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Exhibit 1

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20 **UNITED STATES DISTRICT COURT**
21 **FOR THE SOUTHERN DISTRICT OF CALIFORNIA**

22 WAGNER AERONAUTICAL, INC.;
23 MAMMOTH FREIGHTERS LLC; WILLIAM
24 WAGNER; and WILLIAM TARPLEY,

25 Plaintiffs,

26 v.

27 DAVID DOTZENROTH; SEQUOIA AIRCRAFT
28 CONVERSIONS, LLC; CAI CONSULTING
LTD.; CHARLES WILEY DOTZENROTH;
JOHN TOMBLIN, in his official capacity as
Executive Director of NIAR; DAVID JONES, in
his official capacity as Director of NIAR WERX;
RONALD TOWRY, in his official capacity as
Chief Engineer of NIAR; ERIC KIVETT, in his
official capacity as Program Manager at NIAR;
and JOHN DOES 1-99, in their official capacities,

Defendants.

Case No. 3:21-cv-00994-L-AGS

**FIRST AMENDED
COMPLAINT**

JURY TRIAL DEMANDED

1 Plaintiffs Wagner Aeronautical, Inc.; Mammoth Freighters LLC; William Wagner;
2 and William Tarpley allege:

3 **NATURE OF ACTION**

4 1. This case concerns theft, deception, and the unjust profiting through the skill,
5 knowledge, and hard labor of others. Defendants David Dotzenroth; Sequoia Aircraft
6 Conversions, LLC; CAI Consulting Ltd.; and Charles Wiley Dotzenroth (collectively,
7 “Dotzenroth Defendants”) stole valuable, confidential and proprietary information
8 belonging to Plaintiffs. Dotzenroth Defendants gave that information to Defendants John
9 Tomblin, David Jones, Ronald Towry, Eric Kivett, and John Does 1-99 (collectively,
10 “NIAR Defendants”) – all employees of the National Institute for Aviation Research
11 (“NIAR”) at Wichita State University. The information pertained to a program for
12 converting large passenger aircraft into cargo freighters. NIAR Defendants knew that
13 information was stolen. As NIAR Defendants were aware, David and Wiley Dotzenroth
14 had no engineering expertise or prior experience developing conversion programs.¹
15 Wagner and Tarpley had shared information about their conversion program with
16 Dotzenroth, who had promised to secure funding and investment for the program. But
17 Dotzenroth requested an outsized ownership stake in Plaintiffs’ program relative to his
18 minimal (if any) contributions. When Plaintiffs refused that request, Dotzenroth and Wiley
19 stole Plaintiffs’ work and gave it to NIAR Defendants. Dotzenroth Defendants and NIAR
20 Defendants then partnered with the Kansas Modification Center (“KMC”) to launch a
21 competing conversion program.

22 2. The misappropriated information includes a detailed business plan, a budget
23 and schedule roadmap, an engineering strategy, a preliminary engineering design, and a
24 marketing strategy that required an investment of thousands of hours of time and over a
25 million dollars in resources to prepare. Plaintiffs have filed this suit to right Defendants’
26

27 ¹ As used in this Complaint, “Dotzenroth” refers to David Dotzenroth. Charles Wiley Dotzenroth
28 is referred to as “Wiley Dotzenroth” or “Wiley.”

1 wrong and ask that this Court enjoin all Defendants’ direct and indirect use of the stolen
2 information. Plaintiffs also request that the Court award compensatory damages in an
3 amount to be determined and punitive damages in excess of \$50 million against Dotzenroth
4 Defendants based on Defendants’ outrageous conduct.

5 3. Plaintiff Mammoth Freighters LLC (“Mammoth” or “Mammoth Freighters”)
6 is developing a passenger aircraft conversion program – designed by Plaintiff Wagner
7 Aeronautical, Inc. (“Wagner Aeronautical”) – that takes passenger aircraft and modifies
8 them to carry cargo for the world’s leading air freight companies. The co-CEOs of
9 Mammoth are Plaintiffs William Wagner (“Wagner”) and William Tarpley (“Tarpley”),
10 two pioneers in the passenger-to-freighter aircraft conversion industry. Wagner – the
11 founder and president of Wagner Aeronautical – has decades of engineering experience
12 crafting successful conversion programs that have received the requisite Federal Aviation
13 Administration (“FAA”) certifications. Likewise, Tarpley – the business lead for
14 Mammoth’s conversion program – has managed numerous aircraft conversion programs
15 during his multi-decade career.

16 4. When Wagner and Tarpley began work on the conversion program, they asked
17 Defendant David Dotzenroth – a long-time friend with connections in the financial industry
18 but who had little or no aircraft conversion engineering expertise or project management
19 experience – if he would be interested in exploring the possibility of a collaboration
20 whereby Wagner and Wagner Aeronautical would contribute the engineering expertise;
21 Tarpley would contribute project management expertise and marketing expertise to attract
22 potential clients; and Dotzenroth would secure investment capital to fund the development
23 of the conversion program.

24 5. For years, Dotzenroth learned the most confidential, proprietary, and critical
25 details and strategies that Wagner and Tarpley were formulating to make the conversion
26 program a market leader and success. This included a business plan, a budget and schedule
27 roadmap, an engineering strategy, and a marketing strategy. Wagner and Tarpley – not
28 Dotzenroth – created these materials, in which they and the Wagner Aeronautical

1 engineering team invested thousands of hours and over a million dollars in resources.
2 These materials were derived in part from more detailed engineering schematics and
3 analyses prepared by Wagner and Wagner Aeronautical – again, without contribution from
4 Dotzenroth, who is not an engineer and who lacked the technical know-how to develop a
5 conversion program.

6 6. Wagner and Tarpley took steps to ensure that the business plan, budget and
7 schedule roadmap, and other materials they prepared remained confidential. When they
8 shared those documents and that information with Dotzenroth, they did so with the
9 understanding – shared by Dotzenroth – that the information was proprietary and would
10 remain confidential. Dotzenroth encouraged Tarpley to add a “copyright insignia” and a
11 “proprietary” label to some of the documents. Dotzenroth also insisted on signed non-
12 disclosure agreements (“NDAs”) before disclosure of the materials to other third parties.

13 7. While Wagner and Tarpley produced a plan for a best-in-class conversion
14 program, Dotzenroth failed to secure funding for the conversion program or contribute in
15 any meaningful way to the conversion program itself.

16 8. Instead of formalizing their collaboration, the trio broke apart when Wagner
17 and Tarpley refused – because of Dotzenroth’s meager contributions – to grant Dotzenroth
18 the sizeable ownership stake in the conversion program that he had demanded.

19 9. Almost immediately, Dotzenroth began searching for new partners under the
20 banner of his own entity, Sequoia Aircraft Conversions (“Sequoia”). Rather than approach
21 new partners with his own program and business plan – which would have cost millions of
22 dollars to develop, would have required engineering expertise and project management
23 experience that Dotzenroth lacked, and would have taken several years to complete –
24 Dotzenroth simply pitched to potential partners the confidential and proprietary business
25 plan and materials developed by Wagner and Tarpley. One such partner was NIAR. NIAR
26 became the willing recipient of the proprietary information that Dotzenroth had stolen from
27 Plaintiffs. That confidential, proprietary information included technical information, such
28

1 as estimated build schedules, estimated specifications, and manhour labor estimates. It
2 also included financial information, such as cost and revenue estimates.

3 10. Rather than working to develop their own business plan, Defendants used
4 Wagner and Tarpley’s confidential and proprietary information to accelerate the
5 development of their program and speed their market entry. In a matter of months, NIAR
6 Defendants and Dotzenroth Defendants – who had never before developed a conversion
7 program – put together materials and a plan that had taken Wagner and Tarpley – who had
8 decades of conversion know-how and expertise – over a year to create. Defendants then
9 used those materials to secure investment for their competing conversion program through
10 a new entity that would own that program.

11 11. In September 2020, Dotzenroth Defendants and NIAR publicly launched their
12 conversion program as a venture among NIAR, Sequoia, and Kansas Modification Center
13 (“KMC”). NIAR’s role is to design the program, handle the engineering, and perform the
14 conversions, while Sequoia would market the program to potential customers. In doing so,
15 NIAR, NIAR Defendants, and Dotzenroth Defendants are wrongfully using trade secrets
16 and proprietary information that belong to Plaintiffs.

17 12. Defendants and NIAR are, at a critical time, unfairly competing against
18 Plaintiffs for deals with potential business partners and potential customers for their
19 conversion program, including some of the biggest names in air cargo. All the while,
20 Dotzenroth and Sequoia are falsely representing that they own the intellectual property
21 that comprises the conversion program and that Dotzenroth developed the program
22 through his own expertise and knowledge.

23 13. Plaintiffs have suffered, are suffering, and will continue to suffer both
24 damages and irreparable harm due to Defendants’ wrongful conduct. Specifically,
25 Defendants have benefitted from the valuable work they have stolen, wrongfully deprived
26 Plaintiffs of their competitive edge, and harmed Plaintiffs’ relationships in the conversion
27 industry, including with potential customers.

28

1 numerous conversion programs, including programs for some of the most commercially
2 successful passenger aircraft.

3 18. Plaintiff William Tarpley is a resident of Florida. He is a co-CEO of
4 Mammoth Freighters and is also the CEO of Creative Conversion Management LLC.
5 Tarpley is the business lead for Mammoth's conversion program. He has been managing
6 aircraft conversions for over 30 years. With a degree in aerospace engineering from the
7 Georgia Institute of Technology, he worked for 20 years at Boeing as a design engineer
8 and as a program manager for conversion programs. Before partnering with Wagner to
9 develop Plaintiffs' conversion program, Tarpley had managed several conversion
10 programs.

11 19. Defendant David Dotzenroth is a resident of Minnesota. Dotzenroth is the
12 CEO of Sequoia Aircraft Conversions, LLC and the President and CEO of CAI
13 Consulting Ltd. Dotzenroth is also the father of Defendant Charles Wiley Dotzenroth.

14 20. Defendant Sequoia is a Delaware limited liability company. On information
15 and belief, Sequoia's principal place of business is in Watertown, Minnesota.

16 21. Defendant CAI Consulting Ltd. ("CAI Consulting") is a Minnesota
17 corporation. On information and belief, CAI Consulting's principal place of business is
18 in Watertown, Minnesota.

19 22. On information and belief, Defendant Charles Wiley Dotzenroth, also known
20 as Wiley Dotzenroth, is a resident of Minnesota. Wiley Dotzenroth is the son of
21 Defendant David Dotzenroth.

22 23. Defendant John Tomblin is a resident of Kansas. Tomblin is the Senior Vice
23 President for Industry and Defense Programs at Wichita State University and the Executive
24 Director of NIAR. As described below, Tomblin is personally responsible for, and
25 involved in, the misappropriation of Plaintiffs' trade secrets. Additionally, on information
26 and belief, Tomblin, as the Executive Director of NIAR, has the authority to discontinue
27 NIAR's work on any particular program and to order the cessation of NIAR Defendants'
28 misappropriation of Plaintiffs' trade secrets.

1 24. Defendant David Jones is a resident of Kansas. Jones is the Director of NIAR
2 WERX at Wichita State University. NIAR WERX is a department within NIAR that
3 provides engineering and other services for aviation companies. NIAR WERX is
4 responsible for designing and implementing NIAR's conversion program. As described
5 below, Jones is personally responsible for, and involved in, the misappropriation of
6 Plaintiffs' trade secrets. Additionally, on information and belief, Jones, as the Director of
7 NIAR WERX, has the authority to discontinue and to order the cessation of NIAR
8 Defendants' misappropriation of Plaintiffs' trade secrets.

9 25. Defendant Ronald Towry is a resident of Kansas. Towry is the chief engineer
10 at NIAR. As NIAR's chief engineer, Towry is responsible for the technical design and
11 development of NIAR's conversion program. As described below, Towry is personally
12 responsible for, and involved in, the misappropriation of Plaintiffs' trade secrets.
13 Additionally, on information and belief, Towry supervises and oversees the various
14 engineers and student workers who are responsible for the engineering and technical
15 components of the conversion program. In that capacity, Towry has the authority to
16 discontinue and order the cessation of NIAR Defendants' misappropriation of Plaintiffs'
17 trade secrets.

18 26. Defendant Eric Kivett is a resident of Kansas. Kivett is a program manager
19 at NIAR with responsibility for NIAR's conversion program. As described below, Kivett
20 is personally responsible for, and involved in, the misappropriation of Plaintiffs' trade
21 secrets.

22 27. On information and belief, John Does 1 through 99 are employees of NIAR
23 and students of Wichita State University, whose specific identities are presently unknown
24 to Plaintiffs. John Does 1 through 99 are involved in managing, developing, and
25 implementing NIAR's program. As described below, John Does 1 through 99 are
26 personally responsible for, and involved in, the misappropriation of Plaintiffs' trade secrets
27 by NIAR.
28

JURISDICTION AND VENUE

1
2 28. The Court has subject matter jurisdiction under 28 U.S.C. §§ 1331 and 1367,
3 the trade secrets laws of the United States (18 U.S.C. §§ 1836 and 1839), and the false
4 advertising laws of the United States (15 U.S.C. § 1125). This Court has supplemental
5 jurisdiction over the asserted state law claims pursuant to 28 U.S.C. § 1367(a) because the
6 federal and state law claims are so related that they form part of the same case or
7 controversy.

8 29. This Court has personal jurisdiction over Defendants because they have
9 purposefully directed their activities at the State of California and have purposefully
10 availed themselves of the rights and benefits of the laws of this State and this District.
11 Regarding the allegations in this Complaint, Defendants’ one or more acts of
12 misappropriation of trade secrets, false advertising, unfair competition, breach of fiduciary
13 duty, and civil conspiracy were intentional, were expressly aimed at a company and
14 individual in California (Wagner Aeronautical and Wagner), and caused harm that
15 Defendants knew would be suffered by Wagner Aeronautical and Wagner in California.
16 Dotzenroth met with Wagner and Tarpley in California to begin planning their
17 development of Plaintiffs’ conversion program. Jones and Towry also met with Wagner
18 at Wagner Aeronautical’s office in California. Throughout the relevant time, Defendants
19 were dealing directly with Wagner and Wagner Aeronautical in California. Additionally,
20 on information and belief, Defendants are competing directly with Plaintiffs [REDACTED]

21 [REDACTED]
22 [REDACTED]
23 30. Venue is proper in this District under 28 U.S.C. § 1391(b) because a
24 substantial part of the events giving rise to the claims occurred in this District, a substantial
25 part of the property that is the subject of the action is situated in this District, and the Court
26 has personal jurisdiction over Defendants in this District. Some of the critical interactions
27 that are the subject of this First Amended Complaint involved Defendants dealing directly
28 with Wagner Aeronautical and Wagner, who are both located in this District. Further,

1 many of the misappropriated trade secrets were located at Wagner Aeronautical in
2 Escondido, California.

3 **FACTUAL ALLEGATIONS**

4 **I. THE PASSENGER-TO-FREIGHTER CONVERSION INDUSTRY**

5 31. The passenger-to-freighter (“P2F”) conversion industry converts commercial
6 passenger aircraft into cargo freighters that can be used for shipping and carrying large
7 loads by the world’s leading air freight companies. The goal is to engineer modified
8 aircraft that are as spacious, light, and efficient as possible through a detailed, complex
9 process that is quick and cost-effective.

10 32. A P2F conversion demands extensive know-how and expertise. It requires
11 identification of the specific aircraft model best suited for freighter conversion, creation of
12 a methodology for converting the aircraft, calculation of the most efficient and cost-
13 effective engineering strategy for the conversion, obtaining certification of the conversion
14 from the FAA, and marketing the conversion to potential investors, partners, and
15 customers. This collection of information and know-how is packaged into a “conversion
16 program.”

17 33. Aircraft conversion programs are regulated by the FAA and other
18 international regulatory agencies. Each conversion program must receive a “supplemental
19 type certificate” (“STC”) from the FAA, which constitutes FAA approval to modify an
20 aeronautical product from its original design. The STC standards are extremely rigorous
21 and require meticulous planning.

22 34. Because of the nature and scope of the undertaking, development of an FAA-
23 certified conversion program is labor- and capital-intensive. Conversion companies must
24 spend over 100,000 engineering hours and invest tens of millions of dollars to develop a
25 conversion program that will meet the FAA’s requirements. A conversion program begins
26 with years of intense planning to identify the engineering and design modifications
27 necessary to achieve a freighter that maximizes payload and efficiency. Those
28 modifications cover a “nose-to-tail” reconfiguration of the airplane – everything from

1 modifying the placement of cargo doors and the structure of the floor beams to re-wiring
2 the electrical and other systems. Development of a conversion program entails over
3 100,000 engineering hours, hundreds of analyses and reports, and hundreds of drawings
4 and schematics. And because the purchase and conversion of a passenger aircraft requires
5 an intensive capital investment, all costs and logistics must be precisely calculated upfront
6 and reflected in the conversion program. Development of the conversion program thus
7 requires extensive financial and cost-modeling expertise as well as deep project
8 management experience.

9 **II. PLAINTIFFS' P2F CONVERSION PROGRAM**

10 **A. The Genesis of Plaintiffs' Conversion Program**

11 35. Because P2F conversions are highly-specialized, the aircraft conversion
12 industry has only a few key players with the know-how and expertise to develop and
13 operate conversion programs. Wagner Aeronautical, Wagner, and Tarpley are among that
14 handful of players.

15 36. In or around 2017 or 2018, Wagner, Tarpley, and Dotzenroth decided to start
16 a conversion program for a specific model of jumbo jet (the "Jumbo Jet") made by one of
17 the world's largest airplane manufacturers (the "Major Manufacturer"). The Jumbo Jet has
18 been highly successful and popular with airlines for over 25 years. Wagner, Tarpley, and
19 Dotzenroth met in southern California to discuss their plans. They emphasized the need to
20 keep their business plan and engineering strategy confidential, and all agreed to do so.

21 37. Each person was to contribute something specific to the effort. Wagner,
22 personally and through Wagner Aeronautical, would provide the engineering expertise for
23 designing and developing the technical aspects of the Jumbo Jet conversion program,
24 drawing on his vast knowledge of the FAA's STC requirements and his experience
25 obtaining STCs for prior conversion programs. Tarpley would provide project
26 management and financial expertise as well as marketing and customer relations. He was
27 responsible for the financial and logistical aspects of the program. With their combined
28 know-how and expertise, Tarpley and Wagner were confident that they could develop the

1 logistical, engineering, and marketing strategy needed to attract investors, secure
2 certification from the FAA, and sell converted aircraft to customers that include the world's
3 leading air freight companies. Wagner had done this numerous times over the past 20 years
4 and had a unique model to accomplish that objective efficiently and reliably.

5 38. Meanwhile, Dotzenroth – who lacked expertise and experience with
6 conversion programs – was to secure funding and investment for the conversion program
7 based on Wagner and Tarpley's business plan and experience. Dotzenroth acted
8 individually, and through his company, CAI Consulting.

9 **B. Wagner Aeronautical, Wagner, and Tarpley Develop the Business Plan,**
10 **the Engineering Strategy, and the Roadmap to Success**

11 39. Wagner, working through Wagner Aeronautical, and Tarpley set to work
12 constructing, detail-by-detail, the foundational plans and strategy for the Jumbo Jet
13 conversion program, including their official business plan as well as a budget and schedule
14 roadmap.

15 40. The business plan was reflected in PowerPoint slide decks that described the
16 conversion process, outlined a customized development schedule, and delineated a plan for
17 achieving FAA certification. The business plan included specific engineering details about
18 the Jumbo Jet conversion program, including the specific design features, costs, logistics,
19 and planning that would be utilized. The plan also detailed the business case for the Jumbo
20 Jet conversion program, including detailed material costs and labor estimates to convert
21 the aircraft. It detailed the business and marketing strategy and included a plan for
22 contacting potential investors and customers. It described both the financial and functional
23 benefits of the Jumbo Jet conversion program that Wagner Aeronautical, Wagner, and
24 Tarpley had developed, highlighting unique aspects of their design that provided
25 competitive advantages over other conversion programs. The business plan had multiple
26 iterations, and Wagner and Tarpley customized the plan for meetings with different
27 potential investors or customers.
28

1 41. The budget and schedule roadmap – at that time, a 15-tab Microsoft Excel
2 spreadsheet – provided a more comprehensive version of the data in the PowerPoints. The
3 roadmap details the building blocks for the conversion program, including revenue
4 projections, month-by-month cost estimates, development costs, schedule estimates, the
5 rate of return, program input financing, and staffing inputs. To generate the data in the
6 roadmap (which was ultimately used in the business plan, too), Wagner Aeronautical
7 completed the preliminary design work for the Jumbo Jet conversion, including a
8 specification, drawing tree, main deck cargo pallet layout, a weight analysis, and other
9 analyses and feasibility studies. This information is confidential, proprietary, and highly
10 valuable.

