

**STATE OF ILLINOIS
IN THE CIRCUIT COURT OF THE 22nd JUDICIAL CIRCUIT
McHENRY COUNTY**

Katherine M. Keefe
Clerk of the Circuit Court
****Electronically Filed****
Transaction ID: 17111102118
17MR000717
09/20/2017
McHenry County, Illinois
22nd Judicial Circuit

LLR, INC. and LULAROE, LLC,)	
)	
Petitioners,)	
v.)	Case No.
)	17MR000717
CHRISTINA HINKS a/k/a MommyGyver,)	
)	
Respondent.)	

NOTICE

**THIS CASE IS HEREBY SET FOR A
SCHEDULING CONFERENCE IN
COURTROOM 201 ON
12/20/2017 AT 9:00 AM.
FAILURE TO APPEAR MAY RESULT IN
THE CASE BEING DISMISSED OR AN
ORDER OF DEFAULT BEING ENTERED.**

**VERIFIED PETITION FOR DISCOVERY BEFORE SUIT
TO IDENTIFY RESPONSIBLE PERSONS PURSUANT TO
ILLINOIS SUPREME COURT RULE 224**

Petitioners LLR, Inc. and LuLaRoe, LLC (collectively, "LLR"), by their attorneys, respectfully petition this Court pursuant to Illinois Supreme Court Rule 224 for an order requiring Respondent Christina Hinks a/k/a MommyGyver to disclose the identity and contact information of potential defendants who have damaged LLR and its goodwill by providing Respondent with LLR's confidential and proprietary business information, information about LLR and its merchandise, and false derogatory information regarding LLR, much of which Respondent has posted on her blog, www.mommygyver.com. LLR brings this Petition to protect and safeguard its brand, confidential information, and its tens of thousands of Independent Fashion Retailers ("Retailers") (formerly Independent Fashion Consultants)¹ who rely on LLR's goodwill and reputation to sell LLR products to retail customers. In support of this Petition, LLR states as follows:

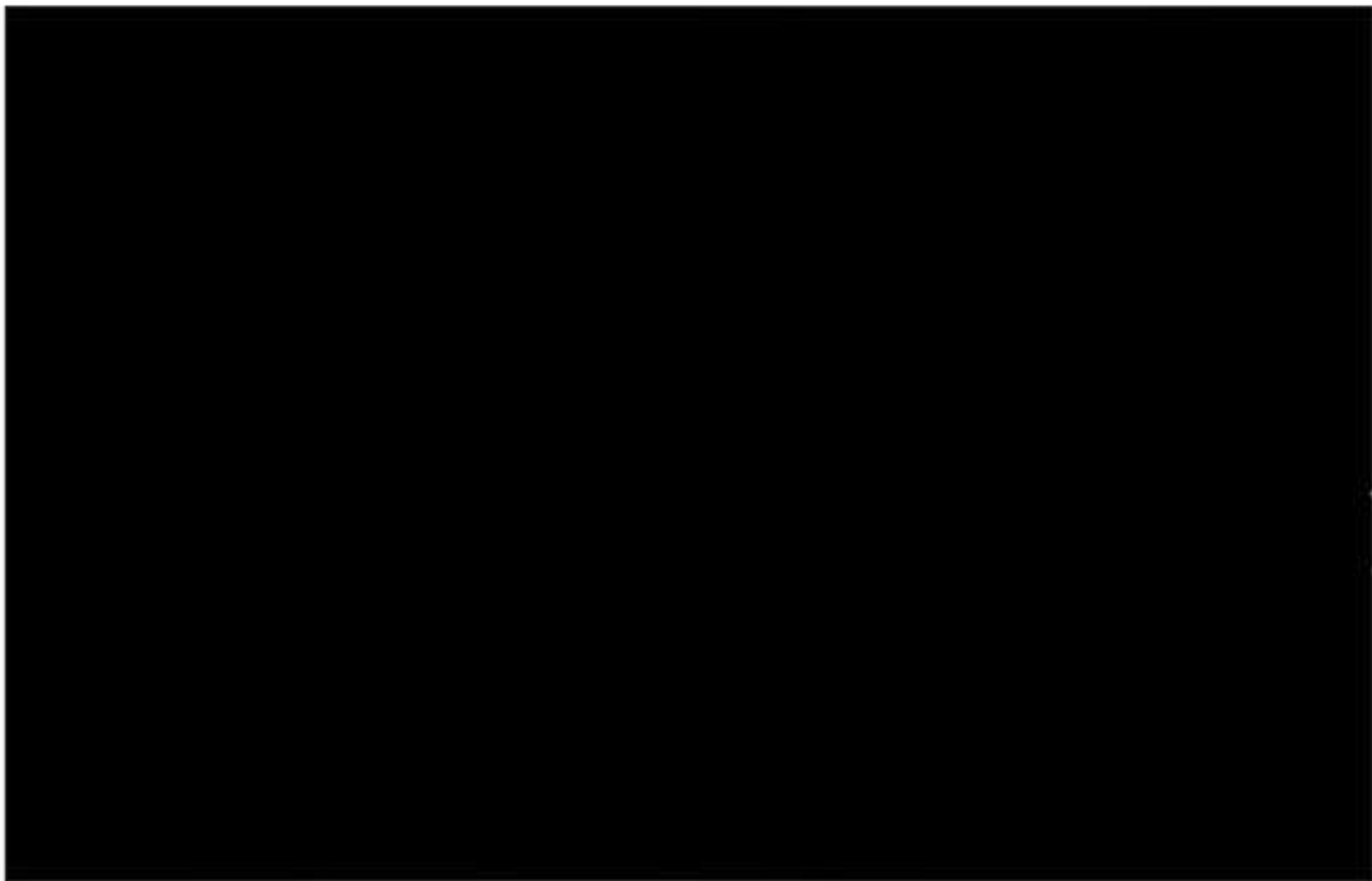
1. LLR, Inc. is a Wyoming corporation. LuLaRoe, LLC is a California limited liability company with its principal place of business in Corona, California. LLR clothing is sold

