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**IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF KANSAS**

**MARK MONSOUR, SHEILA MONSOUR AND  
MONSOUR'S, INC.**

**vs.**

**MENU MAKER FOODS, INC.**

**Case No. 05-1204-MLB**

**DEPOSITION OF MARK MONSOUR**

**March 14, 2006**

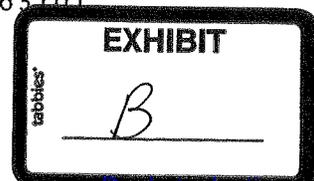
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1 A That was the words, yes.  
 2 **Q Okay. Well, what did you take that to**  
 3 **mean?**  
 4 A Come back to work in the family business.  
 5 **Q Okay. What about Monsour's at the time**  
 6 **needed turning around?**  
 7 A I think just the fact that -- I really  
 8 don't know. Those were their words, not mine. I  
 9 really don't know.  
 10 **Q Okay.**  
 11 A But I wouldn't say -- I wouldn't say it  
 12 was a thriving business. Pete had a conservative  
 13 attitude, conservative management style.  
 14 **Q What was his management style? What was**  
 15 **conservative about it?**  
 16 A Pretty much -- anything. He just had a  
 17 different management style, very conservative.  
 18 **Q In terms of?**  
 19 A I think it had to do with more of his --  
 20 of his area in life, you know, where he was at. You  
 21 know, some people, when you're young, you want to  
 22 take risks or whatever, and as you get older you try  
 23 to regroup and pull in your horses.  
 24 **Q Was he reluctant to take on debt necessary**  
 25 **to keep the business operating properly?**

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1 A I really can't answer that question, but  
 2 -- I really don't. It would just be speculation.  
 3 **Q Okay. How long had -- is it Peter? Pete**  
 4 **Monsour?**  
 5 A Pete, Sr., then you have Pete, Jr.  
 6 **Q And was it Pete, Sr., that was running the**  
 7 **business at that time?**  
 8 A Correct.  
 9 **Q How long had he run the business, do you**  
 10 **remember?**  
 11 A He had been in the business with my --  
 12 with his brothers and sisters for his life, or for a  
 13 large portion of his life.  
 14 **Q You came back to Pittsburg and went to**  
 15 **work at Monsour's; is that right?**  
 16 A Right.  
 17 **Q In what capacity did you go back to work**  
 18 **there?**  
 19 A Sales person.  
 20 **Q And that was in what year?**  
 21 A '98, guessing. Approximately. '97. '96.  
 22 I'm not --  
 23 **Q One of those years?**  
 24 A Yeah.  
 25 **Q Did -- before you acquired Monsour's, did**

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1 **your position, your work position at Monsour's change?**  
 2 **In other words were you always a salesman?**  
 3 A And produce buyer.  
 4 **Q And produce buyer; any other**  
 5 **responsibilities that you had?**  
 6 A I probably wore a few different caps, but  
 7 as far as actual titles, that would be it.  
 8 **Q As far as actual titles; what other caps**  
 9 **did you wear?**  
 10 A In a family business you do whatever you  
 11 need to do, you know, so probably helped with the  
 12 sales force.  
 13 **Q Anything else that you can think of?**  
 14 A Not that I can recall.  
 15 **Q Did there come a time when you decided**  
 16 **that you would like to acquire Monsour's?**  
 17 A Yes.  
 18 **Q All right. What -- what caused you to**  
 19 **start thinking about that?**  
 20 A I believe Pete was either going to sell  
 21 the business, and I believe he was in negotiations,  
 22 or he was going to close the business, one of the  
 23 two.  
 24 **Q You believed that he might have been in**  
 25 **negotiations to sell the business; did you know --**