11 42. The costs and resources required to create the business plan and roadmap were
12 enormous. Even with over 50 years of combined experience in the conversion industry,
13 Wagner and Tarpley still needed over a year to create the business plan and budget and
14 schedule roadmap for the Jumbo Jet program. Creation of the PowerPoint slide deck and
15 15-tab Excel spreadsheet required thousands of hours and over a million dollars in
16 resources, which included work by the engineering team at Wagner Aeronautical. Without
17 the advantage of Wagner’s and Tarpley’s know-how and expertise with previous
18 conversion programs, the costs for compiling this information would have been far greater.

19 43. Dotzenroth had access to the proprietary information created by Wagner
20 Aeronautical, Wagner, and Tarpley. Dotzenroth received emails containing drafts of the
21 business plan, information used for the roadmap, and other important documents and
22 communications related to the business strategy, engineering strategy, and marketing
23 strategy for the conversion program. Dotzenroth also had access to shared folders,
24 including Tarpley’s cloud storage folder, that contained copies of those documents and that
25 information. In addition to sharing the business plan and roadmap with Dotzenroth,
26 Wagner and Tarpley also discussed other strategies for the conversion program, including
27 how they intended to approach, and negotiate with specific investors and customers.
28

1 Dotzenroth never had a license or permission to use any of that proprietary information
2 outside of his work with Wagner Aeronautical, Wagner, and Tarpley.

3 44. Although Dotzenroth had access to the documents, his contributions to the
4 development of the business plan, the budget and schedule roadmap, and the conversion
5 program were minimal. Dotzenroth lacked any engineering and technical expertise and
6 was not capable of contributing meaningfully on that front. Dotzenroth tried to offer
7 comments on the PowerPoint slide deck and spreadsheets but did so with obsolete versions
8 rather than the most current drafts that Tarpley and Wagner were editing, revising, and
9 updating.

10 **C. Wagner Aeronautical, Wagner, and Tarpley Take Numerous Steps To**
11 **Protect Their Valuable Proprietary Information**

12 45. The confidential and proprietary information reflected in Plaintiffs' business
13 plan and roadmap is absolutely critical to a successful conversion program – and, for that
14 reason, highly valuable. Those documents prove the commercial viability of the program,
15 pave the way toward FAA certification, and convince investors, commercial partners, and
16 customers that the conversion program is viable. Because conversion programs are
17 extremely capital-intensive and time-intensive, investors, partners, and customers will only
18 commit to provide funding or to purchase aircraft if they are convinced of the economic
19 and engineering feasibility of the program. In that way, the tens of millions of dollars of
20 investment needed to operate a conversion program depends directly on the ability to
21 demonstrate the viability of a program through a business plan and the budgeting and
22 scheduling information contained in the roadmap. Developing the business plan and the
23 budget and schedule roadmap thus permit a particular conversion program to compete with
24 other programs for investment and business and provide a competitive advantage.

25 46. Given the extraordinary value of their confidential and proprietary
26 information, Wagner Aeronautical, Wagner, and Tarpley implemented numerous
27 confidentiality protocols. For the information developed at Wagner Aeronautical, Wagner
28 required his employees to sign NDAs as a condition of their employment. Wagner

1 Aeronautical computers were locked, such that external devices could not be attached to
2 prevent the unauthorized download of information. Wagner Aeronautical’s information
3 technology personnel also monitor the transfer of information on the company’s computer
4 system to ensure that information is used properly.

5 47. Wagner and Tarpley also took individual actions to ensure that the business
6 plan, budget and schedule roadmap, and underlying data and work-product remained
7 confidential. Those actions included placing “PROPRIETARY” legends on the materials
8 and only sharing those materials with third parties on a need-to-know basis. The budget
9 and schedule roadmap, in particular, was closely held and was not shared with anyone other
10 than Wagner Aeronautical, Wagner, Tarpley, Dotzenroth, and individuals working on their
11 behalf.

12 48. Potential investors, partners, and customers were routinely required to sign
13 NDAs before receiving access to any of the proprietary and confidential information about
14 the Jumbo Jet conversion program, including the business plan, or otherwise understood
15 and agreed that the information was confidential. The NDAs prohibited the signatories
16 from disclosing or using “Confidential Information,” and broadly defined that term to
17 include “know-how, methods, ideas, creations, improvements, works of authorship,
18 materials, processes, inventions, techniques, data, programs, prototypes, source code, tools,
19 patentable materials, trade secrets, sales information, business and marketing plans and
20 strategies, financial information and cost and pricing information.” The NDAs further
21 provided that the disclosing parties “would be irreparably damaged and may have no
22 adequate remedy at law” for any unauthorized disclosure.

23 49. Wagner, Tarpley, and Dotzenroth all understood that the Jumbo Jet
24 conversion program work-product – particularly, the business plan and budget and
25 schedule roadmap – were proprietary and confidential information that could not be
26 disclosed outside their group without adequate protections. Indeed, Dotzenroth was one of
27 the most vocal advocates for these protective measures. He repeatedly emphasized to
28 Wagner and Tarpley the need for NDAs before meetings with potential investors and other

1 third parties. And, in one text message that Dotzenroth sent to Tarpley, he encouraged
2 Tarpley to “put a copyright insignia on the bottom” of certain charts “as well as
3 proprietary.” Thus, Dotzenroth knew and understood that the Jumbo Jet conversion
4 program work-product was proprietary and confidential.

5 **D. Wagner and Tarpley Part Ways with Dotzenroth**

6 50. Toward the end of 2018, Wagner, Tarpley, and Dotzenroth turned their
7 attention to identifying potential sources of funding for the conversion program. Securing
8 funding for the contemplated conversion program was Dotzenroth’s responsibility and his
9 anticipated contribution to the collaboration.

10 51. Beginning in late 2018, Wagner, Tarpley, and Dotzenroth began meeting with
11 potential investors and customers. As explained above, participants in such meetings
12 signed NDAs. The business plan slide decks, which were shared with meeting participants,
13 also had a “PROPRIETARY” legend. Dotzenroth, in particular, insisted on such protective
14 measures, and he personally signed these NDAs.

15 52. Despite several meetings with investors, by the middle of 2019, Dotzenroth
16 had been unsuccessful in securing funding for the Jumbo Jet conversion program.
17 Dotzenroth’s fundraising efforts floundered for months. By the middle of 2019,
18 Dotzenroth still had not obtained financing for the program. In May 2019, Wagner,
19 Tarpley, and Dotzenroth considered ways to formalize their relationship. Up to that point,
20 the three had collaborated in their individual capacities or through the companies that each
21 man owned. In May 2019, Tarpley sent to Dotzenroth and Wagner a draft LLC agreement
22 for a company that would be owned by Tarpley, Wagner, and Dotzenroth to carry out their
23 conversion program through a wholly-owned subsidiary.

24 53. Tarpley, however, struggled to find a role for Dotzenroth that would justify
25 the one-third ownership interest in the LLC that Dotzenroth had requested. Because
26 Dotzenroth lacked P2F conversion experience and expertise, there were few roles he could
27 fill. And, when Tarpley would suggest certain roles for Dotzenroth, Dotzenroth would
28

1 express hesitancy or reluctance to accept the full scope of responsibilities that Tarpley had
2 proposed.

3 54. [REDACTED]

4 [REDACTED] Mansell had recently left his job at Aviation Capital
5 Group, an aircraft leasing company, but had not yet joined Split Rock Aviation. Welo
6 signed the standard NDA [REDACTED]

7 [REDACTED]
8 [REDACTED]
9 [REDACTED]
10 [REDACTED]

11 55. After the meeting, Dotzenroth hosted dinner at his home for Tarpley, Mansell,
12 and Welo. After Welo left, Tarpley remained to visit with Dotzenroth and Dotzenroth's
13 wife. Dotzenroth and his wife questioned Tarpley about the ownership stake that
14 Dotzenroth would be given in the conversion program. They demanded a full one-third of
15 the ownership, even though Dotzenroth was unwilling to accept significant responsibility
16 and had made only minor contributions – if any, at all – to the development of the business
17 plan and budget and schedule roadmap.

18 56. After the meeting, [REDACTED]

19 [REDACTED]
20 [REDACTED]
21 [REDACTED]
22 [REDACTED]

23 Notwithstanding Dotzenroth's
24 failure – yet again – to secure funding, Dotzenroth continued to demand a one-third
25 ownership interest in the LLC. When it became clear Dotzenroth would not receive a one-
26 third share, he stopped collaborating with Tarpley and Wagner around the summer of 2019.

1 **III. DEFENDANTS’ SCHEME TO STEAL PLAINTIFFS’ PROPRIETARY INFORMATION,**
2 **COMPETITIVE EDGE, AND CUSTOMERS**

3 **A. Dotzenroth Approaches NIAR About a Jumbo Jet Conversion Program**
4 **Using Plaintiffs’ Work**

5 57. After failing to receive the one-third stake in the conversion program that he
6 desired, Dotzenroth set to work pursuing his own Jumbo Jet conversion program.
7 Recognizing that he lacked the technical expertise and means to establish such a program
8 himself, Dotzenroth instead stole the extensive work-product of Wagner and Tarpley,
9 borne of their experience, know-how, and ingenuity as well as thousands of hours of work
10 by them and the Wagner Aeronautical engineering team. Dotzenroth ultimately devised
11 and executed a scheme to use Tarpley’s and Wagner’s proprietary information for his own
12 advantage and benefit.

13 58. Dotzenroth began searching for a new partner to pursue his own Jumbo Jet
14 conversion program. He found that partner in NIAR, which, through NIAR Defendants,
15 willingly and knowingly accepted the work that Dotzenroth had stolen from Plaintiffs and
16 which eagerly used that work to develop, launch, and implement a competing conversion
17 program in concert with Dotzenroth Defendants. At no time did Plaintiffs consent to the
18 Dotzenroth Defendants’ disclosure of, or the NIAR Defendants’ receipt or use of,
19 Plaintiffs’ proprietary and confidential information.

20 59. In or around late October or early November 2019, Dotzenroth approached
21 NIAR about establishing a Jumbo Jet conversion program. Almost immediately,
22 Dotzenroth began sending NIAR information that he had stolen from Plaintiffs. On
23 November 6, 2019, Dotzenroth emailed Defendant David Jones, telling Jones: “I’m going
24 to piece meal some educational data to you while we pull financial investor slides from our
25 presentations before sending technical data.” Dotzenroth’s email forwarded a prior email
26 that included a line graph comparing the payload-range capability for a Jumbo Jet freighter
27 and two other common aircraft that also serve as freighters. Commentary in the email
28 associated with the line graph explained that the Jumbo Jet converted freighter could

1 function as a replacement for one of the other common aircraft identified on the graph.
2 That email, and the associated commentary, was not Dotzenroth’s work. In truth, Tarpley
3 had sent that email to Dotzenroth and Wagner, about a year earlier, on November 8, 2018.

4 60. A few minutes later, Dotzenroth sent Jones another email. This email – which
5 contained no text – simply forwarded an email that included another payload-range line
6 graph entitled “Freighter Analysis: Payload-Range Capability.” Like the chart in
7 Dotzenroth’s earlier email, this “Freighter Analysis” depicted payload-range curves for a
8 Jumbo Jet freighter and another popular aircraft. It also depicted estimated payload-range
9 curves for different models of a Jumbo Jet that had been converted into a freighter.
10 Dotzenroth had not prepared this chart and did not do the “Freighter Analysis” depicted in
11 the chart. In truth, that analysis was the product of Wagner and Tarpley’s efforts. Tarpley
12 had created that chart and then emailed it to Wagner, Dotzenroth, and Wiley Dotzenroth in
13 January 2019.

14 61. Dotzenroth sent Jones a third email containing Plaintiffs’ work on November
15 6, 2019. That email contained a “build schedule” for the first six converted Jumbo Jet
16 freighters. For each aircraft, the schedule displayed the months within the program during
17 which the conversion would occur, breaking down the build by both in-hanger and out-of-
18 hanger build time. Dotzenroth did not create the build schedule. Wagner and Tarpley had,
19 in fact, done that work in 2018. Drawing on their experience, expertise, and know-how,
20 Wagner and Tarpley estimated the schedule for converting the first six aircraft and used
21 that estimate to produce the build schedule. Tarpley had emailed the build schedule to
22 Dotzenroth on November 2, 2018.

23 62. Dotzenroth knew this information would be useful to Jones. Dotzenroth did
24 not have the expertise and experience to competently prepare a build schedule for a Jumbo
25 Jet conversion program like the schedule that Dotzenroth emailed to Jones on November
26 6, 2019. Moreover, Jones knew that Dotzenroth lacked that experience and expertise.

27 63. Jones knew, or at least had reason to know, that Dotzenroth was not authorized
28 to provide NIAR with that information. The emails had indications that they were

1 forwarded from someone else and the metadata, for some of the documents, revealed the
2 author to be “Bill.”

3 **B. David and Wiley Dotzenroth Present Wagner and Tarpley’s Business**
4 **Plan to NIAR**

5 64. On November 18, 2019, Dotzenroth sent Jones another email with the
6 “financial investor slides” that Dotzenroth had previously promised to send Jones.
7 Dotzenroth attached a presentation, dated November 16, 2019, entitled “[Jumbo Jet]
8 Converted Freighter Project.” The title page of the presentation also included the NIAR
9 logo, and the subsequent slides included information about the competitive viability of the
10 proposed Jumbo Jet conversion program, target weights and specifications for the proposed
11 converted freighter, information about the payload and cargo capacity of the proposed
12 converted freighter, a schematic of the proposed cargo pallet layout for the converted
13 freighter, and a proposed build schedule for the first six converted freighters, among other
14 information.

15 65. Those slides and that information were Plaintiffs’ work. Many of the slides
16 were exact duplicates of slides from versions of Plaintiffs’ business plan that Plaintiffs had
17 used when engaging potential investors in 2018 and 2019. One slide even referenced
18 “Mammoth” by name, providing the anticipated cargo capacity for different versions of the
19 “Mammoth” converted freighter.

20 66. [REDACTED]
21 [REDACTED]
22 [REDACTED]
23 [REDACTED]

24 67. Dotzenroth not only divulged Plaintiffs’ confidential and proprietary
25 information through emails but also through numerous in-person meetings at NIAR. In
26 November 2019, Dotzenroth organized a meeting with NIAR in Kansas to give a
27 presentation about a “new project” that he was working on with his son, Wiley Dotzenroth.
28 Wiley Dotzenroth, at that time, was a 24-year-old recent college graduate. He did not have

1 the experience, expertise, and know-how of Wagner and Tarpley. Interested in harnessing
2 Wagner’s expertise in P2F conversions, and in piggy-backing on the credibility and
3 reputation of Wagner Aeronautical, Dotzenroth invited Wagner to the meeting in Kansas.
4 The meeting attendees included executives from NIAR, including Jones and Towry, and
5 several Kansas state officials. Dotzenroth did not tell Wagner that he had provided Wagner
6 and Tarpley’s work to Jones and others at NIAR.

7 68. In December 2019, Dotzenroth organized and NIAR hosted another meeting
8 – attended by Tomblin, Jones, Towry, and numerous NIAR engineers – to brief potential
9 partners and investors about Defendants’ efforts to develop a conversion program. During
10 the course of that meeting, Dotzenroth and Wiley made a presentation that included
11 confidential, proprietary information of Wagner and Tarpley. On information and belief,
12 Dotzenroth and Wiley falsely represented that they had developed their own conversion
13 program when, in reality, they were simply presenting the conversion program that Wagner
14 and Tarpley had developed.

15 69. [REDACTED]
16 [REDACTED] That slide deck was nearly
17 an exact duplicate of the business plan that Wagner and Tarpley had developed and
18 provided to Dotzenroth in confidence. [REDACTED]

19 [REDACTED]
20 [REDACTED]
21 [REDACTED], and neither Wiley nor David Dotzenroth told Wagner that [REDACTED]
22 [REDACTED]

23 70. [REDACTED]
24 [REDACTED]
25 [REDACTED]
26 [REDACTED]
27 [REDACTED]
28 [REDACTED]

1 [REDACTED]
2 [REDACTED]
3 [REDACTED]
4 71. Potential investors also attended the meetings at NIAR in December 2019,
5 including Jim Gibbs, Collis Chandler, and Brian Mackey. Wagner was also invited to
6 participate in the December 2019 meetings. Although Wagner had attended portions of
7 the multi-day December 2019 meetings at NIAR, Wagner was not permitted to attend the
8 business presentation – the same presentation that [REDACTED]
9 [REDACTED]. To keep Wagner out of the room, Dotzenroth had arranged for Wagner to take
10 a tour of NIAR’s facilities.

11 72. As in November, Dotzenroth did not tell Wagner that he and Wiley would be
12 giving a presentation that was nearly a carbon copy of the business plan that Wagner and
13 Tarpley had created. At no time did Wagner consent to, or authorize Defendants to use
14 Wagner and Tarpley’s work product for the purpose of designing, launching, or
15 implementing a conversion program that would compete with Wagner and Tarpley’s.

16 73. NIAR Defendants knew that the information in the Dotzenroths’ December
17 2019 presentation was not the Dotzenroths’ own work. David Jones later admitted to
18 Wagner that he knew that Dotzenroth had not developed the program described in the
19 presentations and that the program must have been created by Wagner. Jones further knew
20 that Wagner was not present when the Dotzenroths made their business presentation to
21 Jones and other NIAR employees and that Dotzenroth intentionally excluded Wagner from
22 the presentation. That, too, gave Jones reason to know that the Dotzenroths’ use of Wagner
23 and Tarpley’s information was not authorized.

24 **C. Dotzenroth Defendants and NIAR Defendants Use Wagner and**
25 **Tarpley’s Proprietary Information To Secure Funding and Develop**
26 **Their Own Program**

27 74. On information and belief, the Dotzenroths’ presentations – copied from
28 versions of Plaintiffs’ business plans – induced NIAR Defendants to agree to develop a

1 Jumbo Jet conversion program with Dotzenroth. Almost immediately after the December
2 2019 meeting, Defendants began using Plaintiffs’ proprietary information – the result of
3 over a year of work, thousands of hours of effort, and significant resources – to plan for
4 the conversion program.

5 75. [REDACTED]

10 76. [REDACTED]

17 77. [REDACTED]

25 78. [REDACTED]

1 [REDACTED]
2 [REDACTED]
3 [REDACTED]
4 [REDACTED]
5 [REDACTED]

6 **D.** [REDACTED]
7 [REDACTED]
8 [REDACTED]

9 79. [REDACTED]

10 [REDACTED]
11 [REDACTED]

12 [REDACTED] That business plan was a near duplicate of a version of Plaintiffs’ business
13 plan that Tarpley had sent to Dotzenroth in March 2019. It included all of the same
14 confidential and proprietary information from the previous versions of the business plan
15 that the Dotzenroths had shared with NIAR – cost and budget estimates, manhour labor
16 estimates, projected revenues and financial metrics, schedules, and other valuable
17 information necessary to develop and launch a conversion program.

18 80. [REDACTED]

19 [REDACTED] The Mammoth Conversions logo appeared on the
20 footer of nearly every single page of the business plan. The plan also included references
21 to Wagner Aeronautical, which the plan described as an Escondido, California-based
22 engineering firm, and to Wagner. Thus, Jones must have known the plan was the
23 proprietary information of Wagner and Tarpley, not Dotzenroth.

