IN THE CHANCERY COURT OF TENNESSEE FOR SHELBY COUNTY 30th JUDICIAL DISTRICT AT MEMPHIS

SUMMITT MANAGEMENT CORPORATION Plaintiff

v. Case No.

JACKSON STATE UNIVERSITY;
THE MISSISSIPPI STATE INSTITUTIONS OF
HIGHER LEARNING BOARD OF TRUSTEES;
J. WALT STARR, IN HIS OFFICIAL CAPACITY AS
PRESIDENT OF THE BOARD OF TRUSTEES OF
THE MISSISSIPPI STATE INSTITUTIONS OF
HIGHER LEARNING; SOUTHWESTERN
ATHLETIC CONFERENCE

COMPLAINT FOR DAMAGES AND FOR SPECIFIC PERFORMANCE

COMES NOW THE PLAINTIFF, Summitt Management Corporation, and brings this complaint against the above-named parties and, as grounds therefor, would show unto this court as follows:

PARTIES, JURISDICTION AND VENUE

- Plaintiff Summitt Management Corporation ("SMC") is a Delaware corporation qualified to do business in Tennessee, with a principal place of business located at 4466 Elvis Presley Blvd., Suite 248. Memphis, Tennessee 38116.
- Defendant Jackson State University ("JSU") is a public university located in Jackson,
 Mississippi. JSU routinely plays in athletic contests in Tennessee.

- 3. Defendant Board of Trustees of the State Institutions of Higher Learning is the constitutional governing body of the Mississippi state institutions of higher learning, which includes Defendant JSU. Pursuant to Miss. Code § 37-101-15, the Board is charged with "general supervision of the affairs of all the institutions of higher learning, including the departments and the schools thereof."
- 4. Defendant J. Walt Starr is President of the Board of Trustees of the Mississippi State Institutions of Higher Learning.
- 5. Defendant Southwestern Athletic Conference ("SWAC") is an athletic conference organized as an Alabama non-profit corporation, headquartered in Birmingham, Alabama. JSU is a member of SWAC. SWAC consists of 12 schools which routinely play in athletic contests in Tennessee.
- 6. This lawsuit is about a breach of contract that was executed by Plaintiff in Memphis and was to be performed in Memphis.
- 7. This lawsuit is about granting an injunction for specific performance of a contract to be performed in Memphis.
- 8. This lawsuit is about a tort resulting in damages located in Memphis.
- 9. This court holds jurisdiction over the named parties and the cause of action pursuant to T.C.A. 16-11-115 and/or T.C.A. 20-2-214(a) and/or T.C.A. 20-2-225.
- 10. Venue is proper in this Court pursuant to T.C.A. 20-4-101 and/or T.C.A. 16-11-114.

FACTUAL BACKGROUND

11. SMC is the owner and operator of an annual football game known as the Southern Heritage Classic (the "Classic"), played in Memphis, Tennessee.

- 12. The Classic is part of a multi-day cultural celebration that includes a parade, multiple entertainment events, a fashion show, and a college career fair, as well as the football game.
- 13. JSU has been one of the two teams playing in the Classic for 28 years. The other team is

 Tennessee State University ("TSU"). The rivalry between JSU and TSU is intense and joyful,
 thrilling for their fans, driving attendance well over 40,000 annually.
- 14. SMC has paid JSU fees exceeding \$6 million over the years, during many years when JSU was struggling financially. Over the years, TSU has won more games than JSU, but JSU has been better in recent years, and stronger financially. In 2021, JSU was nearly undefeated and won the SWAC championship.
- 15. SMC entered into a Southern Heritage Classic Agreement dated September 10, 2019 (the "JSU Agreement," attached as Exhibit A), whereby JSU agreed to play in the Classic for five years, in September of 2020-2024.
- 16. SMC also entered into a similar five-year agreement with TSU to be the opposing team.
- 17. SMC also entered into a long-term agreement with the City of Memphis to rent the Liberty Bowl Memorial Stadium through 2024, the final year of the JSU Agreement.
- 18. Section 12.14(b) of the JSU Agreement provides that Mississippi law governs that contract.
- 19. The JSU Agreement does not have a venue provision.

