William E. Peterson, Bar No. 1528
Janine C. Prupas, Bar No. 9156
SNELL & WILMER L.L.P.
50 West Liberty Street, Suite 510
Reno, Nevada 89501
Telephone: 775-785-5440
Facsimile: 775-785-5441
Email: wpeterson@swlaw.com
jprupas@swlaw.com

Attorneys for Defendant
Sierra Nevada Brewing Co.

Snell & Wilmer
L.L.P.
LAW OFFICES
50 West Liberty Street, Suite 510
Reno, Nevada 89501
775-785-5440

UNITED STATES DISTRICT COURT

DISTRICT OF NEVADA

CROWN BEVERAGES, INC., a Nevada corporation,

Plaintiff,

vs.

SIERRA NEVADA BREWING CO., a California corporation,

Defendant.

Case No.

DEFENDANT'S NOTICE OF REMOVAL OF ACTION PURSUANT TO 28 U.S.C. §§ 1332, 1441, AND 1446 (DIVERSITY JURISDICTION)

TO THE COURT AND PLAINTIFF AND HIS COUNSEL OF RECORD:

PLEASE TAKE NOTICE that, Defendant Sierra Nevada Brewing Co. ("Sierra Nevada") removes the above-entitled action from the Second Judicial District Court of the State of Nevada in and for the County of Washoe to the United States District Court for the District of Nevada. This Court has original subject matter over plaintiff Crown Beverages, Inc.'s lawsuit under 28 U.S.C. § 1332(a) because complete diversity exists and the amount in controversy exceeds $75,000. Accordingly, removal is proper based on the following grounds:

BACKGROUND

1. On or about November 3, 2016, plaintiff Crown Beverages, Inc. ("Crown" or "Plaintiff") filed a complaint and an Application for Temporary Restraining Order and Motion for Preliminary Injunction in Second Judicial District Court of the State of Nevada in and for the

County of Washoe, Case No. CV16-02278 (the "Complaint"). A true and correct copy of the Complaint is attached hereto as **Exhibit A**. True and correct copies of all documents included in the state court file (other than Complaint attached as Exhibit A) are attached hereto as **Exhibit B**.

2. The Complaint asserts seven claims—breach of statutory rights, breach of contract, contractual breach of the covenant of good faith and fair dealing, tortious breach of the covenant of the good faith and fair dealing, intentional interference with prospective economic advantage, intentional interference with contractual relations, and declaratory relief—against Sierra Nevada all arising out of Sierra Nevada's purported termination of a distributor agreement between Crown and Sierra Nevada. Compl. ¶¶ 19-20. Crown alleges that the distributor agreement, entered into in or about December 1, 1986, granted Crown the exclusive right to import and distribute several Sierra Nevada brand products in the northern Nevada region. *Id.* ¶¶ 11-13. Crown further alleges that on October 26, 2016 Sierra Nevada informed Crown that it was terminating the agreement. *Id.* ¶ 18. Crown alleges that Sierra Nevada lacks good cause to terminate the contract. *Id.* ¶¶ 19-20. Crown seeks compensatory damages for alleged "lost profits, loss of market share, and loss of good will," punitive damages, attorneys' fees, specific performance, and injunctive and declaratory relief. *Id.* ¶¶ 28-29, 34-35, 40-41, 48-50, 56-57, 62-63, Prayer at ¶¶ 1-6.

TIMELINESS OF REMOVAL

3. On November 7, 2016, Plaintiff served Sierra Nevada with a copy of the Complaint.

4. This Notice of Removal is timely filed within thirty days of the first receipt by a defendant of a copy of a paper that revealed this case was properly removable. 28 U.S.C. § 1446(b).

DIVERSITY JURISDICTION UNDER 28 U.S.C. § 1332(a)

5. "[A]ny civil action brought in a State Court of which the district courts of the United States have original jurisdiction, may be removed by the defendant." 28 U.S.C. § 1441(a). Under 28 U.S.C. § 1332, a district court has original jurisdiction over actions involving citizens of

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different states and where the amount in controversy exceeds $75,000 exclusive of interest and costs. This action is appropriately removable because both of these requirements are met.

Requirement No. 1: Plaintiff and Defendant Are Citizens of Different States

6. For the purposes of diversity jurisdiction, a corporation is a citizen in the state of its incorporation, as well as in the state of its principal place of business. 28 U.S.C. § 1332(c)(1).

7. Plaintiff at the time of the Complaint was filed and as of the date of this removal, was and is a citizen of Nevada. Compl. ¶ 1. Plaintiff is incorporated in Nevada, and its principal place of business is in Sparks, Nevada.

8. Sierra Nevada, at the time the Complaint was filed and as of the date of this removal, was and is a citizen of California. Sierra Nevada is incorporated in California, and its principal place of business is in Chico, California.

9. Pursuant to 28 U.S.C. § 1441(b)(1), the residence of fictitious and unknown defendants should be disregarded for purposes of establishing removal jurisdiction under 28 U.S.C. § 1332. Thus, the existence of Doe defendants I through X does not deprive this Court of jurisdiction.

Requirement No. 2: Amount in Controversy Exceeds $75,000

10. To satisfy the amount in controversy requirement for purposes of removal, "a defendant's notice of removal need include only a plausible allegation that the amount in controversy exceeds the jurisdictional threshold." *Dart Cherokee Basin Operating Co., LLC v. Owens*, 135 S. Ct. 547, 554, 190 L. Ed. 2d 495 (2014). The amount of controversy is the total "amount at stake in the underlying litigation." *Theis Research, Inc. v. Brown & Bain*, 400 F.3d 659, 662 (9th Cir. 2005). "In assessing the amount in controversy, a court must 'assume that the allegations of the complaint are true and assume that a jury will return a verdict for the plaintiff on all claims made in the complaint.'" *Campbell v. Vitran Exp., Inc.*, 471 F. App'x 646, 648 (9th Cir. 2012).

11. The amount in controversy here exceeds $75,000, exclusive of interest and costs.

12. Plaintiff alleges that it "has suffered, or will suffer, lost profits, loss of market share, and loss of goodwill in an amount in excess of $10,000." Compl. ¶ 28. Plaintiff also

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alleges that it is entitled to attorneys' fees per Nevada statute, punitive damages, and injunctive relief. Compl. ¶¶ 29, 35, 41, 49, 50, 57, 63, Prayer at ¶ 1. All of these may be taken into consideration when determining the amount of controversy. *See Galt G/S v. JSS Scandinavia*, 142 F.3d 1150, 1156 (9th Cir. 1998) ("where an underlying statute authorizes an award of attorneys' fees, either with mandatory or discretionary language, such fees may be included in the amount in controversy"); *Simmons v. PCR Tech.*, 209 F. Supp. 2d 1029, 1035 (N.D. Cal. 2002) (attorneys' fees to be evaluated are those that are likely to accrue through trial); *Gibson v. Chrysler Corp.*, 261 F.3d 927, 945 (9th Cir. 2001) *superseded by statute on other grounds as stated in Bayol v. Zipcar, Inc.*, 2015 WL 4931756, at *9 (N.D. Cal. Aug. 18, 2015) ("It is well established that punitive damages are part of the amount in controversy in a civil action."); *In re Ford Motor Co./Citibank (S. Dakota), N.A.*, 264 F.3d 952, 958 (9th Cir. 2001) (cost of injunctive relief to either party may be considered when determining the amount of controversy).

13. In the complaint, Plaintiff challenges the alleged termination of an almost thirty-year old contract, which purportedly granted Plaintiff the right to serve as the exclusive importer/wholesale in the entire northern Nevada region for several Sierra Nevada brand products. Compl. ¶¶ 11-13. It is plausible that any damages, in the form of lost profits, loss of market share, and loss of goodwill, arising from the purported termination of the rights granted by the distributor agreement coupled with any attorneys' fees, punitive damages, and possible injunctive relief could exceed $75,000. Thus, the amount in controversy requirement is satisfied.

VENUE

14. Venue is appropriate in this Court pursuant to 28 U.S.C. §§ 1441, 1446(a), and 108. This action was originally brought in the Second Judicial District Court of the State of Nevada in and for the County of Washoe.

NOTICE OF REMOVAL TO ADVERSE PARTIES

15. A Notice to Adverse Party attaching a copy of this Notice of Removal will be promptly served on Plaintiff and filed with the Clerk of the Second Judicial District Court of the State of Nevada in and for the County of Washoe, as required by 28 U.S.C. § 1446(d).

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WHEREFORE, Sierra Nevada respectfully removes this action from the Second Judicial District Court of the State of Nevada in and for the County of Washoe, Case No. CV16-02278, to the United States District Court, District of Nevada.

Dated: November 30, 2016

SNELL & WILMER L.L.P.

By: _____

William E. Peterson, Bar No. 1528
Janine C. Prupas, Bar No. 9156
50 West Liberty Street, Suite 510
Reno, Nevada 89501

Attorneys for Defendant
Sierra Nevada Brewing Co.

Snell & Wilmer
L.L.P.
LAW OFFICES
50 West Liberty Street, Suite 510
Reno, Nevada 89501
775-785-5440

CERTIFICATE OF SERVICE

I, the undersigned, declare under penalty of perjury, that I am over the age of eighteen (18) years, and I am not a party to, nor interested in, this action. On this date, I caused to be served a true and correct copy of the foregoing **NOTICE OF REMOVAL OF ACTION TO FEDERAL COURT** by the method indicated:

_____	by Court's CM/ECF Program
XXXXXXX	by U. S. Mail
_____	by Facsimile Transmission
_____	by Overnight Mail
_____	by Federal Express
_____	by Electronic Service
_____	by Hand Delivery

and addressed to the following:

E. Leif Reid
Nicole Scott
Lewis Roca Rothgerber Christie LLP
50 West Liberty Street, Suite 410
Reno, Nevada 89501-1922

Dated this 30th day of November, 2016.

By Holly W. Louge
An employee of Snell & Wilmer L.L.P.

Snell & Wilmer L.L.P.
LAW OFFICES
50 West Liberty Street, Suite 510
Reno, Nevada 89501
775-785-5440

INDEX TO EXHIBITS

Exhibit No.	Title of Exhibit
A.	Complaint
B.	Other State Court pleadings

Snell & Wilmer
L.L.P.
LAW OFFICES
50 West Liberty Street, Suite 510
Reno, Nevada 89501
775-785-5440

EXHIBIT A – STATE COURT COMPLAINT

EXHIBIT A- STATE COURT COMPLAINT

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CODE: $1422
E. LEIF REID
State Bar No. 5750
NICOLE SCOTT
State Bar No. 13757
LEWIS ROCA ROTHGERBER CHRISTIE LLP
50 West Liberty Street, Suite 410
Reno, NV 89501-1922
Tel: 775.823.2900
Fax: 775.823.2929
E-mail:lreid@lrrc.com
nscott@lrrc.com

Attorneys for Plaintiff Crown Beverages, Inc.

IN THE SECOND JUDICIAL DISTRICT COURT
OF THE STATE OF NEVADA
IN AND FOR WASHOE COUNTY

CROWN BEVERAGES, INC., a Nevada corporation,

Plaintiff,

vs.

SIERRA NEVADA BREWING CO., a California corporation; DOES I through X, inclusive

Defendants.

Case No.

Dept. No.

COMPLAINT

Plaintiff CROWN BEVERAGES, INC. ("Crown"), by and through its counsel, Lewis Roca Rothgerber Christie LLP, complains against Defendants as follows:

PARTIES, JURISDICTION, AND VENUE

1. Plaintiff Crown is a corporation organized and existing under the laws of the State of Nevada.

2. Defendant SIERRA NEVADA BREWING CO. ("Sierra Nevada") is a corporation organized and existing under the laws of the State of California, doing business throughout the State of Nevada as a "supplier" of liquor within the meaning of NRS Chapter 369 and 597.

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50 West Liberty Street, Suite 410
Reno, NV 89501-1922

3. Plaintiff alleges that the entities named herein as DOES I through X are individuals, corporations, limited liability companies, partnerships, associations, or other persons or entities who are responsible in some manner or capacity for the acts alleged herein, but whose names are unknown to Plaintiff at this time. Plaintiff will seek leave to amend this complaint to include the names of DOES I through X when the identities of such defendants become known to Plaintiff.

4. This Court has subject matter jurisdiction over this action under Article 6, § 6 of the Nevada Constitution.

5. Venue is proper in the Second Judicial District Court, Washoe County, Nevada under NRS 13.010 and NRS 13.040.

FACTUAL ALLEGATIONS

6. At all times relevant hereto, Crown has been a licensed wholesaler and importer of alcoholic beverages in the State of Nevada pursuant to NRS Chapters 369 and 597.

7. At all times relevant hereto, Crown was a "wholesale dealer" or "wholesaler" within the definitions and meaning of those terms as used in NRS Chapters 369 and 597.

8. Crown is the holder of exclusive franchises with suppliers for the exclusive importation and further wholesale distribution of liquors within the State of Nevada as authorized and recognized under NRS Chapters 369 and 597.

9. At all times relevant hereto, Sierra Nevada has been registered with the Nevada Department of Taxation and holds a current Certificate of Compliance as a "supplier" of alcoholic beverages.

10. As a registered "supplier" with the Nevada Department of Taxation, Sierra Nevada promises "to faithfully comply with all laws of the State of Nevada pertaining to the sale and shipping of liquors into Nevada . . . ."

11. In or about December 1, 1986, Crown entered into a distributor agreement with Sierra Nevada (hereinafter the "Agreement") to serve as its exclusive importer/wholesaler in northern Nevada.

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50 West Liberty Street, Suite 410
Reno, NV 89501-1922

12. Under the Agreement, Crown was granted the exclusive right to import and distribute the following products in its territory: Pale Ale, Porter, Stout, Celebration Ale, Draught Ale, Bigfoot Ale, and Summerfest Beer.

13. Thereafter, Sierra Nevada authorized Crown the exclusive right to distribute additional brands within Crown's territory by executing multiple Liquor Wholesaler Designation and Acceptance Forms (Form "LT 08") that were filed with the Nevada Department of Taxation. Collectively, all of the products for which Crown has been designated the exclusive right to import and distribute, either as expressly included in the Agreement or through a subsequent LT 08, are referred to herein as "Crown's Products."

14. At all times relevant hereto, Crown fully and/or substantially performed under its franchise agreement with Sierra Nevada and pursuant to NRS Chapters 369 and 597.

15. Under NRS 597.150(1), before a supplier can terminate a franchise with a wholesaler,

> a supplier must, at least 90 days before he or she terminates or refuses to continue any franchise with a wholesaler or causes a wholesaler to resign from any franchise, send a notice by certified mail, return receipt requested, to the wholesaler. The notice must include:
>
> (a) The reason for the proposed action and a description of any failure of the wholesaler to comply with the terms, provisions and conditions of the franchise alleged by the supplier pursuant to NRS 597.160; and
>
> (b) A statement that the wholesaler may correct any such failure within the period prescribed in NRS 597.160.

16. Under NRS 597.160(2), "a supplier shall not unilaterally terminate or refuse to continue any franchise with a wholesaler or cause a wholesaler to resign from that franchise unless the supplier has first established good cause for that termination, noncontinuance or causing of that resignation." "Good cause" is defined in NRS 597.133.

17. And, under NRS 597.160(3), "[a] wholesaler may, within 60 days after he or she receives a notice required pursuant to NRS 597.155, correct any failure to comply with the terms, provisions and conditions of the franchise alleged by the supplier."

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50 West Liberty Street, Suite 410
Reno, NV 89501-1922

18. In a letter dated October 26, 2016, Sierra Nevada informed Crown it was ending the "business relationship." Further, the letter provided that "[a]t this point we demand that [Crown] initiate discussions to sell distribution rights in [Crown's] territory."

19. Sierra Nevada's October 26, 2016, letter purports to unilaterally terminate Crown's franchise without any good cause whatsoever, and without the required notice and opportunity to cure as required under Nevada law.

20. Sierra Nevada's conduct is in violation of NRS Chapters 369 and 597, constitutes a breach of the Agreement, and is a violation of Sierra Nevada's fiduciary duties owed to Crown.

FIRST CLAIM FOR RELIEF

(Breach of Plaintiff's Statutory Rights—NRS 597.120, *et seq.*)

21. Plaintiff incorporates herein the foregoing paragraphs as if fully set forth.

22. NRS 597.160 prohibits suppliers from unilaterally terminating or refusing to continue franchises with Nevada wholesalers absent good cause. Under Nevada law, a supplier may not unilaterally end its business relationship with a wholesaler and mandate that a wholesaler sell its exclusive franchise rights to distribute a supplier's brands to another wholesaler.

23. Sierra Nevada violated NRS Chapter 597 when it unilaterally discontinued its business relationship with Crown and demanded that Crown sell its franchise in its brands to another wholesaler.