24 81. [REDACTED]

25 [REDACTED]
26 [REDACTED]
27 [REDACTED]
28 [REDACTED]

1 82. [REDACTED]
2 [REDACTED]
3 [REDACTED]
4 [REDACTED]

5 83. By March 2020, NIAR Defendants and others at NIAR had received from the
6 Dotzenroths extensive proprietary and confidential information concerning Plaintiffs’
7 conversion program. NIAR Defendants knew that Plaintiffs were the source of that
8 information, and also knew, or had reason to know, that the Dotzenroths were not
9 authorized to share Plaintiffs’ proprietary information with them. Yet NIAR Defendants
10 willingly accepted the information anyway and, working with the Dotzenroth Defendants,
11 used it to craft – at an accelerated pace – a plan for a Jumbo Jet conversion program.
12 Indeed, Plaintiffs, with decades of conversion experience, required over a year to create
13 the business plan and roadmap. Jones, Towry, and the other NIAR Defendants had
14 seemingly accomplished that feat in months.

15 **IV. DEFENDANTS CONTINUE TO SEEK INFORMATION FROM TARPLEY, WAGNER, AND**
16 **WAGNER AERONAUTICAL**

17 84. In or around February 2020, Dotzenroth attempted to enlist Tarpley’s
18 assistance for Dotzenroth’s conversion program. Dotzenroth contacted Tarpley, saying
19 that he was very excited to share information about a big, new project that Dotzenroth was
20 working on through his new company, Sequoia Aircraft Conversions. Dotzenroth insisted
21 that Tarpley sign an NDA.

22 85. Dotzenroth showed Tarpley documents that depicted a Jumbo Jet conversion
23 program. Those documents seemed to be based on the information from the business plan
24 that Tarpley had prepared with Wagner. During that meeting, Dotzenroth asked Tarpley if
25 Dotzenroth could develop a conversion program without Wagner. Tarpley answered in the
26 negative, saying Wagner’s expertise was necessary.

27 86. About a week later, Dotzenroth called Tarpley and again inquired whether he
28 could operate a conversion program without Wagner. Tarpley again told Dotzenroth he

1 would need Wagner’s expertise. During this call, Dotzenroth also suggested that he might
2 have a job for Tarpley to work on the conversion program. Tarpley turned him down.
3 Tarpley did not believe that Dotzenroth would actually enter the P2F market with his own
4 conversion program.

5 87. Dotzenroth was undeterred. In March 2020, Dotzenroth, with NIAR
6 Defendants, sought to enlist Wagner and Wagner Aeronautical to support a conversion
7 program that Dotzenroth would lead. Having continued his discussions with NIAR,
8 Dotzenroth arranged for representatives of NIAR, including Jones, to visit Wagner
9 Aeronautical in Escondido, California.

10 88. In anticipation of that meeting, Jones on March 3, 2020, sent a proposed
11 agenda and PowerPoint presentation to Wagner [REDACTED]

12 [REDACTED] Dotzenroth was copied on Jones’s email. [REDACTED]
13 [REDACTED]
14 [REDACTED]
15 [REDACTED]
16 [REDACTED]

17 89. [REDACTED]
18 [REDACTED]
19 [REDACTED]
20 [REDACTED]

21 [REDACTED] Under the guise of exploring a
22 contract with Wagner Aeronautical to perform work for Dotzenroth’s conversion program,
23 Dotzenroth and Jones thus sought information proprietary to Wagner’s and Tarpley’s
24 Jumbo Jet conversion program.

25 90. In April 2020, Wiley Dotzenroth sent Wagner another PowerPoint
26 presentation that Sequoia planned to share with a Major Manufacturer. The PowerPoint
27 presentation described Sequoia’s proposed Jumbo Jet conversion program and identified
28 “Sequoia Conversions” as the “Intellectual Property Owner.” That statement was false

1 because it represented that Sequoia owned the intellectual property for its conversion
2 program. In truth, Sequoia did not own the intellectual property. As both David
3 Dotzenroth and Wiley Dotzenroth well knew, the Jumbo Jet conversion program had been
4 developed by Wagner, Tarpley, and Wagner Aeronautical. Nonetheless, on information
5 and belief, David Dotzenroth, Wiley Dotzenroth, and Sequoia repeated that false
6 representation to potential partners and customers, including during meetings with Major
7 Manufacturer in late 2020 and early 2021. On information and belief, David Dotzenroth,
8 Wiley Dotzenroth, and Sequoia repeated those falsehoods during another meeting with an
9 air cargo operator in early 2021.

10 91. As of September 2020, Jones, Towry, and NIAR were still in need of
11 Wagner’s know-how and expertise. Again, under the guise of discussing a potential
12 contract with Wagner, Jones and Towry arranged to visit Wagner Aeronautical in
13 California on September 15, 2020. In anticipation of that visit, Jones and Towry prepared
14 an agenda that included [REDACTED]

15 [REDACTED]
16 [REDACTED]
17 [REDACTED] Wagner met with Jones and
18 Towry but did not provide the details of Plaintiffs’ business plan or other confidential and
19 proprietary information.

20 92. At no time did Plaintiffs’ consent to NIAR, or anyone at NIAR, using their
21 confidential and proprietary information.

22 **V. NIAR LAUNCHES A CONVERSION PROGRAM WITH SEQUOIA AND KMC**

23 93. On September 29, 2021, NIAR issued a press release announcing the launch
24 of Defendants’ Jumbo Jet conversion program. It explained:

25 Through a new partnership with Sequoia Aircraft Conversions and the Kansas
26 Modification Center, the National Institute for Aviation Research at Wichita
27 State University will begin a large-scale entrepreneurial [Major Manufacturer
28 Jumbo Jet] passenger-to-freighter conversion program.

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The program, led by NIAR’s Engineering Design and Modification Team (EDM), will focus on the conversion of [Jumbo Jet] passenger aircraft from passenger-transport operations into cargo aircraft to meet the growing e-commerce high-volume freight transportation market.

Sequoia Aircraft Conversions will market the passenger to freighter conversions. Kansas Mod Center will own the STC and license the conversions.

94. KMC was a new entity. Its investors included Jim Gibbs. The investors in KMC received presentations and information that included the proprietary and confidential information of Plaintiffs.

95. NIAR and Dotzenroth Defendants will reap substantial benefits from the conversion program. NIAR signed an agreement with KMC under which NIAR would provide engineering for the program and secure an STC from the FAA. Additionally, NIAR WERX – led by Defendant Jones – will perform the labor necessary to convert the aircraft.

[REDACTED]

VI. DEFENDANTS CONTINUE TO MISAPPROPRIATE PLAINTIFFS’ TRADE SECRETS

96. [REDACTED]

1 [REDACTED]
2 [REDACTED]
3 [REDACTED]

4 97. [REDACTED],
5 Dotzenroth continued to provide NIAR with additional proprietary and confidential
6 information of Plaintiffs to be used in further developing Defendants’ program. On
7 January 19, 2021, David Dotzenroth sent three emails to NIAR program manager Eric
8 Kivett. Each email contained information that Dotzenroth had received from Tarpley.
9 Rather than send the emails to Kivett’s NIAR email address, Dotzenroth used Kivett’s
10 personal Gmail account.

11 98. The first email contained information and analysis concerning an operating
12 cost comparison for certain freighters, including the Jumbo Jet that Tarpley sent to
13 Dotzenroth in May 2019. The second email contained a discussion of the suitability of
14 different Jumbo Jet models for conversion that Tarpley also sent to Dotzenroth in May
15 2019. The third email attached a copy of Plaintiffs’ business plan that Tarpley sent to
16 Dotzenroth in July 2019. The cover of the business plan thus read “Mammoth Conversion
17 LLC – Proprietary.” The plan repeatedly referenced “Mammoth Conversion LLC”
18 throughout and repeatedly mentioned Tarpley, Wagner, and Wagner Aeronautical, which
19 it identified as an Escondido, California-based engineering firm. It included valuable and
20 proprietary information concerning Plaintiffs’ conversion program, such as manhour labor
21 estimates, cost estimates, and financial projections.

22 99. Dotzenroth’s emails made clear that he was forwarding information he had
23 received from someone else. One email included a header showing that Tarpley was the
24 original source of the information. And, of course, Dotzenroth did not alter the business
25 plan, which made clear that the document pertained to a conversion program for Mammoth
26 Conversions that was created and led by Wagner and Tarpley. It was obvious that the
27 business plan and other documents originated with Tarpley and Wagner and related to *their*
28

1 efforts to develop a conversion program, *their* know-how and expertise, and *their*
2 proprietary information.

3 100. Around the time that Kivett received these documents in January 2021, he was
4 engaged in preparing a presentation for a potential partner with Defendants’ conversion
5 program. On information and belief, Kivett used Plaintiffs’ proprietary information – the
6 materials that he had received from Dotzenroth – to prepare that presentation. Thus, even
7 as late as this year, Dotzenroth continued to disclose, and NIAR personnel continued to
8 directly use, Plaintiffs’ trade secrets and proprietary information for their own benefit and
9 to compete against Plaintiffs.

10 101. [REDACTED]
11 [REDACTED]
12 [REDACTED]
13 [REDACTED]
14 [REDACTED]
15 [REDACTED]
16 [REDACTED]

17 **VII. WAGNER AND TARPLEY JOIN MAMMOTH FREIGHTERS LLC TO IMPLEMENT**
18 **THEIR CONVERSION PROGRAM**

19 102. On December 1, 2020, Wagner and Tarpley became co-CEOs of Mammoth
20 Freighters LLC, an LLC formed to carry out Wagner and Tarpley’s Jumbo Jet conversion
21 program.

22 103. On April 22, 2021, Mammoth Freighters LLC entered into a Conversion
23 Program Development Agreement with Wagner Aeronautical, under which Wagner
24 Aeronautical would, among other services, obtain and maintain an STC for the Jumbo Jet
25 conversion program that Wagner and Tarpley had developed, would implement such
26 conversions, and would provide engineering and technical support services in connection
27 with those activities. Under the agreement, Wagner Aeronautical agreed to assign and
28 transfer to Mammoth Freighters all intellectual property rights in work performed under

1 the development agreement. Wagner Aeronautical also agreed to grant Mammoth
2 Freighters a license in any Wagner Aeronautical intellectual property, including trade
3 secrets, that Wagner Aeronautical uses in performing work under the development
4 agreement.

5 **VIII. DEFENDANTS' SCHEME HAS IRREPARABLY HARMED, AND CONTINUES TO HARM,**
6 **PLAINTIFFS**

7 104. Dotzenroth Defendants and NIAR Defendants thus stole Plaintiffs'
8 confidential and proprietary information to create a conversion program that would
9 compete directly with Plaintiffs and attempt to usurp their market position. Dotzenroth
10 knew that he could not create a competitive conversion program on his own. That is why
11 Dotzenroth tried to recruit Wagner for his program throughout 2019 and 2020, and why
12 Dotzenroth tried to recruit Tarpley in 2020.

13 105. As a direct result of observing the most critical and valuable confidential
14 details about Plaintiffs' program, the inexperienced and uninformed Dotzenroth knew
15 exactly how to compete against Plaintiffs. During his time working for Wagner and
16 Tarpley, Dotzenroth was exposed to and entrusted with their confidential and proprietary
17 information. Most significantly, he had the highly technical details – engineering, project
18 management, and budget – needed to successfully establish a conversion program.
19 Dotzenroth learned how Wagner and Tarpley built their conversion program, how they
20 developed their engineering strategy, how they proved the competitive advantages of their
21 program, and how they approached and persuaded potential investors and customers.

22 106. When Wagner and Tarpley refused the substantial ownership stake that
23 Dotzenroth had demanded, Dotzenroth left with Plaintiffs' playbook, gave it to NIAR
24 Defendants, and then used it to form a venture with NIAR Defendants and KMC that would
25 compete directly against Plaintiffs for the same deals with partners and customers. When
26 Dotzenroth began working with Wagner and Tarpley, he lacked the know-how and
27 expertise to develop and operate a conversion program. Suddenly, in less than 18 months
28 after Dotzenroth parted ways with Wagner and Tarpley, Defendants had launched their

1 own competing conversion program and had secured a partnership with Split Rock
2 Aviation.

3 107. Defendants are continuing to misappropriate and use Plaintiffs' confidential
4 and proprietary information and are continuing to use Plaintiffs' business and engineering
5 strategy to compete directly against Plaintiffs. Defendants' actions have harmed and will
6 continue to harm Plaintiffs. Those harms include at least the following:

7 **A. Loss of Valuable Proprietary Assets**

8 108. Defendants' misappropriation of Plaintiffs' confidential and proprietary
9 business plan and roadmap has exposed the most critical and valuable parts of Plaintiffs'
10 conversion program to third parties, which alone is damaging to Plaintiffs' business
11 enterprise. Plaintiffs' confidential and proprietary business information – including the
12 highly technical, complex information in the PowerPoint and Excel spreadsheet – is a
13 valuable asset. By misappropriating the confidential and proprietary information in
14 Plaintiffs' business plan and budget and schedule roadmap – rather than doing the hard
15 work on their own – Dotzenroth Defendants and NIAR Defendants received the benefit of
16 valuable information and data that would have been extremely costly to produce in the first
17 instance.

18 109. At a minimum, Defendants' wrongful acts saved them the millions of dollars,
19 and extensive time, that would have been necessary to develop a business plan and roadmap
20 for their own conversion program. It gave Defendants a huge head start on when they
21 would have been able to credibly compete had they not stolen Plaintiffs' property.

22 **B. Loss of Competitive Advantage**

23 110. Due to Defendants' wrongdoing, Plaintiffs have lost and will continue to lose
24 their competitive advantage in the P2F aircraft conversion market. Before Defendants'
25 theft of Plaintiffs' proprietary and confidential information, Plaintiffs had an edge over
26 the competitors in the P2F conversion market because of the unique and innovative
27 structure of their conversion program. The unique and innovative features of Plaintiffs'
28 conversion program result from Wagner's and Tarpley's decades of know-how and

1 expertise in the conversion industry. As described in their business plan, Plaintiffs’
2 competitive edge included a conversion program that would provide lighter, more
3 efficient, and cost-effective aircraft to customers with assurance that Plaintiffs’ program
4 would receive FAA certification.

5 111. After Dotzenroth’s misappropriation of Plaintiffs’ business plan, Defendants
6 have been able to offer a conversion program with those same unique and innovative
7 features to investors, partners, and customers. This has diminished Plaintiffs’ unique
8 position and competitive edge in the market.

9 112. Additionally, Defendants’ scheme gave them a significant head start in
10 entering a market with high barriers to entry. Instead of being forced to wait at least a year
11 and spend millions to enter the market, Dotzenroth Defendants and NIAR Defendants stole
12 Plaintiffs’ business plan and roadmap so that Defendants could begin operating in a matter
13 of months.

14 **C. Loss of Potential Customers**

15 113. Due to Defendants’ scheme to compete directly against Plaintiffs, Plaintiffs
16 stand to lose customers. On information and belief, Defendants have approached potential
17 customers – some of the largest air freight companies – offering their own conversion
18 service and competing directly with Plaintiffs. Without the head start Defendants received
19 after stealing Plaintiffs’ confidential and proprietary information, Defendants would not
20 have been able to offer potential customers a conversion service on essentially the same
21 timetable and with the same benefits as Plaintiffs. Without Plaintiffs’ proprietary and
22 confidential business information, Dotzenroth Defendants and NIAR Defendants would
23 have been years behind in their development of Defendants’ conversion program.

24 114. Losing a single customer in the P2F conversion industry can be devastating.
25 First, only a limited number of potential customers exist. The number of aircraft available
26 for conversion is limited, and the vast majority of those are owned by a few large players,
27 in particular a large air cargo operator and two leading express delivery services. Those
28 customers typically purchase all of their converted aircraft from a single supplier, and they

1 enter into long term contracts with the supplier because the conversion and delivery process
2 can take several years. Finally, the lifespan of a converted aircraft is long. If a customer
3 is lost to a competitor, it could be many years before that customer needs additional
4 conversions.

5 **D. Loss of Potential Partners**

6 115. Plaintiffs' relationships with potential business partners have also been
7 jeopardized by Defendants' theft of Plaintiffs' proprietary and confidential business
8 information. Defendants can attempt to present themselves as credible partners with others
9 in the P2F industry only because they could advertise a well-developed and thoughtfully
10 executed business plan and roadmap – a feat achieved only because Defendants had
11 unlawfully misappropriated those materials from Plaintiffs.

12 **COUNT ONE**

13 **Misappropriation of Trade Secrets (18 U.S.C. §1836(b))**

14 **(Against Dotzenroth Defendants)**

15 116. Plaintiffs incorporate by reference the allegations in paragraphs 1 through 115
16 above as though set forth fully herein.

17 117. Plaintiffs' business plan, budget and schedule roadmap, and supporting data
18 are trade secrets under 18 U.S.C. §1839. This information has independent economic value
19 because it proves the viability of Plaintiffs' Jumbo Jet conversion program, provides the
20 specific business plan for the program, gives Plaintiffs' program a competitive edge in the
21 P2F conversion market, required substantial effort and investment to produce, and confers
22 on Plaintiffs an advantage over their competitors. The information identifies Plaintiffs'
23 Jumbo Jet conversion process and outlines a procedure for achieving FAA certification,
24 including the schedule, resources, costs, logistics, and engineering processes necessary for
25 the conversions. This methodology is innovative and unique to Plaintiffs because it is
26 derived from the know-how and expertise that Wagner Aeronautical, Wagner, and Tarpley
27 cultivated over decades in the P2F industry.

28

1 118. Plaintiffs have taken reasonable measures to protect their trade secrets,
2 including requiring that potential investors and customers sign NDAs, sharing the trade
3 secrets only on a need-to-know basis, marking trade secret documents with a
4 “PROPRIETARY” legend, requiring Wagner Aeronautical employees to sign NDAs, and
5 using secure computer systems for the trade secret information.

6 119. Dotzenroth Defendants intentionally, willfully, and maliciously
7 misappropriated Plaintiffs’ trade secrets to obtain a competitive advantage. Dotzenroth
8 Defendants had access to Plaintiffs’ business plan, roadmap, and engineering strategy.
9 Despite recognizing that the information was confidential and proprietary, Dotzenroth
10 Defendants disclosed this information and used it to create their own competing conversion
11 program. Dotzenroth Defendants misappropriated this information for their own benefit
12 because they fully understood the value of that information and understood that they could
13 not launch a competing conversion program without it. Plaintiffs never consented to
14 Dotzenroth Defendants’ use of Plaintiffs’ trade secrets in this manner. While Dotzenroth
15 Defendants were not restrained from engaging in a lawful profession, trade, or business,
16 they were prohibited from misappropriating Plaintiffs’ trade secrets.

17 120. Dotzenroth Defendants have used and will continue to use Plaintiffs’ trade
18 secrets to compete directly with Plaintiffs in the P2F conversion market. Dotzenroth
19 Defendants are using Plaintiffs’ trade secrets to lure away Plaintiffs’ potential customers
20 and partners.

21 121. Plaintiffs have suffered and will suffer substantial harm as a result of
22 Dotzenroth Defendants’ misappropriation of their trade secrets, including the disclosure of
23 Plaintiffs’ trade secrets, loss of Plaintiffs’ competitive edge, loss of potential customers,
24 loss of potential partnerships, and loss of revenues and profits.

25 122. Those damages, however, cannot all be easily quantified. Dotzenroth
26 Defendants’ misappropriation of trade secrets has caused and will cause Plaintiffs to suffer
27 irreparable harm. For that reason, Plaintiffs are entitled to an injunction enjoining
28 Dotzenroth Defendants from using Plaintiffs’ trade secrets pursuant to 18 U.S.C. §1836.

COUNT TWO

Misappropriation of Trade Secrets (18 U.S.C. §1836(b))

(Against NIAR Defendants)

123. Plaintiffs incorporate by reference the allegations set forth in paragraphs 1 through 122 above as though set forth fully herein.

124. Plaintiffs’ business plan, budget and schedule roadmap, and supporting data are trade secrets under 18 U.S.C. § 1839. This information has independent economic value because it proves the viability of Plaintiffs’ Jumbo Jet conversion program, provides the specific business plan for the program, gives Plaintiffs’ program a competitive edge in the P2F conversion market, required substantial effort and investment to produce, and confers on Plaintiffs an advantage over their competitors. The information identifies Plaintiffs’ Jumbo Jet conversion process and outlines a procedure for achieving FAA certification, including the schedule, resources, costs, logistics, and engineering processes necessary for the conversions. This methodology is innovative and unique to Plaintiffs because it is derived from the know-how and expertise that Wagner Aeronautical, Wagner, and Tarpley cultivated over decades in the P2F industry.