¹ Independent Fashion Retailers are referred to as "Retailers" herein, but may be referred to as "Consultants" in the "blogs," posts, and materials referenced herein.

by more than 80,000 Retailers located across the country who buy product from LLR at wholesale to sell to retail customers across the country.

2. Respondent Christina Hinks is an individual and resides in the State of [REDACTED] Respondent has also been known as [REDACTED] [REDACTED] Her last known address is [REDACTED] Respondent is a former Retailer who voluntarily terminated her LLR Contract (defined below). Now Ms. Hinks owns and operates an internet website and self-described "blog" entitled "MommyGyver," accessible at: <http://www.mommygyver.com/mommyblog-1>. Respondent posts on her self-described "blog" under the name MommyGyver. Respondent also uses or has used the following internet sites and social media locations to post information:

[REDACTED]



3. On Respondent's self-described "blog" and on other internet sites on which she posts information (her self-described "blog" and other internet sites are collectively referred to in this Petition as "sites"), she provides (and in many cases re-posts) information received from unidentified Retailers and other unnamed sources:

- a. *Open Letter To LuLaRoe*, May 10, 2017: Respondent receives "hundreds of messages a day" from various "sources", including consultants, containing screenshots of conversations and messages, videos, and **"internal documents"** concerning LLR. (Exhibit 1, emphasis added);
- b. *Giving Up My Sources*, May 11, 2017: Respondent receives emails from **"active consultants"** of LLR. (Exhibit 2, emphasis added);
- c. *Communication*, May 22, 2017: Respondent discusses leaked screenshots sent to her concerning Retailers expressing dissatisfaction with LLR and Respondent "elected to not share these screenshots to protect the consultants referenced here from any backlash." (Exhibit 3);
- d. *See No Evil*, May 17, 2017: "I find it laughable that blogs like mine publish actual video, screen shots, and communication GIVEN TO US by concerned consultants- **information that comes from the company- either home office or the leadership**" (Exhibit 4, emphasis added);
- e. *Speak Up*, April 22, 2017: confirming that Respondent receives information from Retailers of LLR "report[ing] private conversations from mentors bashing and belittling the downlines." (Exhibit 5).