24. Further, NRS 597.155 requires that suppliers provide at least 90 days' notice of any such purported termination. And, under NRS 597.160, wholesalers may, within 60 days of receiving any such notice of termination, affect a cure of any alleged failure to comply with the terms, provisions and conditions of the franchises.

25. Crown has a valid and enforceable exclusive franchise agreement with Sierra Nevada. In violation of NRS 597.155 and NRS 597.160, Sierra Nevada has unilaterally and without good cause purported to terminate the franchise.

26. In violation of NRS 597.155, Sierra Nevada did not provide the required 90-day notice prior to terminating a franchise.

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50 West Liberty Street, Suite 410
Reno, NV 89501-1922

27. In violation of NRS 597.160(3), Sierra Nevada did not provide the required 60-day opportunity to "correct any failure to comply with the terms, provisions and conditions of the franchise alleged by the supplier" in a notice received pursuant to NRS 597.155.

28. As a proximate result of Sierra Nevada's wrongful and unlawful acts, Crown has suffered, or will suffer, lost profits, loss of market share, and loss of goodwill in an amount in excess of $10,000.

29. Furthermore, as a result of Sierra Nevada's wrongful and unlawful acts, Crown has been forced to obtain the services of counsel to prosecute this action and is entitled to an award of attorney fees and costs incurred herein pursuant to NRS 597.170.

SECOND CLAIM FOR RELIEF

(Breach of Contract)

30. Plaintiff incorporates herein the foregoing paragraphs as if fully set forth.

31. Crown entered into a valid and existing contract with Sierra Nevada to act as Sierra Nevada's exclusive wholesaler/importer for Crown's Products within Crown's territory within the state of Nevada in accordance with NRS Chapters 369 and 597.

32. Crown performed fully under the franchise agreement and pursuant to NRS Chapters 369 and 597.

33. Sierra Nevada breached the franchise agreement by, among other things, purporting to terminate the Agreement without good cause and requiring Crown to divest itself of its exclusive right to distribute Sierra Nevada's products in northern Nevada.

34. As a proximate result of Sierra Nevada's wrongful and unlawful acts, Crown has suffered, or will suffer, lost profits, loss of market share, and loss of goodwill in an amount in excess of $10,000.

35. Furthermore, as a result of Sierra Nevada's wrongful and unlawful acts, Crown has been forced to obtain the services of counsel to prosecute this action and is entitled to an award of attorney fees and costs incurred herein pursuant to NRS 18.010, *et seq*.

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Lewis Roca ROTHGERBER CHRISTIE
50 West Liberty Street, Suite 410
Reno, NV 89501-1922

THIRD CLAIM FOR RELIEF

(Contractual Breach of the Covenant of Good Faith and Fair Dealing)

36. Plaintiff incorporates herein the foregoing paragraphs as if fully set forth.

37. Crown entered into a valid and existing contract with Sierra Nevada to act as Sierra Nevada's exclusive wholesaler/importer for Crown's Products within Crown's territory within the state of Nevada in accordance with NRS Chapters 369 and 597.

38. The implied covenant of good faith and fair dealing is required in every contract under Nevada law, and, therefore, Sierra Nevada owes a duty of good faith to Crown.

39. Sierra Nevada breached that duty by performing in a manner that is unfaithful to the purpose of the contract when it purported to terminate the Agreement, without notice, without good cause, and without providing an opportunity to correct any alleged deficiencies. Sierra Nevada's representatives and agents have also disparaged Crown in the market, causing damage to its reputation and ability to continue its business. Thus, Crown's justified expectations were denied.

40. As a proximate result of Sierra Nevada's wrongful and unlawful acts, Crown has suffered, or will suffer, lost profits, loss of market share, and loss of goodwill in an amount in excess of $10,000.

41. Furthermore, as a result of Sierra Nevada's wrongful and unlawful acts, Crown has been forced to obtain the services of counsel to prosecute this action and is entitled to an award of attorney fees and costs incurred herein pursuant to NRS 18.010, *et seq*.

FOURTH CLAIM FOR RELIEF

(Tortious Breach of the Covenant of Good Faith and Fair Dealing)

42. Plaintiff incorporates herein the foregoing paragraphs as if fully set forth.

43. Crown entered into a valid and existing contract with Sierra Nevada to act as Sierra Nevada's exclusive wholesaler/importer for Crown's Products within Crown's territory within the state of Nevada in accordance with NRS Chapters 369 and 597.

44. The implied covenant of good faith and fair dealing is required in every contract under Nevada law, and, therefore, Sierra Nevada owes a duty of good faith to Crown.

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50 West Liberty Street, Suite 410
Reno, NV 89501-1922

45. Furthermore, as parties to a franchise agreement, a special element of reliance existed between Sierra Nevada and Crown, whereby Sierra Nevada was in an entrusted position and Crown specially relied upon Sierra Nevada to honor its obligations and deal fairly and in good faith with respect to the franchise agreement.

46. As a result of the foregoing special element of reliance, Sierra Nevada, as a franchisor, was under a legal duty, independent of the Agreement, to deal fairly and in good faith with Crown. Sierra Nevada's business disparagement and attempts to force Crown to sell its franchise rights similarly violate these special duties under Nevada law.

47. Sierra Nevada breached these duties by purportedly terminating the Agreement without good cause, without notice, and without an opportunity to cure, and Crown's justified expectations were thus denied.

48. As a proximate result of Sierra Nevada's wrongful and unlawful acts, Crown has suffered, or will suffer, lost profits, loss of market share, and loss of goodwill in an amount in excess of $10,000.

49. Furthermore, as a result of Sierra Nevada's wrongful and unlawful acts, Crown has been forced to obtain the services of counsel to prosecute this action and is entitled to an award of attorney fees and costs incurred herein pursuant to NRS 18.010, *et seq*.

50. Additionally, Sierra Nevada's conduct has been committed with malice, oppression, and fraud, and therefore, Crown requests that punitive/exemplary damages be assessed against Sierra Nevada.

FIFTH CLAIM FOR RELIEF

(Intentional Interference with Prospective Economic Advantage)

51. Plaintiff incorporates herein the foregoing paragraphs as if fully set forth.

52. Prospective contractual relationships existed between Crown and its customers in its territory for the continuous and perpetual supply of Crown's Products.

53. Sierra Nevada knows of these relationships and entered into an exclusive wholesale franchise with Crown, thereby allowing Crown to fulfill its prospective contractual obligations.

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LEWIS ROCA ROTHGERBER CHRISTIE
50 West Liberty Street, Suite 410
Reno, NV 89501-1922

54. Sierra Nevada knows of these relationships, and without good cause or notice, purportedly terminated Crown's franchise agreement.

55. Sierra Nevada has no privilege or justification for preventing these relationships.

56. As a proximate result of Sierra Nevada's wrongful and unlawful acts, Crown has suffered, or will suffer, lost profits, loss of market share, and loss of goodwill in an amount in excess of $10,000.

57. Furthermore, as a result of Sierra Nevada's wrongful and unlawful acts, Crown has been forced to obtain the services of counsel to prosecute this action and is entitled to an award of attorney fees and costs incurred herein pursuant to NRS 18.010, *et seq*.

SIXTH CLAIM FOR RELIEF

(Intentional Interference with Contractual Relations)

58. Plaintiff incorporates herein the foregoing paragraphs as if fully set forth.

59. Crown has and had valid and existing contracts with its customers for the distribution of Crown's Products.

60. Sierra Nevada is aware of these contracts.

61. Sierra Nevada committed intentional acts intended or designed to disrupt the contractual relationships between Crown and its customers in its territory by unilaterally and without good cause, notice, or an opportunity to cure, purporting to terminate the Agreement.

62. As a proximate result of Sierra Nevada's wrongful and unlawful acts, Crown has suffered, or will suffer, lost profits, loss of market share, and loss of goodwill in an amount in excess of $10,000.

63. Furthermore, as a result of Sierra Nevada's wrongful and unlawful acts, Crown has been forced to obtain the services of counsel to prosecute this action and is entitled to an award of attorney fees and costs incurred herein pursuant to NRS 18.010, *et seq*.

SEVENTH CLAIM FOR RELIEF

(Declaratory Relief)

64. Plaintiff incorporates herein the foregoing paragraphs as if fully set forth.

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Lewis Roca ROTHGERBER CHRISTIE
50 West Liberty Street, Suite 410
Reno, NV 89501-1922

65. A dispute has arisen and an actual controversy now exists between Crown and Sierra Nevada regarding the rights, liabilities, and obligations of Crown and Sierra Nevada under NRS Chapter 597.

66. A declaration of rights is necessary and appropriate at this time in order for the parties to ascertain their rights, obligations, and liabilities, and because no adequate remedy other than prayed for exists by which the rights of the parties may be ascertained.

67. Plaintiff is informed and believes, and on this basis alleges, that Sierra Nevada will unlawfully terminate the Agreement without good cause unless enjoined and restrained by the Court, and Plaintiff does not have an adequate remedy at law.

68. Crown requests a judicial declaration that Sierra Nevada is improperly terminating the Crown franchise without good cause.

WHEREFORE, Crown respectfully requests the following relief:

1. For preliminary and permanent injunctive relief, enjoining Sierra Nevada from terminating Crown's franchise agreements without good cause and enjoining Sierra Nevada from supplying Crown's Products to other wholesalers within Crown's territory within the State of Nevada, in violation of NRS Chapter 597;
2. For a declaration that Sierra Nevada has violated NRS Chapter 597 by purporting to force Crown to sell its franchise and by refusing to continue its franchise with Crown without good cause and without otherwise complying with NRS 597.155 and NRS 597.160;
3. For judgment against Sierra Nevada for specific performance under its franchise agreement with Crown;
4. For judgment against Sierra Nevada in excess of $10,000, according to proof;
5. For attorney fees and costs; and
6. For such other and further relief as the Court may deem just and proper.

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50 West Liberty Street, Suite 410
Reno, NV 89501-1922
Lewis Roca ROTHGERBER CHRISTIE

AFFIRMATION

I declare under penalty of perjury under the law of the State of Nevada that the foregoing document does not contain the Social Security number of any person.

DATED this 3rd day of November, 2016.

LEWIS ROCA ROTHGERBER CHRISTIE LLP

By: *s/ E. Leif Reid*
E. Leif Reid, SBN 5750
Nicole Scott, SBN 13757
50 West Liberty Street, Suite 410
Reno, Nevada 89501

Attorneys for Plaintiff Crown Beverages, Inc.

Lewis Roca ROTHGERBER CHRISTIE
50 West Liberty Street, Suite 410
Reno, NV 89501-1922

EXHIBIT B – OTHER STATE COURT PAPERS

EXHIBIT B- OTHER STATE COURT PAPERS

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CODE: 1665
E. LEIF REID
State Bar No. 5750
NICOLE SCOTT
State Bar No. 13757
LEWIS ROCA ROTHGERBER CHRISTIE LLP
50 West Liberty Street, Suite 410
Reno, NV 89501-1922
Tel: 775.823.2900
Fax: 775.823.2929
E-mail:lreid@lrrc.com
nscott@lrrc.com

Attorneys for Plaintiff Crown Beverages, Inc.

IN THE SECOND JUDICIAL DISTRICT COURT
OF THE STATE OF NEVADA
IN AND FOR WASHOE COUNTY

CROWN BEVERAGES, INC., a Nevada corporation,

Plaintiff,

vs.

SIERRA NEVADA BREWING CO., a California corporation; DOES I through X, inclusive

Defendants.

Case No. CV16-02278

Dept. No. B9

50 West Liberty Street, Suite 410
Reno, NV 89501-1922
Lewis Roca ROTHGERBER CHRISTIE

PLAINTIFF'S APPLICATION FOR TEMPORARY RESTRAINING ORDER AND MOTION FOR PRELIMINARY INJUNCTION

Plaintiff CROWN BEVERAGES, INC. ("Crown"), by and through its counsel, Lewis Roca Rothgerber Christie LLP, hereby moves this Court for a temporary restraining order and preliminary injunction pursuant to NRCP 65 and NRS 33.010 enjoining Defendant SIERRA NEVADA BREWING CO., a California corporation ("Sierra Nevada") from: (1) terminating the parties' franchise agreement; (2) appointing another wholesaler of Sierra Nevada's products in northern Nevada; and (3) demanding that Plaintiff sell the Sierra Nevada franchise.

This Motion is based upon the following Memorandum of Points and Authorities, the Affidavit of Paul Bond, a copy of which is attached hereto as Exhibit 1, the Affidavit of E. Leif

Reid, Esq., a copy of which is attached hereto as Exhibit 2, the papers and pleadings on file herein, and any oral argument the Court wishes to entertain.

DATED this 4th day of November, 2016.

LEWIS ROCA ROTHGERBER CHRISTIE LLP

By: *s/ E. Leif Reid*
E. Leif Reid, SBN 5750
Nicole Scott, SBN 13757
LEWIS ROCA ROTHGERBER CHRISTIE LLP
50 West Liberty Street, Suite 410
Reno, Nevada 89501

Attorneys for Plaintiff Crown Beverages, Inc.

Lewis Roca ROTHGERBER CHRISTIE
50 West Liberty Street, Suite 410
Reno, NV 89501-1922

MEMORANDUM OF POINTS AND AUTHORITIES

I. INTRODUCTION

Plaintiff Crown is a wholesaler and importer of alcoholic beverages in northern Nevada. Crown has a franchise agreement with Sierra Nevada, a beer supplier, to be Sierra Nevada's exclusive wholesaler within Crown's Marketing Area within the State of Nevada in accordance with NRS Chapters 369 and 597.

In Nevada, franchises between suppliers and wholesalers of alcoholic beverages are governed by Chapter 597 of the Nevada Revised Statutes. Chapter 597 makes it clear that: (1) a supplier must provide a wholesaler with (i) notice and (ii) the opportunity to cure when it seeks to terminate its franchise with that wholesaler; and (2) a supplier must first establish good cause for terminating a wholesaler before providing the required notice and opportunity to cure. NRS 597.155(1), 597.160(2) and (3); *see also* NRS 597.133.

Sierra Nevada has violated the foregoing Nevada laws and breached its franchise agreement with Crown, by purporting to unilaterally discontinue Crown's franchise without first establishing good cause, without providing the required 90-day notice, and without providing an opportunity to cure. Sierra Nevada has instead illegally attempted to force Crown to sell its rights to another distributor. If Sierra Nevada is not enjoined from terminating Crown in violation of Nevada law and supplying its products to other Nevada wholesalers within Crown's Marketing Area, Crown will suffer irreparable injury in the form of lost goodwill and damage to its business reputation as well as lost profits and market share.

II. FACTUAL BACKGROUND

Crown is a licensed importer and wholesaler of alcoholic beverages doing business in Nevada. *See* Affidavit of Paul Bond in Support of Plaintiff's Application for Temporary Restraining Order and Motion for Preliminary Injunction ("Bond Aff."), attached hereto as **Ex. 1** ¶ 3. Crown purchases and import alcoholic beverage products from out-of-state domestic as well as international suppliers. *Id.* at ¶ 4. On arrival in the state, Crown warehouses, then markets, sells, and distributes the products to retail stores and establishments, such as restaurants and bars, located throughout its Marketing Area in Nevada. *Id.* In marketing and wholesaling alcoholic

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50 West Liberty Street, Suite 410
Reno, NV 89501-1922

beverages to retailers, Crown utilizes its own resources to develop the markets for and promote the products that make up their portfolios. *Id.* at ¶ 5.

Crown holds franchises with a number of out-of-state suppliers to be the exclusive importer/wholesaler for its products in Nevada. *Id.* at ¶ 6. Among the suppliers that Crown has a franchise is Sierra Nevada. *Id.* Sierra Nevada is a California corporation engaged in the business of brewing and supplying a variety of beers.

In accordance with NRS Chapters 369 and 597, commencing on or about December 1, 1986, Crown entered into the Sierra Nevada Distributor Agreement (hereinafter "the Agreement") with Sierra Nevada to serve as its exclusive importer/wholesaler within Crown's Marketing Area. *See* December 1, 1986, Sierra Nevada Distributor Agreement ("the Agreement"), attached hereto as **Ex. 1** to Bond Aff. Crown's Marketing Area was defined under the Agreement as "[n]orthern Nevada." *Id.*

Under the Agreement, Crown was granted the exclusive right to import and distribute the following products in its Marketing Area: Pale Ale, Porter, Stout, Celebration Ale, Draught Ale, Bigfoot Ale, and Summerfest Beer. *See* Authorization Letter, attached as **Ex. 2** to Bond Aff. Thereafter, Sierra Nevada caused multiple Liquor Wholesaler Designation and Acceptance Forms (Form "LT 08") to be filed with the Nevada Department of Taxation, thereby granting Crown the exclusive right to distribute additional brands in Crown's Marketing Area. Collectively, all of the products for which Crown has been designated the exclusive right to import and distribute, either as expressly included in the Agreement or through a subsequent LT 08, are referred to herein as "Crown's Products."