125. Plaintiffs have taken reasonable measures to protect their trade secrets, including requiring that potential investors and customers sign NDAs, sharing the trade secrets only on a need-to-know basis, marking trade secret documents with a “PROPRIETARY” legend, requiring Wagner Aeronautical employees to sign NDAs, and using secure computer systems for the trade secret information.

126. NIAR Defendants intentionally, willfully, and maliciously misappropriated Plaintiffs’ trade secrets to provide the NIAR/KMC/Sequoia conversion program with a competitive advantage. NIAR Defendants received Plaintiffs’ business plan and other proprietary information and data from David and Wiley Dotzenroth, with knowledge, or reason to know, that the Dotzenroths were not authorized to disclose the information. NIAR Defendants used Plaintiffs’ information to develop and implement their own competing conversion program, knowing, or with reason to know, that the Dotzenroths

1 were not authorized to disclose the information and that the Dotzenroths owed a duty to
2 maintain the secrecy of the Plaintiffs' information or to limit use of that information. NIAR
3 Defendants misappropriated this information for their own benefit because they fully
4 understood the value of that information and understood that they could not launch, in a
5 timely manner, a competing conversion program without it. Plaintiffs never consented to
6 NIAR Defendants' use of Plaintiffs' trade secrets in this manner. While Defendants were
7 not restrained from engaging in a lawful profession, trade, or business, they were prohibited
8 from misappropriating Plaintiffs' trade secrets.

9 127. NIAR Defendants have used, and will continue to use, Plaintiffs' trade secrets
10 to compete directly with Plaintiffs in the P2F conversion market. Plaintiffs have suffered
11 and will suffer substantial harm as a result of NIAR Defendants' misappropriation of their
12 trade secrets, including the disclosure of Plaintiffs' trade secrets, loss of Plaintiffs'
13 competitive edge, loss of potential customers, loss of potential partnerships, and loss of
14 revenues and profits.

15 128. Those damages, however, cannot all be easily quantified. NIAR Defendants'
16 misappropriation of trade secrets has caused and will cause Plaintiffs to suffer irreparable
17 harm. For that reason, Plaintiffs are entitled to an injunction enjoining NIAR Defendants
18 from using Plaintiffs' trade secrets or from operating, implementing, or otherwise
19 commercializing any conversion program based on, or derived from, the proprietary
20 information that NIAR Defendants misappropriated.

21 **COUNT THREE**

22 **Misappropriation of Trade Secrets (Cal. Civ. Code §3426 et seq.)**

23 **(Against Dotzenroth Defendants)**

24 129. Plaintiff incorporates by reference the allegations in paragraphs 1 through 128
25 above as though set forth fully herein.

26 130. Plaintiffs' business plan, budget and schedule roadmap, and supporting data
27 are trade secrets under the California Uniform Trade Secrets Act. Cal. Civ. Code § 3426.
28 This information has independent economic value because it proves the viability of

1 Plaintiffs’ Jumbo Jet conversion program, provides the specific business plan for the
2 program, gives Plaintiffs’ program a competitive edge in the P2F conversion market,
3 required substantial effort and investment to produce, and confers on Plaintiffs an
4 advantage over their competitors. The information identifies Plaintiffs’ Jumbo Jet
5 conversion process and outlines a procedure for achieving FAA certification, including the
6 schedule, resources, costs, logistics, and engineering processes necessary for the
7 conversions. This methodology is innovative and unique to Plaintiffs because it is derived
8 from the know-how and expertise that Wagner Aeronautical, Wagner, and Tarpley
9 cultivated over decades in the P2F industry.

10 131. Plaintiffs have taken reasonable measures to protect their trade secrets,
11 including requiring that potential investors and customers sign NDAs, sharing the trade
12 secrets only on a need-to-know basis, marking trade secret documents with a
13 “PROPRIETARY” legend, requiring Wagner Aeronautical employees to sign NDAs, and
14 using secure computer systems for the trade secret information.

15 132. Dotzenroth Defendants intentionally, willfully, and maliciously
16 misappropriated Plaintiffs’ trade secrets to provide their conversion program with a
17 competitive advantage. Dotzenroth Defendants had access to Plaintiffs’ business plan,
18 roadmap, and engineering strategy. Despite recognizing that the information was
19 confidential and proprietary, Dotzenroth Defendants used that information to create their
20 own competing conversion program. Dotzenroth Defendants misappropriated this
21 information for their own benefit because they fully understood the value of that
22 information and understood that they could not launch a competing conversion program
23 without it. Plaintiffs never consented to Dotzenroth Defendants’ use of Plaintiffs’ trade
24 secrets in this manner. While Dotzenroth Defendants were not restrained from engaging
25 in a lawful profession, trade, or business, they were prohibited from misappropriating
26 Plaintiffs’ trade secrets.

27 133. Dotzenroth Defendants have used and will continue to use Plaintiffs’ trade
28 secrets to compete directly with Plaintiffs in the P2F conversion market. Dotzenroth

1 Defendants are using Plaintiffs' trade secrets to lure away Plaintiffs' potential customers
2 and partners.

3 134. Plaintiffs have suffered and will suffer substantial harm because of
4 Dotzenroth Defendants' misappropriation of their trade secrets, including the disclosure of
5 Plaintiffs' trade secrets, loss of Plaintiffs' competitive edge, loss of potential customers,
6 loss of potential partnerships, and loss of revenues and profits.

7 135. Those damages, however, cannot all be easily quantified. Dotzenroth
8 Defendants' misappropriation of trade secrets has caused and will cause Plaintiffs to suffer
9 irreparable harm. For that reason, Plaintiffs are entitled to an injunction enjoining
10 Dotzenroth Defendants from using Plaintiffs' trade secrets under Cal. Civ. Code § 3426.

11 **COUNT FOUR**

12 **False Advertising Under Section 43(a) of the Lanham Act (15 U.S.C. § 1125)**

13 **(Against David Dotzenroth, Wiley Dotzenroth, and Sequoia)**

14 136. Plaintiff incorporates by reference the allegations in paragraphs 1 through 135
15 above as though set forth fully herein.

16 137. David Dotzenroth, Wiley Dotzenroth, and Sequoia have made and will
17 continue to make false statements about the authenticity of their conversion program. On
18 information and belief, David Dotzenroth, Wiley Dotzenroth, and Sequoia have falsely
19 represented that Dotzenroth developed his own Jumbo Jet conversion program, that
20 Sequoia owns the intellectual property underpinning the conversion program, and that
21 Dotzenroth possesses the competence, experience, and expertise to develop and operate
22 Sequoia's conversion program. On information and belief, David Dotzenroth, Wiley
23 Dotzenroth, and Sequoia have made these false statements to potential customers and
24 business partners, including during meetings with Major Manufacturer in late 2020 and
25 early 2021 and with a major air cargo operator in early 2021.

26 138. These false statements have influenced, and will continue to influence, the
27 decisions of partners to do business with Dotzenroth Defendants and to exclude Plaintiffs
28 from those deals. Likewise, the false representations about the NIAR/Sequoia/KMC

1 conversion program will influence the decisions of customers that may choose the
2 NIAR/Sequoia/KMC conversion program and aircraft over Plaintiffs' conversion program
3 and aircraft. On information and belief, David Dotzenroth, Wiley Dotzenroth, and Sequoia
4 are advertising to customers, including a major air cargo operator, that they can provide
5 the same know-how and expertise as Plaintiffs. In truth, David Dotzenroth's and Wiley
6 Dotzenroth's experience in the aviation industry simply cannot compare to that of Wagner
7 and Tarpley.

8 139. By misrepresenting the authenticity of their conversion program, David
9 Dotzenroth, Wiley Dotzenroth, and Sequoia are misleading partners and customers about
10 Defendants' qualifications and ability to develop a conversion program.

11 140. These false statements have deceived and will continue to deceive Sequoia's
12 partners and customers. These deceptive statements are material to these investors,
13 partners, and customers when they are deciding whether to do business with Sequoia,
14 NIAR, and KMC.

15 141. David Dotzenroth's, Wiley Dotzenroth's, and Sequoia's false statements have
16 harmed Plaintiffs because Defendants' false statements have convinced, and will continue
17 to convince, potential partners and customers to choose Defendants' conversion program
18 and aircraft over Plaintiffs' conversion program and aircraft.

19 **COUNT FIVE**

20 **Unfair Competition (Cal. Bus. & Prof. Code §17200 et seq.)**

21 **(Against Dotzenroth Defendants)**

22 142. Plaintiffs incorporate by reference the allegations in paragraphs 1 through 141
23 above as though set forth fully herein.

24 143. The California Unfair Competition Law defines unfair competition to include
25 any "unlawful," "unfair," or "fraudulent" business practice or act. Defendants have
26 unfairly and unlawfully competed directly against Plaintiffs by improperly and unlawfully
27 using Plaintiffs' own business plan, engineering strategy, and marketing strategy to start a
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1 competing conversion program and by approaching the same partners and customers as
2 Plaintiffs.

3 144. After misappropriating Plaintiffs' confidential and proprietary information,
4 and after learning the details of Plaintiffs' engineering and marketing strategy, Defendants
5 started a conversion program to compete directly with Plaintiffs' conversion program.
6 With the competing program established, Defendants then sought deals with the same
7 customers and partners as Plaintiffs. Defendants had an unfair advantage against Plaintiffs
8 when they entered the conversion market because Defendants knew Plaintiffs' playbook
9 and how Plaintiffs planned to conduct their business. This unfair advantage has allowed
10 and will continue to allow Defendants to profit from their wrongdoing.

11 145. Defendants have been enriched by, and have significantly benefited from,
12 their use of Plaintiffs' proprietary and confidential business information, including the
13 business plan and the budget and schedule roadmap. Defendants obtained that benefit at
14 the expense of Plaintiffs. They have not compensated Plaintiffs for that information.

15 146. Because of Defendants' actions, Plaintiffs have been and will continue to be
16 damaged and suffer irreparable harm through the loss of competitive advantage, potential
17 partners, potential customers, and revenue and profits. Plaintiffs are entitled to restitution
18 and injunctive relief for Defendants' violation of Cal. Bus. & Prof. Code §17200 et seq.
19 Cal. Bus. & Prof. Code § 17203.

20 **COUNT SIX**

21 **Breach of Fiduciary Duty**

22 **(Against David Dotzenroth and CAI Consulting)**

23 147. Plaintiffs incorporate by reference the allegations in paragraphs 1 through 146
24 above as though set forth fully herein.

25 148. Dotzenroth and CAI Consulting had a fiduciary duty to Wagner Aeronautical,
26 Wagner, and Tarpley because Dotzenroth was a joint venturer with Wagner and Tarpley
27 while working with them to develop Plaintiffs' conversion program. Dotzenroth and CAI
28 Consulting owed Wagner, Tarpley, and Wagner Aeronautical the duty of utmost good faith.

1 149. Dotzenroth and CAI Consulting breached that duty when Dotzenroth
2 exploited his relationship with Tarpley and Wagner to misappropriate information, work-
3 product, and intellectual property developed and owned by Wagner, Tarpley, and Wagner
4 Aeronautical. Dotzenroth then impermissibly used the misappropriated property for his
5 own benefit – without compensating Tarpley or Wagner – to form Sequoia Aircraft
6 Conversions and compete directly with Plaintiffs for conversion customers and other
7 business opportunities.

8 150. Plaintiffs have been harmed by Dotzenroth’s and CAI Consulting’s breach of
9 their fiduciary duty because Dotzenroth is competing for the same partners and customers
10 as Plaintiffs and gained a head start in entering the conversion market through the breach.

11 **COUNT SEVEN**

12 **Civil Conspiracy**

13 **(Against David Dotzenroth and Wiley Dotzenroth)**

14 151. Plaintiffs incorporate by reference the allegations in paragraphs 1 through 150
15 above as though set forth fully herein.

16 152. David Dotzenroth and Wiley Dotzenroth schemed to use Plaintiffs’ trade
17 secrets, engineering strategy, and marketing strategy to create a conversion program that
18 would compete directly against Plaintiffs’ conversion program. After gaining access to
19 Plaintiffs’ trade secrets and learning Plaintiffs’ engineering and marketing strategy, David
20 Dotzenroth and Wiley Dotzenroth conspired to unlawfully misappropriate Plaintiffs’
21 proprietary and confidential business information and trade secrets, to engage in unfair
22 competition against Plaintiffs, and to falsely advertise their conversion program. David
23 Dotzenroth and Wiley Dotzenroth have taken at least one overt act in furtherance of that
24 conspiracy.

25 153. Defendants’ conduct has harmed Plaintiffs through the loss of Plaintiffs’
26 competitive advantage, potential partners, potential customers, and revenue and profits.

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1 **JURY DEMAND**

2 Under Rule 38 of the Federal Rules of Civil Procedure, Plaintiffs demand a trial by
3 jury on all issues triable as such.

4 **PRAYER FOR RELIEF**

5 WHEREFORE, judgment should be entered for Plaintiffs and against Defendants as
6 follows:

7 (a) finding that Dotzenroth Defendants and NIAR Defendants
8 misappropriated one or more of Plaintiffs’ trade secrets, in violation of 18 U.S.C. §1836(b);

9 (b) finding that Dotzenroth Defendants misappropriated one or more of
10 Plaintiffs’ trade secrets, in violation of Cal. Civ. Code §3426;

11 (c) finding that David Dotzenroth, Wiley Dotzenroth, and Sequoia falsely
12 advertised the NIAR/Sequoia/KMC conversion program in violation of Section 43(a) of
13 the Lanham Act;

14 (d) finding that Dotzenroth Defendants engaged in unfair competition
15 against Plaintiffs in violation of Cal. Bus. & Prof. Code §17200 et seq.;

16 (e) finding that Dotzenroth and CAI Consulting breached their fiduciary
17 duties to Wagner Aeronautical, Inc., Wagner, and Tarpley;

18 (f) finding that David Dotzenroth and Wiley Dotzenroth engaged in a
19 conspiracy to misappropriate Plaintiffs’ confidential and proprietary information, engage
20 in unfair competition against Plaintiffs, and falsely advertise their conversion program;

21 (g) injunctive relief against Dotzenroth Defendants and NIAR Defendants,
22 including preliminarily and permanently enjoining Defendants from using any of
23 Plaintiffs’ confidential and proprietary information and marketing or operating any
24 conversion program based on or derived from that information;

25 (h) money damages against Dotzenroth Defendants, including
26 compensatory damages in an amount to be determined and restitution and/or disgorgement
27 of all revenues, earnings, profits, compensation, and benefits that may have been obtained
28 by Defendants, and punitive or statutory damages in excess of \$50 million;

- 1 (i) costs, including attorneys’ fees;
- 2 (j) prejudgment interest at the maximum legal rate; and
- 3 (k) such other and further relief as this Court may deem just and proper.

4
5 DATED:

Respectfully submitted,

6
7 By: /s/

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Exhibit 2

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**UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF CALIFORNIA**

WAGNER AERONAUTICAL, INC.;
MAMMOTH FREIGHTERS LLC; WILLIAM
WAGNER; and WILLIAM TARPLEY,

Plaintiffs,

v.

~~DAVID DOTZENROTH; SEQUOIA AIRCRAFT
CONVERSIONS, LLC; CAI CONSULTING LTD.;~~
~~CHARLES WILEY DOTZENROTH; ANDREW
MANSELL; and STEVEN WELO,~~
DAVID DOTZENROTH; SEQUOIA AIRCRAFT
CONVERSIONS, LLC; CAI CONSULTING
LTD.; CHARLES WILEY DOTZENROTH;
JOHN TOMBLIN, in his official capacity as
Executive Director of NIAR; DAVID JONES, in
his official capacity as Director of NIAR WERX;
RONALD TOWRY, in his official capacity as
Chief Engineer of NIAR; ERIC KIVETT, in his
official capacity as Program Manager at NIAR;
and JOHN DOES 1-99, in their official capacities,

Defendants.

Case No. 3:21-cv-00994-L-AGS

**FIRST AMENDED
COMPLAINT**

JURY TRIAL DEMANDED

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1 Plaintiffs Wagner Aeronautical, Inc.; Mammoth Freighters LLC; William Wagner;
2 and William Tarpley allege:

3 **NATURE OF ACTION**

4 1. This case concerns theft, deception, and the unjust profiting through the skill,
5 knowledge, and hard labor of others. Defendants —David Dotzenroth; Sequoia Aircraft
6 Conversions, LLC; CAI Consulting Ltd.; and Charles Wiley Dotzenroth; ~~Andrew Mansell;~~
7 ~~and Steven Welo~~— (collectively, “Dotzenroth Defendants”) stole valuable, confidential and
8 proprietary information belonging to Plaintiffs. Dotzenroth Defendants gave that
9 information to develop a competing business Defendants John Tomblin, David Jones,
10 Ronald Towry, Eric Kivett, and John Does 1-99 (collectively, “NIAR Defendants”) – all
11 employees of the National Institute for Aviation Research (“NIAR”) at Wichita State
12 University. The information pertained to a program for converting large passenger aircraft
13 into cargo freighters. NIAR Defendants knew that information was stolen. As NIAR
14 Defendants were aware, David and Wiley Dotzenroth had no engineering expertise or prior
15 experience developing conversion programs.¹ Wagner and Tarpley had shared information
16 about their conversion program with Dotzenroth, who had promised to secure funding and
17 investment for the program. But Dotzenroth requested an outsized ownership stake in
18 Plaintiffs’ program relative to his minimal (if any) contributions. When Plaintiffs refused
19 that request, Dotzenroth and Wiley stole Plaintiffs’ work and gave it to NIAR Defendants.
20 Dotzenroth Defendants and NIAR Defendants then partnered with the Kansas Modification
21 Center (“KMC”) to launch a competing conversion program.

22 1.2. The misappropriated information includes a detailed business plan, a budget
23 and schedule roadmap, an engineering strategy, a preliminary engineering design, and a
24 marketing strategy that required an investment of thousands of hours of time and millions

26 ¹ As used in this Complaint, “Dotzenroth” refers to David Dotzenroth. Charles Wiley Dotzenroth
27 is referred to as “Wiley Dotzenroth” or “Wiley.”

1 ~~of~~ over a million dollars in resources to prepare. Plaintiffs have filed this suit to right
2 ~~that~~ Defendants' wrong and ask that this Court enjoin all Defendants' direct and indirect
3 use of the stolen information ~~as well as~~. Plaintiffs also request that the Court award
4 compensatory damages in an amount to be determined and punitive damages in excess of
5 \$50 million against Dotzenroth Defendants based on Defendants' outrageous conduct.

6 2.3. Plaintiff Mammoth Freighters LLC ("Mammoth" or "Mammoth Freighters")
7 is developing a passenger aircraft conversion program – designed by Plaintiff Wagner
8 Aeronautical, Inc. ("Wagner Aeronautical") – that takes passenger aircraft and modifies
9 them to carry cargo for the world's leading air freight companies. The co-CEOs of
10 Mammoth are Plaintiffs William Wagner ("Wagner") and William Tarpley ("Tarpley"),
11 two pioneers in the passenger-to-freighter aircraft conversion industry. Wagner – the
12 founder and president of Wagner Aeronautical – has decades of engineering experience
13 crafting successful conversion programs that have received the requisite Federal Aviation
14 Administration ("FAA") certifications. Likewise, Tarpley – the business lead for
15 Mammoth's conversion program – has managed numerous aircraft conversion programs
16 during his multi-decade career.

17 3.4. When Wagner and Tarpley began work on the conversion program, they asked
18 Defendant David Dotzenroth ("~~Dotzenroth~~") – a long-time friend with connections in the
19 financial industry but who had little or no aircraft conversion engineering expertise or
20 project management experience – if he would be interested in exploring the possibility of
21 a collaboration whereby Wagner and Wagner Aeronautical would contribute the
22 engineering expertise; Tarpley would contribute project management expertise and
23 marketing expertise to attract potential clients; and Dotzenroth would secure investment
24 capital to fund the development of the conversion program.

25 4.5. For ~~nearly three~~ years, Dotzenroth learned the most confidential, proprietary,
26 and critical details and strategies that Wagner and Tarpley were formulating to make the
27 conversion program a market leader and success. This included a business plan, a budget
28

1 and schedule roadmap, an engineering strategy, and a marketing strategy. Wagner and
2 Tarpley – not Dotzenroth – created these materials, in which they and the Wagner
3 Aeronautical engineering team invested thousands of hours and ~~millions of~~ over a million
4 dollars in resources. These materials were derived in part from more detailed engineering
5 schematics and analyses prepared by Wagner and Wagner Aeronautical – again, without
6 contribution from Dotzenroth, who is not an engineer and who lacked the technical know-
7 how to develop a conversion program.

