

**SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NEW YORK**

MAC PRESENTS, LLC and MARCIE ALLEN,

Plaintiffs,

– *against* –

C LEWIS GROUP, LLC and CARA LEWIS,

Defendants.

Index No.

COMPLAINT

Jury Trial Demanded

MAC Presents, LLC (“MAC”) and Marcie Allen (“Allen,” collectively “Plaintiffs”), by and through their undersigned attorneys, as and for their Complaint against Defendant C Lewis Group, LLC (“CLG”) and Cara Lewis (“Lewis”, collectively “Defendants”), allege, with personal knowledge of their own actions and on information and belief as to others, as follows:

PRELIMINARY STATEMENT

1. This dispute is between two entertainment industry figures—both of whom are women. It has erupted into this public arena because Plaintiffs, who bent over backward in good faith and with an honorable desire to help Defendants, have learned well the old adage “no good deed goes unpunished”. Plaintiffs have been left with no choice but to file this action because they will not stand for the bullying, threats, false assertions, and improper conduct being perpetrated on them by Defendants out of greed and a clear lack of gratitude for Plaintiffs’ actions towards them in the past.

2. Marcie Allen is a highly-respected and successful business person with more than twenty-four years of experience in the entertainment industry, known for orchestrating some of the highest-profile and most lucrative brand partnerships, on behalf of prominent Fortune 500 brands and A-list Artists. Her company, MAC, is front and center in this dynamic world.

3. As a result of her expertise, success, and contributions within the music industry, she has been widely recognized and is the recipient of many industry awards and accolades. Allen is an eight-time winner of Billboard's Concert Marketing and Promotion Award, has been named to Billboard's Women in Music list every year since 2010, as well as the Billboard's Power 100 list in 2018, the Branding Power Players list 2016-2018, the Hip-Hop Power Player's List 2017-2018, and Variety's 2015 and 2018 Power of Women: New York Impact List, representing the most powerful women in entertainment.

4. CLG and Lewis are talent agents for performing artists in the entertainment industry. Prior to founding CLG in or about 2016, Lewis had worked as an agent for both William Morris Endeavor ("WME") (ending around 2012) and then Creative Artist Agency ("CAA") (ending around 2015).

5. Ms. Allen and Ms. Lewis were friends. As discussed below, when Ms. Lewis was no longer welcome at CAA, or apparently elsewhere, she decided to start her own business. Plaintiffs gave her and her new company, CLG, a home in MAC's New York office. Ms. Lewis had never operated a business before, and Plaintiffs stepped up to help her when no one else would. For three years, Plaintiffs helped Lewis create a new talent agency, gave her a structure and safe haven, along with a massive amount of support so that she could get her business off the ground. During some part of that period the parties were in an amicable space, and engaged in certain business opportunities together. Plaintiffs had hoped that the parties would have a positive relationship; that hope and expectation has been completely shattered by Defendants' actions.

6. Over time, Plaintiffs came to learn the true nature of Ms. Lewis' character. She began to frequently bully people in the open, shared office space, act out in highly inappropriate

matters, screaming and ranting on the phone and in the office, demeaning employees—including MAC employees—and generally creating an untenable work environment. She created a pigsty in violation of the policy that the office be kept clean and neat. She even began to make aggressive demands on Plaintiffs and their staff relative to business opportunities. She would disparage Plaintiffs to their staff, and undoubtedly to others in the industry.

7. Plaintiffs reached the point where Ms. Lewis' abusive conduct could no longer be tolerated, and asked Ms. Lewis to leave the Office Space on February 8, 2019. On February 26, 2019, Ms. Lewis expressed her agreement to leave the Office Space, but now has refused to do so. She continues to occupy the space in breach of the lease by virtue of her conduct, as noted above, and remains in disregard of verbal and written notices to terminate, all while evidencing her intent to harm Plaintiffs' business and disrupt Plaintiffs' right to their peaceful use and enjoyment of their own premises. Stated otherwise, Ms. Lewis is holding the space hostage in order to leverage unfair demands on Plaintiffs.