During the more than thirty years that Crown has successfully distributed Sierra Nevada's brands in northern Nevada, Sierra Nevada has caused Crown to import into the State of Nevada more than 2,000 barrels of its products in a calendar year. Bond Aff. at ¶ 12. NRS 597.160 states in relevant part that "a supplier shall not unilaterally terminate or refuse to continue any franchise with a wholesaler . . . unless the supplier has first established good cause for that termination, noncontinuance" and that "[t]his subsection does not apply to a supplier who sells less than 2,000 barrels of malt beverages . . . in this state in any calendar year." NRS 597.160(2) (emphasis

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50 West Liberty Street, Suite 410
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added). Nevada law thus requires that Sierra Nevada have good cause to terminate its franchises with Crown.

Since entering into its franchise agreement with Sierra Nevada, Crown has invested in the franchise relationship in many ways. Crown has invested its sales forces' time and efforts to learn about Sierra Nevada's products so it can promote the products through direct contact with substantially all of its retail clients located in its Marketing Areas. Bond Aff. at ¶ 13. Crown has also invested space at promotional events to give Sierra Nevada's products exposure, has featured Sierra Nevada's products in written marketing and sales materials, and has invested substantial amounts of money in promoting the Sierra Nevada brand, such as through, for example, price promotions and marketing dollars spent on product samplings and purchases of Sierra Nevada's marketing materials and signs. *Id.* Finally, Crown has invested valuable warehouse space in storing and maintaining Sierra Nevada's products. *Id.*

Despite Crown's efforts, Sierra Nevada sent a letter on October 26, 2016, which purported to unilaterally discontinue its franchise with Crown without any good cause whatsoever. *See* **Ex. 5** to Bond Aff. The letter provided that it "wish[ed] to inform [Crown] that we wish to end our business relationship with Crown." *Id.* Sierra Nevada's decision to terminate its Agreement with Crown was not based upon deficiencies or other actions or inactions taken by Crown; rather termination of the Agreement was a unilateral business decision by Sierra Nevada.

Crown substantially performed its obligations under the franchise agreement with Sierra Nevada pursuant to NRS Chapters 369 and 597. Accordingly, Crown has worked hard to aggressively promote, market, and sell Sierra Nevada's products. And its efforts have been acknowledged by Sierra Nevada—according to the 2016 Mid-Year Meeting Recap, Crown outperformed other wholesale distributors in other markets in this region of the country in almost every one of its Sierra Nevada products. *See* **Ex. 4** to Bond Aff.

If Sierra Nevada is permitted to terminate the Agreement and supply its products through another Nevada wholesaler within Crown's Marketing Area, or in unprecedented and illegal fashion, forces Crown to sell its exclusive rights to another distributor, Crown will suffer loss of goodwill and damage to its business reputations with clients that they have spent years building.

50 West Liberty Street, Suite 410
Reno, NV 89501-1922
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Bond Aff. at ¶¶ 22-24. Crown will also suffer loss of profits and market share in a very competitive industry and an extremely challenging business environment. *Id.* Some of these losses can never be recouped, even if the franchises were to later be reinstated. *Id.* at ¶ 24.

III. LEGAL ARGUMENT

Crown seeks a temporary restraining order and a preliminary injunction enjoining Sierra Nevada enjoining from: (1) terminating the parties' Franchise Agreement; (2) appointing another wholesaler of Sierra Nevada's products in northern Nevada; and (3) demanding that Plaintiff sell the Sierra Nevada franchise. Thus, Crown seeks to maintain the status quo during the pendency of this action.

A. Injunctive Relief Standard

Injunctive relief is appropriate to protect franchise rights. *De Luca Importing Co. v. Buckingham Corp.,* 90 Nev. 158, 161, 520 P.2d 1365, 1366-67 (1974) (quoting *Harmon v. Tanner Motor Tours,* 79 Nev. 4, 377 P.2d 622 (1963)); *see also* NRS § 597.170(2); *Douglas Disposal v. Wee Haul, LLC,* 123 Nev. 552, 170 P.3d 508 (2007). In *Harmon v. Tanner Motor Tours,* the Nevada Supreme Court stated:

> An exclusive franchise is a property right. Injunctive relief is available to prohibit interference with it. Equitable intervention is needed to protect the vitality of an exclusive franchise, for the moment the right becomes common the franchise ceases to exist.

Injunctive relief is to be granted in order to protect the moving party from irreparable injury and to preserve the status quo until such time as the underlying action is resolved. *Pickett v. Comanche Const., Inc.,* 108 Nev. 422, 426, 836 P.2d 42, 44 (1992).

Rule 65 of the Nevada Rules of Civil Procedure and NRS 33.010 authorize the Court to grant injunctive relief when the commission of an act may produce great or irreparable injury to the plaintiff. NRS 33.010 provides:

> An injunction may be granted in the following cases:
>
> 1. When it shall appear by the complaint that the plaintiff is entitled to the relief demanded, and such relief or any part thereof consists, in restraining the commission or continuance of the act complained of, either for a limited period or perpetually.

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> 2. When it shall appear by the complaint or affidavit that the commission or continuance of some act, during the litigation, would produce great or irreparable injury to the plaintiff.
>
> 3. When it shall appear, during the litigation, that the defendant is doing or threatens, or is about to do, or is procuring or suffering to be done, some act in violation of the plaintiff's rights respecting the subject of the action, and tending to render the judgment ineffectual

The Nevada Supreme Court has held that a party applying for a preliminary injunction should demonstrate: (1) likelihood of success on the merits, and (2) a reasonable probability the defendant's conduct will cause irreparable harm. *Clark County School Dist. v. Buchanan,* 112 Nev. 1146, 1150, 924 P.2d 716, 719 (1996). The Court may also weigh the public interest and relative hardships of the parties. *See id.* The essence of the foregoing tests is whether the rights of the parties will be best protected by the granting of the injunctive relief. *See Rhodes Mining Co. v. Belleville Placer Mining Co.,* 32 Nev. 230, 106 P. 561, 562 (1910).

B. There Is A Significant Likelihood of Plaintiff's Success on the Merits

A preliminary injunction is warranted because the egregious facts underlying this case demonstrate that Crown is likely to succeed on the merits of its claims. In order to show a likelihood of success on the merits, movants are not required to prove that they will ultimately prevail in the lawsuit. Rather, movants are only required to establish "a reasonable probability of success on the merits." *Buchanan,* 112 Nev. at 1150, 924 P.2d at 719. Crown will likely succeed on the merits of their claims for Breach of Plaintiff's Statutory Rights—NRS 597.120, *et seq.,* Breach of Contract, Contractual Breach of the Covenant of Good Faith and Fair Dealing, Tortious Breach of the Covenant of Good Faith and Fair Dealing, Intentional Interference with Prospective Economic Advantage, Intentional Interference with Contractual Relations, and Declaratory Relief. Injunctive relief is therefore appropriate.

1. *Violation of Plaintiff's Statutory Rights—NRS 597.120, et seq.*

Crown's franchise agreement with Sierra Nevada is governed by NRS Chapter 597, as amended in 1995. The purpose of Chapter 597 is to provide a measure of protection to the wholesale alcoholic beverage industry in Nevada from coercive economic control, such as having their franchises terminated *arbitrarily, irrationally,* or *unreasonably* by suppliers. *See*

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NRS 597.190. This is exactly what Sierra Nevada is doing to Crown here, and such action cannot be upheld by the Court.

NRS 597.155(1) provides in relevant part that:

> a supplier must, at least 90 days before he or she terminates or refuses to continue any franchise with a wholesaler or causes a wholesaler to resign from any franchise, send a notice by certified mail, return receipt requested, to the wholesaler. The notice must include:
>
> (a) The reason for the proposed action and a description of any failure of the wholesaler to comply with the terms, provisions and conditions of the franchise alleged by the supplier pursuant to NRS 597.160; and
>
> (b) A statement that the wholesaler may correct any such failure within the period prescribed in NRS 597.160.

NRS 597.160 provides in relevant part:

> 2. Except as otherwise provided in this subsection and notwithstanding the terms, provisions or conditions of any franchise, a supplier shall not unilaterally terminate or refuse to continue any franchise with a wholesaler .. . unless the supplier has **first established good cause** for that termination, noncontinuance . . . . This subsection does not apply to a supplier who sells less than 2,000 barrels of malt beverages, less than 250 cases of distilled spirits or less than 2,000 cases of wine in this state in any calendar year, or who operates a winery pursuant to NRS 597.240.
>
> 3. A wholesaler may, **within 60 days** after he or she receives a notice required pursuant to NRS 597.155, correct any failure to comply with the terms, provisions and conditions of the franchise alleged by the supplier.
>
> 4. Unless otherwise specified by contract between the supplier and wholesaler, a supplier shall not grant more than one franchise to a wholesaler for any brand of alcoholic beverage in a marketing area.[1]

(Emphasis added.) "Good cause" is defined by NRS 597.133 as:

> 1. Failure by a wholesaler to comply substantially with essential and reasonable requirements imposed on him or her by a supplier, or sought to be imposed by a supplier, if the requirements are not discriminatory as compared with requirements imposed on other similarly suited wholesalers either by their terms or in the manner of their enforcement.

[1] Marketing Area" means the area where a wholesaler sells a product of a supplier pursuant to the terms, provisions and conditions of a franchise. NRS 597.136. Here, Crown's Marketing Area was set forth in the Agreement.

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2. Bad faith by the wholesaler in carrying out the terms of the franchise agreement.

Based upon the above, the justification provided by Sierra Nevada for terminating the Agreement must constitute "***good cause***" as defined in NRS 597.133, and **must be established prior to the time that notice is given of termination and an opportunity to cure is provided**. NRS 597.160(2).

As an initial matter, NRS 597.160(2)'s exception to the good cause requirement is not implicated in this case. During the pendency of its franchise agreement with Crown, Sierra Nevada has caused Crown to import into the State of Nevada more than 2,000 barrels of Sierra Nevada's products in a calendar year. Therefore, Sierra Nevada is required to establish good cause prior to terminating the franchises with Crown.

Crucially, Sierra Nevada's October 26, 2016, letter does not provide valid good cause, as required under Nevada law. As described more fully below, Crown has more than substantially performed under the essential and reasonable requirements of the Agreement, in fact exceeding sales targets in the region. *See, e.g.,* Bond Aff. ¶ 16. Thus, Sierra Nevada's unilateral business decision to discontinue its franchise with Crown and coercively demand that it sell its franchise rights failed to comply with the good cause requirement under NRS 597.160.

In addition to not satisfying the good cause requirement, Sierra Nevada *never* provided the required 90-day notice prior to termination as required under Nevada law. *See* NRS 597.155(1). Moreover, this notice must be sent via certified mail, return receipt requested, which again Sierra Nevada evaded. And finally, Sierra Nevada did not provide the required 60-day opportunity to cure. *See* NRS 597.160(3).

Based upon the above, it is clear that Sierra Nevada has not and cannot establish good cause for the termination of the Agreement. Further, Sierra Nevada clearly violated Nevada law by not sending a notice certified mail, return receipt requested, by not providing a 60-day opportunity to cure, and by not providing a 90-day notice of termination. Thus, Crown is likely to succeed on its claim for breach of its statutory rights.

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2. *Breach of Contract*

It is well established that injunctions are available to enjoin a breach of contract. *See, e.g., Chisholm v. Redfield,* 75 Nev. 502, 507, 347 P.2d 523, 525 (1959) ("[T]he power to restrain the breach of a contract under proper circumstances and conditions has long been recognized.") (citing *Muncie Natural Gas Co. v. Muncie,* 66 N.E. 436, 441 (Ind. 1903) (stating that a court of equity "will not suffer men to depart from their agreements at pleasure")). To establish its breach of contract claim against Sierra Nevada, Crown must prove that a valid contract exists between it and Sierra Nevada, it performed under the contract, Sierra Nevada breached, and it suffered damages as a result. *See Calloway v. City of Reno,* 116 Nev. 250, 256, 993 P.2d 1259, 1263 (2000), *superseded by statute on other grounds.* Here, it is clear that Sierra Nevada entered into an agreement with Crown whereby Crown was to serve as Sierra Nevada's importer and wholesaler within Crown's Marketing Area within the State of Nevada. Such a relationship and agreement was acknowledged in this year's Sierra Nevada Brewing Co. Distribution Agreement Amendment One. *See* **Ex. 3** to Bond Aff. ("This is the First Amendment to the Distribution Agreement . . . dated December 1, 1986 . . . .").

This agreement and relationship is governed by Chapter 597.[2] In purporting to terminate the exclusive franchise agreement without good cause, without providing 90-day notice of termination, and without providing a 60-day opportunity to cure, Sierra Nevada has violated NRS Chapter 597. By violating Crown's statutory rights, Sierra Nevada breached its agreement and has caused Crown to suffer damages in the form of loss of goodwill, damage to reputation, and loss of future profits.

3. *Contractual and Tortious Breach of the Covenant of Good Faith and Fair Dealing*

Every contract carries with it a covenant of good faith and fair dealing. *Hilton Hotels Corp. v. Butch Lewis Productions, Inc., 109* Nev. 1043, 1046, 862 P.2d 1207, 1209 (1993) (internal citations omitted). In this case, Sierra Nevada entered into valid contracts with Crown, and Sierra

[2] Under Nevada law, a supplier of alcoholic beverages must be registered with the Nevada Department of Taxation and hold a current Certificate of Compliance. At all times relevant hereto, Sierra Nevada has been registered and filed a Certificate of Compliance, which states, in part, that Sierra Nevada "promises . . . to faithfully comply with all laws of the State of Nevada pertaining to the sale and shipping of liquors into Nevada . . . ."

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Nevada owed Crown a duty to act in good faith. Furthermore, an action in tort for a breach of implied covenant of good faith and fair dealing, arises "in rare and exceptional cases" when there is a special relationship between the victim and tortfeasor. *Ins. Co. of the West v. Gibson Tile Co., Inc.*, 122 Nev. 455, 462, 134 P.3d 698, 702 (2006) (internal citation omitted). Such a special relationship exists between franchisees and franchisors. *Id.* (internal citation omitted).

Here, Sierra Nevada has breached its duty to act in good faith. In Sierra Nevada's October 26, 2016, letter, Sierra Nevada purported to unilaterally terminate the Agreement without providing good cause or an opportunity to cure. *See* **Ex. 5** to Bond Aff. Sierra Nevada also *demanded* Crown sell its franchise rights. *Id.* Moreover, during a follow up telephone conversation to this letter, Sierra Nevada representatives told Paul Bond, President of Crown, that Sierra Nevada's decision is for Crown to sell Crown's Sierra Nevada franchise to another distributor. Bond Aff. ¶ 18. And when Mr. Bond asked if this "decision" could be discussed and resolved, Sierra Nevada's representatives refused and that Sierra Nevada wants Crown to sell. *Id.*

Additionally, Sierra Nevada had a franchisee-franchisor relationship with Crown. These types of relationships maintain a special element of reliance, and a breach of the duty of good faith also results in a tortious breach. Thus, by violating Crown's statutory rights in terminating the exclusive franchise agreement without the required good cause, without providing appropriate notice, and without providing an opportunity to cure, Sierra Nevada acted in bad faith and committed *both* contractual and tortious breaches of the covenant of good faith and fair dealing.

4. *Intentional Interference with Prospective Economic Advantage and Intentional Interference with Contractual Relations*

In order to prevail on its claim for intentional interference with prospective economic advantage, Crown must prove that it had a prospective contractual relationship with a third-party, Sierra Nevada knew of this prospective relationship, Sierra Nevada intended to harm Crown by preventing this relationship, Sierra Nevada had no privilege or justification, and Sierra Nevada's conduct resulted in actual harm to Crown. *See Consol. Generator-Nevada, Inc. v. Cummins Eng. Co, Inc.*, 114 Nev. 1304, 1311, 971 P.2d 1251, 1255 (1998) (internal citation omitted). In order to prevail on its claim for intentional interference with contractual relations, Crown must prove that it

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had a valid contract with a third-party, Sierra Nevada knew of this contract, Sierra Nevada committed intentional acts intended or designed to disrupt the contractual relationship, there was an actual disruption of the contract, and Crown suffered harm as a result. *See Hilton Hotels Corp.*, 109 Nev. at 1048, 862 P.2d at 1210 (internal quotation and citation omitted). In this case, Crown is likely to prevail on each of these claims.