8 5.6. Wagner and Tarpley took steps to ensure that the business plan, budget and
9 schedule roadmap, and other materials they prepared remained confidential. When they
10 shared those documents and that information with Dotzenroth, they did so with the
11 understanding – shared by Dotzenroth – that the information was proprietary and would
12 remain confidential. Dotzenroth encouraged Tarpley to add a “copyright insignia” and a
13 “proprietary” label to some of the documents. Dotzenroth also insisted on signed non-
14 disclosure agreements (“NDAs”) before disclosure of the materials to other third parties.

15 6.7. While Wagner and Tarpley produced a plan for a best-in-class conversion
16 program, Dotzenroth failed to secure funding for the conversion program or contribute in
17 any meaningful way to the conversion program itself.

18 7.8. Instead of formalizing their collaboration, the trio broke apart when Wagner
19 and Tarpley refused – because of Dotzenroth’s meager contributions – to grant Dotzenroth
20 the sizeable ownership stake in the conversion program that he had demanded.

21 8.9. Almost immediately, Dotzenroth began searching for new partners under the
22 banner of his own entity, Sequoia Aircraft Conversions (“Sequoia”). Rather than approach
23 new partners with his own program and business plan – which would have cost millions of
24 dollars to develop, would have required engineering expertise and project management
25 experience that Dotzenroth lacked, and would have taken several years to complete –
26 Dotzenroth simply pitched to potential partners the confidential and proprietary ~~roadmap~~
27 ~~and~~ business plan and materials developed by Wagner and Tarpley. One such partner was
28

1 ~~NIAR. NIAR became the National Institute for Aviation Research (“NIAR”) at Wichita~~
2 ~~State University willing recipient of the proprietary information that Dotzenroth had stolen~~
3 ~~from Plaintiffs. That confidential, proprietary information included technical information,~~
4 ~~such as estimated build schedules, estimated specifications, and manhour labor estimates.~~
5 ~~It also included financial information, such as cost and revenue estimates.~~

6 ~~9.—Notwithstanding his discussions with NIAR, Dotzenroth recognized the~~
7 ~~significance of Wagner’s and Tarpley’s expertise, given that Dotzenroth was using their~~
8 ~~intellectual property. In February 2020, Dotzenroth sought Tarpley’s assistance with~~
9 ~~Sequoia’s program. Tarpley refused. In March 2020, Dotzenroth met with Wagner to~~
10 ~~discuss the conversion program. Wagner also declined to join Dotzenroth’s endeavor.~~

11 ~~10.—Dotzenroth moved forward without Wagner and Tarpley. On September 29,~~
12 ~~2020, Sequoia and NIAR announced a partnership. Rather than working to develop their~~
13 ~~own conversion program—business plan, Defendants used Wagner and Tarpley’s~~
14 ~~confidential and proprietary information to accelerate the development of their program~~
15 ~~and speed their market entry. In a matter of months, NIAR Defendants and Dotzenroth~~
16 ~~Defendants – who had never before developed a conversion program rooted in Wagner’s~~
17 ~~and Tarpley’s own work that would compete directly with them. In a matter of months,~~
18 ~~with no known source of financing or research and development effort, Dotzenroth_ put~~
19 ~~together materials and a plan that took had taken Wagner and Tarpley – who had decades~~
20 ~~of conversion know-how and expertise – over a year to devise and ancreate. Defendants~~
21 ~~then used those materials to secure investment of more than \$1 million.~~

22 ~~11.10. In launching Sequoia’s for their competing conversion program, Dotzenroth~~
23 ~~enlisted Defendant Andrew Mansell (“Mansell”) and Defendant Steven Welo (“Welo”).~~
24 ~~Mansell and Welo understood the value of Plaintiffs’ conversion program because they~~
25 ~~also had access to Plaintiffs’ confidential and proprietary information. [REDACTED]~~

26 [REDACTED]
27 [REDACTED]—Less than a year later, Mansell travelled to California to
28

1 ~~meet with Wagner to discuss investment in a conversion program. Although Mansell and~~
2 ~~Welo must have known that Sequoia's conversion program was rooted in Wagner's and~~
3 ~~Tarpley's efforts, they nonetheless facilitated a funding deal between their investment firm,~~
4 ~~Split Rock Aviation LLC ("Split Rock Aviation"), and Sequoia. When Split Rock Aviation~~
5 ~~and Sequoia announced their deal on February 18, 2021, Wagner and Tarpley knew that~~
6 ~~Defendants had the investment needed to begin approaching potential customers and~~
7 ~~commercializing the conversion program that Wagner and Tarpley had worked so hard to~~
8 ~~create. through a new entity that would own that program.~~

9 11. Defendants have repeatedly used Plaintiffs' proprietary intellectual property
10 against them. Dotzenroth and Sequoia have competed
11 Defendants and NIAR publicly launched their conversion program as a venture among
12 NIAR, Sequoia, and Kansas Modification Center ("KMC"). NIAR's role is to design the
13 program, handle the engineering, and perform the conversions, while Sequoia would
14 market the program to potential customers. In doing so, NIAR, NIAR Defendants, and
15 Dotzenroth Defendants are wrongfully using trade secrets and proprietary information that
16 belong to Plaintiffs.

17 12. Defendants and NIAR are, at a critical time, unfairly competing against
18 Plaintiffs for deals with potential business partners. And Dotzenroth and Sequoia have
19 been approaching companies identified by Plaintiffs as and potential customers for their
20 conversion program, including some of the biggest names in air cargo. All the while,
21 Dotzenroth and Sequoia are falsely representing that they own the intellectual property
22 that comprises the conversion program and that Dotzenroth developed the program
23 through his own expertise and knowledge.

24 13. Plaintiffs have suffered, are suffering, and will continue to suffer both
25 damages and irreparable harm due to Defendants' wrongful conduct. Specifically,
26 Defendants have benefitted from the valuable work they have stolen, wrongfully deprived

1 Plaintiffs of their competitive edge, and harmed Plaintiffs' relationships in the conversion
2 industry, including with potential customers.

3 14. This ~~six~~seven-count Complaint alleges claims against the Dotzenroth
4 Defendants for: misappropriation of trade secrets under the Defend Trade Secrets Act,
5 misappropriation of trade secrets under the California Uniform Trade Secrets Act, false
6 advertising under the Lanham Act, unfair competition, breach of fiduciary duty, and civil
7 conspiracy. It alleges a claim against NIAR Defendants for misappropriation of trade
8 secrets under the Defend Trade Secrets Act.

9 **PARTIES**

10 15. Plaintiff Wagner Aeronautical is a California corporation with its principal
11 place of business in Escondido, California. Wagner Aeronautical is an aerospace
12 engineering company that was established in 1993 and specializes in developing aircraft
13 conversion programs. For over 20 years, Wagner Aeronautical has been one of the key
14 players in the aircraft conversion industry. Wagner Aeronautical has completed numerous
15 successful conversion programs, all certified by the FAA. It handled the complete
16 conversion for two of the most successful and longest-running passenger jets in aviation
17 history, and developed significant portions of the conversion programs for nearly a dozen
18 other aircraft.

19 16. Plaintiff Mammoth Freighters is a Delaware limited liability company with
20 its principal place of business in New York, New York. Mammoth is developing one of
21 the leading passenger-to-freighter conversion programs. Mammoth is the present owner
22 and/or licensee of the trade secrets and intellectual property at issue in this lawsuit.

23 17. Plaintiff William Wagner is a resident of California. He is the founder and
24 president of Wagner Aeronautical and a co-CEO of Mammoth Freighters. Wagner is a
25 pioneer of the aircraft conversion industry and is one of the foremost experts on aircraft
26 conversions in the world. Wagner led the team that created the first FAA-approved
27 conversion program for one popular airplane model. He is also a Designated Engineering
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1 Representative for the FAA, a certification that permits Wagner to make findings – for
2 the FAA – that engineering data complies with the appropriate airworthiness standards.
3 He developed his know-how and expertise for aircraft conversion through the creation of
4 numerous conversion programs, including programs for some of the most commercially
5 successful passenger aircraft.

6 18. Plaintiff William Tarpley is a resident of Florida. He is a co-CEO of
7 Mammoth Freighters and is also the CEO of Creative ~~Freighters LLC~~ (“Creative
8 ~~Freighters~~”). Conversion Management LLC. Tarpley is the business lead for Mammoth’s
9 conversion program. He has been managing aircraft conversions for over 30 years. With
10 a degree in aerospace engineering from the Georgia Institute of Technology, he worked
11 for 20 years at Boeing as a design engineer and as a program manager for conversion
12 programs. Before partnering with Wagner to develop Plaintiffs’ conversion program,
13 Tarpley had managed several conversion programs.

14 19. Defendant David Dotzenroth is a resident of Minnesota. Dotzenroth is the
15 CEO of Sequoia Aircraft Conversions, LLC and the President and CEO of CAI
16 Consulting Ltd. Dotzenroth is also the father of Defendant Charles Wiley Dotzenroth.²

17 20. Defendant Sequoia is a Delaware limited liability company. On information
18 and belief, Sequoia’s principal place of business is in ~~Wichita, Kansas.~~ Watertown,
19 Minnesota.

20 21. Defendant CAI Consulting Ltd. (“CAI Consulting”) is a Minnesota
21 corporation. On information and belief, CAI Consulting’s principal place of business is
22 in Watertown, Minnesota.

23 22. On information and belief, Defendant Charles Wiley Dotzenroth, also known
24 as Wiley Dotzenroth, is a resident of Minnesota. Wiley Dotzenroth is the son of
25 Defendant David Dotzenroth.

26
27 ²-As used above and below, “Dotzenroth” refers to Defendant David Dotzenroth.
28

~~1 23.—Defendant Andrew Mansell is a resident of Wisconsin. Mansell is a partner
2 at Split Rock Aviation. Before joining Split Rock Aviation, Mansell was the Executive
3 Vice President and Chief Commercial Officer at Aviation Capital Group (“ACG”).~~

~~4 23. On information and belief, Defendant Steven Welo is a resident of Minnesota.
5 Welo is a partner at Split Rock Aviation. Defendant John Tomblin is a resident of Kansas.
6 Tomblin is the Senior Vice President for Industry and Defense Programs at Wichita State
7 University and the Executive Director of NIAR. As described below, Tomblin is
8 personally responsible for, and involved in, the misappropriation of Plaintiffs’ trade
9 secrets. Additionally, on information and belief, Tomblin, as the Executive Director of
10 NIAR, has the authority to discontinue NIAR’s work on any particular program and to
11 order the cessation of NIAR Defendants’ misappropriation of Plaintiffs’ trade secrets.~~

~~12 24. Defendant David Jones is a resident of Kansas. Jones is the Director of NIAR
13 WERX at Wichita State University. NIAR WERX is a department within NIAR that
14 provides engineering and other services for aviation companies. NIAR WERX is
15 responsible for designing and implementing NIAR’s conversion program. As described
16 below, Jones is personally responsible for, and involved in, the misappropriation of
17 Plaintiffs’ trade secrets. Additionally, on information and belief, Jones, as the Director of
18 NIAR WERX, has the authority to discontinue and to order the cessation of NIAR
19 Defendants’ misappropriation of Plaintiffs’ trade secrets.~~

~~20 25. Defendant Ronald Towry is a resident of Kansas. Towry is the chief engineer
21 at NIAR. As NIAR’s chief engineer, Towry is responsible for the technical design and
22 development of NIAR’s conversion program. As described below, Towry is personally
23 responsible for, and involved in, the misappropriation of Plaintiffs’ trade secrets.
24 Additionally, on information and belief, Towry supervises and oversees the various
25 engineers and student workers who are responsible for the engineering and technical
26 components of the conversion program. In that capacity, Towry has the authority to~~

1 discontinue and order the cessation of NIAR Defendants' misappropriation of Plaintiffs'
2 trade secrets.

3 26. Defendant Eric Kivett is a resident of Kansas. Kivett is a program manager
4 at NIAR with responsibility for NIAR's conversion program. As described below, Kivett
5 is personally responsible for, and involved in, the misappropriation of Plaintiffs' trade
6 secrets.

7 27. On information and belief, John Does 1 through 99 are employees of NIAR
8 and students of Wichita State University, whose specific identities are presently unknown
9 to Plaintiffs. John Does 1 through 99 are involved in managing, developing, and
10 implementing NIAR's program. As described below, John Does 1 through 99 are
11 personally responsible for, and involved in, the misappropriation of Plaintiffs' trade secrets
12 by NIAR.

13 14 **JURISDICTION AND VENUE**

15 24-28. The Court has subject matter jurisdiction under 28 U.S.C. §§ 1331 and 1367,
16 the trade secrets laws of the United States (18 U.S.C. §§ 1836 and 1839), and the false
17 advertising laws of the United States (15 U.S.C. § 1125). This Court has supplemental
18 jurisdiction over the asserted state law claims underpursuant to 28 U.S.C. § 1367(a) because
19 the federal and state law claims are so related that they form part of the same case or
20 controversy.

21 25-29. This Court has personal jurisdiction over Defendants because they have
22 purposefully directed their activities at the State of California and have purposefully
23 availed themselves of the rights and benefits of the laws of this State and this District.
24 Regarding the allegations in this Complaint, Defendants' one or more acts of
25 misappropriation of trade secrets, false advertising, unfair competition, breach of fiduciary
26 duty, and civil conspiracy were intentional, were expressly aimed at a company and
27 individual in California (Wagner Aeronautical and Wagner), and caused harmedharm that
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1 Defendants knew would be suffered by Wagner Aeronautical and Wagner in California.
 2 ~~Dotzenroth~~ ~~also~~ met with Wagner and Tarpley in California to begin planning their
 3 development of Plaintiffs’ conversion program. Jones and Towry also met with Wagner
 4 at Wagner Aeronautical’s office in California. Throughout the relevant time, ~~Dotzenroth~~
 5 ~~and Wiley~~ Defendants were dealing directly with Wagner and Wagner
 6 Aeronautical in California, ~~both for Dotzenroth’s venture with Wagner.~~ Additionally, on
 7 information and Tarpley and when Dotzenroth formed his own conversion program belief.
 8 Defendants are competing directly with Sequoia. ~~Mansell also travelled to Plaintiffs~~
 9 ~~in 2020 to meet~~ ~~Wagner about the~~
 10 ~~conversion program~~

11
 12 26-30. Venue is proper in this District under 28 U.S.C. §1391(b) because a
 13 substantial part of the events giving rise to the ~~claim~~ claims occurred in this District, a
 14 substantial part of the property that is the subject of the action is situated in this District,
 15 and the Court has personal jurisdiction over Defendants in this District. Some of the critical
 16 interactions that are the subject of this First Amended Complaint involved Defendants
 17 dealing directly with Wagner Aeronautical and Wagner, who are both located in this
 18 District. Further, many of the misappropriated trade secrets were located at Wagner
 19 Aeronautical in Escondido, California.

20 **FACTUAL ALLEGATIONS**

21 **I. THE PASSENGER-~~to~~To-FREIGHTER CONVERSION INDUSTRY**

22 27-31. The passenger-to-freighter (“P2F”) conversion industry converts commercial
 23 passenger aircraft into cargo freighters that can be used for shipping and carrying large
 24 loads by the world’s leading air freight companies. The goal is to engineer modified
 25 aircraft that are as spacious, light, and efficient as possible through a detailed, complex
 26 process that is quick and cost-effective.

1 28.32. A P2F conversion demands extensive know-how and expertise. It requires
2 identification of the specific aircraft model best suited for freighter conversion, creation of
3 a methodology for converting the aircraft, calculation of the most efficient and cost-
4 effective engineering strategy for the conversion, obtaining certification of the conversion
5 from the FAA, and marketing the conversion to potential investors, partners, and
6 customers. This collection of information and know-how is packaged into a “conversion
7 program.”

8 29.33. Aircraft conversion programs are regulated by the FAA and other
9 international regulatory agencies. Each conversion program must receive a “supplemental
10 type certificate” (“STC”) from the FAA, which constitutes FAA approval to modify an
11 aeronautical product from its original design. The STC standards are extremely rigorous
12 and require meticulous planning.

13 30.34. Because of the nature and scope of the undertaking, development of an FAA-
14 certified conversion program is labor- and capital-intensive. Conversion companies must
15 spend over 100,000 engineering hours and invest tens of millions of dollars to develop a
16 conversion program that will meet the FAA’s requirements. A conversion program begins
17 with years of intense planning to identify the engineering and design modifications
18 necessary to achieve a freighter that maximizes payload and efficiency. Those
19 modifications cover a “nose-to-tail” reconfiguration of the airplane – everything from
20 modifying the placement of cargo doors and the structure of the floor beams to re-wiring
21 the electrical and other systems. Development of a conversion program entails over
22 100,000 engineering hours, hundreds of analyses and reports, and hundreds of drawings
23 and schematics. And because the purchase and conversion of a passenger aircraft requires
24 an intensive capital investment, all costs and logistics must be precisely calculated upfront
25 and reflected in the conversion program. Development of the conversion program thus
26 requires extensive financial and cost-modeling expertise as well as deep project
27 management experience.

1 **II. PLAINTIFFS’ P2F CONVERSION PROGRAM**

2 **A. The Genesis of Plaintiffs’ Conversion Program**

3 31-35. Because P2F conversions are highly-specialized, the aircraft conversion
4 industry has only a few key players with the know-how and expertise to develop and
5 operate conversion programs. Wagner Aeronautical, Wagner, and Tarpley are among that
6 handful of players.

7 32-36. In or around 2017 or 2018, Wagner, Tarpley, and Dotzenroth decided to start
8 a conversion program for a specific model of jumbo jet (the “Jumbo Jet”) made by one of
9 the world’s largest airplane manufacturers (the “Major Manufacturer”). The Jumbo Jet has
10 been highly successful and popular with airlines for over 25 years. Wagner, Tarpley, and
11 Dotzenroth met in southern California to discuss their plans. They emphasized the need to
12 keep their business plan and engineering strategy confidential, and all agreed to do so.

13 33-37. Each person was to contribute something specific to the effort. Wagner,
14 personally and through Wagner Aeronautical, would provide the engineering expertise for
15 designing and developing the technical aspects of the Jumbo Jet conversion program,
16 drawing on his vast knowledge of the FAA’s STC requirements and his experience
17 obtaining STCs for prior conversion programs. Tarpley would provide project
18 management and financial expertise as well as marketing and customer relations. He was
19 responsible for the financial and logistical aspects of the program. With their combined
20 know-how and expertise, Tarpley and Wagner were confident that they could develop the
21 logistical, engineering, and marketing strategy needed to attract investors, secure
22 certification from the FAA, and sell converted aircraft to customers that include the world’s
23 leading air freight companies. Wagner had done this numerous times over the past 20 years
24 and had a unique model to accomplish that objective efficiently and reliably.

25 34-38. Meanwhile, Dotzenroth – who lacked expertise and experience with
26 conversion programs – was to secure funding and investment for the conversion program

1 based on Wagner and Tarpley's business plan and experience. Dotzenroth acted
2 individually, and through his company, CAI Consulting.

3 **B. Wagner Aeronautical, Wagner, and Tarpley Develop the Business Plan,**
4 **the Engineering Strategy, and the Roadmap to Success**

5 35-39. Wagner, working through Wagner Aeronautical, and Tarpley set to work
6 constructing, detail-by-detail, the foundational plans and strategy for the Jumbo Jet
7 conversion program, including their official business plan as well as a budget and schedule
8 roadmap.

9 36-40. The business plan was reflected in PowerPoint slide decks that described the
10 conversion process, outlined a customized development schedule, and delineated a plan for
11 achieving FAA certification. The business plan included specific engineering details about
12 the Jumbo Jet conversion program, including the specific design features, costs, logistics,
13 and planning that would be utilized. The plan also detailed the business case for the Jumbo
14 Jet conversion program, including detailed material costs and labor estimates to convert
15 the aircraft. It detailed the business and marketing strategy and included a plan for
16 contacting potential investors and customers. It described both the financial and functional
17 benefits of the Jumbo Jet conversion program that Wagner Aeronautical, Wagner, and
18 Tarpley had developed, highlighting unique aspects of their design that provided
19 competitive advantages over other conversion programs. The business plan had multiple
20 iterations, and Wagner and Tarpley customized the plan for meetings with different
21 potential investors or customers.