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1 **did you have an idea -- no. Bad question. Did you**  
 2 **know with whom he was negotiating for sale?**  
 3 A Could have been other parties; I know Dick  
 4 was one of those at one time.  
 5 **Q When did you make the decision that you**  
 6 **were going to acquire Monsour's?**  
 7 A '98.  
 8 **Q With whom did you negotiate for the**  
 9 **acquisition of Monsour's?**  
 10 A Pete.  
 11 **Q Tell me about those negotiations. Well,**  
 12 **first, how long did those negotiations take before an**  
 13 **agreement was reached?**  
 14 A Probably three or four months.  
 15 **Q I know that is a long time ago; were the**  
 16 **negotiations primarily over price?**  
 17 A Yes, I believe.  
 18 **Q How much did -- initially, if you can**  
 19 **recall, how much did Mr. Pete Monsour -- I'm sorry,**  
 20 **was Mr. Pete Monsour the only shareholder at that**  
 21 **time?**  
 22 A If it wasn't just him, it was his wife.  
 23 **Q All right. How much did Mr. Monsour want**  
 24 **-- I'm sorry; was this going to be an acquisition --**  
 25 **this wasn't going to be an asset deal, right, you**

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1 weren't going to buy the assets, you were going to  
 2 buy the entire business?  
 3 A Right.  
 4 Q How much did he want for his and his  
 5 wife's ownership interest in Monsour's?  
 6 A I can't recall that figure, but I imagine  
 7 I could supply it. But just not --  
 8 Q At the top of your head?  
 9 A Yeah.  
 10 Q What did you finally agree to pay?  
 11 A I don't remember. I'm not trying to evade  
 12 your question either.  
 13 Q No, I don't mean to indicate that I think  
 14 you are. Where would I find the records of what you  
 15 paid to acquire Monsour's?  
 16 A Bank of America. I'm sure Bank of America  
 17 would have that information because they -- you know,  
 18 Pete was doing business there, and I did business  
 19 there. Or probably the attorney, whoever the  
 20 attorney was.  
 21 Q Whoever Monsour's attorney was at the time?  
 22 A Yeah. Yeah.  
 23 Q Do you not know who that was?  
 24 A It would either be Wilbert and Towner or  
 25 Mitchelson. I believe Wilbert and Towner.

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1 Q Wilbert and Towner?  
 2 A Yeah, the law firm.  
 3 Q Located in Pittsburg, Kansas?  
 4 A Yeah. I might be able to find that  
 5 information out for you.  
 6 Q Okay. And you don't remember the purchase  
 7 price?  
 8 A Right. At the moment I haven't thought  
 9 about that for quite some time, so --  
 10 Q I don't want you to guess at the purchase  
 11 price, nor do I want you to speculate, but would the  
 12 purchase price have been in excess of one million  
 13 dollars?  
 14 A I believe.  
 15 Q Would it have been in excess of two?  
 16 A I don't know. If I did, I would tell you.  
 17 Q I'm sure you would. But it was at least,  
 18 we are agreed, it was at least in excess of one  
 19 million dollars; right?  
 20 A (Witness nodded.)  
 21 Q You have to say yes or no.  
 22 A Yes, sir.  
 23 Q Thank you. Did you have a million dollars  
 24 just laying around that you didn't know what to do  
 25 with?

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1 A I had money. I don't think I had a  
 2 million dollars laying around.  
 3 Q How did you finance your acquisition of  
 4 Monsour's?  
 5 A Through Bank of America.  
 6 Q A loan?  
 7 A Correct.  
 8 Q I know you won't remember the terms of  
 9 that loan, or what your monthly payments were; am I  
 10 right?  
 11 A It was 25 -- there was five shares of  
 12 stock. I know I paid \$5,000 a year on the shares of  
 13 stock loan.  
 14 Q There were five shares of stock?  
 15 A To my recollection.  
 16 Q Okay. And you acquired all five?  
 17 A (Witness nodded.)  
 18 MR. DEVAUGHN: You need to make your  
 19 response audibly.  
 20 A Correct.  
 21 Q (By Mr. Wachtel) You acquired all five,  
 22 if I understand you correctly, through a loan with  
 23 Bank of America; did you put any of your personal  
 24 money along with that?  
 25 A As far as personal money, I think what I