Crown had contracts with various retailers within its Marketing Area to distribute Sierra Nevada's products. Furthermore, Crown had prospective contractual relationships with its respective customers for the continuous and perpetual supply of Sierra Nevada's products. Sierra Nevada was aware of these existing and prospective contractual relationships. In fact, Sierra Nevada entered into an exclusive wholesale franchises with Crown thereby allowing Crown to fulfill its current and prospective contractual obligations. By purporting to unilaterally terminate Crown's exclusive franchise without good cause, Sierra Nevada intentionally disrupted Crown's existing contractual relations and has prevented Crown's prospective contractual relationships. Such acts are contrary to Nevada law, not justified, and have caused Crown to suffer damages. Accordingly, Crown is likely to prevail on these claims and injunctive relief is proper.

C. Plaintiff Will Suffer Irreparable Harm if the Status Quo Is Not Preserved

Where a plaintiff is likely to prevail on the merits, the burden to show irreparable harm is substantially reduced. *See Idaho Sporting Congress Inc. v. Alexander,* 222 F.3d 562, 565 (9th Cir. 2000) (noting that likelihood of prevailing and irreparable harm are on a "sliding scale," such that the stronger the probability of success on the merits, the less burden is placed on the plaintiffs to demonstrate irreparable harm); *Sobol v. Capital Management Consultants, Inc.,* 102 Nev. 444, 446, 726 P.2d 335, 337 (1986) (internal citation omitted) ("acts committed without just cause which unreasonably interfere with a business or destroy its credit or profits, may do an irreparable injury and thus authorize issuance of an injunction"); *see also Guion v. Terra Mktg. of Nevada, Inc.,* 90 Nev. 237, 240, 523 P.2d 847, 848 (1974); *Rent-A-Center, Inc. v. Canyon Television and Appliance Rental, Inc.,* 944 F.2d 597, 603 (9th Cir. 1991) (internal citation omitted) (recognizing that "intangible injuries, such as damage to ongoing recruitment efforts and goodwill, qualify as irreparable harm").

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Here, there is no question that the inability to fulfill customer orders—and the presumption that Crown somehow performed inadequately under the franchise agreement with Sierra Nevada—will create the loss of client confidences and result in a competitive disadvantage to Crown. Crown will suffer more than just lost profits, but also loss of market share, loss of reputation and good will, and loss of future business. The impact on client relationships and future business is immeasurable and will result in irreparable harm to Crown. Furthermore, Sierra Nevada has demonstrated that it has no intention of abiding by the Agreement and NRS Chapter 597, and Crown has no alternative but to seek assistance from the Court in the form of an injunction to prevent further and continuing violations. Therefore, irreparable injury is presumed under these circumstances

D. The Court Should Require Only a Nominal Bond

Crown is trying to protect its rights as explicitly set forth in NRS Chapter 597. Crown is merely seeking to enforce the terms of its exclusive franchise agreement with Sierra Nevada, and the governing provisions of NRS Chapter 597. Sierra Nevada will not suffer any damage by the issuance of this temporary restraining order and injunction, as it may continue to conduct business within Crown's Marketing Area within the State of Nevada by supplying its products to Crown pursuant to the terms of the exclusive franchise agreement. Accordingly, the scope of relief warrants only a nominal bond in the amount of, for instance, $500.

IV. CONCLUSION

Based on the foregoing, Crown respectfully requests that this Court grant a temporary restraining order and preliminary injunction prohibiting Sierra Nevada from terminating the Agreement.

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Lewis Roca ROTHGERBER CHRISTIE
50 West Liberty Street, Suite 410
Reno, NV 89501-1922

AFFIRMATION

I declare under penalty of perjury under the law of the State of Nevada that the foregoing document does not contain the Social Security number of any person.

DATED this 4th day of November, 2016.

LEWIS ROCA ROTHGERBER CHRISTIE LLP

By: *s/ E. Leif Reid*
E. Leif Reid, SBN 5750
Nicole Scott, SBN 13757
50 West Liberty St., Ste. 410
Reno, Nevada 89501

Attorneys for Plaintiff Crown Beverages, Inc.

Lewis Roca ROTHGERBER CHRISTIE
50 West Liberty Street, Suite 410
Reno, NV 89501-1922

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Clerk of the Court
Transaction # 5791375 : yviloria

EXHIBIT 1

EXHIBIT 1

AFFIDAVIT OF PAUL BOND IN SUPPORT OF PLAINTIFF'S APPLICATION FOR TEMPORARY RESTRAINING ORDER AND MOTION FOR PRELIMINARY INJUNCTION

STATE OF NEVADA)
) ss.
COUNTY OF WASHOE)

I, PAUL BOND, do hereby swear under penalty of perjury that the following assertions are true and correct to the best of my knowledge:

1. I am over 21 years of age and the allegations contained herein are true and correct to the best of my information and belief.

2. I am the President of Crown Beverages. Inc. ("Crown"), the Plaintiff in this matter. The statements made in this declaration are based on my own personal knowledge and on my knowledge as a representative of Crown, and, if called as a witness, I can competently so testify. As to those statements made on information and belief, I believe them to be true. This declaration is submitted in support of Plaintiffs' Application for Temporary Restraining Order and Motion for Preliminary Injunction.

3. Crown is licensed as an importer and wholesaler of alcoholic beverages in Nevada.

4. Crown purchases and imports alcoholic beverage products from out-of-state suppliers. On arrival in the state of Nevada, Crown warehouses then markets, sells, and distributes the products to retail stores and establishments, such as restaurants and bars, located throughout its marketing area in Nevada.

5. In marketing and wholesaling alcoholic beverages to retailers, Crown utilizes its own resources to develop the markets for and promote the products that make up its portfolio.

6. Crown holds franchises with a number of out-of-state suppliers to be the exclusive importer/wholesaler for their products in Nevada. Among the suppliers with whom Crown has a franchise is Sierra Nevada Brewing Co. ("Sierra Nevada").

7. I am informed and believe that Sierra Nevada is a California corporation engaged in the business of brewing and supplying a variety of malt beverages.

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8. On or about December 1, 1986, Crown entered into the Sierra Nevada Distributor Agreement (the "Agreement"), whereby Crown was designated as the exclusive northern Nevada distributor for Sierra Nevada products. *See* Agreement, attached hereto as **Exhibit 1**.

9. Also on or about December 1, 1986, Sierra Nevada authorized Crown to be the distributor of certain Sierra Nevada products. *See* Authorization Letter, attached hereto as **Exhibit 2**.

10. In 2016, Crown and Sierra Nevada executed an amendment to the Agreement regarding certain credit terms. *See* Amendment One, attached hereto as **Exhibit 3**.

11. Through entry into the Agreement and the filing of multiple Liquor Wholesaler Designation and Acceptance Forms (Form "LT 08") with the Nevada Department of Taxation, Sierra Nevada designated Crown as its exclusive wholesaler for its brands within Crown's marketing areas within the State of Nevada.

12. Sierra Nevada has imported into the State of Nevada more than 2,000 barrels of malt beverages in any calendar year.

13. Crown has invested in its franchise relationship with Sierra Nevada in many ways. Crown has invested its sales forces' time and efforts to learn about Sierra Nevada's products so they can promote the products through direct contact with substantially all of Crown's retail clients located in its marketing area. Crown has also invested space at promotional events to give Sierra Nevada's products exposure, has featured Sierra Nevada's products in written marketing and sales materials, and have invested substantial amounts of money in promoting the Sierra Nevada brand, such as through, for example, price promotions and marketing dollars spent on product samplings and purchases of Sierra Nevada's marketing materials and signs. Finally, Crown has invested valuable warehouse space in storing and maintaining Sierra Nevada's products.

14. Instead of investing in a franchise with Sierra Nevada, Crown could have, of course, invested in a relationship with another supplier. Crown's capacity is not unlimited. As such, any investment in a particular franchise will necessarily preclude investments in other

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franchises with other suppliers. Crown incurred an opportunity cost in agreeing to be Sierra Nevada's exclusive importer/wholesaler in its designated marketing areas in Nevada.

15. Crown performed fully under its franchise agreements with Sierra Nevada and pursuant to NRS Chapters 369 and 597.

16. For example, at the 2016 Crown Mid-Year Meeting, the "Crown Recap" demonstrated that Crown outperformed the region in almost every single brand. *See Crown Mid Year Meeting*, attached hereto as **Exhibit 4**.

17. On October 26, 2016, I received an email with a letter attachment from Sierra Nevada. In that letter, Sierra Nevada unilaterally terminated Crown's Agreement without any good cause whatsoever, without a 90-day notice, and without an opportunity to cure within 60 days. *See* October 26, 2016, letter, attached hereto as **Exhibit 5**.

18. Thereafter, on or about November 1, 2016, I participated in a phone conversation with Matt Foster, Western Sales Director for Sierra Nevada. Mr. Foster stated that Sierra Nevada's decision is for Crown to sell Crown's Sierra Nevada franchise to another distributor.

19. I asked if this could be discussed and resolved, and again Mr. Foster stated that Sierra Nevada wants Crown to sell. I reminded Mr. Foster that Crown was a top performer and he stated "that doesn't matter" and Sierra Nevada "has made its decision."

20. Upon information and belief, Sierra Nevada unlawfully wishes to terminate its franchise with Crown for reasons other than Crown's performance.

21. Sierra Nevada has not provided an opportunity to cure any alleged deficiencies, nor a technically compliant notice of termination as required under NRS Chapter 597.

22. Based on my experience in the industry and at Crown, I believe that if Sierra Nevada is permitted to terminate its franchise with Crown, Crown will suffer loss of goodwill and damage to its business reputation with clients that it has spent years building.

23. Crown has extensive business relationships with various retailers within its marketing area to distribute Sierra Nevada's brands. Furthermore, Crown has prospective contractual relationships with its customers for the continuous and perpetual supply of Sierra Nevada's brands. If Sierra Nevada terminates its franchise, Crown will not be able to fulfill orders

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during the pendency of this litigation. Moreover, customers will believe that Crown did something wrong in its performance of the Sierra Nevada franchises, since the industry is very familiar with Nevada's "good cause" requirement for termination of a franchise.

24. Crown will also suffer loss of profits and market share in a very competitive industry and an extremely challenging business environment. Some of these losses can never be recouped, even if the franchises were to later be reinstated.

25. I declare under penalty of perjury that the foregoing is true and correct.

Executed this 2ND day of November, 2016.

PAUL BOND

Subscribed and Sworn to before me
this 2 day of November, 2016.

NOTARY PUBLIC

FRANCISCO CABRERA
Notary Public - State of Nevada
Appointment Recorded in Washoe County
No: 16-1742-2 - Expires March 1, 2020

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Exhibit 1

PAUL BOND AFFIDAVIT
Exhibit 1

SIERRA NEVADA BREWING CO.

SIERRA NEVADA DISTRIBUTOR AGREEMENT

Commencing on December 1, 1986 Sierra Nevada Brewing Co. agrees to sell and the undersigned distributor ("Distributor") agrees to buy such beverage products as are listed on Exhibit 1 hereto (such beverage products being here in referred to as "Product"), pursuant to the following terms and conditions:

1. Territory

Company hereby appoints Distributor as the wholesale distributor of, and grants to Distributor the right to sell, the Product in the territory described in Exhibit 1 ("Territory") and agrees that it will not appoint another wholesaler for the Product sold by Distributor in the Territory. Distributor hereby accepts said appointment and agrees to exercise its best efforts to promote, sell and service the Product in the Territory. Distributor agrees that it will not sell Product directly or indirectly to customers located outside the Territory. Any breach of the provisions of the immediately preceding sentence shall give Company the right to terminate this Agreement immediately in accordance with the provisions of paragraph 3 hereunder. Nothing contained herein shall prevent Distributor from selling Product to another duly authorized Company distributor for the purpose of eliminating product shortages or inventory imbalances.

2. Distributor's Obligations

Under this Agreement, Distributor agrees to:

a. promote the sale of the Product in the Territory in an aggressive and diligent manner, including, without limitation, causing its salesmen personally to call upon all customers in the Territory at customary intervals and maintaining inventories of the Product at all times (of all types) adequate to service the requirements and satisfy the demands of the market in the Territory;

b. at all times cooperate with Company in effectuating Company's promotions and merchandising programs in the Territory;

c. afford representatives of the Company reasonable opportunity to meet with and help train Distributor's salespersons and merchandising personnel and to, at reasonable times, take physical inventory of Distributor's stock of the Product;

2. Distributor's Obligations (Cont'd.)

d. maintain prompt delivery service compatible with good business practice and the requirements of its customers, such delivery service to be no less prompt and effective than that of Distributor's competitors;

e. deliver to the Company on a monthly basis, no later than the fifteenth day of each month, a record by brand and size of Distributor's sales of the Product during the preceding month and of Distributor's inventory of the Product at the close of such week and month (see Exhibit 2 "Depletion Report");

f. forward to Company without delay all orders and inquiries for the Product received from persons or sources outside the Territory.

3. Termination

a. Upon the occurrence of any one or more of the following events, either party shall have the right to terminate this Agreement upon notice effective immediately, which right shall be in addition to any other right to elect to terminate this Agreement pursuant to the terms hereof and to all other rights and remedies either party may have.

(i) The failure of the other party to perform any of its obligations under this Agreement, which failure shall not have been cured for thirty (30) days (unless such cure is being diligently prosecuted).

(ii) The dissolution, liquidation or insolvency of the other party.

(iii) Good cause, documented in writing.

b. In addition to the foregoing grounds for termination, Company may also terminate this Agreement upon the occurrence of any one or more of the following events after giving thirty (30) days prior written notice:

(i) Distributor does not comply with credit terms specified in any invoice.

(ii) Distributor ceases to have in effect a valid Federal, state or local license, permit or consent required or necessary for it to fully perform under this Agreement, whether such license, permit to consent has been revoked, has failed to be renewed, or has been suspended for more than thirty (30) days.

(iii) In the sole judgment of Company, Distributor has at any time done, or through the performance of any of its obligations under this Agreement has permitted to be done, any act or thing which in any way materially impairs (1) the Company name or the Product, (2) Company's image as a producer and distributor of quality beverage products, or (3) Company's licenses, permits and franchises to manufacture and sell beverage products. Such act shall include, without limitation, an act by Distributor which is in violation of any Federal or state law, regardless of whether such violation is prosecuted by any administrative judicial body.

4. Terms of Payment

Total amount is due and payable within 30 days of receipt of product. In addition the maximum rate allowed by law will be charged on the unpaid balance of all past due accounts. Past due accounts will be closed unless special written terms are arranged.

5. Attorney's Fees and Costs

If any legal or equitable action is instituted to enforce the terms and conditions of the contract, of any nature whatsoever, the prevailing party shall be entitled to collect reasonable attorney's fees as determined by the court in such action. Buyer also agrees to pay all costs of collection in the event that an unpaid account of the buyer is turned over for collection.

6. Assignment

This Assignment constitutes a personal contract and Distributor shall not assign or transfer this Agreement or any rights granted or obligations assumed hereunder, without the prior written consent of Company, and the same shall not inure to the benefit of any successor entity of Distributor, whether by merger, consolidation, operation of law or otherwise. For purposes of this paragraph 6, any transfer of ownership or control (by share transfer, merger, consolidation, sale of assets or otherwise) of Distributor shall be deemed an assignment.

7. Entire Agreement

This Agreement constitutes the entire agreement between the parties pertaining to the subject matter hereof and supersedes all prior and contemporaneous agreements and understandings of the parties in connection therewith. No agent or officer of either party is authorized to make any representation, promise or warranty not contained in this Agreement.

8. Governing Law

This Agreement is a California contract and shall in all respects be governed by and construed in accordance with the laws of the State of California.

9. Severability

If any part of this Agreement shall become illegal, ineffective or unenforceable, the remainder of this Agreement shall not be affected thereby, and the parties shall be bound by the remainder of this Agreement as if the illegal, ineffective or unenforceable part had never been inserted in this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement:

Dated: 12-8-86

Signature of Distributor Officer

Dated: 12-1-86

William R. Cannon

Signature of Sierra Nevada Officer

Name of Distributor: Crown Beverage Co.

Address : 1650 Linda Way

Sparks, Nevada 89431

EXHIBIT 1

Crown Beverage Territorial Agreement:

On an exclusive basis for Northern Nevada

EXHIBIT 2

SIERRA NEVADA BREWING CO.
2539 Gilman Way
Chico, CA. 95926
893-3520

Depletion report for the month of: _____

Name of wholesaler: _____

Package	Begining Inventory	Purchases	To/From Other Wholesaler	Ending Inventory	Monthly Sales
Pale Ale 12 oz. NR					
Porter 12 Oz. NR					
Stout 12 oz. NR					

Report prepared by: _____ Date: _____

Exhibit 2

PAUL BOND AFFIDAVIT
Exhibit 2

SIERRA NEVADA BREWING CO.
2539 Gilman Way
Chcio, Ca. 95928
(916) 893-3520

December 1, 1986

Crown Beverage Co.
1650 Linda Way
Sparks, Nevada 89431

It is hereby agreed between the Sierra Nevada Brewing Co. and Crown Beverage Co. that said distributor is authorized to distribute:

Pale Ale, Porter, Stout, Celebration Ale, Draught Ale, Bigfoot Ale and Summerfest Beer.