4. LLR has become aware from entries on Respondent's "MommyGyver" site that several unidentified sources and Retailers have provided confidential and proprietary business information to Respondent that may have been stolen from LLR²:

- a. *Disney/LLR Limited License*, May 18-19, 2017: An unidentified source / Retailer provided a copy of an internal and confidential draft of a licensing agreement between Disney and LLR before any public announcement of the deal — "Some information was supposedly leaked indicating that this huge LLR announcement is in fact a Disney licensing agreement." (**Exhibit 6**);
- b. *Preferential Treatment*, April 28, 2017: At least three unidentified source(s) / Retailer(s) provided internal and confidential LLR information to Respondent consisting of an "Excel spreadsheet with the names and contact information of 285 consultants with preferential treatment from Home Office [LLR Inc.]" (**Exhibit 7**);
- c. *Fuckery*, May 11, 2017: An unidentified source / Retailer provided internal and confidential LLR information to Respondent concerning LLR's policies and procedures for ordering new product and discounting product. (**Exhibit 8**);
- d. *Bombshell*, April 20, 2017: An unidentified source / Retailer provided internal and confidential LLR information consisting of an email from LLR Inc. to its Consultants discussing internal credit card processing protocols and policies. (**Exhibit 9**).

5. Moreover, LLR has become aware from specific entries on Respondent's "MommyGyver" site that unidentified Retailers are breaching their LLR Contracts to the detriment of LLR and their thousands of Retailers who uphold their contractual obligations:

- a. *Anonymous Consultant 1 Speaks*, April 22, 2017: "This is not a business. **This is a cult.** I want out, and I don't want my name associated with this mess. I am embarrassed to have been sucked into this ..." (**Exhibit 10**, emphasis added);
- b. *Consultant Confessions V.2*, May 25, 2017: "I was over LLR, I was tired of all the bullshit, and tired of people claiming to be supportive and all the while

² It is possible that certain Retailers improperly accessed and stole certain data or confidential information from LLR's private and secure computer system, or provided access credentials to other sources, who provided such information to Respondent. (See **Exhibit 18**) (an "individual had messaged me that he somehow accessed a portion of LLR's back office and 'could have caused havoc' if he wanted to").

just being awful! ... Bottom line **I think LuLaRoe is toxic - it's bad for your health, its bad for your family, and it's bad taste** in addition to all that!" (Exhibit 11, emphasis added);

- c. *And Cometh Forward Another Christina...*, March 22, 2017: "I had no idea I would be **entering into a cult** that could be second only to The People's Temple Jim Jones ..." (Exhibit 12, emphasis added);
- d. *Consultant Confessions V.1*, dated May 23, 2017: "These leaders are a bunch of mean girls that never grew up with their pretend power they think they have. And for goodness sake, **NEVER have a non-kool aid view of LLR because you'll be on your way out so fast your head will spin.**" (Exhibit 13, emphasis added);
- e. *Hindsight is 20/20 – "Anna's Story,"* March 21, 2017: becoming a Retailer "will not help your family emotionally. **You will spend every waking hour on LuLaRoe.** . . . If you leave, you will get hate mail, threats, death threats. . . You are encouraged to open and max out credit cards, take out loans, etc. **You may be forced into bankruptcy . . .**" (Exhibit 14, emphasis added).

6. Each Retailer enters into a contract with LLR (the "Retailer Contract") that prohibits sharing LLR's confidential information. In addition, LLR can terminate the Retailer Contract if the Retailer misrepresents LLR or negatively impacts LLR's business or reputation.

7. The Retailer Contract expressly incorporates LLR's Policies and Procedures, which (1) prohibit Retailers from making negative remarks about LLR and (2) require Retailers to speak well of LLR, strengthen the LLR brand, and promote the good reputation of LLR and its products (collectively, the "LLR Contract").

8. Lastly, LLR has become aware from specific entries on Respondent's "MommyGyver" site that unidentified sources are making false claims regarding LLR that damage LLR's goodwill and reputation, which the Retailers rely upon to sell LLR products to retail customers:

- a. *LulaBullies and Consultant Cannibalism*, March 16, 2017: discussing a consignment website, that Respondent built and recruits for but has sold the rights to the website to an unidentified individual, that buys product from LLR Retailers going out of business and resells in "going out of business" styled sales. (Exhibit 15).