8. In that respect, Defendants, who have effectively usurped Plaintiffs' space as squatters, have also embarked on a plan to damage Plaintiffs' business. Ms. Lewis is soliciting clients of Plaintiffs, and seeking to interfere with Plaintiffs' business opportunities, using Plaintiffs' contacts and relationships while she refuses to move out of Plaintiffs' space. Ms. Lewis has filed a false document in which she has mischaracterized the nature of the parties' dealings and Plaintiffs' conduct, in an effort to further damage Plaintiffs' reputation, take advantage of Plaintiffs economically and unjustly enrich herself.

9. Because of Defendants' conduct, Plaintiffs have been compelled to bring this action. Plaintiffs seek to remedy the wrongs committed against them, to recover their premises and eject Ms. Lewis from the same. Plaintiffs also seek to set the record straight regarding the

false narrative Ms. Lewis is espousing about Plaintiffs in order to get her way, and to put an end to the bullying tactics to which Defendants have mistakenly assumed Plaintiffs would succumb.

JURISDICTION AND VENUE

10. This Court has personal jurisdiction over Defendants pursuant to New York Civil Practice Law and Rules §§ 301 and 302 because they transact business in the State of New York, have engaged in acts in violation of Plaintiffs' rights in the State of New York, have been and are causing injury to Plaintiffs in the State of New York and/or owns, uses, or possesses real property situated in the State of New York.

11. Venue is proper in the County of New York based on residence and real property actions pursuant to CPLR §§ 503 and 507.

THE PARTIES

12. Plaintiff MAC is New York Limited Liability Company with its principal place of business at 7 West 18th Street, 3rd Floor, New York, New York 10011 (the "Office Space"). MA

13. Plaintiff Marcie Allen is the President and Founder of MAC.

14. Defendant CLG is a New York Limited Liability Company with its principal place of business at 7 West 18th Street, 3rd Floor, New York, New York, 10011.

15. Defendant Cara Lewis is the Owner and Founder of CLG.

STATEMENT OF FACTS

Relevant Background on Marcie Allen and Cara Lewis

16. Allen and Lewis crossed paths in the mid-1990s while working in the music industry. Over a period of twenty-plus years, their relationship evolved from industry colleagues to friends.

17. Notwithstanding the reports that Lewis had a reputation¹ for being difficult to work with and, as a result, did not appear to have many (if any) positive relationships in the industry, Allen nonetheless remained a true friend, standing by Lewis' side when things got tough.

18. In 2012, Lewis called Allen when she learned that WME was not going to renew her employment contract. Understanding that it was a tough transition for Lewis, Allen helped her pack and move out of the office.

19. Lewis then became an agent with CAA. In 2015, Lewis called Allen again after Lewis' relationship with CAA fell apart, with Lewis learning that CAA was not going to renew her employment contract.

20. After that occurred, recognizing that her friend was displaced and appeared to have no offer of employment in sight, Allen offered Lewis a sublet in her office in order for Lewis to start her own talent agency, even though Lewis had no experience and knowledge starting or running a company. By then, Allen had been successfully running MAC for many years, and she offered her assistance to help Lewis get back on her feet.

MAC and Allen Assist Lewis in Establishing CLG

21. Initially, the parties agreed orally that Lewis would pay only \$5,000 per month plus supplies, utilities, and maintenance for her use of the Office Space because Lewis was just starting her new business. Pursuant to the lease, MAC's rent was initially \$21,500 per month and escalated to \$25,000 per month in late 2018. Lewis used approximately half of the entire Office Space and thus her rental cost was way below market value.

¹ According to an article in Page Six magazine, Lewis has been known to have a "Devil Wears Prada" reputation, notorious for yelling and making employees cry and quit.

22. In consideration of the sublet, Lewis and CLG agreed to abide by MAC's current and/or future office policies and procedures. Lewis, on behalf of CLG, received MAC Present's Employee Handbook, outlining all the office policies and procedures that she agreed to follow.

23. For years, Allen and MAC provided substantial assistance to Lewis which enabled her to first establish and then grow CLG, well beyond allowing her to sublet MAC's Office Space (and helping her move into it).