In the following area: on an exclusive basis for Northern Nevada.

Signed: Steve Hammons Date 12-1-86
SIERRA NEVADA BREWING CO.

Signed: _____ Date _____
CROWN BEVERAGE CO.

The Sierra Nevada Brewing Co. reserves the right to revise or terminate this agreement upon 30 days notice.

Please return one signed copy to the Sierra Nevada Brewing Co.

Exhibit 3

PAUL BOND AFFIDAVIT
Exhibit 3

SIERRA NEVADA BREWING CO.
DISTRIBUTION AGREEMENT
AMENDMENT ONE

This is the First Amendment (Amendment One) to the Distribution Agreement ("Agreement") dated December 1, 1986 between Sierra Nevada Brewing Co. ("Sierra") and Crown Beverage Co. of Sparks, NV ("Wholesaler"). Pursuant to Wholesaler's agreement to new credit terms, Sierra and Wholesaler hereby agree to amend the Agreement as follows:

1. Wholesaler's Terms of Payment as described in Section 4 of the Agreement shall be amended to the following:

   Total amount is due and payable within 15 days of receipt of product.

   For a complete description of Terms of Payment effective September 1, 2016 as follows:

   Total amount is due and payable within 15 days of receipt of product. In addition, the maximum rate allowed by law will be charged on the unpaid balance of all past due accounts. Past due accounts will be closed unless special written terms are arranged.

2. All other terms of the Agreement remain unchanged.

IN WITNESS WHEREOF, the parties have caused the execution of this Amendment One to be effective as of September 1, 2016.

SIERRA NEVADA BREWING CO.		CROWN BEVERAGE CO.	
By:	Joe Whitney	By:	Paul Bond
Name:	Joe Whitney	Name:	PAUL BOND
Title:	Director, Sales & Marketing	Title:	President
Date:	August 4, 2016	Date:	8-15-16

AUTHORIZATION AGREEMENT FOR ELECTRONIC FUNDS TRANSFER

I, Crown Beverages Inc hereinafter called the "Purchasing Party (Customer)" hereby authorize SIERRA NEVADA BREWING CO., (hereinafter called "Sierra") and its Designated Bank, to originate Debit items to my account at the Depository institution named below, and further direct said Depository institution to accept and to charge (debit) the amount of such Debit items to my account.

Such Debit items will be initiated by Sierra through its Designated Bank and will be for Credit to the account of the:

SIERRA NEVADA BREWING CO.

Purchasing Party's (Customer's) Depository Institution (Bank) Name:
Wells Fargo Bank

Address
5340 Kietzke Lane Ste. 201

City: Reno | State: Nevada | Zip Code: 89511

Purchasing Party's (Customer's) Institution Account Number: 6225583621 | ABA Transit #: 321270742

This authorization is to remain in effect until written notification of Termination has been received by me from Sierra. Any Termination will take effect only after all Debit items originated by Sierra have been honored by my Depository Institution.

I understand that all Debit items (be they Electronic Funds Transfer (EFT's) or Pre-Authorized Checks (PAC's) will only be honored ("Paid") if sufficient funds are available in my account.

Name (as shown on Bank Account) of Purchasing Party (Customer)
Crown Beverages Inc

City: 600 Spice Island DR | State: Sparks, NV | Zip Code: 89431

Authorized Signature: [signature] | Date: 6/22/15

PLEASE SEND A VOIDED CHECK OR DEPOSIT SLIP FOR DESIGNATED EFT ACCOUNT

NOTE: If you have any questions regarding this service, please contact: Sierra Nevada Brewing Co.
1075 E. 20th Street
Chico, CA 95928
(530) 893-3520
(530) 897-4707 (FAX)
ar@sierranevada.com

Exhibit 4

PAUL BOND AFFIDAVIT
Exhibit 4

Crown Mid Year Meeting



Crown Recap

- Core brand analysis from Mid Year. Providing the top two highlights and the two biggest opportunities for each of the following.
  1. *Pale*
  2. *Torpedo*
  3. *Seasonal*
  4. *Variety*
  5. *Hop Hunter*
  6. *Nooner*
  7. *Otra Vez*
  8. *Focus on 6 draft program*

Pale Ale Crown H-1 Recap

H-1 Highlights:

1. *12 pack cans +27.7%. Mostly in Chains/displays*
2. *16 oz cans +22.7%. Increased distribution UDS*

H-2 Opportunities:

1. *Add more focus to 12 pack cans to Summertime displays.*
2. *Continue to gain distribution on 16 oz cans as single sell. Add 12 new POD's in Q-3*

Torpedo Crown H-1 Recap

H-1 Highlights:

1. *12 pack cans +78.3%. Mostly in chains/displays*
2. *16 oz cans +32.1%. Distribution UDS*

H-2 Opportunities:

1. *Expand on distribution of cans. 2 placements per rep*
2. *24 oz bottles. 1 New placement per rep.*

Seasonal Crown H-1 Recap

H-1 Highlights:

1. *Summerfest 15.5 gal +70%. Quick rollover and good decent pull through on Beer Camp*
2. *Summerfest 12 pks +13.2%. Growth in chains, displays*

H-2 Opportunities:

1. *Continue to roll over Seasonal Handles. Transition by mid August*
2. *Transition cleanly in majors. Break down 12 packs when necessary*

Variety Crown H-1 Recap

H-1 Highlights:

1. *Summer Pack +2%. Better pull through in majors and more product on displays.*
2. *Summer Pack sold well despite late start. Did not go out until May as opposed to April last year.*

H-2 Opportunities:

1. *Transition more smoothly into new season.*

Hop Hunter Crown H-1 Recap

H-1 Highlights:

1. *15.5 gallon +16.3% (Heavenly)*
2. *6 pks are steady at 240 ce's/month. Solid numbers in Walmart, Raley's, and Total Wine*

H-2 Opportunities:

1. *Infusion of Hop Oil is a point of difference, work on that angle.*
2. *12 pack sales will level off with EDLP. Will help with ordering all the way around.*

Nooner Crown H-1 Recap

H-1 Highlights:

1. *12 pack cans volume looks to be leveling off for summer. Walmart and Raley's displays in May and June*

H-2 Opportunities:

1. *Use Nooner as a good point of difference in accounts with multiple SN handles.*
2. *Make sure Nooner is present on Burning Man Displays where allowed.*

Otra Vez Crown H-1 Recap

H-1 Highlights:

1. *2335 cases 6 packs. Beat Nooner 6pk LY by 678 cases.*
2. *Draught volume picked up with Summer*

H-2 Opportunities:

1. *Present to accounts to combat IPA fatigue as a point of difference.*
2. *Increase distribution on cans. 2 new Placements per rep*

Focus on Six Draft Crown H-1 Recap

H-1 Highlights:

1. *Top 3 Core Brands have maintained distribution throughout H-1. Gained 3 new handles vs Q-1*
2. *New program has allowed for opportunity to protect slower handles.*

H-2 Opportunities:

1. *Continue to match the right beers with the right accounts. Focus on 6.*
2. *Room to grow with Hop Hunter and Otra Vez. 1 new handle per rep.*

YTD Sacramento Beer Category

	Dollar Sales	Dollar Sales chg YA	Dollar Sales % chg YA	Dollar Share of Category	Dollar Share of Category chg YA
BEER	$43,403,242	$121,527	0.3%	100.0	0.0
Total $FDM	$30,174,483	$1,633,653	5.7%	69.4	3.8
IMPORT	$9,783,020	($217,317)	-2.2%	22.5	(0.6)
CRAFT	$16,919,865	$1,461,796	9.5%	39.0	3.3
DOMESTIC SUPER PREMIUM	$1,177,842	($151,284)	-11.4%	2.7	(0.4)
DOMESTIC PREMIUM	$10,023,307	($986,587)	-9.0%	23.1	(2.3)
DOMESTIC SUB-PREMIUM	$1,640,281	($313,334)	-16.0%	3.8	(0.7)
FLAVORED MALT BEVERAGES	$2,243,756	$540,458	31.7%	5.2	1.2
CIDER	$1,364,033	($197,000)	-14.5%	2.7	(0.5)

- Craft still the big cheese with a 39.0 Dollar Share of Category, down 0.4 from 5-15-16 update

Total Sacramento Food YTD, ending 6-12-16

YTD Sacramento Top 10 Craft Brand Families

	Family	Dollar Sales	Dollar Sales chg YA	Dollar Sales % chg YA	Dollar Share of Craft	Dollar Share of Craft chg YA
1	SIERRA NEVADA BRAND FAMILY	$3,129,687	($126,516)	-3.9%	18.5	(2.6)
2	LAGUNITAS BRAND FAMILY	$2,353,174	$191,664	8.9%	13.9	(0.1)
3	BLUE MOON BRAND FAMILY	$1,026,186	($149,272)	-12.7%	6.1	(1.5)
4	FIRESTONE BRAND FAMILY	$885,418	$536,093	153.5%	5.2	3.0
5	DESCHUTES BRAND FAMILY	$787,957	$227,387	40.6%	4.7	1.0
6	KONA BRAND FAMILY	$672,873	$50,836	8.2%	4.0	(0.0)
7	NEW BELGIUM BRAND FAMILY	$584,490	($11,167)	-1.9%	3.5	(0.4)
8	SHOCK TOP BRAND FAMILY	$517,750	($227,099)	-30.5%	3.1	(1.8)
9	BALLAST POINT BRAND FAMILY	$494,470	$240,321	94.8%	2.9	1.8
10	SAMUEL ADAMS BRAND FAMILY	$454,401	($73,704)	-14.0%	2.7	(0.7)

- Sierra Nevada's Dollar Sales % chg YA improved to -3.9% from -5.1% since last update on 5-15-16
- Our closest competitor has slowed considerably in 2016, down 1.9% in Dollar Sales since 5-15-16 update

Total Sacramento Food YTD, ending 6-12-16

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YTD Sacramento Top 15 Craft Brands

	Brand	Dollar Sales	Dollar Sales chg YA	Dollar Sales % chg YA	Dollar Share of Craft	Dollar Share of Craft chg YA
1	SIERRA NEVADA PALE ALE	$1,320,099	($11,796)	-0.9%	7.8	(0.8)
2	LAGUNITAS INDIA PALE ALE	$1,074,674	($57,420)	-5.1%	6.1	(0.9)
3	BLUE MOON BELGIAN WHITE ALE	$770,808	($73,118)	-8.7%	4.6	(0.9)
4	FIRESTONE WALKER 805 BLONDE ALE	$675,593	$483,884	253.1%	4.0	2.8
5	SIERRA NEVADA TORPEDO EXTRA IPA	$510,488	($7,320)	-1.4%	3.0	(0.3)
6	SIERRA NEVADA SEASONAL	$474,272	($48,617)	-9.3%	2.8	(0.6)
7	BEAR REPUBLIC RACER 5 INDIA PALE ALE	$421,335	$109,107	34.9%	2.5	0.5
8	LAGUNITAS A LITTLE SUMPIN SUMPIN ALE	$394,834	$175,843	80.3%	2.3	0.9
9	SHOCK TOP BELGIAN WHITE ALE	$373,067	($103,809)	-21.7%	2.2	(0.9)
10	LAGUNITAS SEASONAL	$330,023	$29,006	9.6%	2.0	0.0
11	SIERRA NEVADA VARIETY PACK	$322,646	($58,979)	-15.5%	1.9	(0.6)
12	KONA LONGBOARD LAGER	$305,581	$11,136	3.8%	1.8	(0.1)
13	NEW BELGIUM FAT TIRE AMBER ALE	$283,575	($5,902)	-1.9%	1.7	(0.1)
14	LOST COAST GREAT WHITE	$204,809	($14,357)	-6.5%	1.2	(0.2)
15	DESCHUTES FRESH SQUEEZED IPA	$201,933	$150,013	286.4%	1.2	0.8

- Sierra Nevada Pale Ale has the highest trend of the Top 3 Craft Brands, improving from -1.3% to -0.9% since 5-15-16 update
- Two other Top 15 SNBC Brands improved Dollar Sales chg YA trends since 5-15-16 update: Seasonal (-10.1% to -9.3%) & Variety Pack (-20.4% to -15.5%)

IRI Total Sacramento Food YTD, ending 6-12-16

YTD Sacramento Top 15 Craft SKU'S

	Sku	Dollar Sales	Dollar Sales chg YA	Dollar Sales % chg YA	Dollar Share of Craft	Dollar Share of Craft chg YA
1	LAGUNITAS INDIA PALE ALE 12 PACK BOTTLE	$672,652	($112,278)	-14.2%	4.0	(1.1)
2	SIERRA NEVADA PALE ALE 12 PACK BOTTLE	$638,584	($47,683)	-6.9%	3.8	(0.7)
3	BLUE MOON BELGIAN WHITE ALE 12 PACK BOTTLE	$437,864	($56,417)	-11.4%	2.6	(0.6)
4	FIRESTONE WALKER 805 BLONDE ALE 12 PACK BOTTLE	$410,683	$318,033	344.2%	2.4	1.8
5	SIERRA NEVADA VARIETY PACK 12 PACK BOTTLE	$322,646	($58,979)	-15.5%	1.9	(0.6)
6	SIERRA NEVADA TORPEDO EXTRA IPA 12 PACK BOTTLE	$318,903	($6,684)	-2.1%	1.9	(0.2)
7	SIERRA NEVADA PALE ALE 6 PACK BOTTLE	$304,498	($7,893)	-2.5%	1.8	(0.2)
8	SIERRA NEVADA SEASONAL 12 PACK BOTTLE	$283,822	($36,644)	-12.0%	1.7	(0.4)
9	BLUE MOON BELGIAN WHITE ALE 6 PACK BOTTLE	$275,801	($5,912)	-2.1%	1.6	(0.2)
10	LAGUNITAS INDIA PALE ALE 6 PACK BOTTLE	$263,634	$5,398	2.0%	1.6	(0.1)
11	LAGUNITAS SEASONAL 6 PACK BOTTLE	$256,253	$58,351	29.5%	1.5	0.7
12	BEAR REPUBLIC RACER 5 INDIA PALE ALE 12 PACK BOTTLE	$253,003	$92,229	57.2%	1.5	0.5
13	SHOCK TOP BELGIAN WHITE ALE 12 PACK BOTTLE	$233,473	($61,184)	-22.3%	1.3	(0.5)
14	FIRESTONE WALKER 805 BLONDE ALE 6 PACK BOTTLE	$231,174	$132,379	148.0%	1.3	0.7
15	LAGUNITAS A LITTLE SUMPIN SUMPIN ALE 12 PACK BOTTLE	$205,957	$205,957		1.3	1.2

- Sierra Nevada Pale Ale 12 Pack Bottle has the highest Dollar Sales chg YA trend of the Top 3 Craft Sku's

IRI Total Sacramento Food YTD, ending 6-12-16

2016 Top 10 Sacramento Craft 12 Pack Can Packages

	Package	Dollar Sales	Dollar Sales chg YA	Dollar Sales % chg YA	Dollar Share of Craft
1	SIERRA NEVADA PALE ALE	$196,281	$24,760	12.6%	2.8
2	SIERRA NEVADA NOONER PILSNER	$63,250	$36,690	58.0%	0.9
3	21ST AMENDMENT SEASONAL	$47,606	$27,397	57.5%	0.7
4	21ST AMENDMENT BREW FREE OR DIE IPA	$40,659	$30,484	75.0%	0.6
5	FIRESTONE WALKER 805 BLONDE ALE	$39,034	$27,029	69.2%	0.6
6	BLUE MOON BELGIAN WHITE ALE	$22,283	($5,723)	-25.7%	0.3
7	SIERRA NEVADA OTRA VEZ GOSE STYLE ALE	$7,836	$7,836	100.0%	0.1
8	OSKAR BLUES CANUNDRUM VARIETY PACK	$7,350	$3,735	50.8%	0.1
9	SAMUEL ADAMS PACK OF REBELS	$6,648	$6,648	100.0%	0.1
10	BALLAST POINT GRAPEFRUIT SCULPIN IPA	$4,355	$4,355	100.0%	0.1

- Sierra Nevada has 3 of the top 7 SKU's
- Sierra Nevada is dominating the market, selling 60.6% ($271,694) of all 12 pack craft in cans
- Otra Vez improved to the #7 spot from the #8 spot since 5-15-16

IRI Total Sacramento Food YTD, ending 6-12-16

YTD Sacramento Top 10 Craft Styles

	Style	Dollar Sales	Dollar Sales chg YA	Dollar Share of Craft	Dollar Share of Craft chg YA
1	CRAFT IPA	$5,713,914	$796,071	33.8	2.0
2	CRAFT PALE ALE	$1,801,786	$10,908	10.6	(0.9)
3	CRAFT SEASONAL	$1,855,880	($209,693)	9.8	(2.3)
4	CRAFT BELGIAN WITS	$1,394,482	($170,132)	8.2	(1.9)
5	CRAFT VARIETY	$1,368,847	$11,044	8.1	(0.7)
6	CRAFT GOLDEN ALES	$845,274	$514,791	5.0	2.9
7	CRAFT AMBER ALE	$555,123	($18,908)	3.3	(0.4)
8	CRAFT FRUIT/VEGGIE/SPICED	$469,959	$223,613	2.8	1.3
9	CRAFT OTHER PALE LAGERS	$433,295	($18,608)	2.6	(0.4)
10	CRAFT WHEAT BEER	$368,959	$13,904	2.2	(0.1)

- IPA's continue to dominate
- Sierra Nevada has the #2 (Torpedo...up from #4 since 5-15-16) and the #6 (Hop Hunter...up from #7 since 5-15-16) IPA, the #1 Pale Ale, the #1 Seasonal, the #1 Variety Pack and the #2 Pilsner (Nooner...up from #3 since 5-15-16)

IRI Total Sacramento Food YTD, ending 6-12-16

June Executable

1. It's Summer Festival Season Execution
   - Volume Goal: +11%= 2,283ces/+5.7%=1,186
   - 12pk Volume 18%= 911cs/+25.3%=1,283
   - 240 Program displays/140
   - Two displays in Safeway, Raley's, SaveMart, and WalMart
     30 total accounts 90% for 27 accounts

Our Path to 11%?