9. Respondent has informed LLR that on her self-described “blog” she is “sharing information shared with [her] by hundreds and hundreds of [C]onsultants,” but that she has “never asked anyone to hack, steal, or access information illegally. That being said, [she is] often provided links and passwords.” Respondent also has stated that she believes that LLR’s “beef ... would be with the individuals that decide to share this information with [her].” **(Exhibit 16).**

10. Respondent invited LLR to “just ask [her] where something you’re concerned about came from,” (*id.*) and LLR has asked Respondent for the exact information that it seeks in discovery with this Rule 224 Petition:

- a. The full name and contact information of all current and former Retailers, and all other persons, who have provided Respondent any information related to LLR that Respondent shares on www.mommygyver.com or social media;
- b. The full name and contact information of all current and former Retailers, and all other persons, who have provided Respondent with information related to LLR that has been, or that Respondent believes was or could have been, hacked, stolen, or accessed illegally or improperly;
- c. The full name and contact information of all current and former Retailers, and all other persons, who have provided links or passwords or other manners to access information related to LLR; **(Exhibit 17).**
- d. The full name and contact information of all parties with whom Respondent has communicated or corresponded regarding LLR or LLR’s confidential information; and
- e. The full name and contact information of every direct sales company with whom Respondent has communicated or corresponded regarding LLR and/or its confidential information, or the recruiting of Retailers or former Retailers who sell or have sold LLR products.

11. Respondent refuses to provide this information, claiming she received it “in a journalistic capacity and [is] under no obligation to provide these sources of information.” **(Exhibit 18);** *This Is How They Do...*, June 7, 2017: “acting in a journalistic capacity, I am not

inclined to share my sources . . . if [LLR] was going to sue anyone, it would be the people that have broken a contract.” (Exhibit 19). Respondent also confirms that the information provided to her comes from “both active and inactive” Retailers. (Exhibit 18).

12. The Illinois statute on the reporter’s privilege (“Shield Law”), 735 ILCS 5/8-901 *et seq.*, provides that no court may compel any person to disclose the source of any information obtained by a reporter subject to certain exceptions. Where a person claims the Shield Law to prevent disclosing source information, the Petitioner may seek an order requiring disclosure. 735 ILCS 5/8-903(a). The Shield Law is a qualified privilege that protects only “reporters” who publish in a “news medium.” *In re Arya*, 226 Ill. App. 3d 848, 852 (4th Dist. 1992); 735 ILCS 5/8-902.

13. A “reporter” means any person regularly engaged in the business of collecting, writing or editing news for publication through a news medium on a full-time or part-time basis; and includes any person who was a reporter at the time the information sought was procured or obtained. 735 ILCS 5/8-902.

14. A “news medium” means any newspaper or other periodical issued at regular intervals whether in print or electronic format and having a general circulation; a news service whether in print or electronic format; a radio station; a television station; a television network; a community antenna television service; and any person or corporation engaged in the making of news reels or other motion picture news for public showing. 735 ILCS 5/8-902.

15. Whether a person is a “reporter” and whether a publication is a “news medium” “cannot be reduced to any precise formula or definition but must, in view of the competing interests involved, depend on the facts and circumstances of the particular case.” *In re Arya*, 226 Ill. App. 3d at 855; *see also Johns-Byrne Co. v. TechnoBuffalo LLC*, 2012 WL 7746968 (Ill. Cir.

Ct.) (analyzing the “novel” issue of whether bloggers are “reporters” and whether blogs are “news medium”).³

16. “Self-appointed journalists or entities with little track record who claim the privilege require more scrutiny. ... [T]he popularity of the Internet has resulted in millions of bloggers who have no connection to traditional media. Any of them, as well as anyone with a Facebook account, could try to assert the privilege. In those cases, a more probing hearing would likely be needed to determine if the privilege applies.” *Too Much Media, LLC v. Hale*, 206 N.J. 209, 242 (2011).

17. Respondent is not a “reporter” because she does not claim to have collected any news on her own (**Exhibit 1**, *Open Letter To LuLaRoe*: “I never collected anything on my own”), and merely re-posts information sent to her by Consultants without any reporting, commentary, or editing. See **Exhibit 11**, *Consultant Confessions V.2* (re-posting Consultant’s information with no reporting or editing); **Exhibit 13**, *Consultant Confessions V.1* (same); and **Exhibit 10**, *Anonymous Consultant 1 Speaks* (“The consultant sent me her story. Included unedited below:”). Respondent appears not to have any editing or review process before she re-posts the unknown source / Retailer’s information on her personal blog. *Id.*; see also *TechnoBuffalo*, 2012 WL 7746968 at *2, 5 (distinguishing between “a mere transmittal of information received from the tipster” with a reporter who “incorporates the information into an article.”); see also *Obsidian Fin. Grp., LLC v. Cox*, No. CV-11-57-HZ, 2011 WL 5999334, at *1 (D. Or. Nov. 30, 2011) (self-proclaimed investigative blogger not covered by Oregon’s Shield

