1 2	Regan Furcolo (SBN 162956) Laura Stewart (SBN 198260)	ELECTRONICALLY FILED Superior Court of California, County of San Diego
	WALSH MCKEAN FURCOLO LLP	11/23/2022 at 03:32:00 PM
3	550 West C Street, Suite 950	Clerk of the Superior Court
4	San Diego, CA 92101 Telephone: (619) 232-8486	By E- Filing Deputy Clerk
5	Facsimile: (619) 232-2691	
ا ا	rfurcolo@wmfllp.com	
6	<u>lstewart@wmfllp.com</u>	
7	Attorneys for Defendant JESSICA MCELFR	ESH, an individual
8	SUPERIOR COURT OF	THE STATE OF CALIFORNIA
9	FOR THE COUNTY OF SAN DIEGO	- CENTRAL DIVISION, HALL OF JUSTICE
10	TOR THE COUNTY OF STANDEDGO	CENTRAL DIVISION, IN ILLE OF JUSTICE
11	AMY SHERLOCK, an individual and on behalf of her minor children, T.S. and S.S.,	CASE NO. 37-2021-00050889-CU-AT-CTL
12	ANDREW FLORES, an individual	DEDLY DDIEE IN CURPORT OF JECCICA
13	Plaintiffs,	REPLY BRIEF IN SUPPORT OF JESSICA McELFRESH'S DEMURRER TO THE FIRST AMENDED COMPLAINT
14	VS.	THE CORP BY THE
	GINA M. AUSTIN, an individual;	[IMAGED FILE]
15	AUSTIN LEGAL GROUP, a professional	JUDGE: Hon. James A. Mangione
16	corporation, LARRY GERACI, an	DEPT.: C-75
	individual, REBECCA BERRY, an	DATE D 1 2 2022
17	individual; JESSICA MCELFRESH, an individual; SALAM RAZUKI, an	DATE: December 2, 2022 TIME: 9:00 a.m.
1.0	individual; SALAW KAZOKI, an	DEPT.: C-75
18	individual; FINCH, THORTON, AND	
19	BARID, a limited liability partnership; ABHAY SCHWEITZER, an individual	COMPLAINT FILED: December 3, 2021 TRIAL DATE: Not Set
20	and dba TECHNE; JAMES (AKA JIM)	
	BARTELL, an individual; NATALIE TRANG-MY NGUYEN, an individual,	
21	AARON MAGAGNA, an individual;	
22	BRADFORD HARCOURT, an	
	individual; SHAWN MILLER, an	
23	individual; LOGAN STELLMACHER, an individual; EULENTHIAS DUANE	
	ALEXANDER, an individual; STEPHEN	
24	LAKE, an individual, ALLIED	
25	SPECTRUM, INC., a California	
_	corporation, PRODIGIOUS	
26	COLLECTIVES, LLC, a limited liability	
_	company, and DOES 1 through 50, inclusive,	
27	1110100110,	
28	Defendants.	

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#### I. **INTRODUCTION**

Defendant Jessica McElfresh demurred to the causes of action in the *Sherlock* First Amended Complaint for violation of the Cartwright Act (Business and Professions Code § 16700, et seq.), Unfair Business Practices in violation of Business & Professions Code § 17200 and civil conspiracy. Plaintiffs filed an opposition to Ms. McElfresh's motion to strike punitive damages, not an opposition to Ms. McElfresh's demurrer. But, even assuming plaintiffs' opposition is an opposition to Ms. McElfresh's demurrer as well, the First Amended Complaint still does not state a valid cause of action against Ms. McElfresh and should therefore be dismissed.

## II. THE ALLEGATIONS IN THE FIRST AMENDED COMPLAINT DO NOT STATE A VALID CAUSE OF ACTION AGAINST MS. McELFRESH

In their opposition, plaintiffs argue that Ms. McElfresh violated her fiduciary duty to Mr. Cotton by representing Mr. Geraci in furtherance of the Federal CUP application and that breach of fiduciary duty is the basis for the claim for conspiracy to violate the Cartwright Act.

Even assuming these allegations are true, as we must for the purposes of the demurrer, Mr. Cotton is not a plaintiff in this case. We know that the goal of this lawsuit is to overturn the judgment against Mr. Cotton in the Geraci case and that Mr. Flores represented Mr. Cotton at one time in the Geraci case. But, Mr. Flores cannot seriously contend he was injured somehow because he represented Mr. Cotton and Mr. Cotton should have won the Geraci lawsuit and any alleged breach of fiduciary duty to Mr. Cotton cannot form the basis of plaintiffs' claim for conspiracy to eliminate or reduce competition and free trade in violation of the Cartwright Act. Plaintiffs suing under the Cartwright Act must be within the "target area" of the antitrust violation to have standing to sue; i.e., they must have suffered direct injury as a result of the anticompetitive conduct. See, Cal. Bus. & Prof. Code § 16750(a); Cellular Plus, Inc. v. Superior Court (U.S. West Cellular) (1993) 14 Cal.App.4th 1224, 1232; Vinci v. Waste Management, Inc. (1995) 36 Cal.App.4th 1811, 1815.

Since none of the plaintiffs in this case even claim to have been injured by any conduct they attribute to Ms. McElfresh, the First Amended Complaint against her should be dismissed.

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### III. **CONCLUSION**

The first cause of action in plaintiffs' First Amended Complaint for violation of the Cartwright Act (Business and Professions Code § 16700, et seq.), the fifth cause of action for Unfair Business Practices in violation of Business & Professions Code § 17200 and the seventh cause of action for civil conspiracy cannot be amended to state a valid cause of action against Ms. McElfresh. Ms. McElfresh respectfully requests that the Court sustain this demurrer without leave to amend.

DATED: November 23, 2022

WALSH MCKEAN FURCOLO LLP

Laura Stewart, Esq.

Attorneys for Defendant JESSICA MCELFRESH, an individual

ALSH MCKEAN FURCOLO LLP 550 WEST C STREET SUITE 950