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1 did is when I cross collateralized I had significant  
 2 assets and equity in other properties.  
 3 Q Uh-huh.  
 4 A And they did -- it was cross  
 5 collateralization, and I believe that they received,  
 6 by my guarantee on that, in the cross  
 7 collateralizing, they were amply collateralized or  
 8 felt they were secured.  
 9 Q What other properties did you own?  
 10 A Rental properties, mini storage, etc.,  
 11 which I just -- you know, just properties. Real  
 12 estate.  
 13 Q Real estate; business real estate  
 14 properties?  
 15 A What do you mean by business?  
 16 Q As opposed to residential?  
 17 A Both.  
 18 Q Did you own any other companies at the  
 19 time? I'm trying to find out whether these assets  
 20 were held by companies that you owned or whether they  
 21 were personally held by you?  
 22 A Personally held.  
 23 Q Now Mrs. Monsour is a plaintiff in this  
 24 case; was the stock of Monsour's sold to you and her?  
 25 A Correct.

6 (Pages 21 to 24)

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1 **Q And that was for how many years?**  
 2 A Three.  
 3 **Q Three. How much money are we talking**  
 4 **about?**  
 5 A Over three years?  
 6 **Q Yes, sir.**  
 7 A Maybe 25, 30,000 total, to my recollection.  
 8 **Q Maybe 25 to \$30,000 over a three year**  
 9 **period?**  
 10 A Correct.  
 11 **Q Did you report this income -- I'm sorry.**  
 12 **Did Monsour's make financial reports regarding its**  
 13 **financial condition to its lenders.**  
 14 A Standard.  
 15 **Q That's a yes?**  
 16 A Yes.  
 17 **Q Was this income included in any of those**  
 18 **reports?**  
 19 A It would not have been.  
 20 **Q That being the case, I don't have any**  
 21 **further -- whoops. That being the case, I don't have**  
 22 **any further questions of Mr. Monsour.**  
 23 MR. DEVAUGHN: We will read and sign.  
 24 Are we ready to go forward with the 30 (b) (6)?  
 25 MR. WACHTEL: I would like to reorganize

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1 my file here for a moment, if you don't mind.  
 2 (WHEREIN, the deposition was concluded  
 3 at 11:30 a.m.)  
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 2  
 3 **CERTIFICATE OF REPORTER**  
 4  
 5 I, Richard E. Schroeder, a Certified Court  
 6 Reporter and duly commissioned Notary Public within  
 7 and for the State of Missouri, do hereby certify that  
 8 the witness whose testimony appears in the foregoing  
 9 deposition was duly sworn by me; that the testimony  
 10 of said witness was taken by me to the best of my  
 11 ability and thereafter reduced to typewriting under  
 12 my direction; that I am neither counsel for, related  
 13 to, nor employed by any of the parties to the action  
 14 in which this deposition was taken, and further that  
 15 I am not a relative or employee of any attorney or  
 16 counsel employed by the parties thereto, nor  
 17 financially or otherwise interested in the outcome of  
 18 the action.  
 19  
 20 

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 21 Notary Public within and for  
 22 the State of Missouri.  
 23  
 24 My Commission expires August 9, 2006.  
 25

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1  
 2 **MIDWEST LITIGATION SERVICES**  
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 8 March 20, 2006  
 9  
 10 McDonald, Tinker, Skaer, Quinn & Herrington, P.A.  
 11 300 West Douglas, Suite 500  
 12 Wichita, Kansas 67202-2909  
 13 Attn: Dustin L. DeVaughn  
 14 IN RE: Monsour vs. Menu Maker Foods  
 15 Dear Mr. DeVaughn:  
 16 Herewith, copy of Mark Monsour's deposition, taken  
 17 individually, on March 14, 2006. Also enclosed is  
 18 the original signature page and some errata sheets.  
 19 Please have Mr. Monsour read your copy of the  
 20 transcript, indicate any changes and/or corrections  
 21 desired on the errata sheets, and sign the signature  
 22 page before a notary public.  
 23  
 24 Please return the errata sheets and signed,  
 25 notarized signature page to John Val Wachtel,  
 Attorney for Defendant, for filing prior to trial  
 date.  
 Thank you for your attention to this matter.  
 Yours very truly,  
 Richard E. Schroeder  
 Encl:  
 cc: John Val Wachtel, Esq.

25 (Pages 97 to 100)