³ The trial court in *Technobuffalo* recognized that “[t]he issue of whether a blog/news site such as TechnoBuffalo is to be treated as a ‘news medium’ is novel” in Illinois and that such issue has “seldom been dealt with by other states containing shield laws.” *Technobuffalo*, 2012 WL 7746968 at *4. Thus, the court considered case law from other jurisdictions with similar shield laws, such as *Too Much Media, LLC v. Hale*, 206 N.J. 209, 242 (2011). *Id.*

Law because she was not affiliated with any newspaper, magazine, periodical, book, pamphlet, news service, wire service, news or feature syndicate, broadcast station or network, or cable television system).

18. Respondent's self-proclaimed "blog," "MommyGyver," is not a "news medium" because the re-posts of information from unknown sources / Retailers do not contain content acquired from Respondent's news gathering or other indicia of a "journalistic process" to disseminate news to the public—such as fact-checking, editing content prior to posting, or requiring approval from an Editor-in-Chief. *See Technobuffalo*, 2012 WL 7746968 at *4 (distinguishing "between blogs comprised of personal thoughts, opinions, and impression from blogs containing content acquired from actual news gathering, reaffirming a central consideration shared by many states in regards to their shield laws, including Illinois. That distinction is whether there has been a gathering and dissemination of news to the public."). Respondent appears not to employ any writers, editors, or fact-checkers who approve content before it is posted on her self-described "blog."

19. Accordingly, the Shield Law does not apply to Respondent.⁴ She cannot hide the unknown sources / Retailers who have asked her to share their stories on her self-described "blog" when she is not a "reporter" and her self-described "blog" is not a "news medium."

20. The only person who can identify these unknown sources / Retailers is Respondent with whom these sources and/or Retailers directly corresponded to provide

⁴ Although the facts of this case and the overwhelming legal authority establish that Respondent (or her actions) cannot hide behind the shield law, if the Court has any doubts about whether the Shield Law applies to Respondent, Petitioners should be allowed limited and expedited discovery from Respondent concerning her "journalistic process" and other facts relevant to the inquiry of whether Respondent qualifies as a "reporter" and "news medium" because Petitioner can seek an order divesting Respondent of such privilege and ordering her to disclose her source of the information. *See* 735 ILCS 5/8-903(a).

Respondent with information regarding LLR. The true legal names and contact information for these Retailers and other unknown sources are known to the Respondent, but she does not disclose them on her sites and has refused to willingly share that information with LLR. *See Exhibit 2, Giving Up My Sources*, May 11, 2017 (Respondent stating that she will not provide LLR with the names of the sources / Retailers sending her the information); *Exhibit 1, Open Letter To LuLaRoe*, May 10, 2017 (same); *Exhibit 17* (“I have the right to protect those sources”) and *Exhibit 18* (“I will not provide the contact or identifying information because . . . I am a journalist operating in the same capacity.”).

21. LLR has no way of knowing the non-Retailer sources who have provided confidential and proprietary business information to Respondent. In addition, while LLR knows generally the names and contact information for the thousands of Retailers who sell LLR products, it has been unable to determine, after investigating all other known sources of the information, which of the Retailers or other unknown sources are providing information to Respondent in breach of their contracts and in violation of various laws.

22. The information received and posted by Respondent threatens and continues to threaten LLR’s confidential and proprietary information, the business relationships between LLR and the Retailers, the business relationships between the Retailers and their customers, and the strength of LLR’s brand.

23. As a result of the false and derogatory statements and confidential and proprietary information provided to Respondent by certain unknown sources and Retailers, LLR and the thousands of Retailers who sell LLR products have sustained irreparable harm, and monetary and other damages. LLR intends to pursue legal and equitable remedies against appropriate unknown sources and Retailers who have engaged in unlawful acts by providing these statements

and information to Respondent. LLR believes the actions by the unknown sources and Retailers constitute, among other things:

- a. Breach of Contract: (i) LLR and Retailers entered into valid and enforceable Contracts; (ii) LLR fully performed under the Contracts; (iii) Retailers breached these Contracts by disseminating confidential and proprietary information and by making disparaging remarks about LLR; and (iv) LLR has suffered monetary and other damages as a result of these breaches.
- b. Tortious Interference with Contract: (i) LLR has valid and enforceable Contracts with other Retailers, which these unknown sources / Retailers are aware of; (ii) these unknown sources / Retailers intentionally and unjustifiably induced other Retailers to breach their Contracts by making disparaging remarks about LLR and disseminating confidential and proprietary information; (iii) the wrongful conduct of the unknown sources / Retailers caused a subsequent breach of the Contract by other Retailers who participated in similar behavior and/or terminated their Contracts; and (iv) LLR suffered monetary and other damages as a result.
- c. Tortious Interference with Prospective Economic Opportunities: (i) LLR had a reasonable expectancy of entering into a valid business relationship with new Retailers; (ii) the unknown sources / Retailers purposely interfered and defeated LLR's legitimate expectancy by making disparaging statements about LLR; and (iii) LLR suffered monetary and other damages as a result.
- d. Violations of the Illinois Computer Tampering Act: (i) the unknown sources / Retailers may have inserted or attempted to insert a program into LLR's computer network; (ii) knowing or having reason to know that such program contained information or commands that removes computer data in LLR's computer network; and (iii) that resulted in a cyber-attack / data breach of LLR's computer network in which data and internal documents were removed and disseminated publically.
- e. Violations of the Computer Fraud and Abuse Act, 18 U.S.C. § 1030 et seq.: (i) LLR's protected computer network was used by LLR and Retailers to conduct business across the country; (ii) the unknown sources / Retailers intentionally accessed LLR's protected computer network without authorization or exceeded authorized access; and (iii) they intentionally, recklessly or otherwise caused damage to LLR by, among other things, obtaining and disseminating LLR's confidential and proprietary information, aggregating at least \$5,000 in value, including costs associated with conducting a damage assessment.
- f. Unlawful Use of Confidential Information to Illegally Recruit Retailers or to Unlawfully Obtain Products and Sell at Discount: (i) unknown Retailers and/or other persons or entities have knowingly either disclosed or received

LLR's confidential business information, (ii) for the purpose of illegally recruiting Retailers or (iii) for the purpose of unlawfully obtaining LLR products to be resold at a discount, (iii) resulting in substantial damage to LLR's business and goodwill.

24. LLR has a business and contractual interest in obtaining the legal names and contact information for these sources and Retailers so that it may seek damages, injunctive relief, and such other legal and equitable remedies as may be available to LLR from these unknown sources and Retailers, and to restore its goodwill and reputation upon which Retailers rely to sell LLR products to retail customers.

25. Illinois Supreme Court Rule 224 authorizes this Court to enter a pre-litigation discovery order requiring the Respondent to answer discovery to ascertain the legal names of and other contact information about the persons or entities involved in the unlawful actions: "A person or entity who wishes to engage in discovery for the sole purpose of ascertaining the identity of one who may be responsible in damages may file an independent action for such discovery." The Committee Comments to Rule 224 state: "This rule provides a tool by which a person or entity may, with leave of court, compel limited discovery before filing a lawsuit in an effort to determine the identity of one who may be liable in damages."

26. The discovery that LLR seeks is limited to document requests and/or interrogatories and a deposition of Respondent to identify the unknown sources, Retailers and others who (1) breached their Contracts with LLR, (2) disseminated confidential and proprietary information, (3) accessed without authority LLR's computer systems, causing damage and loss, (4) tortiously interfered with LLR's contracts and prospective economic opportunities, and/or (5) misused LLR's confidential information for the purpose of illegally recruiting Retailers or unlawfully acquiring products for resale at a discount.

27. Such discovery will not impose any undue hardship or expense on Respondent because such information is readily known by and accessible to Respondent. (**Exhibit 18**) (admitting that she does not delete information that comes in and that she is in possession of the communication and documents that LLR seeks but would only provide these documents with redacted identifying and contact information).

28. William A. Floratos, the General Counsel of LLR, has verified the matters set forth herein.

WHEREFORE, LLR respectfully requests that this Court enter an order authorizing Petitioner to obtain discovery from Respondent under Rule 224, consisting of document requests and/or interrogatories and a deposition, limited to the identity and contact information for certain sources / Retailers or others who have (1) breached their Contracts with LLR by providing certain information to Respondent, (2) unlawfully provided confidential and proprietary business information to Respondent; (3) accessed without authority LLR's computer systems, and/or (4) interfered with LLR's contracts and prospective economic opportunities.

Dated: September 20, 2017

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