- +12.3% in June 2015=2,281ces
- 12pk Volume +9.2%=427cs
- Displays
  - Display #1: Pale and Otra Vez
  - Display #2: Variety and core brands

2 of 4 Executables hit=50%

Mid Year Executables Execution

- January Executables
  - 1 out of 6 = 16% of goal achieved
- February Executables
  - 4 out of 6 = 66.6% of goal achieved
- March Executables
  - 2 out of 2 = 100% of goal achieved
- April Executables
  - 0 out of 2 Executables=0% of goal achieved
- May Executables
  - 2 out of 4 Executables=50% of goal achieved
- June Executables
  - 2 out of 4=50% of goal achieved

We will work together on coming up with executables each month
Total Mid Year Executable Goals Achieved: = 45.8%

Overall MTD/YTD Sales

Crown June	REGION June	Crown Mid Year	REGION Mid Year	BREWERY Mid Year
5.7%	-2.8%	1.6%	-6.4%	-5.9%

Crown 2016 YTD Volume Goal: +6.9%

Mid Year Sales Rep #'s

SNBC Mid Year Numbers

Crown #'s	2016	2015	(+/-)	YTD Goal 6.9%
MTD / YTD	110,777	109,581	+1,196	+1.0%

Harry Williams	9,332	9,902	-6.8%	-580cse	9.1%
James Baker	10,818	10,616	1.9%	202cse	9.9%
Rick Eckelbee	9,926	9,928	0%	-2cse	8%
Will Stanley	9,774	8,410	16.2%	1,365cse	9.7%
Sean Stitt	11,200	10,160	10.2%	1,040cse	9.7%
Steve Schwerdtfeger	12,307	12,190	9.2%	1,117cse	9.8%
Ryan	11,267	10,840	3.9%	427cse	9.8%
Jonathan Fullerton	10,761	11,420	-5.8%	-659cse	9.5%
Route 77	13,629	13,816	-1.4%	-187cse	15.3%
- Colin	682	632	3.1%	19cse	.7%
Route 86	7,021	7,559	-7.1%	-537cse	6%
Total	107,877	105,971	-2.1%	-2,206cse	97%

2016 Distribution Goals

Off Premise	Mid Year Goal (June 30th)	Gained Accounts from q-1	Mid Year Recap
Pale Ale 12pk Can	160	+10	115/71%
Pale Ale 4pk Can	105	+5	84/80%
Torpedo 12pk Can	59	+0	31/52%
Torpedo 4pk Can	133	-3	109/81%
Seasonal 6pk	328	-12	289/88%
Seasonal 12pk	195	-22	141/72%
Hop Hunter 6pk	208	-19	136/ 65%
Hop Hunter 12pk	98	-14	49/50%
Nooner 6pk	169	-19	89/90%
Nooner 12pk Can	82	-4	37/45%
Otra Vez 6pk	90	-29	173/192%
Otra Vez 12pk Can	60	-11	24/40%

Activating Distribution Plan

Class Of Trade	Brand Package	% Distribution	Gained Accounts	2016 ABP Goal	Mid Year Recap
Neighborhood stores	Hop Hunter 6pk	50%	-31	89	62/69%
Neighborhood stores	Torpedo 6pk	65%	+1	86	152/138%
Neighborhood stores	Pale Ale 12pk Can	30%	-7	43	41/95%
Neighborhood stores	Torpedo 4pk can	25%	-3	48	40/86%
Golf/Country Club	Pale Ale cans	80%	+0	9	13/144%
Golf/Country Club	Nooner cans	80%	-1	19	2/10%

Gaining Effective Distribution by targeted accounts by Class of Trade

Activating Distribution Plan Cont.

Class Of Trade	Brand Package	% Distribution	Gained Accounts	2016 ABP Goals	Mid Year Recap
Convenience and Gas	Torpedo 6pk	85% of Pale 6pk	+4	88	81/92%
Convenience and Gas	Seasonal 6pk	60% of Pale 6pk	-3	90	69/76%
Convenience and Gas	Hop Hunter 6pk	60% of Pale 6pk	-9	55	40/72%
Convenience and Gas	Nooner 6pk	60% of Pale 6pk	-5	55	28/50%
Convenience and Gas	Otra Vez 6pk	50% of Pale 6pk	+2	55	42/76%

Gaining Effective Distribution by targeted accounts by Class of Trade

Class of Trade Overview

CLASS OF TRADE	Crown June	REGION June	Crown Mid Year	REGION Mid Year
Off Premise				
Supermarket	25.6%	-2.6%	8.5%	6.4%
Conv./Gas	17.2%	5.7%	10.0%	1.3%
Total Off Premise	9.8%	-2.8%	4.7%	-6.4%
On Premise				
Restaurant	12.5%	-9.9%	3.8%	-14.1%
Bar / Tavern	4.7%	-8.5%	2.2%	-10.3%
Total On Premise	-3.7%	-8.9%	-5.0%	-10.6%

Package +2.6%/Draft-2.8% YTD.

Off-Premise Chain Overview

CHAIN STORE	Crown June	REGION June	Crown Mid Year	REGION Mid Year
WalMart	104.8%	21.8%	47.9%	2.9%
Raley's	14.4%	-13.7%	-7.5%	-11.7%
7-11	-0.5%	-0.6%	-1.2%	-2.3%
Savemart	5.8%	8.2%	0.8%	0.9%
Safeway	-1.2%	-9.4%	0.5%	-4.6%

Wal Mart =3,048ces/Independents +3.4%=525ces YTD.

Top On Premise Overview

ON PREMISE ACCOUNT	Crown June	Crown Mid Year
Sierra Tap House	-2.7%	14.6%
Peppermill	-21%	-17.6%
GSR	-18.4%	-9.2%
Harrah's Stateline	-16.1%	-24%
Sparks Nugget	-11.8%	-10.8%

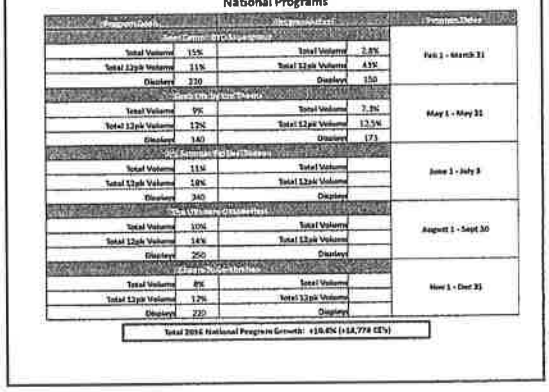
These top 5 accounts are -820ce's through Mid Year!

Brand Trends

BRANDS	Crown June	REGION June	Crown Mid Year	REGION Mid year	Crown Brand Volume Goals
Pale Ale	-1.1%	-2.7%	1.1%	-5.2%	1.0%
Torpedo	34.%	2.5%	5.9%	-4.6%	5.0%
Seasonal	-1.1%	-5.1%	2.2%	-4.2%	8.0%
Variety Packs	41.9%	-5.9%	-1.5%	-18.1%	10.0.%
Hop Hunter	-28.3	-35.2%	-33.2%	-45.4%	10.0%
Nooner	-25.8%	-21%	-40.7	-27.2%	14.0%
Otra Vez	641	na	3395	na	7,329

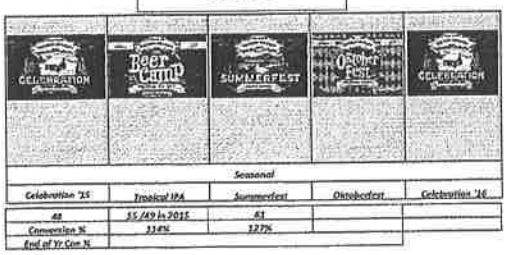
Pale Loose,12pks+7.9%=1,706cs YTD/Variety Loose +37.3%=179cs

National Programs



Seasonal Conversion Tracker

SIERRA NEVADA



	Seasonal			
Celebration '15	Tropical IPA	Summerfest	Oktoberfest	Celebration '16
48	55 /49 in 2015	61		
Conversion %	114%	127%		
End of Yr Con %				

FOCUS ON 5 DRAFT PRIORITIES

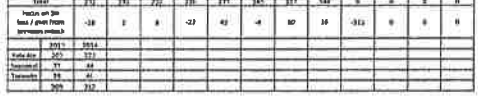
RIGHT BEER, RIGHT ACCOUNT

ACCOUNT TYPE	BRAND FOCUS
Non-Craft Accounts	Nooner Pilsner
Emerging Craft, Chain, and Venue Accounts	Pale Ale or Torpedo
Craft Centric Accounts	Hop Hunter IPA, Seasonal, or Torpedo
High-End Craft, or Seasonal Accounts	Otra Vez, or Sierra Seasonal

RIGHT BEER, RIGHT ACCOUNT

This is a 30,60,90 day account buying list

Crown Beverages 2016 Monthly Draft Tracking



Fresh Friday Recap

Crown Beverages Fresh Friday Mid Year Recap	
Total # of Accounts Surveyed	185
Total Units Surveyed	19,440
Total Units Out of Rotation	480
Total Units Out of Code	699
Total Ce's Out of Code	155
Total Units Out of Stock	36
Total Units Restocked	444
% of Out of Code	3.5%
% of Out of Rotation	2.4%
Total number of new items sold in	15

Brand Standards Recap

Total # of Accounts Surveyed	313
Total Off Premise Accounts	148
Total On Premise Accounts	165
Total # of Equal To or Greater Than Accounts	84
% of Accounts to Brand Standard	26%

Setting Standards: measured and reviewed quarterly with all MPT distributors on Off Premise Chain accounts, General Market accounts, and On Premise accounts. Set locally based on SNBC sales velocity versus other Craft brand competition in the market. SN is the #1 brand in market and we expect to be executed at **Equal To or Greater Than** and Craft Brand in the market **90%** of the time in the 4 main areas of opportunity:

1. **Shelf Position/Craft Door Position:** #1 shelf position defined as shoulder to eye level and craft door position defined as craft door flow of beer doors.
2. **Distribution: # of SKU's and draft handles versus craft competition**
3. **Display Execution (Chain and General Market):** 95% display coverage for all Chain ads
4. **POS Execution**

Meeting Expectations:

Off Premise - Equal To or Greater Than in all 4 areas of Opportunity in each account

On Premise - Equal To or Greater Than in Draft handle distribution and POS

Crown Tactical Budget

Category	Budget / Crown	Actual
Incentives/Focus Periods	$45,000 / $22,500	$3,424.32
On Premise Draft Incentive	$7,000 / $3,500	$0
POS (includes Thematic/Program)	$53,340 / $26,670	$4,341 (16.2%)
Events & Sponsorship	$20,000 / $10,000	$0
Miscellaneous/Truck paints	$10,000 / $5,000	$0
Total Budget Dollars	$135,340 / $67,670	$0

Upcoming Product Releases

Brand	Ship Date
Oktoberfest 7-7-16 20/5gl 7-19-16=490cs 6pks 630cs 12pks 48 15.5gl 7-28-16 420cs 6pk 560cs 12pks 20/5gl	August
Estate	August
Fall Pack	7-25 or sooner
Narwhal	Late August

Upcoming Event Schedule

Canfest: Aug 27th @Peppermill

- ***Reno South Rotary Oktoberfest*** - This Oktoberfest celebration will be at the Wolf Run Golf Course on October 18 starting at 3 p.m. It is a benefit for the Most Improved Student Scholarship Program of Reno South Rotary. This party will offer live music, dancing, and an unlimited buffet featuring The Sausage Factory links, pork schnitzel, spaetzle, beer breads from Bavarian World and more traditional German fare.
- ***Burning Man can orders? Aug 28th-Sept 5th.***
- ***67,564 people in attendance***

Monthly Housekeeping items

- **Next months meeting:**
- **Inventory concerns:** Average of 15 days worth of inventories
- ***Inventory and order for POS items:***
- ***Q-3 incentives***

July Executable

1. **It's Summer Festival Season Execution**
   - Volume Goal: +11%= 2,283ces
   - 12pk Volume 18%= 911cs
   - 240 Program displays
   - Two displays in Safeway, Raley's, SaveMart, and WalMart
     30 total accounts 90% for 27 accounts
   -

Our Path to 11%?

- +12.3% in June 2015=2,281ces
- 12pk Volume +9.2%=427cs
- Displays
  - Display #1: Pale and Otra Vez
  - Display #2: Variety and core brands

August Executable

1. **Ultimate Oktoberfest Execution**
   - Volume Goal: +10%= +4,301ces
   - 12pk Volume 14%= +1,762cs
   - 250 Program displays
   - Two displays in Safeway, Raley's, SaveMart, and WalMart
     30 total accounts 90% for 26 accounts
   -
2. **Nooner stand alone displays with stackers and POS**
   - 2 displays per sales rep
   - Minimum of 7 cases per display
   - Must have pos and picture to qualify for payment
   - Payout up to 5 displays per rep at $20.00 each cap
   - Draft $50.00 each new handle

September Executable

1. **Ultimate Oktoberfest Execution**
   - Volume Goal: +10%= +4,301ces
   - 12pk Volume 14%= +1,762cs
   - 250 Program displays
   - Two displays in Safeway, Raley's, SaveMart, and WalMart
     30 total accounts 90% for 26 accounts
   -
2. **Hop Hunter stand alone displays with stackers and POS**
   - 2 displays per sales rep
   - Minimum of 7 cases per display
   - Must have pos and picture to qualify for payment
   - Payout up to 5 displays per rep at $20.00 each cap
   - Draft $50.00 each new handle



Exhibit 5

PAUL BOND AFFIDAVIT
Exhibit 5

October 26, 2016

Mr. Paul Bond
President
Crown Beverages, Inc.
1650 Linda Way
Sparks, NV 89431-6159

Re: Sierra Nevada Brewing Co. Harassment Issues

Dear Paul:

I write this letter to inform you that we wish to end our business relationship with Crown Distributing. As we discussed during my last visit with you and Jaye, the harassment and bullying tactics directed toward our employees from you are intolerable. During that visit you gave Matt Foster and me your word that such tactics would stop and that you could create a positive work environment for our people who are there solely to support your business and ours. As Matt Foster explained to you in your meeting yesterday, the recent harassment events that our employee has experienced at Crown have again exacerbated the situation.

At this point we demand that you initiate discussions to sell brand distribution rights in your territory. I have asked Matt Foster to identify a potential new distributor for us in the area and ask that you work with him to make a civil and businesslike transition that will allow Crown to receive fair market value for the brand. Your prompt cooperation will be appreciated.

Sincerely,

Joe Whitney
Director Sales & Marketing

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EXHIBIT 2

EXHIBIT 2

CODE: 1030
E. Leif Reid
State Bar No. 5750
Nicole Scott
State Bar No. 13757
Lewis Roca Rothgerber Christie LLP
50 West Liberty Street, Suite 410
Reno, NV 89501-1922
Tel: 775.823.2900
Fax: 775.823.2929
E-mail: lreid@lrrc.com
nscott@lrrc.com
Attorneys for Plaintiff Crown Beverages, Inc.