22 37-41. The budget and schedule roadmap – at that time, a 15-tab Microsoft Excel
23 spreadsheet – provided a more comprehensive version of the data in the PowerPoints. The
24 roadmap details the building blocks for the conversion program, including revenue
25 projections, month-by-month cost estimates, development costs, schedule estimates, the
26 rate of return, program input financing, and staffing inputs. To generate the data in the
27 roadmap (which was ultimately used in the business plan, too), Wagner Aeronautical
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1 completed the preliminary design work for the Jumbo Jet conversion, including a
2 specification, drawing tree, main deck cargo pallet layout, a weight analysis, and other
3 analyses and feasibility studies. This information is confidential, proprietary, and highly
4 valuable.

5 38.42. The costs and resources required to create the business plan and roadmap were
6 enormous. Even with over 50 years of combined experience in the conversion industry,
7 Wagner and Tarpley still needed over a year to create the business plan and budget and
8 schedule roadmap for the Jumbo Jet program. Creation of the PowerPoint slide deck and
9 15-tab Excel spreadsheet required ~~tens of~~ thousands of ~~engineering~~ hours and ~~millions~~
10 ~~of~~ over a million dollars in resources, which included work by the engineering team at
11 Wagner Aeronautical. Without the advantage of Wagner's and Tarpley's know-how and
12 expertise with previous conversion programs, the costs for compiling this information
13 would have been far greater.

14 39.43. Dotzenroth had access to the proprietary information created by Wagner
15 Aeronautical, Wagner, and Tarpley. Dotzenroth received emails containing drafts of the
16 business plan, information used for the roadmap, and other important documents and
17 communications related to the business strategy, engineering strategy, and marketing
18 strategy for the conversion program. Dotzenroth also had access to shared folders,
19 including Tarpley's cloud storage folder, that contained copies of those documents and that
20 information. In addition to sharing the business plan and roadmap with Dotzenroth,
21 Wagner and Tarpley also discussed other strategies for the conversion program, including
22 how they intended to approach, and negotiate with specific investors and customers.
23 Dotzenroth never had a license or permission to use any of that proprietary information
24 outside of his work with Wagner Aeronautical, Wagner, and Tarpley.

25 40.44. Although Dotzenroth had access to the documents, his contributions to the
26 development of the business plan, the budget and schedule roadmap, and the conversion
27 program were minimal. Dotzenroth lacked any engineering and technical expertise and
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1 was not capable of contributing meaningfully on that front. Dotzenroth tried to offer
2 comments on the PowerPoint slide deck and spreadsheets but did so with obsolete versions
3 rather than the most current drafts that Tarpley and Wagner were editing, revising, and
4 updating.

5 **C. Wagner Aeronautical, Wagner, and Tarpley Take Numerous Steps To**
6 **Protect Their Valuable Proprietary Information**

7 41.45. The confidential and proprietary information reflected in Plaintiffs' business
8 plan and roadmap is absolutely critical to a successful conversion program – and, for that
9 reason, highly valuable. Those documents prove the commercial viability of the program,
10 pave the way toward FAA certification, and convince investors, commercial partners, and
11 customers that the conversion program is viable. Because conversion programs are
12 extremely capital-intensive and time-intensive, investors, partners, and customers will only
13 commit to provide funding or to purchase aircraft if they are convinced of the economic
14 and engineering feasibility of the program. In that way, the tens of millions of dollars of
15 investment needed to operate a conversion program depends directly on the ability to
16 demonstrate the viability of a program through a business plan and the budgeting and
17 scheduling information contained in the roadmap. Developing the business plan and the
18 budget and schedule roadmap thus permit a particular conversion program to compete with
19 other programs for investment and business and provide a competitive advantage.

20 42.46. Given the extraordinary value of their confidential and proprietary
21 information, Wagner Aeronautical, Wagner, and Tarpley implemented numerous
22 confidentiality protocols. For the information developed at Wagner Aeronautical, Wagner
23 required his employees to sign NDAs as a condition of their employment. Wagner
24 Aeronautical computers were locked, such that external devices could not be attached to
25 prevent the unauthorized download of information. Wagner Aeronautical's information
26 technology personnel also monitor the transfer of information on the company's computer
27 system to ensure that information is used properly.

1 43.47. Wagner and Tarpley also took individual actions to ensure that the business
2 plan, budget and schedule roadmap, and underlying data and work-product remained
3 confidential. Those actions included placing “PROPRIETARY” legends on the materials
4 and only sharing those materials with third parties on a need-to-know basis. The budget
5 and schedule roadmap, in particular, was closely held and was not shared with anyone other
6 than Wagner Aeronautical, Wagner, Tarpley, Dotzenroth, and individuals working on their
7 behalf.

8 44.48. Potential investors, partners, and customers were routinely required to sign
9 NDAs before receiving access to any of the proprietary and confidential information about
10 the Jumbo Jet conversion program, including the business plan, or otherwise understood
11 and agreed that the information was confidential. The NDAs prohibited the signatories
12 from disclosing or using “Confidential Information,” and broadly defined that term to
13 include “know-how, methods, ideas, creations, improvements, works of authorship,
14 materials, processes, inventions, techniques, data, programs, prototypes, source code, tools,
15 patentable materials, trade secrets, sales information, business and marketing plans and
16 strategies, financial information and cost and pricing information.” The NDAs further
17 provided that the disclosing parties “would be irreparably damaged and may have no
18 adequate remedy at law” for any unauthorized disclosure.

19 45.49. Wagner, Tarpley, and Dotzenroth all understood that the Jumbo Jet
20 conversion program work-product – particularly, the business plan and budget and
21 schedule roadmap – were proprietary and confidential information that could not be
22 disclosed outside their group without adequate protections. Indeed, Dotzenroth was one of
23 the most vocal advocates for these protective measures. He repeatedly emphasized to
24 Wagner and Tarpley the need for NDAs before meetings with potential investors and other
25 third parties. And, in one text message that Dotzenroth sent to Tarpley, he encouraged
26 Tarpley to “put a copyright insignia on the bottom” of certain charts “as well as
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1 proprietary.” Thus, Dotzenroth knew and understood that the Jumbo Jet conversion
2 program work-product was proprietary and confidential.

3 **D. Wagner and Tarpley Part Ways with Dotzenroth**

4 ~~46.50. With the business plan and budget and schedule roadmap largely~~
5 ~~complete~~ Toward the end of 2018, Wagner, Tarpley, and Dotzenroth turned their attention
6 to identifying potential sources of funding for the conversion program. Securing funding
7 for the contemplated conversion program was Dotzenroth’s responsibility and his
8 anticipated contribution to the collaboration.

9 ~~47.51. Beginning in late 2018, Wagner, Tarpley, and Dotzenroth began meeting with~~
10 ~~potential investors and customers. As explained above, participants in such meetings~~
11 ~~signed NDAs. The business plan slide decks, which were shared with meeting participants,~~
12 ~~also had a “PROPRIETARY” legend. Dotzenroth, in particular, insisted on such protective~~
13 ~~measures, and he personally signed these NDAs.~~

14 48.—Despite several meetings with investors, by the middle of 2019, Dotzenroth
15 had been unsuccessful in securing funding for the Jumbo Jet conversion program. ~~But by~~
16 ~~May 2019, Tarpley, Wagner, and Dotzenroth’s fundraising efforts floundered for months.~~
17 ~~By the middle of 2019, Dotzenroth were in discussions with another investment firm~~
18 ~~about investment in the conversion still had not obtained financing for the program.~~

19 ~~49.52. As those discussions progressed, In May 2019,~~ Wagner, Tarpley, and
20 Dotzenroth considered ways to formalize their relationship. Up to that point, the three had
21 collaborated in their individual capacities or through the companies that each man owned.
22 In May 2019, Tarpley sent to Dotzenroth and Wagner a draft LLC agreement for a company
23 that would be owned by Tarpley, Wagner, and Dotzenroth to carry out their conversion
24 program through a wholly-owned subsidiary.

25 ~~50.53. Tarpley, however, struggled to find a role for Dotzenroth that would justify~~
26 ~~the one-third ownership interest in the LLC that Dotzenroth had requested. Because~~
27 ~~Dotzenroth lacked P2F conversion experience and expertise, there were few roles he could~~
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1 fill. And, when Tarpley would suggest certain roles for Dotzenroth, Dotzenroth would
2 express hesitancy or reluctance to accept the full scope of responsibilities that Tarpley had
3 proposed.

4 51-54. [REDACTED]

5 [REDACTED] Mansell had recently left his job at Aviation Capital
6 Group, an aircraft leasing company, but had not yet joined Split Rock Aviation. Welo
7 signed the standard NDA [REDACTED]

8 [REDACTED]
9 [REDACTED]
10 [REDACTED]
11 [REDACTED]
12 52-55. After the meeting, Dotzenroth hosted dinner at his home for Tarpley, Mansell,
13 and Welo. After Welo left, Tarpley remained to visit with Dotzenroth and Dotzenroth's
14 wife. Dotzenroth and his wife questioned Tarpley about the ownership stake that
15 Dotzenroth would be given in the conversion program. They demanded a full one-third of
16 the ownership, even though Dotzenroth was unwilling to accept significant responsibility
17 and had made only minor contributions – if any, at all – to the development of the business
18 plan and budget and schedule roadmap.

19 53-56. [REDACTED]

20 [REDACTED]
21 [REDACTED]
22 [REDACTED]
23 [REDACTED]
24 Notwithstanding Dotzenroth's failure – yet again – to secure funding, Dotzenroth
25 continued to demand a one-third ownership interest in the LLC. When it became clear
26 Dotzenroth would not receive a one-third share, he stopped collaborating with Tarpley and
27 Wagner around the summer of 2019.

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~~54.— Following Dotzenroth’s questioning of Tarpley about Dotzenroth’s desired ownership interest in the conversion program, and Dotzenroth’s failure—yet again—to secure funding, Wagner and Tarpley caucused to discuss Dotzenroth’s value add to the conversion program. They both recognized that Dotzenroth’s contributions—if any—were small compared to his requested stake. Given Dotzenroth’s inability and unwillingness to contribute meaningfully to their conversion program, Wagner and Tarpley decided to part ways with him. In June 2019, Wagner, Tarpley, and Dotzenroth attended a previously scheduled meeting with another investment firm. But, following that meeting, Wagner and Tarpley no longer included Dotzenroth on communications about their conversion program.~~

III. DEFENDANTS’ SCHEME TO STEAL PLAINTIFFS’ PROPRIETARY INFORMATION, COMPETITIVE EDGE, ~~AND~~ CUSTOMERS

A. Dotzenroth Approaches NIAR About a Jumbo Jet Conversion Program Using Plaintiffs’ Work

~~55-57.~~ After failing to receive the one-third stake in the conversion program that he desired, Dotzenroth set to work pursuing his own Jumbo Jet conversion program. Recognizing that he lacked the technical expertise and means to establish such a program himself, Dotzenroth instead stole the extensive work-product of Wagner and Tarpley, borne of their experience, know-how, and ingenuity as well as thousands of hours of work by them and the Wagner Aeronautical engineering team. Dotzenroth ultimately devised and executed a scheme to use Tarpley’s and Wagner’s proprietary information for his own advantage and benefit.

~~58. Dotzenroth began searching for a new partner to pursue his own Jumbo Jet conversion program. He found that partner in NIAR, which, through NIAR Defendants, willingly and knowingly accepted the work that Dotzenroth had stolen from Plaintiffs and which eagerly used that work to develop, launch, and implement a competing conversion program in concert with Dotzenroth Defendants. At no time did Plaintiffs consent to the~~

1 Dotzenroth Defendants' disclosure of, or the NIAR Defendants' receipt or use of,
2 Plaintiffs' proprietary and confidential information.

3 59. In or around late October or early November 2019, Dotzenroth approached
4 NIAR about establishing a Jumbo Jet conversion program. Almost immediately,
5 Dotzenroth began sending NIAR information that he had stolen from Plaintiffs. On
6 November 6, 2019, Dotzenroth emailed Defendant David Jones, telling Jones: "I'm going
7 to piece meal some educational data to you while we pull financial investor slides from our
8 presentations before sending technical data." Dotzenroth's email forwarded a prior email
9 that included a line graph comparing the payload-range capability for a Jumbo Jet freighter
10 and two other common aircraft that also serve as freighters. Commentary in the email
11 associated with the line graph explained that the Jumbo Jet converted freighter could
12 function as a replacement for one of the other common aircraft identified on the graph.
13 That email, and the associated commentary, was not Dotzenroth's work. In truth, Tarpley
14 had sent that email to Dotzenroth and Wagner, about a year earlier, on November 8, 2018.

15 60. A few minutes later, Dotzenroth sent Jones another email. This email – which
16 contained no text – simply forwarded an email that included another payload-range line
17 graph entitled "Freighter Analysis: Payload-Range Capability." Like the chart in
18 Dotzenroth's earlier email, this "Freighter Analysis" depicted payload-range curves for a
19 Jumbo Jet freighter and another popular aircraft. It also depicted estimated payload-range
20 curves for different models of a Jumbo Jet that had been converted into a freighter.
21 Dotzenroth had not prepared this chart and did not do the "Freighter Analysis" depicted in
22 the chart. In truth, that analysis was the product of Wagner and Tarpley's efforts. Tarpley
23 had created that chart and then emailed it to Wagner, Dotzenroth, and Wiley Dotzenroth in
24 January 2019.

25 61. Dotzenroth sent Jones a third email containing Plaintiffs' work on November
26 6, 2019. That email contained a "build schedule" for the first six converted Jumbo Jet
27 freighters. For each aircraft, the schedule displayed the months within the program during
28

1 which the conversion would occur, breaking down the build by both in-hanger and out-of-
2 hanger build time. Dotzenroth did not create the build schedule. Wagner and Tarpley had,
3 in fact, done that work in 2018. Drawing on their experience, expertise, and know-how,
4 Wagner and Tarpley estimated the schedule for converting the first six aircraft and used
5 that estimate to produce the build schedule. Tarpley had emailed the build schedule to
6 Dotzenroth on November 2, 2018.

7 62. Dotzenroth knew this information would be useful to Jones. Dotzenroth did
8 not have the expertise and experience to competently prepare a build schedule for a Jumbo
9 Jet conversion program like the schedule that Dotzenroth emailed to Jones on November
10 6, 2019. Moreover, Jones knew that Dotzenroth lacked that experience and expertise.

11 63. Jones knew, or at least had reason to know, that Dotzenroth was not authorized
12 to provide NIAR with that information. The emails had indications that they were
13 forwarded from someone else and the metadata, for some of the documents, revealed the
14 author to be “Bill.”

15 **B. David and Wiley Dotzenroth Present Wagner and Tarpley’s Business**
16 **Plan to NIAR**

17 64. On November 18, 2019, Dotzenroth sent Jones another email with the
18 “financial investor slides” that Dotzenroth had previously promised to send Jones.
19 Dotzenroth attached a presentation, dated November 16, 2019, entitled “[Jumbo Jet]
20 Converted Freighter Project.” The title page of the presentation also included the NIAR
21 logo, and the subsequent slides included information about the competitive viability of the
22 proposed Jumbo Jet conversion program, target weights and specifications for the proposed
23 converted freighter, information about the payload and cargo capacity of the proposed
24 converted freighter, a schematic of the proposed cargo pallet layout for the converted
25 freighter, and a proposed build schedule for the first six converted freighters, among other
26 information.

1 65. Those slides and that information were Plaintiffs’ work. Many of the slides
2 were exact duplicates of slides from versions of Plaintiffs’ business plan that Plaintiffs had
3 used when engaging potential investors in 2018 and 2019. One slide even referenced
4 “Mammoth” by name, providing the anticipated cargo capacity for different versions of the
5 “Mammoth” converted freighter.

6 66. [REDACTED]
7 [REDACTED]
8 [REDACTED]
9 [REDACTED]

10 56-67. Dotzenroth not only divulged Plaintiffs’ confidential and proprietary
11 information through emails but also through numerous in-person meetings at NIAR. In
12 November 2019, Dotzenroth organized a meeting with NIAR in Kansas to give a
13 presentation about a “new project” that he was working on with his son, Wiley Dotzenroth.
14 Wiley Dotzenroth, at that time, was a 24-year-old recent college graduate. He did not have
15 the experience, expertise, and know-how of Wagner and Tarpley. Interested in harnessing
16 Wagner’s expertise in P2F conversions, and in piggy-backing on the credibility and
17 reputation of Wagner Aeronautical, Dotzenroth invited Wagner to the meeting in Kansas.
18 The meeting attendees included executives from NIAR, including Jones and Towry, and
19 several Kansas state officials. ~~David Jones, the Director of NIAR’s Engineering Design and~~
20 ~~Modification Team, was one of the meeting attendees. Dotzenroth did not tell Wagner that he~~
21 ~~had provided Wagner and Tarpley’s work to Jones and others at NIAR.~~

22 57-68. ~~When the time arrived for the meeting, however~~ In December 2019, Dotzenroth
23 ~~told Wagner~~ organized and NIAR hosted another meeting – attended by Tomblin, Jones,
24 Towry, and numerous NIAR engineers – to brief potential partners and investors about
25 Defendants’ efforts to develop a conversion program. During the course of that ~~Wagner~~
26 ~~was not invited to the business~~ meeting, Dotzenroth and Wiley made a presentation;
27 ~~Dotzenroth had arranged for Wagner to tour NIAR’s facilities instead.~~ that included
28

confidential, proprietary information of Wagner and Tarpley. On information and belief, Dotzenroth and Wiley ~~Dotzenroth~~ falsely represented that they had developed their own conversion program when, in reality, they were simply presenting the conversion program that Wagner and Tarpley had developed. ~~Following the meeting (and after Wagner's tour of NIAR), Jones approached Wagner. Jones suggested to Wagner that Dotzenroth lacked the know-how and expertise to create a Jumbo Jet conversion program.~~

69. A few months later, [REDACTED]

[REDACTED] That slide deck was nearly an exact duplicate of the business plan that Wagner and Tarpley had developed and provided to Dotzenroth in confidence. [REDACTED]

[REDACTED], and neither Wiley nor David Dotzenroth told Wagner that

70. [REDACTED]

71. Potential investors also attended the meetings at NIAR in December 2019, including Jim Gibbs, Collis Chandler, and Brian Mackey. Wagner was also invited to participate in the December 2019 meetings. Although Wagner had attended portions of the multi-day December 2019 meetings at NIAR, Wagner was not permitted to attend the

1 business presentation – the same presentation that [REDACTED]
2 [REDACTED] To keep Wagner out of the room, Dotzenroth had arranged for Wagner to take
3 a tour of NIAR’s facilities.

4 72. As in November, Dotzenroth did not tell Wagner that he and Wiley would be
5 giving a presentation that was nearly a carbon copy of the business plan that Wagner and
6 Tarpley had created. At no time did Wagner consent to, or authorize Defendants to use
7 Wagner and Tarpley’s work product for the purpose of designing, launching, or
8 implementing a conversion program that would compete with Wagner and Tarpley’s.

9 73. NIAR Defendants knew that the information in the Dotzenroths’ December
10 2019 presentation was not the Dotzenroths’ own work. David Jones later admitted to
11 Wagner that he knew that Dotzenroth had not developed the program described in the
12 presentations and that the program must have been created by Wagner. Jones further knew
13 that Wagner was not present when the Dotzenroths made their business presentation to
14 Jones and other NIAR employees and that Dotzenroth intentionally excluded Wagner from
15 the presentation. That, too, gave Jones reason to know that the Dotzenroths’ use of Wagner
16 and Tarpley’s information was not authorized.

17 **C. Dotzenroth Defendants and NIAR Defendants Use Wagner and**
18 **Tarpley’s Proprietary Information To Secure Funding and Develop**
19 **Their Own Program**

20 74. On information and belief, the Dotzenroths’ presentations – copied from
21 versions of Plaintiffs’ business plans – induced NIAR Defendants to agree to develop a
22 Jumbo Jet conversion program with Dotzenroth. Almost immediately after the December
23 2019 meeting, Defendants began using Plaintiffs’ proprietary information – the result of
24 over a year of work, thousands of hours of effort, and significant resources – to plan for
25 the conversion program.

