

1 UNITED STATES DISTRICT COURT
2 DISTRICT OF NEVADA

3 NAC FOUNDATION, LLC,)
4)
5 Plaintiff,)
6 vs.)
7 COREY JODOIN,)
8 Defendant.)
9)

Case No.: 2:16-cv-01039-GMN-VCF

ORDER

10 Pending before the Court is the Motion for a Temporary Restraining Order, (ECF No. 5),
11 filed by Plaintiff NAC Foundation, LLC (“Plaintiff”). For the reasons set forth herein, the
12 Motion is GRANTED.

13 **I. BACKGROUND**

14 This is a civil action against Defendant Corey Jodoin for breach of contract for purchase
15 of an interest in Plaintiff, for breach of a Non-Disclosure Agreement between the parties, for
16 breach of the covenant of good faith and fair dealing implied in both contracts, for defamation,
17 and for intentional interference with contractual relations and perspective economic advantage.
18 (See Compl., ECF No. 1).

19 For the purposes of the instant Motion, Plaintiff alleges that Defendant has “contacted
20 customers of [Plaintiff], contractors, and others, by use of Confidential Information of
21 [Plaintiff], for purposes of disparaging and defaming [Plaintiff] and its management, and of
22 intentionally interfering with the contracts and prospective business advantage of [Plaintiff].”
23 (Mot. for TRO 5:24–27, ECF No. 5). Further, Plaintiff alleges that Defendant used
24 Confidential Information to contact and convince a customer to attend a conference hosted by
25 Plaintiff “for the specific purpose of interfering with existing and prospective [customers] and
investors by publically declaring that [Plaintiff’s Product] was a ‘scam.’” (Id. 3:20–27).

1 **II. LEGAL STANDARDS**

2 “The underlying purpose of a TRO is to preserve the status quo and prevent irreparable
3 harm before a preliminary injunction hearing may be held.” Jones v. H.S.B.C. (USA), 844 F.
4 Supp. 2d 1099, 1100 (S.D. Cal. 2012) (citing Granny Goose Foods, Inc. v. Brotherhood of
5 Teamsters & Auto Truck Drivers, 415 U.S. 423, 439 (1974)). “Temporary restraining orders
6 are governed by the same standard applicable to preliminary injunctions.” Quiroga v. Chen,
7 735 F. Supp. 2d 1226, 1228 (D. Nev. 2010).

8 A temporary restraining order may be issued if a plaintiff establishes: (1) likelihood of
9 success on the merits; (2) likelihood of irreparable harm in the absence of preliminary relief; (3)
10 that the balance of hardships tips in his favor; and (4) that an injunction is in the public interest.
11 Winter v. Natural Res. Def. Council, Inc., 555 U.S. 7, 20 (2008). “Injunctive relief [is] an
12 extraordinary remedy that may only be awarded upon a clear showing that the plaintiff is
13 entitled to such relief.” Id. at 22. The Ninth Circuit has held that “‘serious questions going to
14 the merits’ and a hardship balance that tips sharply toward the plaintiff can support issuance of
15 an injunction, assuming the other two elements of the Winter test are also met.” Alliance for the
16 Wild Rockies v. Cottrell, 632 F.3d 1127, 1132 (9th Cir. 2011).

17 In considering whether a preliminary injunction is warranted, a district court also relies
18 on the factors set forth in Winter. 555 U.S. at 20. However, a preliminary injunction may be
19 issued only after “a hearing in which the defendant is given a fair opportunity to oppose the
20 application” and sufficient time “to prepare for such opposition.” Granny Goose Foods, Inc. v.
21 Bhd. of Teamsters & Auto Truck Drivers Local No. 70 of Alameda Cty., 415 U.S. 423, 433
22 (1974).

23 **III. DISCUSSION**

24 The Court finds that Plaintiff is likely to prevail on the merits of its breach of contract
25 claim against Defendant based on the supporting Declaration to the Motion evidencing

1 Defendant's disclosure and use of Confidential Information in violation of the Contract and
2 Non-Disclosure Agreement between the parties. For the purposes of this Order, Confidential
3 Information shall mean "any information, including, without limitation, business technical,
4 financial and marketing information, that is written, oral or any other form, that a party
5 designates as being confidential or that, under the circumstances surrounding disclosure, should
6 be clear that it is confidential." (Mutual Non-Disclosure Agreement ¶ 1, Ex. 1-A to Mot. for
7 TRO, ECF No. 5-1).

8 The Court further finds that Defendant's continued disparagement of Plaintiff and use of
9 Plaintiff's Confidential Information will cause immediate and irreparable harm to Plaintiff
10 resulting in the loss of investors at "a critical threshold. . . in development and financing."
11 (Mot. for TRO 4:12-13, ECF No. 5). Further, Defendant "is threatening [Plaintiff's] ability to
12 obtain prospective customers [and] harming the goodwill [Plaintiff] has with its client base and
13 prospective clients, and is likely to irreparably harm [Plaintiff's] business reputation." (Id.
14 12:10-13); see also *Stuhlbarg Int'l Sales Co. v. John D. Brush & Co.*, 240 F.3d 832, 841 (9th
15 Cir. 2001) ("Evidence of threatened loss of prospective customers or goodwill certainly
16 supports a finding of the possibility of irreparable harm.").

17 **IV. CONCLUSION**

18 **IT IS HEREBY ORDERED** that Plaintiff's Motion for a Temporary Restraining Order
19 (ECF No. 5) is **GRANTED**. Defendant is temporarily enjoined as follows:

- 20 1. Defendant, and anyone acting in concert with Defendant, shall be restrained from
21 disclosing Confidential Information or from using it for any purpose, including
22 but not limited to the purpose of disparaging or defaming Plaintiff, its principal
23 and affiliates, or interfering with Plaintiff's, its principal's or affiliates'
24 contractual and/or prospective economic relationships;
25