IN THE SECOND JUDICIAL DISTRICT COURT
OF THE STATE OF NEVADA
IN AND FOR THE COUNTY OF WASHOE

CROWN BEVERAGES, INC., a Nevada corporation,

Plaintiff,

vs.

SIERRA NEVADA BREWING CO., a California corporation, DOES I through X, inclusive

Defendants.

Case No. CV16-02278

Dept. No. B9

AFFIDAVIT OF E. LEIF REID IN SUPPORT OF PLAINTIFF'S APPLICATION FOR TEMPORARY RESTRAINING ORDER AND MOTION FOR PRELIMINARY INJUNCTION

STATE OF NEVADA)
) ss.
COUNTY OF WASHOE)

E. LEIF REID, being duly sworn deposes and says:

1. I am a resident of the State of Nevada and over the age of 18.

2. I am an attorney licensed to practice law in the State of Nevada, a partner in the law firm of Lewis Roca Rothgerber Christie LLP and counsel of record for Plaintiff Crown Beverages, Inc. ("Crown"), the Plaintiff in the above-captioned case.

///

Lewis Roca ROTHGERBER CHRISTIE
50 West Liberty Street, Suite 410
Reno, NV 89501-1922

3. I make this Affidavit in support of *Plaintiff's Application for Temporary Restraining Order and Motion for Preliminary Injunction* ("Application").

4. I make this Affidavit on personal knowledge and from information obtained from my client, except as to those matters stated upon information and belief, which I believe to be true.

5. Filed in conjunction with the Application, Crown asserts seven claims for relief in the underlying Complaint: (1) Breach of Crown's Statutory Rights—NRS 597.120, *et seq.*; (2) Breach of Contract; (3) Contractual Breach of the Covenant of Good Faith and Fair Dealing; (4) Tortious Breach of the Covenant of Good Faith and Fair Dealing; (5) Intentional Interference with Prospective Economic Advantage; (6) Intentional Interference with Contractual Relations; (7) Declaratory Relief.

6. Upon filing the instant Application, I will immediately and expeditiously make all efforts to contact Sierra Nevada's counsel to provide them electronic and formal service of these filed pleadings.

7. The present Application and corresponding request for the issuance of a temporary restraining order is brought in good faith and not for purpose of delay or other improper purpose.

FURTHER YOUR AFFIANT SAYETH NAUGHT.

DATED this 4th day of November, 2016.

By: _____
E. Leif Reid

Subscribed and Sworn to before me
This 4th day of November, 2016.

_____
NOTARY PUBLIC

ALICIA TIMOFF
Notary Public - State of Nevada
Appointment Recorded in Washoe County
No: 15-3812-2 - Expires October 1, 2020

Lewis Roca
ROTHGERBER CHRISTIE
50 West Liberty Street, Suite 410
Reno, NV 89501-1922

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E. LEIF REID
State Bar No. 5750
NICOLE SCOTT
State Bar No. 13757
LEWIS ROCA ROTHGERBER CHRISTIE LLP
50 West Liberty Street, Suite 410
Reno, NV 89501-1922
Tel: 775.823.2900
Fax: 775.823.2929
E-mail:lreid@lrrc.com
nscott@lrrc.com

Attorneys for Plaintiff Crown Beverages, Inc.

IN THE SECOND JUDICIAL DISTRICT COURT
OF THE STATE OF NEVADA
IN AND FOR WASHOE COUNTY

CROWN BEVERAGES, INC., a Nevada corporation,

Plaintiff,

vs.

SIERRA NEVADA BREWING CO., a California corporation; DOES I through X, inclusive

Defendants.

Case No. CV16-02278

Dept. No. B9

MOTION FOR ORDER SHORTENING TIME ON PLAINTIFF'S MOTION FOR PRELIMINARY INJUNCTION

Plaintiff CROWN BEVERAGES, INC. ("Crown"), by and through its counsel, Lewis Roca Rothgerber Christie LLP, hereby file the instant Motion for Order Shortening Time on Plaintiff's Motion for Preliminary Injunction. This Motion is made pursuant to WDCR 11 and is supported by the attached affidavit of counsel, the accompanying Memorandum of Points and Authorities, all papers and pleadings on file herein, and any further matters that may be presented at a hearing on this matter.

///

///

///

Lewis Roca ROTHGERBER CHRISTIE
50 West Liberty Street, Suite 410
Reno, NV 89501-1922

Dated this 4th day of November, 2016.

LEWIS ROCA ROTHGERBER CHRISTIE LLP

By: *s/ E. Leif Reid*
E. Leif Reid, SBN 5750
Nicole Scott, SBN 13757
50 West Liberty Street, Suite 410
Reno, Nevada 89501

Attorneys For Plaintiff Crown Beverages, Inc.

Lewis Roca ROTHGERBER CHRISTIE
50 West Liberty Street, Suite 410
Reno, NV 89501-1922

MEMORANDUM OF POINTS AND AUTHORITIES

Crown requests this Court to enter an order directing Defendant SIERRA NEVADA BREWING CO., a California corporation, ("Sierra Nevada"), to respond on an expedited basis to Plaintiff's Motion for Preliminary Injunction, which has been filed with the Court contemporaneously.

Crown's Motion for Preliminary Injunction should be heard on an expedited basis. In violation of NRS Chapter 597, Sierra Nevada purported to unilaterally terminate its franchise agreement with Crown on October 26, 2016, without any good cause whatsoever, without providing a 90-day notice, and without providing a 60-day opportunity to cure. *See generally* Plaintiff's Application for Temporary Restraining Order and Motion for Preliminary Injunction.

Under NRCP 65(b), a temporary restraining order expires "by its terms within such time after entry, not to exceed 15 days." The order should be reviewed by the court within 15 days, which if the Court does not schedule a preliminary hearing until the final date would be November 21, 2016. During this time period, Sierra Nevada may withhold products from Crown and seek an alternative wholesaler while Crown is left ***with absolutely no ability to cure*** pursuant to NRS 597.160(3). And, what is more, the risk of damages to Crown's business reputation as well as lost profits and market share is significant—if Sierra Nevada is soliciting a new wholesaler it automatically creates a presumption that Crown somehow performed inadequately under the franchise agreement with Sierra Nevada. This will result in a loss of client confidences and a competitive disadvantage for Crown.

Accordingly, good cause exists for the Court to enter an order directing Sierra Nevada to respond to Plaintiff's Motion for Preliminary Injunction by no later than 5:00 p.m. on Tuesday, November 8, 2016, and for Plaintiff to provide reply points and submit the Motion for Preliminary Injunction with the Court for decision by no later than 5:00 p.m. on Thursday, November 10, 2016. *See* Proposed Order, attached hereto as **Ex. 1**. Thus, Crown requests that the Court enter an order directing Sierra Nevada to respond on an expedited basis to Plaintiff's Motion for Preliminary Injunction.

///

Lewis Roca ROTHGERBER CHRISTIE
50 West Liberty Street, Suite 410
Reno, NV 89501-1922

AFFIRMATION

I declare under penalty of perjury under the law of the State of Nevada that the foregoing document does not contain the Social Security number of any person.

DATED this 4th day of November, 2016.

LEWIS ROCA ROTHGERBER CHRISTIE LLP

By: *s/ E. Leif Reid*
E. Leif Reid, SBN 5750
Nicole Scott, SBN 13757
50 West Liberty Street, Suite 410
Reno, Nevada 89501

Attorneys for Plaintiff Crown Beverages, Inc.

Lewis Roca ROTHGERBER CHRISTIE
50 West Liberty Street, Suite 410
Reno, NV 89501-1922

AFFIDAVIT OF E. LEIF REID IN SUPPORT OF MOTION FOR ORDER SHORTENING TIME ON PLAINTIFF'S MOTION FOR PRELIMINARY INJUNCTION

STATE OF NEVADA)
) ss.
COUNTY OF WASHOE)

E. LEIF REID, being first duly sworn, deposes and says:

1. I am a partner with Lewis Roca Rothgerber Christie LLP, counsel of record for Crown Beverages, Inc. ("Crown), the Plaintiff in this action.

2. I make this affidavit under penalty of perjury. I have personal knowledge of the facts and circumstances set forth herein and can competently testify thereto in a court of law.

3. It is important that the Temporary Restraining Order sought be issued and, pursuant to WDCR 11, good cause exists here to justify shortening time for a hearing on Plaintiff's Motion for Preliminary Injunction.

4. Defendant Sierra Nevada Brewing Co. ("Sierra Nevada") has purported to discontinue Crown's exclusive franchise. *See* October 26, 2016, letter, attached as **Ex.** 5 to Bond Aff. Sierra Nevada has violated NRS 597.155 by not providing the required 90-day notice of termination. *See id.* Moreover, Sierra Nevada has violated NRS 597.160(3) by not providing a 60-day opportunity to cure. *Id.* Without either the 90-day notice period or the 60-day opportunity to cure in place, as well as the timelines within which parties are required to file oppositions and replies to pending motions under the Washoe District Court Rules and the Nevada Rules of Civil Procedure, it is likely that Crown's Motion for Preliminary Injunction will not be fully briefed and submitted to the Court for decision before Sierra Nevada ceases to comply with the Agreement and secures a new wholesaler.

5. As established by the affidavit of Paul Bond, attached to Plaintiff's Application for Temporary Restraining Order and Motion for Preliminary Injunction, upon information and belief, without a cure period in place, Sierra Nevada has begun or will begin taking steps necessary to terminate Crown's franchise agreement, and Crown stands to suffer irreparable injury if the termination is not restrained pending resolution of this action.

Lewis Roca ROTHGERBER CHRISTIE
50 West Liberty Street, Suite 410
Reno, NV 89501-1922

6. The Complaint in this action was filed concurrently with Plaintiff's Application for Temporary Restraining Order and Motion for Preliminary Injunction. Service of the Complaint and Summons is expected to be made within the next week.

7. Upon filing the instant Application, I will immediately and expeditiously make all efforts to contact Sierra Nevada's counsel to provide them electronic and formal service of these filed pleadings.

Executed this 14th day of November, 2016.

E. Leif Reid, Esq.

Subscribed and Sworn to before me this 14th day of November, 2016.

NOTARY PUBLIC

ALICIA TIMOFF
Notary Public - State of Nevada
Appointment Recorded in Washoe County
No: 16-3812-2 - Expires October 1, 2020

Lewis Roca ROTHGERBER CHRISTIE
50 West Liberty Street, Suite 410
Reno, NV 89501-1922

INDEX OF EXHIBITS

EXHIBIT NO.	DESCRIPTION	PAGE COUNT
1	Proposed Order Shortening Time	2

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Reno, NV 89501-1922

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EXHIBIT 1

EXHIBIT 1

CODE: 3245
E. LEIF REID
Nevada Bar No. 5750
NICOLE SCOTT
State Bar No. 13757
LEWIS ROCA ROTHGERBER CHRISTIE LLP
50 West Liberty Street, Suite 410
Reno, NV 89501-1922
Tel: 775.823.2900
Fax: 775.823.2929
E-mail:lreid@lrrc.com
nscott@lrrc.com
Attorneys for Plaintiff CROWN BEVERAGES, INC.

IN THE SECOND JUDICIAL DISTRICT COURT
OF THE STATE OF NEVADA
IN AND FOR THE COUNTY OF WASHOE

CROWN BEVERAGES, INC., a Nevada Corporation,

Plaintiff,

vs.

SIERRA NEVADA BREWING CO., a California corporation, DOES I through X, inclusive

Defendants.

Case No. CV16-02278

Dept. No. B9

50 West Liberty Street, Suite 410
Reno, NV 89501-1922
Lewis Roca ROTHGERBER CHRISTIE

ORDER SHORTENING TIME

This matter having come before the Court on November 3, 2016, pursuant to WDCR 11, regarding Plaintiff's, CROWN BEVERAGES, INC.'s ("Crown"), Motion for Order Shortening Time, requesting the Court's entry of an order directing Defendant SIERRA NEVADA BREWING CO. ("Sierra Nevada") to respond on an expedited basis to Plaintiff's Emergency Application for Temporary Restraining Order and Motion for Preliminary Injunction, which has been filed with the Court contemporaneously; and the Court having read the motion and supporting documents, and the pleadings and papers on file herein relative to such motion;

NOW THEREFORE, good cause appearing:

1. IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Plaintiff's Motion for Order Shortening Time is GRANTED;

2. IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant Sierra Nevada shall respond to Plaintiff's Motion for Preliminary Injunction by no later than _____; and Plaintiff shall provide any reply and submit the Motion for Preliminary Injunction to the Court for decision by no later than _____, November ____, 2016.

DATED THIS ____ day of _____, 2016.

_____
DISTRICT COURT JUDGE

Respectfully submitted this 4th day of November, 2016 by

LEWIS ROCA ROTHGERBER CHRISTIE LLP

E. Leif Reid
Nevada Bar No. 5750
Nicole Scott
Nevada Bar No. 13757
50 West Liberty Street, Suite 410
Reno, NV 89501-1922
Tel: 775.823.2900
Fax: 775.823.2929
E-mail:lreid@lrrc.com
nscott@lrrc.com
Attorneys for Plaintiff Crown Beverages, Inc.

50 West Liberty Street, Suite 410
Reno, NV 89501-1922
Lewis Roca ROTHGERBER CHRISTIE

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E. LEIF REID
State Bar No. 5750
NICOLE SCOTT
State Bar No. 13757
LEWIS ROCA ROTHGERBER CHRISTIE LLP
50 West Liberty Street, Suite 410
Reno, NV 89501-1922
Tel: 775.823.2900
Fax: 775.823.2929
E-mail:lreid@lrrc.com
nscott@lrrc.com

Attorneys for Plaintiff Crown Beverages, Inc.

IN THE SECOND JUDICIAL DISTRICT COURT
OF THE STATE OF NEVADA
IN AND FOR WASHOE COUNTY

CROWN BEVERAGES, INC., a Nevada corporation,

Plaintiff,

vs.

SIERRA NEVADA BREWING CO., a California corporation; DOES I through X, inclusive

Defendants.

Case No. CV16-02278

Dept. No. B9

REQUEST FOR SUBMISSION

Plaintiff CROWN BEVERAGES, INC. ("Crown"), by and through its counsel, Lewis Roca Rothgerber Christie LLP, hereby requests submission of Plaintiff's Application for Temporary Restraining Order and Motion for Preliminary Injunction, Motion for Order Shortening Time on Plaintiff's Motion for Preliminary Injunction, filed November 4, 2016, and the proposed Temporary Restraining Order attached as **Exhibit 1**, to the Court for decision.

///

///

///

///

Lewis Roca ROTHGERBER CHRISTIE
50 West Liberty Street, Suite 410
Reno, NV 89501-1922

AFFIRMATION

I declare under penalty of perjury under the law of the State of Nevada that the foregoing document does not contain the Social Security number of any person.

DATED this 4th day of November, 2016.

LEWIS ROCA ROTHGERBER CHRISTIE LLP

By: *s/ E. Leif Reid*
E. Leif Reid, SBN 5750
Nicole Scott, SBN 13757
50 West Liberty Street, Suite 410
Reno, Nevada 89501

Attorneys for Plaintiff Crown Beverages, Inc.

Lewis Roca ROTHGERBER CHRISTIE
50 West Liberty Street, Suite 410
Reno, NV 89501-1922

INDEX OF EXHIBITS

EXHIBIT NO.	DESCRIPTION	PAGE COUNT
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Reno, NV 89501-1922

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EXHIBIT 1

EXHIBIT 1

CODE: 4170
E. LEIF REID
Nevada Bar No. 5750
NICOLE SCOTT
State Bar No. 13757
LEWIS ROCA ROTHGERBER CHRISTIE LLP
50 West Liberty Street, Suite 410
Reno, NV 89501-1922
Tel: 775.823.2900
Fax: 775.823.2929
E-mail:lreid@lrrc.com
nscott@lrrc.com
Attorneys for Plaintiff Crown Beverages, Inc.

IN THE SECOND JUDICIAL DISTRICT COURT
OF THE STATE OF NEVADA
IN AND FOR THE COUNTY OF WASHOE

CROWN BEVERAGES, INC., a Nevada Corporation,

Plaintiff,

vs.

SIERRA NEVADA BREWING CO., a California corporation, DOES I through X, inclusive

Defendants.

Case No. CV16-02278

Dept. No. B9

50 West Liberty Street, Suite 410
Reno, NV 89501-1922
Lewis Roca ROTHGERBER CHRISTIE

TEMPORARY RESTRAINING ORDER:

This matter having come before the Court on the Plaintiff, CROWN BEVERAGES, INC.'S ("Crown"), Application for Temporary Restraining Order and Motion for Preliminary Injunction, and the Court, having read the application and supporting documents, and the pleadings and papers on file herein relative to such motion, makes the following findings:

1. Crown is a wholesaler and importer of alcoholic beverages and has an exclusive franchise agreement with Defendant SIERRA NEVADA BREWING CO. ("Sierra Nevada"), to be Sierra Nevada's exclusive wholesaler within the State of Nevada in accordance with NRS Chapters 369 and 597.