26 75. [REDACTED]
27 [REDACTED]

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[REDACTED]

[REDACTED]

[REDACTED]

76.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

77.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

78.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

1 D. [REDACTED]
2 [REDACTED]
3 [REDACTED]

4 79. [REDACTED]
5 [REDACTED]
6 [REDACTED]

7 [REDACTED] That business plan was a near duplicate of a version of Plaintiffs’ business
8 plan that Tarpley had sent to Dotzenroth in March 2019. It included all of the same
9 confidential and proprietary information from the previous versions of the business plan
10 that the Dotzenroths had shared with NIAR – cost and budget estimates, manhour labor
11 estimates, projected revenues and financial metrics, schedules, and other valuable
12 information necessary to develop and launch a conversion program.

13 80. [REDACTED]

14 [REDACTED] The Mammoth Conversions logo appeared on the
15 footer of nearly every single page of the business plan. The plan also included references
16 to Wagner Aeronautical, which the plan described as an Escondido, California-based
17 engineering firm, and to Wagner. Thus, Jones must have known the plan was the
18 proprietary information of Wagner and Tarpley, not Dotzenroth.

19 81. [REDACTED]

20 [REDACTED]
21 [REDACTED]
22 [REDACTED]
23 [REDACTED]

24 82. [REDACTED]

25 [REDACTED]
26 [REDACTED]
27 [REDACTED]

1 83. By March 2020, NIAR Defendants and others at NIAR had received from the
2 Dotzenroths extensive proprietary and confidential information concerning Plaintiffs'
3 conversion program. NIAR Defendants knew that Plaintiffs were the source of that
4 information, and also knew, or had reason to know, that the Dotzenroths were not
5 authorized to share Plaintiffs' proprietary information with them. Yet NIAR Defendants
6 willingly accepted the information anyway and, working with the Dotzenroth Defendants,
7 used it to craft – at an accelerated pace – a plan for a Jumbo Jet conversion program.
8 Indeed, Plaintiffs, with decades of conversion experience, required over a year to create
9 the business plan and roadmap. Jones, Towry, and the other NIAR Defendants had
10 seemingly accomplished that feat in months.

11 **IV. DEFENDANTS CONTINUE TO SEEK INFORMATION FROM TARPLEY, WAGNER, AND**
12 **WAGNER AERONAUTICAL**

13 58-84. In or around February 2020, Dotzenroth attempted to enlist Tarpley's
14 assistance for Dotzenroth's conversion program. Dotzenroth contacted Tarpley, saying
15 that he was very excited to share information about a big, new project that Dotzenroth was
16 working on through his new company, Sequoia Aircraft Conversions. Dotzenroth insisted
17 that Tarpley sign an NDA.

18 59-85. [REDACTED]
19 [REDACTED]
20 [REDACTED]
21 [REDACTED]
22 [REDACTED]
23 [REDACTED]
24 [REDACTED]
25 [REDACTED]
26 [REDACTED]

1 60-86. [REDACTED]

2 [REDACTED]
3 [REDACTED]
4 [REDACTED]
5 Tarpley did not believe that Dotzenroth would actually enter the P2F market with his own
6 conversion program. ~~At that point, Dotzenroth had no funding or engineering resources.~~

7 61-87. Dotzenroth was undeterred. In March 2020, Dotzenroth ~~again,~~ with NIAR
8 Defendants, sought to enlist Wagner and Wagner Aeronautical to support a conversion
9 program that Dotzenroth would lead. Having continued his discussions with NIAR,
10 Dotzenroth arranged for representatives of NIAR, including Jones, to visit Wagner
11 Aeronautical in Escondido, California. ~~Dotzenroth also made the trip, and NIAR required~~
12 ~~Wagner to execute an NDA.~~

13 62-88. In anticipation of that meeting, ~~NIAR's~~ Jones on March 3, 2020, sent a
14 proposed agenda and PowerPoint presentation to Wagner [REDACTED]
15 [REDACTED] Dotzenroth was copied on Jones's email. [REDACTED]

16 [REDACTED]
17 [REDACTED]
18 [REDACTED]
19 [REDACTED]
20 [REDACTED]
21 63-89. [REDACTED]

22 [REDACTED]
23 [REDACTED]
24 [REDACTED]
25 [REDACTED] Under the guise of exploring a
26 contract with Wagner Aeronautical to perform work for Dotzenroth's conversion program,
27
28

1 Dotzenroth and Jones thus sought information proprietary to Wagner's and Tarpley's
2 Jumbo Jet conversion program.

3 64.90. In April 2020, Wiley Dotzenroth sent Wagner another PowerPoint
4 presentation that Sequoia planned to share with a Major Manufacturer. The PowerPoint
5 presentation described Sequoia's proposed Jumbo Jet conversion program and identified
6 "Sequoia Conversions" as the "Intellectual Property Owner." That statement was false
7 because it represented that Sequoia owned the intellectual property for its conversion
8 program. In truth, Sequoia did not own the intellectual property. As both David
9 Dotzenroth and Wiley Dotzenroth well knew, the Jumbo Jet conversion program had been
10 developed by Wagner, Tarpley, and Wagner Aeronautical. Nonetheless, on information
11 and belief, David Dotzenroth, Wiley Dotzenroth, and Sequoia repeated that false
12 representation to potential partners and customers, including during meetings with Major
13 Manufacturer in late 2020 and early 2021. On information and belief, David Dotzenroth,
14 Wiley Dotzenroth, and Sequoia repeated those falsehoods during another meeting with an
15 air cargo operator in early 2021.

16 ~~65. In September 2020, Dotzenroth and Sequoia publicly launched their own Jumbo~~
17 ~~Jet conversion program in partnership with NIAR to compete directly with Wagner and~~
18 ~~Tarpley. A September 29, 2020, NIAR issued press release explained:~~

19 91. As of September 2020, Jones, Towry, and NIAR were still in need of
20 Wagner's know-how and expertise. Again, under the guise of discussing a potential
21 contract with Wagner, Jones and Towry arranged to visit Wagner Aeronautical in
22 California on September 15, 2020. In anticipation of that visit, Jones and Towry prepared
23 an agenda that included [REDACTED]

24 [REDACTED]
25 [REDACTED]
26 [REDACTED] Wagner met with Jones and

1 Towry but did not provide the details of Plaintiffs’ business plan or other confidential and
2 proprietary information.

3 92. At no time did Plaintiffs’ consent to NIAR, or anyone at NIAR, using their
4 confidential and proprietary information.

5 **V. NIAR LAUNCHES A CONVERSION PROGRAM WITH SEQUOIA AND KMC**

6 93. On September 29, 2021, NIAR issued a press release announcing the launch
7 of Defendants’ Jumbo Jet conversion program. It explained:

8 Through a new partnership with Sequoia Aircraft Conversions and the Kansas
9 Modification Center, the National Institute for Aviation Research at Wichita
10 State University will begin a large-scale entrepreneurial [Major Manufacturer
11 Jumbo Jet] passenger-to-freighter conversion program.

12
13 The program, led by NIAR’s Engineering Design and Modification Team
14 (EDM), will focus on the conversion of [Jumbo Jet] passenger aircraft from
15 passenger-transport operations into cargo aircraft to meet the growing e-
16 commerce high-volume freight transportation market.

17 ***

18 Sequoia Aircraft Conversions will market the passenger to freighter
19 conversions. Kansas Mod Center will own the STC and license the
20 conversions.

21 ~~66. With a confirmed engineering and testing partner in NIAR, Dotzenroth and~~
22 ~~Sequoia finalized a funding deal with Split Rock Aviation, Mansell, and Welo in February 2021.~~
23 ~~Split Rock Aviation’s press release announced that Sequoia’s Jumbo Jet conversion program~~
24 ~~“will focus on weight reductions and design efficiency to meet the most stringent environmental~~
25 ~~and regulatory requirements” and that the “engineering package will be completed by Wichita~~
26 ~~State University National Institute of Aviation Research.” However, as Mansell and Welo~~

~~1 knew because they had been courted as potential investors in Wagner and Tarpley's conversion
2 program in 2019—Sequoia's conversion program was not the result of Dotzenroth's own efforts,
3 but instead derived from the business plan and roadmap that Wagner and Tarpley had created
4 after more than a year of non stop laboring, thousands of engineering hours, and millions of
5 dollars. With partnerships with NIAR and Split Rock Aviation, Sequoia had both engineering
6 and funding support and was finally positioned to compete with Plaintiffs.~~

7 94. Dotzenroth KMC was a new entity. Its investors included Jim Gibbs. The
8 investors in KMC received presentations and information that included the proprietary and
9 confidential information of Plaintiffs.

10 95. NIAR and Dotzenroth Defendants will reap substantial benefits from the
11 conversion program. NIAR signed an agreement with KMC under which NIAR would
12 provide engineering for the program and secure an STC from the FAA. Additionally,
13 NIAR WERX – led by Defendant Jones – will perform the labor necessary to convert the
14 aircraft.

15 [REDACTED]
16 [REDACTED]
17 **VI. DEFENDANTS CONTINUE TO MISAPPROPRIATE PLAINTIFFS' TRADE SECRETS**

18 96. [REDACTED]
19 [REDACTED]
20 [REDACTED]
21 [REDACTED]
22 [REDACTED]
23 [REDACTED]
24 [REDACTED]
25 [REDACTED]
26 [REDACTED]

1 [REDACTED]
2 [REDACTED]

3 97. [REDACTED]

4 Dotzenroth continued to provide NIAR with additional proprietary and confidential
5 information of Plaintiffs to be used in further developing Defendants’ program. On
6 January 19, 2021, David Dotzenroth sent three emails to NIAR program manager Eric
7 Kivett. Each email contained information that Dotzenroth had received from Tarpley.
8 Rather than send the emails to Kivett’s NIAR email address, Dotzenroth used Kivett’s
9 personal Gmail account.

10 98. The first email contained information and analysis concerning an operating
11 cost comparison for certain freighters, including the Jumbo Jet that Tarpley sent to
12 Dotzenroth in May 2019. The second email contained a discussion of the suitability of
13 different Jumbo Jet models for conversion that Tarpley also sent to Dotzenroth in May
14 2019. The third email attached a copy of Plaintiffs’ business plan that Tarpley sent to
15 Dotzenroth in July 2019. The cover of the business plan thus read “Mammoth Conversion
16 LLC – Proprietary.” The plan repeatedly referenced “Mammoth Conversion LLC”
17 throughout and repeatedly mentioned Tarpley, Wagner, and Wagner Aeronautical, which
18 it identified as an Escondido, California-based engineering firm. It included valuable and
19 proprietary information concerning Plaintiffs’ conversion program, such as manhour labor
20 estimates, cost estimates, and financial projections.

21 99. Dotzenroth’s emails made clear that he was forwarding information he had
22 received from someone else. One email included a header showing that Tarpley was the
23 original source of the information. And, of course, Dotzenroth did not alter the business
24 plan, which made clear that the document pertained to a conversion program for Mammoth
25 Conversions that was created and led by Wagner and Tarpley. It was obvious that the
26 business plan and other documents originated with Tarpley and Wagner and related to *their*

1 efforts to develop a conversion program, *their* know-how and expertise, and *their*
2 proprietary information.

3 100. Around the time that Kivett received these documents in January 2021, he was
4 engaged in preparing a presentation for a potential partner with Defendants’ conversion
5 program. On information and belief, Kivett used Plaintiffs’ proprietary information – the
6 materials that he had received from Dotzenroth – to prepare that presentation. Thus, even
7 as late as this year, Dotzenroth continued to disclose, and NIAR personnel continued to
8 directly use, Plaintiffs’ trade secrets and proprietary information for their own benefit and
9 to compete against Plaintiffs.

10 101. [REDACTED]
11 [REDACTED]
12 [REDACTED]
13 [REDACTED]
14 [REDACTED]
15 [REDACTED]
16 [REDACTED]

17 VII. WAGNER AND TARPLEY JOIN MAMMOTH FREIGHTERS LLC TO IMPLEMENT
18 THEIR CONVERSION PROGRAM

19 102. On December 1, 2020, Wagner and Tarpley became co-CEOs of Mammoth
20 Freighters LLC, an LLC formed to carry out Wagner and Tarpley’s Jumbo Jet conversion
21 program.

22 103. On April 22, 2021, Mammoth Freighters LLC entered into a Conversion
23 Program Development Agreement with Wagner Aeronautical, under which Wagner
24 Aeronautical would, among other services, obtain and maintain an STC for the Jumbo Jet
25 conversion program that Wagner and Tarpley had developed, would implement such
26 conversions, and would provide engineering and technical support services in connection
27 with those activities. Under the agreement, Wagner Aeronautical agreed to assign and
28

transfer to Mammoth Freighters all intellectual property rights in work performed under the development agreement. Wagner Aeronautical also agreed to grant Mammoth Freighters a license in any Wagner Aeronautical intellectual property, including trade secrets, that Wagner Aeronautical uses in performing work under the development agreement.

VIII. DEFENDANTS’ SCHEME HAS IRREPARABLY HARMED, AND CONTINUES TO HARM,

PLAINTIFFS

67.104. Dotzenroth Defendants and NIAR Defendants thus stole Plaintiffs’ confidential and proprietary information to create a conversion program that would compete directly with Plaintiffs and attempt to usurp their market position. Dotzenroth knew that he could not create a competitive conversion program on his own. That is why Dotzenroth tried to recruit Wagner for his program at the throughout 2019 meeting in Kansas and the 2020 meeting in California, and why Dotzenroth later tried to recruit Tarpley at their in 2020 meeting in Texas.

68.105. As a direct result of observing the most critical and valuable confidential details about Plaintiffs’ program for nearly three years, the inexperienced and uninformed Dotzenroth knew exactly how to compete against Plaintiffs. During his time working for Wagner and Tarpley, Dotzenroth was exposed to and entrusted with their confidential and proprietary information. Most significantly, he had the highly technical details – engineering, project management, and budget – needed to successfully establish a conversion program. Dotzenroth learned how Wagner and Tarpley built their conversion program, how they developed their engineering strategy, how they proved the competitive advantages of their program, and how they approached and persuaded potential investors and customers.

69.106. When Wagner and Tarpley refused the substantial ownership stake that Dotzenroth had demanded, Dotzenroth left with Plaintiffs’ playbook, gave it to NIAR Defendants, and then used it to form a company venture with NIAR Defendants and KMC

1 that would compete directly against Plaintiffs for the same deals with partners and
2 customers. When Dotzenroth began working with Wagner and Tarpley, he lacked the
3 know-how and expertise to develop and operate a conversion program. Suddenly, in less
4 than 18 months after ~~parting~~Dotzenroth parted ways with Wagner and Tarpley,
5 ~~Dotzenroth~~Defendants had ~~his~~launched their own competing conversion program and had
6 ~~already secured partnerships~~a partnership with ~~NIAR and~~ Split Rock Aviation.

7 ~~IV.I. WAGNER AND TARPLEY JOIN MAMMOTH FREIGHTERS LLC TO IMPLEMENT~~
8 ~~THEIR CONVERSION PROGRAM~~

9 ~~70.1. On December 1, 2020, Wagner and Tarpley became co-CEOs of Mammoth~~
10 ~~Freighters LLC, an LLC formed to carry out Wagner and Tarpley’s Jumbo Jet conversion~~
11 ~~program.~~

12 ~~71. On April 22, 2021, Mammoth Freighters LLC entered into a Conversion~~
13 ~~Program Development Agreement with Wagner Aeronautical, under which Wagner~~
14 ~~Aeronautical would, among other services, obtain and maintain an STC for the Jumbo Jet~~
15 ~~conversion program that Wagner and Tarpley had developed, would implement such~~
16 ~~conversions, and would provide engineering and technical support services in connection~~
17 ~~with those activities. Under the agreement, Wagner Aeronautical agreed to assign and~~
18 ~~transfer to Mammoth Freighters all intellectual property rights in work performed under~~
19 ~~the development agreement. Wagner Aeronautical also agreed to grant Mammoth~~
20 ~~Freighters a license in any Wagner Aeronautical intellectual property, including trade~~
21 ~~secrets, that Wagner Aeronautical uses in performing work under the development~~
22 ~~agreement.~~

23 ~~V. DEFENDANTS’ SCHEME HAS IRREPARABLY HARMED, AND CONTINUES TO~~
24 ~~HARM, PLAINTIFFS~~

25 ~~72.107.~~ Defendants are continuing to misappropriate and use Plaintiffs’
26 confidential and proprietary information and are continuing to use Plaintiffs’ business and
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1 engineering strategy to compete directly against Plaintiffs. Defendants' actions have
2 harmed and will continue to harm Plaintiffs. Those harms include at least the following:

3 **A. Loss of Valuable Proprietary Assets**

4 73.108. Defendants' misappropriation of Plaintiffs' confidential and
5 proprietary business plan and roadmap has exposed the most critical and valuable parts of
6 Plaintiffs' conversion program to third parties, which alone is damaging to Plaintiffs'
7 business enterprise. Plaintiffs' confidential and proprietary business information –
8 including the highly technical, complex information in the PowerPoint and Excel
9 spreadsheet – is a valuable asset. By misappropriating the confidential and proprietary
10 information in Plaintiffs' business plan and budget and schedule roadmap – rather than
11 doing the hard work on ~~his~~their own – Dotzenroth Defendants and, ~~in turn, Sequoia, Wiley~~
12 ~~Dotzenroth, Mansell, and Welo~~ NIAR Defendants received the benefit of valuable
13 information and data that would have been extremely costly to produce in the first instance.

14 74.109. At a minimum, Defendants' wrongful acts saved them the millions of
15 dollars, and extensive time, that would have been necessary to develop a business plan and
16 roadmap for their own conversion program. It gave Defendants a huge head start on when
17 they would have been able to credibly compete had they not stolen Plaintiffs' property.

18 **B. Loss of Competitive Advantage**

19 75.110. Due to Defendants' wrongdoing, Plaintiffs have lost and will continue
20 to lose their competitive advantage in the P2F aircraft conversion market. Before
21 Defendants' theft of Plaintiffs' proprietary and confidential information, Plaintiffs had an
22 edge over the competitors in the P2F conversion market because of the unique and
23 innovative structure of their conversion program. The unique and innovative features of
24 Plaintiffs' conversion program result from Wagner's and Tarpley's decades of know-how
25 and expertise in the conversion industry. As described in their business plan, Plaintiffs'
26 competitive edge included a conversion program that would provide lighter, more
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1 efficient, and cost-effective aircraft to customers with assurance that Plaintiffs' program
2 would receive FAA certification.

3 76.111. After Dotzenroth's misappropriation of Plaintiffs' business plan,
4 Defendants have been able to offer a conversion program with those same unique and
5 innovative features to investors, partners, and customers. This has diminished Plaintiffs'
6 unique position and competitive edge in the market.

7 77.112. Additionally, Defendants' scheme gave them a significant head start in
8 entering a market with high barriers to entry. Instead of being forced to wait at least a year
9 and spend millions to enter the market, Dotzenroth Defendants and NIAR Defendants stole
10 Plaintiffs' business plan and roadmap so that Defendants could begin operating in a matter
11 of months.

12 **C. Loss of Potential Customers**

13 78.113. Due to Defendants' scheme to compete directly against Plaintiffs,
14 Plaintiffs stand to lose customers. On information and belief, Defendants have approached
15 potential customers – some of the largest air freight companies – offering their own
16 conversion service and competing directly with Plaintiffs. Without the head start
17 Defendants received after stealing Plaintiffs' confidential and proprietary information,
18 Defendants would not have been able to offer potential customers a conversion service on
19 essentially the same timetable and with the same benefits as Plaintiffs. Without Plaintiffs'
20 proprietary and confidential business information, Dotzenroth Defendants and
21 Sequoia NIAR Defendants would have been years behind in their development of
22 Defendants' conversion program.

23 79.114. Losing a single customer in the P2F conversion industry can be
24 devastating. First, only a limited number of potential customers exist. The number of
25 aircraft available for conversion is limited, and the vast majority of those are owned by a
26 few large players, in particular a large air cargo operator and two leading express delivery
27 services. Those customers typically purchase all of their converted aircraft from a single
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1 supplier, and they enter into long term contracts with the supplier because the conversion
2 and delivery process can take several years. Finally, the lifespan of a converted aircraft is
3 long. If a customer is lost to a competitor, it could be many years before that customer
4 needs additional conversions.

