the contracts between the parties for which they may recover damages. The court **ENTERS** judgment for Barker's claim for breach of contract in the amount of \$87,609.00 in favor of Barker and against Miller, GPS Consulting, LLC and JBB, LLC. The court **ENTERS** judgment for Sellers' claim for breach of contract in the amount of \$255,486.27 in favor of Sellers and against Miller, GPS Consulting, LLC and JBB, LLC.

III. Compensatory Damages for Fraud/Misrepresentation

The Plaintiffs presented evidence establishing that Miller made misrepresentations and participated in a scheme to defraud the Plaintiffs and others, as previously recounted by the court. The court finds that Miller made misrepresentations to the Plaintiffs on which they relied to their detriment that resulted in damages for which they may recover. The court finds that, in addition to contract losses, the Plaintiffs suffered additional damages because of the fraud including loss

of goodwill and lost business opportunities. The court **ENTERS** judgment for Barker's claim for compensatory damages for fraud and misrepresentation in the amount of \$750,000.00, in favor of Barker and against Miller, GPS Consulting, LLC and JBB, LLC. The court **ENTERS** judgment for Sellers' claim for compensatory damages for fraud and misrepresentation in the amount of \$750,000.00, in favor of Sellers and against Miller, GPS Consulting, LLC and JBB, LLC.

IV. Punitive Damages

The Plaintiffs presented clear and convincing evidence establishing that Miller acted with malice, fraud, oppression, and with reckless indifference to each of the Plaintiffs' rights. Therefore, the court finds that the Plaintiffs are entitled to punitive damages. The court **ENTERS** judgment for Barker's claim for punitive damages in the amount of \$500,000.00, in favor of Barker and against Miller, GPS Consulting, LLC and JBB, LLC. The court **ENTERS** judgment for Sellers' claim for punitive damages in the amount of \$500,000.00, in favor of Sellers and against Miller, GPS Consulting, LLC and JBB, LLC.

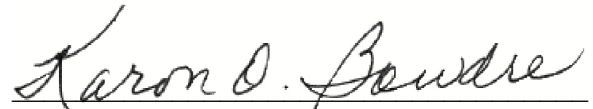
V. Costs

The court heard testimony and received documentation regarding costs incurred in prosecuting this litigation from the Plaintiffs. Therefore, the court **AWARDS** \$775.27 as costs to the Plaintiffs, which the court finds to be just and reasonable.

VI. Conclusion

In summary, for the reasons discussed above, the court enters judgment against the defaulting Defendants for Barker in the amount of \$1,337,609.00 and enters judgment against the defaulting Defendants for Sellers in the amount of \$1,505,486.27. The court awards \$775.27 in costs to the Plaintiffs.

DONE and ORDERED this 3rd day of November, 2014.

Handwritten signature of Karon O. Bowdre in cursive script.

KARON OWEN BOWDRE

CHIEF UNITED STATES DISTRICT JUDGE