COUNT ONE: Breach of Contract by JSU

- 20. Plaintiff incorporates by reference the averments of paragraphs 1 through 19 of this Complaint as though the same were set forth fully herein.
- 21. By letter dated February 1, 2022 (the "Termination Letter," attached as <u>Exhibit B</u>), from JSU's General Counsel Edward Watson to SMC's sole shareholder and President Fred Jones, JSU terminated the JSU Agreement.

- 22. The Termination Letter was the first correspondence of any kind between JSU and SMC indicating that JSU wanted to terminate the JSU Agreement or was even contemplating such a termination. There were no prior phone calls or emails regarding termination.
- 23. The one-page Termination Letter did not allege any breach by SMC. It was labelled "Notice of Termination Southern Heritage Classic Agreement."
- 24. The second paragraph begins with "Therefore, this correspondence shall serve as notice of JSU's termination of its participation in the Southern Heritage Classic and the Agreement between the parties."
- 25. The only reason for termination stated in the Termination Letter was that "the Southwestern Athletic Conference, JSU's governing athletic conference has entered into an agreement in which JSU's will participate in events that conflict with the Southern Heritage Classic Agreement. Said conflict prevents JSU's participation in the Southern Heritage Classic."
- 26. Subsequently, JSU's head football coach Deion Sanders gave interviews in which he was quoted as saying that the Classic was not profitable for JSU, that JSU could make a lot more money by not playing in the Classic, and that JSU was now "doing business." The coach was clear that JSU was not playing in the final three years of the JSU Agreement, including 2022, which was consistent with the Termination Letter.
- 27. After subsequent discussions between SMC and JSU, JSU agreed to mitigate damages and play in the 2022 Classic.
- 28. However, JSU was adamant that it will not honor the JSU Agreement in 2023 and 2024. This was repeated in a Deion Sanders Instagram video post by JSU's Vice President and Athletic Director Ashley Robinson and Coach Sanders. Coach Sanders again indicated that the Classic was not profitable enough for JSU despite its annual fee of \$350,000. Coach Sanders

said that after paying for 11 busloads of people to travel to Memphis and overnight accommodations, JSU came home with nothing, despite the \$350,000 fee paid by SMC to JSU.

- 29. Count One is governed by Mississippi law.
- 30. JSU's breach of contract means that SMC must find a replacement team for 2023 and 2024, and its ability to do so is not at all certain. The Classic is a joyful 28-year rivalry. JSU's Coach explained that at the present time, JSU is the big attraction, that JSU's participation alone brings 40,000 fans to their games. The Coach's boasts prove that JSU's breach will cause great damage.
- 31. The Classic has become an annual cultural tradition for tens of thousands of people. They plan for the trip to Memphis every year. It takes years to build up that sort of fan loyalty.

 JSU's breach means that virtually all of the JSU fans will cease coming to the Classic. SMC does not expect that any available replacement team will attract that sort of fan following.

 Nor is it a certainty that a high percentage of TSU fans will come to a game against a replacement team that lacks the history of the JSU rivalry.
- 32. JSU's breach is horrible for SMC, TSU, and the City of Memphis.
- 33. JSU is in breach of contract and owes compensatory damages in an amount to be proved at trial, exceeding \$1.8 million per year for each of the two years.

COUNT TWO: ANTICIPATORY BREACH OF CONTRACT BY JSU

- 34. Plaintiff incorporates by reference the averments of paragraphs 1 through 33 of this Complaint as though the same were set forth fully herein.
- 35. SMC asked JSU to reconsider its Termination Letter and honor the JSU Agreement in 2023 and 2024, but JSU's General Counsel declined and its Coach and Athletic Director are telling

- the world that JSU will not be in the Classic in those years. JSU's press release confirming that it was still not playing in 2023 and 2024 is attached as Exhibit C.
- 36. Count Two is governed by Mississippi law.
- 37. JSU is in anticipatory breach of the JSU Agreement and owes compensatory damages in an amount to be proved at trial, exceeding \$1.8 million per year for each of the two years.
- 38. For SMC to mitigate damages, it needs to try to find a replacement school. That could be a long process and is not at all certain to succeed. And it is unlikely that SMC will find a replacement team equivalent to the fan-drawing power of JSU and a 28-year rivalry.