24. In 2016, using its own resources, MAC helped Lewis formally establish CLG as an LLC by filing the necessary paperwork and secured insurance for CLG.

25. At the request of Lewis and with the understanding that MAC was temporarily helping Lewis and CLG to gain stability before it could be repaid, MAC furnished and supported Lewis' business needs at great expense, including but not limited to purchasing furniture, desks, chairs, computers, telephones, printers, and office supplies.²

26. With that same understanding, MAC also allowed Lewis and CLG to utilize MAC's contractors and/or employees for CLG business, including but not limited to receptionists, IT personnel, accounting services, and assistants.

27. CLG and Lewis also consistently turned to MAC and Allen for their expertise and advice, including but not limited to help in the review of draft e-mails, interviewing potential candidates, drafting employee memos and contracts, hiring employees, and negotiating salaries.

28. Allen also helped Lewis get out of jams. By way of example, CLG failed to display and maintain current licensing required for a talent agency to operate. A state representative showed up to the Office Space to inspect CLG's licensing. Lewis freaked out and

² Lewis did advance \$325,000 to MAC but has now claimed that amount is entirely obligated to be repaid as a loan with interest, and without regard to the expenses incurred by MAC on her behalf for CLG, (coupled with the below market rent) which are far in excess of that amount.

turned to Allen to help remedy the situation, which she did. Lewis and CLG could have been fined or suffered other serious consequences for failure to comply with licensing laws.

29. After that incident, MAC reminded Lewis and CLG to obtain a license renewal and to display it as required. Lewis and CLG asked for MAC's assistance to obtain the license renewal. MAC ultimately helped Lewis and CLG obtain the necessary license renewal.

MAC and CLG's Business Interactions

30. Once CLG moved into the Office Space, Allen and Lewis discussed the possibility of working together on certain business deals.

31. Allen had well-established connections and expertise in brand management whereas Lewis booked employment for talent. Lewis, on behalf of CLG, suggested that Allen and MAC help the artists on CLG's roster obtain deals with the brands with whom MAC worked.

32. CLG and MAC agreed to work together on certain deals and split the commissions. The parties' understanding was that MAC would negotiate brand deals with artists that CLG worked with, and the two companies would split the commissions 50-50.

33. At times, depending on the deal, MAC or CLG would agree to forego their portion of the commission, which was often done informally given their friendship relationship.

34. In the event MAC or CLG needed to hire assistance to close or negotiate a deal, MAC would pay for the assistance; CLG agreed that half of any such expenses would be taken out of CLG's expected commission.

35. Defendants' have mischaracterized these interaction as a joint venture whereby the parties' separate businesses had merged, and that Defendants' have rights in MAC. They do not. The limited, one-off transactions were done by two separate companies, and Defendants

have zero rights in MAC's business. If anyone has any rights in any business, it is the other way around as MAC formed the foundation for CLG to even exist.

The Leasing Arrangement Between MAC AND CLG

36. The parties had an oral sublease agreement when CLG first moved in in 2016. As CLG's business stabilized, MAC frequently asked CLG if it could contribute more than \$5,000.00 in monthly rent given that MAC paid well over \$20,000 a month to its landlord. CLG was underpaying for the use it enjoyed of a conference room, a private office, and six desk workspaces for employees—essentially using 50% of the Office Space.

37. CLG's use of MAC's personnel, contractors and supplies also grew substantially after 2016. As a result, MAC frequently asked CLG to contribute to the expenses or for CLG to hire its own staff. Lewis refused, and instead took advantage of her friendship with Allen in a selfish manner.

38. In early 2018, Allen received an offer to sell MAC Presents to a prestigious management company which she seriously considered. Lewis was extremely concerned that she would be displaced from the office if MAC were to be bought out.

39. At Lewis' request, and with the understanding that it only be effective in the event that Allen accepted the offer to sell her company, the parties entered into a one page "Rental Agreement" solely to protect Lewis and CLG from being evicted if MAC sold its business.