5 **D. Loss of Potential Partners**

6 ~~80.115.~~ Plaintiffs' relationships with potential business partners have also been
7 jeopardized by Defendants' theft of Plaintiffs' proprietary and confidential business
8 information. ~~Sequoia Defendants~~ can attempt to present ~~itself~~ ~~themselves~~ as a credible
9 ~~partner~~ ~~partners~~ with others in the P2F industry only because ~~it~~ ~~they~~ could advertise a well-
10 developed and thoughtfully executed business plan and roadmap – a feat achieved only
11 because Defendants had unlawfully misappropriated those materials from Plaintiffs. ~~For~~
12 ~~example, Dotzenroth and Sequoia were able to partner with NIAR only because, on information~~
13 ~~and belief, David Dotzenroth and Wiley Dotzenroth approached NIAR with a well developed and~~
14 ~~thoughtfully executed business plan and roadmap—documents they represented to be their own~~
15 ~~work but that were, in fact, the product of Wagner's and Tarpley's decades of know how and~~
16 ~~expertise.— NIAR's partnership with Sequoia essentially rendered NIAR unavailable for~~
17 ~~partnership with Mammoth Freighters. Plaintiffs stand to lose similar opportunities and partners~~
18 ~~in the future.~~

19 **COUNT ONE**

20 **Misappropriation of Trade Secrets (18 U.S.C. §1836(b))**

21 **(Against ~~A~~Dotzenroth Defendants)**

22 ~~81.116.~~ Plaintiffs incorporate by reference the allegations in paragraphs 1
23 through ~~81~~115 above as though set forth fully herein.

24 ~~117. Plaintiffs' business plan, budget and schedule roadmap, and supporting data~~
25 ~~are trade secrets under 18 U.S.C. §1839. This information has independent economic value~~
26 ~~because it proves the viability of Plaintiffs' Jumbo Jet conversion program, provides the~~
27 ~~specific business plan for the program, gives Plaintiffs' program a competitive edge in the~~

1 P2F conversion market, required substantial effort and investment to produce, and confers
2 on Plaintiffs an advantage over their competitors. The information identifies Plaintiffs'
3 Jumbo Jet conversion process and outlines a procedure for achieving FAA certification,
4 including the schedule, resources, costs, logistics, and engineering processes necessary for
5 the conversions. This methodology is innovative and unique to Plaintiffs because it is
6 derived from the know-how and expertise that Wagner Aeronautical, Wagner, and Tarpley
7 cultivated over decades in the P2F industry.

8 118. Plaintiffs have taken reasonable measures to protect their trade secrets,
9 including requiring that potential investors and customers sign NDAs, sharing the trade
10 secrets only on a need-to-know basis, marking trade secret documents with a
11 "PROPRIETARY" legend, requiring Wagner Aeronautical employees to sign NDAs, and
12 using secure computer systems for the trade secret information.

13 119. Dotzenroth Defendants intentionally, willfully, and maliciously
14 misappropriated Plaintiffs' trade secrets to obtain a competitive advantage. Dotzenroth
15 Defendants had access to Plaintiffs' business plan, roadmap, and engineering strategy.
16 Despite recognizing that the information was confidential and proprietary, Dotzenroth
17 Defendants disclosed this information and used it to create their own competing conversion
18 program. Dotzenroth Defendants misappropriated this information for their own benefit
19 because they fully understood the value of that information and understood that they could
20 not launch a competing conversion program without it. Plaintiffs never consented to
21 Dotzenroth Defendants' use of Plaintiffs' trade secrets in this manner. While Dotzenroth
22 Defendants were not restrained from engaging in a lawful profession, trade, or business,
23 they were prohibited from misappropriating Plaintiffs' trade secrets.

24 120. Dotzenroth Defendants have used and will continue to use Plaintiffs' trade
25 secrets to compete directly with Plaintiffs in the P2F conversion market. Dotzenroth
26 Defendants are using Plaintiffs' trade secrets to lure away Plaintiffs' potential customers
27 and partners.

1 “PROPRIETARY” legend, requiring Wagner Aeronautical employees to sign NDAs, and
2 using secure computer systems for the trade secret information.

3 84.126. NIAR Defendants intentionally, willfully, and maliciously
4 misappropriated Plaintiffs’ trade secrets to provide ~~Sequoia’s~~ the NIAR/KMC/Sequoia
5 conversion program with a competitive advantage. NIAR Defendants ~~had access to~~
6 received Plaintiffs’ business plan, ~~roadmap,~~ and ~~engineering strategy.~~ ~~Despite recognizing that~~
7 ~~the other proprietary information was confidential and proprietary,~~ data from David and Wiley
8 Dotzenroth, with knowledge, or reason to know, that the Dotzenroths were not authorized
9 to disclose the information. NIAR Defendants used ~~that~~ Plaintiffs’ information to
10 ~~create~~ develop and implement their own competing conversion program, knowing, or with
11 reason to know, that the Dotzenroths were not authorized to disclose the information and
12 that the Dotzenroths owed a duty to maintain the secrecy of the Plaintiffs’ information or
13 to limit use of that information. NIAR Defendants misappropriated this information for
14 their own benefit because they fully understood the value of that information and
15 understood that they could not launch, in a timely manner, a competing conversion program
16 without it. Plaintiffs never consented to NIAR Defendants’ use of Plaintiffs’ trade secrets
17 in this manner. While Defendants were not restrained from engaging in a lawful
18 profession, trade, or business, they were prohibited from misappropriating Plaintiffs’ trade
19 secrets.

20 85.—NIAR Defendants have used, and will continue to use, Plaintiffs’ trade
21 secrets to compete directly with Plaintiffs in the P2F conversion market. ~~Defendants are~~
22 ~~using Plaintiffs’ trade secrets to lure away Plaintiffs’ potential customers and partners.~~

23 86.127. Plaintiffs have suffered and will suffer substantial harm ~~because as a~~
24 result of NIAR Defendants’ misappropriation of their trade secrets, including the disclosure
25 of Plaintiffs’ trade secrets, loss of Plaintiffs’ competitive edge, loss of potential customers,
26 loss of potential partnerships, and loss of revenues and profits.

1 87.128. Those damages, however, cannot all be easily quantified. NIAR
2 Defendants' misappropriation of trade secrets has caused and will cause Plaintiffs to suffer
3 irreparable harm. For that reason, Plaintiffs are entitled to an injunction enjoining NIAR
4 Defendants from using Plaintiffs' trade secrets under 18 U.S.C. §1836 or from operating,
5 implementing, or otherwise commercializing any conversion program based on, or derived
6 from, the proprietary information that NIAR Defendants misappropriated.

7 **COUNT THREE**

8 **COUNT TWO**

9 **Misappropriation of Trade Secrets (Cal. Civ. Code §3426 et seq.)**

10 **(Against A#Dotzenroth Defendants)**

11 88.129. Plaintiff incorporates by reference the allegations in paragraphs 1
12 through 88.128 above as though set forth fully herein.

13 89.130. Plaintiffs' business plan, budget and schedule roadmap, and supporting
14 data are trade secrets under the California Uniform Trade Secrets Act. Cal. Civ. Code
15 § 3426. This information has independent economic value because it proves the viability
16 of Plaintiffs' Jumbo Jet conversion program, provides the specific business plan for the
17 program, gives Plaintiffs' program a competitive edge in the P2F conversion market,
18 required substantial effort and investment to produce, and confers on Plaintiffs an
19 advantage over their competitors. The information identifies Plaintiffs' Jumbo Jet
20 conversion process and outlines a procedure for achieving FAA certification, including the
21 schedule, resources, costs, logistics, and engineering processes necessary for the
22 conversions. This methodology is innovative and unique to Plaintiffs because it is derived
23 from the know-how and expertise that Wagner Aeronautical, Wagner, and Tarpley
24 cultivated over decades in the P2F industry.

25 90.131. Plaintiffs have taken reasonable measures to protect their trade secrets,
26 including requiring that potential investors and customers sign NDAs, sharing the trade
27 secrets only on a need-to-know basis, marking trade secret documents with a
28

1 “PROPRIETARY” legend, requiring Wagner Aeronautical employees to sign NDAs, and
2 using secure computer systems for the trade secret information.

3 91.132. Dotzenroth Defendants intentionally, willfully, and maliciously
4 misappropriated Plaintiffs’ trade secrets to provide their conversion program with a
5 competitive advantage. Dotzenroth Defendants had access to Plaintiffs’ business plan,
6 roadmap, and engineering strategy. Despite recognizing that the information was
7 confidential and proprietary, Dotzenroth Defendants used that information to create
8 Defendants’their own competing conversion program. Dotzenroth Defendants
9 misappropriated this information for their own benefit because they fully understood the
10 value of that information and understood that they could not launch a competing conversion
11 program without it. Plaintiffs never consented to Dotzenroth Defendants’ use of Plaintiffs’
12 trade secrets in this manner. While Dotzenroth Defendants were not restrained from
13 engaging in a lawful profession, trade, or business, they were prohibited from
14 misappropriating Plaintiffs’ trade secrets.

15 92.133. Dotzenroth Defendants have used and will continue to use Plaintiffs’
16 trade secrets to compete directly with Plaintiffs in the P2F conversion market. Dotzenroth
17 Defendants are using Plaintiffs’ trade secrets to lure away Plaintiffs’ potential customers
18 and partners.

19 93.134. Plaintiffs have suffered and will suffer substantial harm because of
20 Dotzenroth Defendants’ misappropriation of their trade secrets, including the disclosure of
21 Plaintiffs’ trade secrets, loss of Plaintiffs’ competitive edge, loss of potential customers,
22 loss of potential partnerships, and loss of revenues and profits.

23 94.135. Those damages, however, cannot all be easily quantified. Dotzenroth
24 Defendants’ misappropriation of trade secrets has caused and will cause Plaintiffs to suffer
25 irreparable harm. For that reason, Plaintiffs are entitled to an injunction enjoining
26 Dotzenroth Defendants from using Plaintiffs’ trade secrets under Cal. Civ. Code § 3426.

27 **COUNT FOUR**
28

~~COUNT THREE~~

False Advertising Under Section 43(a) of the Lanham Act (15 U.S.C. § 1125)
(Against David Dotzenroth, Wiley Dotzenroth, and Sequoia)

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4 95.136. Plaintiff incorporates by reference the allegations in paragraphs 1
5 through 95.135 above as though set forth fully herein.

6 96.137. David Dotzenroth, Wiley Dotzenroth, and Sequoia have made and will
7 continue to make false statements about the authenticity of their conversion program. On
8 information and belief, David Dotzenroth, Wiley Dotzenroth, and Sequoia have falsely
9 represented that Dotzenroth developed his own Jumbo Jet conversion program, that
10 Sequoia owns the intellectual property underpinning the conversion program, and that
11 Dotzenroth possesses the competence, experience, and expertise to develop and operate
12 Sequoia’s conversion program. On information and belief, David Dotzenroth, Wiley
13 Dotzenroth, and Sequoia have made these false statements to potential customers and
14 business partners, including during meetings with Major Manufacturer in late 2020 and
15 early 2021 and with a major air cargo operator in early 2021.

16 97.138. These false statements have influenced, and will continue to influence,
17 the decisions of partners to do business with Dotzenroth Defendants and to exclude
18 Plaintiffs from those deals. Likewise, the false representations about Sequoia’s the
19 NIAR/Sequoia/KMC conversion program will influence the decisions of customers that
20 may choose Sequoia’s the NIAR/Sequoia/KMC conversion program and aircraft over
21 Plaintiffs’ conversion program and aircraft. On information and belief, David Dotzenroth,
22 Wiley Dotzenroth, and Sequoia are advertising to customers, including a major air cargo
23 operator, that they can provide the same know-how and expertise as Plaintiffs. In truth,
24 David Dotzenroth’s and Wiley Dotzenroth’s experience in the aviation industry simply
25 cannot compare to that of Wagner and Tarpley.

1 ~~1~~ 98.139. By misrepresenting the authenticity of their conversion program, David
2 ~~2~~ Dotzenroth, Wiley Dotzenroth, and Sequoia are misleading partners and customers about
3 ~~3~~ Defendants’ qualifications and ability to develop a conversion program.

4 ~~4~~ 99.140. These false statements have deceived and will continue to deceive
5 ~~5~~ Sequoia’s partners and customers. These deceptive statements are material to these
6 ~~6~~ investors, partners, and customers when they are deciding whether to do business with
7 ~~7~~ Sequoia-, NIAR, and KMC.

8 ~~8~~ 100.141. David Dotzenroth’s, Wiley Dotzenroth’s, and Sequoia’s false
9 ~~9~~ statements have harmed Plaintiffs because Defendants’ false statements have convinced,
10 ~~10~~ and will continue to convince, potential partners and customers to choose Defendants’
11 ~~11~~ conversion program and aircraft over Plaintiffs’ conversion program and aircraft.

12 ~~12~~ **COUNT ~~FOUR~~FIVE**

13 ~~13~~ **Unfair Competition (Cal. Bus. & Prof. ~~Code~~ Code §17200 et seq.)**

14 ~~14~~ **(Against ~~AH~~Dotzenroth Defendants)**

15 ~~15~~ 101.142. Plaintiffs incorporate by reference the allegations in paragraphs 1
16 ~~16~~ through ~~101~~141 above as though set forth fully herein.

17 ~~17~~ 102.143. The California Unfair Competition Law defines unfair competition to
18 ~~18~~ include any “unlawful,” “unfair,” or “fraudulent” business practice or act. Defendants have
19 ~~19~~ unfairly and unlawfully competed directly against Plaintiffs by improperly and unlawfully
20 ~~20~~ using Plaintiffs’ own business plan, engineering strategy, and marketing strategy to start a
21 ~~21~~ competing conversion program and by approaching the same partners and customers as
22 ~~22~~ Plaintiffs.

23 ~~23~~ 103.144. After misappropriating Plaintiffs’ confidential and proprietary
24 ~~24~~ information, and after learning the details of Plaintiffs’ engineering and marketing strategy,
25 ~~25~~ Defendants started a conversion program to compete directly with Plaintiffs’ conversion
26 ~~26~~ program. With the competing program established, Defendants then sought deals with the
27 ~~27~~ same customers and partners as Plaintiffs. Defendants had an unfair advantage against
28 ~~28~~

1 Plaintiffs when they entered the conversion market because ~~Defendants'~~Defendants knew
2 Plaintiffs' playbook and how Plaintiffs planned to conduct their business. This unfair
3 advantage has allowed and will continue to allow Defendants to profit from their
4 wrongdoing.

5 ~~104.145.~~ 104.145. Defendants have been enriched by, and have significantly benefited
6 from, their use of Plaintiffs' proprietary and confidential business information, including
7 the business plan and the budget and schedule roadmap. Defendants obtained that benefit
8 at the expense of Plaintiffs. They have not compensated Plaintiffs for that information.

9 ~~105.146.~~ 105.146. Because of Defendants' actions, Plaintiffs have been and will continue
10 to be damaged and suffer irreparable harm through the loss of competitive advantage,
11 potential partners, potential customers, and revenue and profits. Plaintiffs are entitled to
12 restitution and injunctive relief for Defendants' violation of Cal. Bus. & Prof. Code §17200
13 et seq. Cal. Bus. & Prof. Code § 17203.

14 **COUNT ~~FIVE~~SIX**

15 **Breach of Fiduciary Duty**

16 **(Against David Dotzenroth and CAI Consulting)**

17 ~~106.147.~~ 106.147. Plaintiffs incorporate by reference the allegations in paragraphs 1
18 through ~~106.146~~ above as though set forth fully herein.

19 ~~107.148.~~ 107.148. Dotzenroth and CAI Consulting had a fiduciary duty to Wagner
20 Aeronautical, Wagner, and Tarpley because Dotzenroth was a joint venturer with Wagner
21 and Tarpley while working with them to develop Plaintiffs' conversion program.
22 Dotzenroth and CAI Consulting owed Wagner, Tarpley, and Wagner Aeronautical the duty
23 of utmost good faith.

24 ~~108.149.~~ 108.149. Dotzenroth and CAI Consulting breached that duty when Dotzenroth
25 exploited his relationship with Tarpley and Wagner to misappropriate information, work-
26 product, and intellectual property developed and owned by Wagner, Tarpley, and Wagner
27 Aeronautical. Dotzenroth then impermissibly used the misappropriated property for his
28

1 own benefit – without compensating Tarpley or Wagner – to form Sequoia Aircraft
2 Conversions and compete directly with Plaintiffs for conversion customers and other
3 business opportunities.

4 ~~109.150.~~ Plaintiffs have been harmed by Dotzenroth’s and CAI Consulting’s
5 breach of their fiduciary duty because ~~Defendants are~~ Dotzenroth is competing for the same
6 partners and customers as Plaintiffs and gained a head start in entering the conversion
7 market through the breach.

8 **COUNT ~~six~~ SEVEN**

9 **Civil Conspiracy**

10 **(Against David Dotzenroth and Wiley Dotzenroth)**

11 ~~110.151.~~ Plaintiffs incorporate by reference the allegations in paragraphs 1
12 through ~~110~~ 150 above as though set forth fully herein.

13 ~~111.152.~~ David Dotzenroth and Wiley Dotzenroth schemed to use Plaintiffs’
14 trade secrets, engineering strategy, and marketing strategy to create a conversion program
15 that would compete directly against Plaintiffs’ conversion program. After gaining access
16 to Plaintiffs’ trade secrets and learning Plaintiffs’ engineering and marketing strategy,
17 David Dotzenroth and Wiley Dotzenroth conspired to unlawfully misappropriate
18 Plaintiffs’ proprietary and confidential business information and trade secrets, to engage in
19 unfair competition against Plaintiffs, and to falsely advertise their conversion program.
20 David Dotzenroth and Wiley Dotzenroth have taken at least one overt act in furtherance of
21 that conspiracy.

22 153. Defendants’ conduct has harmed Plaintiffs through the loss of Plaintiffs’
23 competitive advantage, potential partners, potential customers, and revenue and profits.

24
25
26 **JURY DEMAND**

Under Rule 38 of the Federal Rules of Civil Procedure, Plaintiffs demand a trial by jury on all issues triable as such.

PRAYER FOR RELIEF

WHEREFORE, judgment should be entered for Plaintiffs and against Defendants as follows:

(a) finding that Dotzenroth Defendants and NIAR Defendants misappropriated one or more of Plaintiffs’ trade secrets, in violation of 18 U.S.C. §1836(b);

(b) finding that Dotzenroth Defendants misappropriated one or more of Plaintiffs’ trade secrets, in violation of Cal. Civ. Code §3426;

(c) finding that David Dotzenroth, Wiley Dotzenroth, and Sequoia falsely advertised Sequoia’s the NIAR/Sequoia/KMC conversion program in violation of Section 43(a) of the Lanham Act;

(d) finding that Dotzenroth Defendants engaged in unfair competition against Plaintiffs in violation of Cal. Bus. & Prof. Code § 17200 et seq.;

(e) finding that Dotzenroth and CAI Consulting breached their fiduciary duties to Wagner Aeronautical, Inc., Wagner, and Tarpley;

(f) finding that David Dotzenroth and Wiley Dotzenroth engaged in a conspiracy to misappropriate Plaintiffs’ confidential and proprietary information, engage in unfair competition against Plaintiffs, and falsely advertise their conversion program;

(g) injunctive relief against Dotzenroth Defendants and NIAR Defendants, including preliminarily and permanently enjoining Defendants from using any of Plaintiffs’ confidential and proprietary information and marketing or operating any conversion program based on or derived from that information;

(h) money damages against Dotzenroth Defendants, including compensatory damages in an amount to be determined and restitution and/or disgorgement of all revenues, earnings, profits, compensation, and benefits that may have been obtained by Defendants, and punitive or statutory damages in excess of \$50 million;

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- (i) costs, including attorneys’ fees;
 - (j) prejudgment interest at the maximum legal rate; and
 - (k) such other and further relief as this Court may deem just and proper.
-

~~1~~ DATED: ~~May 25, 2021~~ Respectfully submitted,

~~2~~
~~3~~ By: ~~s/ Alan K. Brubaker~~

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~~23~~
~~24~~ DATED: _____ Respectfully submitted,

~~25~~ By: ~~/s/~~ _____

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