COUNT THREE: COMPLAINT FOR SPECIFIC PERFORMANCE BY JSU

- 39. Plaintiff incorporates by reference the averments of paragraphs 1 through 38 of this Complaint as though the same were set forth fully herein.
- 40. SMC is contractually entitled to specific performance of the JSU Agreement. JSU contractually agreed to specific performance in Section 5.2 of the JSU Agreement, which provides that in the event of breach of contract, "the non-breaching party shall have the rights to specific performance, injunctive relief and all other remedies and rights available at law or in equity."
- 41. Alternatively, SMC is entitled to specific performance because monetary damages are inadequate. SMC has built an enjoyable and profitable rivalry between two schools for 28 years. SMC will not be able to replace that rivalry during the final two years of the JSU Agreement.
- 42. The JSU Agreement does not include a liquidated damages provision.
- 43. Specific performance is only requiring JSU to do what it has done for 28 years.
- 44. Count Three is governed by Mississippi law.

COUNT FOUR: TORT OF WRONGFUL INTERFERENCE WITH CONTRACTUAL RELATIONS BY DEFENDANT SWAC

- 45. Plaintiff incorporates by reference the averments of paragraphs 1 through 44 of this Complaint as though the same were set forth fully herein.
- 46. SWAC is creating its own classic and wishes that JSU participate in that game.
- 47. SWAC knew that JSU was under contract with SMC through 2024.
- 48. SWAC was not a party to the JSU Agreement.
- 49. SWAC intentionally interfered with the JSU Agreement.
- 50. SWAC induced JSU to breach the JSU Agreement.
- 51. JSU would not have breached the JSU Agreement but for SWAC's conduct.
- 52. The decisions to schedule JSU in conflict with the JSU Agreement were made and executed in Alabama, so Alabama law governs this tort.
- 53. SWAC is liable for the tort of wrongful interference with contractual relations, and is liable for compensatory, consequential and punitive damages, in amounts to be determined at trial, exceeding \$5.4 million per year for each of the two years.

COUNT FIVE: TORT OF WRONGFUL INTERFERENCE WITH BUSINESS RELATIONSHIP BY DEFENDANT SWAC

- 54. Plaintiff incorporates by reference the averments of paragraphs 1 through 53 of this Complaint as though the same were set forth fully herein.
- 55. SMC and JSU had a 28-year business relationship defined by multiple contracts, the most recent of which covered the five years 2020-2024.

- 56. SWAC knew about this long-term relationship, including the existence of the JSU Agreement.
- 57. SWAC was a stranger to this business relationship between JSU and SMC.
- 58. SWAC intentionally interfered with this business relationship by inducing, encouraging, or otherwise assisting JSU in breaching the JSU Agreement and terminating the business relationship between JSU and SMC.
- 59. JSU would not have terminated the business relationship in 2022 but for SWAC's conduct.
- 60. The decisions to interfere with the business relationship between JSU and SMC were made and executed in Alabama, so Alabama law governs this tort.
- 61. SWAC is liable for the tort of wrongful interference with a business relationship, and is liable for compensatory, consequential and punitive damages, in amounts to be determined at trial, exceeding \$5.4 million per year for each of the two years.

COUNT SIX: LEGAL FEES AND COSTS

- 62. Plaintiff incorporates by reference the averments of paragraphs 1 through 61 of this Complaint as though the same were set forth fully herein.
- 63. Regarding Counts One, Two, and/or Three, SMC is entitled to recover certain costs, including legal fees.
- 64. Section 12.5 of the JSU Agreement provides that "If any action at law, in equity or by mediation is necessary to enforce or interpret the terms of this Agreement, the prevailing party shall be entitled to court cost, mediation costs and necessary disbursements, in addition to any other relief to which the party may be entitled."
- 65. In the event SMC is the prevailing party in the contract claims, it shall be entitled to court costs and necessary disbursements, which includes legal fees.

66. Regarding Counts Four and/or Five, Alabama law provides that SMC is entitled to compensatory damages, consequential damages, and punitive damages, which includes legal fees.

JURY DEMAND

Plaintiff demands a jury to try all issues.

WHEREFORE, PREMISES CONSIDERED, Plaintiff respectfully prays

1) Conduct a hearing to determine the rights of the parties herein, with a jury being empaneled therefor;

2) Issue a mandatory injunction compelling JSU to perform its duties as set out in its contract with SMC;

3) Grant SMC judgment against all parties in an amount to be determined at trial.

4) Grant SMC such other, further, general, and equitable relief to which it may be entitled in the circumstances.

Respectfully submitted this the 14th day of March, 2022.

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s/JOHN B. TURNER, JR.
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