2. During the pendency of its franchise agreement with Crown, Sierra Nevada has sold more than 2,000 barrels of malt beverages in the state of Nevada in any calendar year.

3. Sierra Nevada has violated NRS 597.155(1), 597.160(2) and (3), NRS 597.133, and breached its franchise agreement with Crown, by purporting to unilaterally terminate its agreement with Crown without first establishing good cause, without providing the required 90-day notice, and without providing an opportunity to cure.

4. Crown will suffer immediate harm and irreparable injury in the form of lost goodwill and damage to its business reputation as well as lost profits and market share if the Court does not enjoin Sierra Nevada from terminating its exclusive wholesaler agreement with Crown, and from supplying its products to other Nevada wholesalers within Crown's respective marketing area in violation of Nevada law until a hearing on Plaintiff's Motion for Preliminary Injunction can be heard by this Court.

5. Crown is likely to succeed on the merits of its claims for Breach of Plaintiff's Statutory Rights—NRS 597.120, *et seq.*, Breach of Contract, Contractual Breach of the Covenant of Good Faith and Fair Dealing, Tortious Breach of the Covenant of Good Faith and Fair Dealing, Intentional Interference with Prospective Economic Advantage, Intentional Interference with Contractual Relations, and Declaratory Relief.

6. Based upon the foregoing, Crown has made the requisite showing of irreparable harm and probability of success on the merits warranting the issuance of a temporary restraining order.

THEREFORE, GOOD CAUSE APPEARING, IT IS HEREBY ORDERED THAT, pending a hearing on Plaintiff's Motion for Preliminary Injunction:

1. Sierra Nevada is restrained and enjoined from terminating the exclusive wholesaler franchise agreement between it and Crown.

2. Sierra Nevada is further restrained and enjoined from supplying its products to any other Nevada importer/wholesaler within Crown's respective marketing areas, in violation of the Plaintiff's exclusive franchise agreement.

3. A bond of $_____ shall be required because the evidence indicates that Sierra Nevada will only suffer, if at all, minimal damage by the issuance of this Temporary Restraining Order and Preliminary Injunction.

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Lewis Roca ROTHGERBER CHRISTIE

4. This Temporary Restraining Order will remain in force until the Court has opportunity to resolve Plaintiff's Application for Temporary Restraining Order and Motion for Preliminary Injunction, which is currently scheduled for hearing on the _____ day of _____, 2016 at ___ : ___.m. in Department _____. This Temporary Restraining Order shall extend beyond the fifteen (15) day period set forth in NRCP 65 up to and through the Preliminary Injunction hearing.

5. In accordance with the Order Shortening Time on Hearing for Preliminary Injunction, Defendant shall file and serve its opposition to Plaintiff's Motion for Preliminary Injunction, if any, no later than _____, 2016; and Plaintiff shall file and serve its reply brief no later than _____, 2016.

DATED THIS ____ day of _____, 2016.

_____
DISTRICT COURT JUDGE

Respectfully submitted this 4th day of November, 2016 by

LEWIS ROCA ROTHGERBER CHRISTIE LLP

E. Leif Reid
Nevada Bar No. 5750
Nicole Scott
Nevada Bar No. 13757
50 West Liberty Street, Suite 410
Reno, NV 89501-1922
Tel: 775.823.2900
Fax: 775.823.2929
E-mail:lreid@lrrc.com
Attorneys for Plaintiff Crown Beverages, Inc.

50 West Liberty Street, Suite 410
Reno, NV 89501-1922
Lewis Roca ROTHGERBER CHRISTIE

FILED
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2016-11-07 09:13:02 AM
Jacqueline Bryant
Clerk of the Court
Transaction # 5793138 : yviloria

CODE: 3975
E. LEIF REID
State Bar No. 5750
NICOLE SCOTT
State Bar No. 13757
LEWIS ROCA ROTHGERBER CHRISTIE LLP
50 West Liberty Street, Suite 410
Reno, NV 89501-1922
Tel: 775.823.2900
Fax: 775.823.2929
E-mail:lreid@lrrc.com
nscott@lrrc.com

Attorneys for Plaintiff Crown Beverages, Inc.

IN THE SECOND JUDICIAL DISTRICT COURT
OF THE STATE OF NEVADA
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CROWN BEVERAGES, INC., a Nevada corporation,

Plaintiff,

vs.

SIERRA NEVADA BREWING CO., a California corporation; DOES I through X, inclusive

Defendants.

Case No. CV16-02278

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NRCP 7.1 DISCLOSURE STATEMENT

Pursuant to Rule 7.1, Plaintiff CROWN BEVERAGES, INC. ("Crown"), by and through its counsel, Lewis Roca Rothgerber Christie LLP, hereby files its disclosure statement.

In particular, pursuant to NRCP 7.1(a)(2), CROWN BEVERAGES, INC. hereby discloses that there is no parent corporation and/or publicly held corporation owning 10 percent (%) or more of its stock. CROWN BEVERAGES, INC. will promptly supplement this statement if any of the information required under NRCP 7.1 changes.

///

///

///

Lewis Roca ROTHGERBER CHRISTIE
50 West Liberty Street, Suite 410
Reno, NV 89501-1922

AFFIRMATION

I declare under penalty of perjury under the law of the State of Nevada that the foregoing document does not contain the Social Security number of any person.

DATED this 7th day of November, 2016.

LEWIS ROCA ROTHGERBER CHRISTIE LLP

By: *s/ E. Leif Reid*
E. Leif Reid, SBN 5750
Nicole Scott, SBN 13757
50 West Liberty Street, Suite 410
Reno, Nevada 89501

Attorneys for Plaintiff Crown Beverages, Inc.

50 West Liberty Street, Suite 410
Reno, NV 89501-1922
Lewis Roca ROTHGERBER CHRISTIE

Case 3:16-cv-00695-MMD-VPC Document 1-2 Filed 11/30/16 Page 67 of 69

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CODE: 3245
E. LEIF REID
Nevada Bar No. 5750
NICOLE SCOTT
State Bar No. 13757
LEWIS ROCA ROTHGERBER CHRISTIE LLP
50 West Liberty Street, Suite 410
Reno, NV 89501-1922
Tel: 775.823.2900
Fax: 775.823.2929
E-mail:lreid@lrrc.com
nscott@lrrc.com
Attorneys for Plaintiff CROWN BEVERAGES, INC.

IN THE SECOND JUDICIAL DISTRICT COURT
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CROWN BEVERAGES, INC., a Nevada Corporation,

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Defendants.

Case No. CV16-02278

Dept. No. B9

50 West Liberty Street, Suite 410
Reno, NV 89501-1922
Lewis Roca ROTHGERBER CHRISTIE

ORDER SHORTENING TIME

This matter having come before the Court on November 3, 2016, pursuant to WDCR 11, regarding Plaintiff's, CROWN BEVERAGES, INC.'s ("Crown"), Motion for Order Shortening Time, requesting the Court's entry of an order directing Defendant SIERRA NEVADA BREWING CO. ("Sierra Nevada") to respond on an expedited basis to Plaintiff's Emergency Application for Temporary Restraining Order and Motion for Preliminary Injunction, which has been filed with the Court contemporaneously; and the Court having read the motion and supporting documents, and the pleadings and papers on file herein relative to such motion;

NOW THEREFORE, good cause appearing:

1. IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Plaintiff's Motion for Order Shortening Time is GRANTED;

2. IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant Sierra Nevada shall respond to Plaintiff's Motion for Preliminary Injunction by no later than Thursday, November 10, 2016 at 5:00 p.m.; and Plaintiff shall provide any reply and submit the Motion for Preliminary Injunction to the Court for decision by no later than Monday, November 14, 2016 at 5:00 p.m.

DATED THIS 8th day of November, 2016.

DISTRICT COURT JUDGE

Respectfully submitted this 4th day of November, 2016 by

LEWIS ROCA ROTHGERBER CHRISTIE LLP

E. Leif Reid
Nevada Bar No. 5750
Nicole Scott
Nevada Bar No. 13757
50 West Liberty Street, Suite 410
Reno, NV 89501-1922
Tel: 775.823.2900
Fax: 775.823.2929
E-mail:lreid@lrrc.com
nscott@lrrc.com
Attorneys for Plaintiff Crown Beverages, Inc.

50 West Liberty Street, Suite 410
Reno, NV 89501-1922
Lewis Roca ROTHGERBER CHRISTIE

CERTIFICATE OF SERVICE

I certify that I am an employee of THE SECOND JUDICIAL DISTRICT COURT; that on the 8th day of November, 2016, I electronically filed the foregoing with the Clerk of the Court by using the ECF system which served the following parties electronically:

LEIF REID, ESQ.

NICOLE SCOTT, ESQ.

Linda Sabo
Department 9 Court Clerk

JS 44 (Rev. 11/15)

CIVIL COVER SHEET

The JS 44 civil cover sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. *(SEE INSTRUCTIONS ON NEXT PAGE OF THIS FORM.)*

I. (a) PLAINTIFFS
Crown Beverages, Inc.

DEFENDANTS
Sierra Nevada Brewing Co.

(b) County of Residence of First Listed Plaintiff _____
(EXCEPT IN U.S. PLAINTIFF CASES)

County of Residence of First Listed Defendant Butte County, California
(IN U.S. PLAINTIFF CASES ONLY)
NOTE: IN LAND CONDEMNATION CASES, USE THE LOCATION OF THE TRACT OF LAND INVOLVED.

(c) Attorneys *(Firm Name, Address, and Telephone Number)*
LEWIS ROCA ROTHGERBER CHRISTIE LLP
50 West Liberty Street, Suite 410, Reno, NV 89501
(775) 823-2900

Attorneys *(If Known)*
SNELL & WILMER L.L.P.
50 West Liberty Street, Suite 510, Reno, NV 89501
(775) 785-5440

II. BASIS OF JURISDICTION *(Place an "X" in One Box Only)*

- ☐ 1 U.S. Government Plaintiff
- ☐ 3 Federal Question *(U.S. Government Not a Party)*
- ☐ 2 U.S. Government Defendant
- ☒ 4 Diversity *(Indicate Citizenship of Parties in Item III)*

III. CITIZENSHIP OF PRINCIPAL PARTIES *(Place an "X" in One Box for Plaintiff and One Box for Defendant)*
(For Diversity Cases Only)

	PTF	DEF		PTF	DEF
Citizen of This State	☐ 1	☐ 1	Incorporated *or* Principal Place of Business In This State	☒ 4	☐ 4
Citizen of Another State	☐ 2	☐ 2	Incorporated *and* Principal Place of Business In Another State	☐ 5	☒ 5
Citizen or Subject of a Foreign Country	☐ 3	☐ 3	Foreign Nation	☐ 6	☐ 6

IV. NATURE OF SUIT *(Place an "X" in One Box Only)*

CONTRACT
- ☐ 110 Insurance
- ☐ 120 Marine
- ☐ 130 Miller Act
- ☐ 140 Negotiable Instrument
- ☐ 150 Recovery of Overpayment & Enforcement of Judgment
- ☐ 151 Medicare Act
- ☐ 152 Recovery of Defaulted Student Loans (Excludes Veterans)
- ☐ 153 Recovery of Overpayment of Veteran's Benefits
- ☐ 160 Stockholders' Suits
- ☒ 190 Other Contract
- ☐ 195 Contract Product Liability
- ☐ 196 Franchise

TORTS

PERSONAL INJURY
- ☐ 310 Airplane
- ☐ 315 Airplane Product Liability
- ☐ 320 Assault, Libel & Slander
- ☐ 330 Federal Employers' Liability
- ☐ 340 Marine
- ☐ 345 Marine Product Liability
- ☐ 350 Motor Vehicle
- ☐ 355 Motor Vehicle Product Liability
- ☐ 360 Other Personal Injury
- ☐ 362 Personal Injury - Medical Malpractice

PERSONAL INJURY
- ☐ 365 Personal Injury - Product Liability
- ☐ 367 Health Care/ Pharmaceutical Personal Injury Product Liability
- ☐ 368 Asbestos Personal Injury Product Liability

PERSONAL PROPERTY
- ☐ 370 Other Fraud
- ☐ 371 Truth in Lending
- ☐ 380 Other Personal Property Damage
- ☐ 385 Property Damage Product Liability

FORFEITURE/PENALTY
- ☐ 625 Drug Related Seizure of Property 21 USC 881
- ☐ 690 Other

LABOR
- ☐ 710 Fair Labor Standards Act
- ☐ 720 Labor/Management Relations
- ☐ 740 Railway Labor Act
- ☐ 751 Family and Medical Leave Act
- ☐ 790 Other Labor Litigation
- ☐ 791 Employee Retirement Income Security Act

IMMIGRATION
- ☐ 462 Naturalization Application
- ☐ 465 Other Immigration Actions

BANKRUPTCY
- ☐ 422 Appeal 28 USC 158
- ☐ 423 Withdrawal 28 USC 157

PROPERTY RIGHTS
- ☐ 820 Copyrights
- ☐ 830 Patent
- ☐ 840 Trademark

SOCIAL SECURITY
- ☐ 861 HIA (1395ff)
- ☐ 862 Black Lung (923)
- ☐ 863 DIWC/DIWW (405(g))
- ☐ 864 SSID Title XVI
- ☐ 865 RSI (405(g))

FEDERAL TAX SUITS
- ☐ 870 Taxes (U.S. Plaintiff or Defendant)
- ☐ 871 IRS—Third Party 26 USC 7609

OTHER STATUTES
- ☐ 375 False Claims Act
- ☐ 376 Qui Tam (31 USC 3729(a))
- ☐ 400 State Reapportionment
- ☐ 410 Antitrust
- ☐ 430 Banks and Banking
- ☐ 450 Commerce
- ☐ 460 Deportation
- ☐ 470 Racketeer Influenced and Corrupt Organizations
- ☐ 480 Consumer Credit
- ☐ 490 Cable/Sat TV
- ☐ 850 Securities/Commodities/ Exchange
- ☐ 890 Other Statutory Actions
- ☐ 891 Agricultural Acts
- ☐ 893 Environmental Matters
- ☐ 895 Freedom of Information Act
- ☐ 896 Arbitration
- ☐ 899 Administrative Procedure Act/Review or Appeal of Agency Decision
- ☐ 950 Constitutionality of State Statutes

REAL PROPERTY
- ☐ 210 Land Condemnation
- ☐ 220 Foreclosure
- ☐ 230 Rent Lease & Ejectment
- ☐ 240 Torts to Land
- ☐ 245 Tort Product Liability
- ☐ 290 All Other Real Property

CIVIL RIGHTS
- ☐ 440 Other Civil Rights
- ☐ 441 Voting
- ☐ 442 Employment
- ☐ 443 Housing/ Accommodations
- ☐ 445 Amer. w/Disabilities - Employment
- ☐ 446 Amer. w/Disabilities - Other
- ☐ 448 Education

PRISONER PETITIONS

Habeas Corpus:
- ☐ 463 Alien Detainee
- ☐ 510 Motions to Vacate Sentence
- ☐ 530 General
- ☐ 535 Death Penalty

Other:
- ☐ 540 Mandamus & Other
- ☐ 550 Civil Rights
- ☐ 555 Prison Condition
- ☐ 560 Civil Detainee - Conditions of Confinement

V. ORIGIN *(Place an "X" in One Box Only)*

☐ 1 Original Proceeding ☒ 2 Removed from State Court ☐ 3 Remanded from Appellate Court ☐ 4 Reinstated or Reopened ☐ 5 Transferred from Another District *(specify)* ☐ 6 Multidistrict Litigation

VI. CAUSE OF ACTION

Cite the U.S. Civil Statute under which you are filing *(Do not cite jurisdictional statutes unless diversity)*:
28 U.S.C. 1332

Brief description of cause:
Challenge to purported termination of a distributor agreement.

VII. REQUESTED IN COMPLAINT:

☐ CHECK IF THIS IS A CLASS ACTION UNDER RULE 23, F.R.Cv.P.

DEMAND $ 75,000.00

CHECK YES only if demanded in complaint:
JURY DEMAND: ☐ Yes ☐ No

VIII. RELATED CASE(S) IF ANY *(See instructions)*:

JUDGE _____ DOCKET NUMBER _____

DATE
November 30, 2016

SIGNATURE OF ATTORNEY OF RECORD

FOR OFFICE USE ONLY

RECEIPT # _____ AMOUNT _____ APPLYING IFP _____ JUDGE _____ MAG. JUDGE _____