40. The "Rental Agreement" was meant to insure against that contingency, which never happened. MAC continued to ask CLG to increase its below-market rent, but Lewis continually refused, choosing to take advantage of MAC's good faith subsidizing of CLG's business—the value of which was well above all of CLG's payments to MAC.

CLG Breach of the Lease and the Demise of the Parties' Relationship

41. In addition to taking advantage of Allen economically, Lewis also began to take more control over the atmosphere in the Office Space. Her erratic and aggressive behavior became more frequent. She would scream and yell on the phone, demean her employees and create a toxic work environment for MAC's employees as well. She made a mess of the Office Space, leaving papers and boxes in common spaces in the Office Space, in blatant violation of sublet policies and common courtesy and consideration for others.

42. In the fall and winter of 2018, Lewis's threatening behavior escalated to the point where Allen became highly stressed and uncomfortable in the Office Space, and generally, as this behavior was impacting her life and her business. Allen was receiving numerous complaints from her employees, who would tell her that it was impossible to work out of MAC's office as a result of the abusive environment that Lewis created. Many of MAC's employees chose to work from home to avoid Lewis.

43. Allen repeatedly explained the situation to Lewis, reminding her of the policies and positive environment that MAC strives to foster, and telling her that MAC's employees were no longer willing to work in the same space with Lewis. Lewis would give lip service about changing her behavior, but her actions spoke otherwise. She continued the hostile and abusive behavior, until most of MAC's employees refused to come into the office and instead, worked from home.

44. Despite MAC paying over \$25,000 for the Office Space per month, MAC's portion of the Office Space was becoming underutilized, because MAC's employees could no longer tolerate Lewis' behavior. Lewis essentially had taken over the Office Space.

45. In February 2019, Lewis went into Allen's office, screaming and yelling at her. This was the final straw that broke the camel's back. No longer willing to be taken advantage of, and clearly recognizing that Lewis's conduct would never change, on February 8, 2019, Allen told Lewis that she had to leave, and that they would do nothing further together. Lewis agreed to move out of the Office Space on or about February 26, 2019.

Lewis' Wrongful Conduct Continues

46. Despite having agreed on February 26 to move out of the Office Space, Lewis remains entrenched and refuses to move. Lewis holds the office hostage, making a mess, and committing numerous breaches of the lease. She has violated MAC's right to peaceful use and enjoyment. Recently, Lewis committed a further breach by installing her own phone and internet lines and technical support without permission. Lewis continued her threatening and abusive behavior in the Office Space, and also disparaged Allen to MAC's employees.

47. Based on the foregoing, CLG has materially breached its lease and has created and maintains a nuisance in violation of New York laws.

48. In addition, on information and belief, Lewis, CLG, and its agents, including one of Lewis' associates, began deliberately soliciting and interfering with MAC's business, contacting MAC clients, using confidential knowledge and information they learned while working with and sharing space with Allen and MAC.

FIRST CAUSE OF ACTION
(Declaratory Relief & Ejectment)

49. Plaintiffs re-allege each allegation set forth above in Paragraphs 1 – 48 as though fully set forth herein.

50. MAC and CLG entered into an oral agreement whereby CLG would sublease a portion of the MAC's leased Office Space for \$5,000, plus cost of utilities, maintenance, and supplies, subject to increase.

51. CLG's representatives have agreed in writing that CLG was a month-to-month tenant, subject to and required to comply with a 30-day notice of termination.

52. Accordingly, on March 26, 2019, MAC terminated CLG's month-to-month tenancy by sending a formal Notice to Terminate (the "Notice") in reliance upon CLG's representatives' representation that CLG was a month to month tenant.

53. Pursuant to the Notice, CLG was obligated to vacate and surrender the Office Space on or before April 30, 2019.

54. As of May 1, 2019, the oral lease agreement between MAC and CLG terminated.

55. CLG remains entrenched in the Office Space and has made no indication whatsoever of its intent to vacate the Office Space.

56. CLG has not vacated and surrendered the premises pursuant to the Notice.

57. As a result, MAC is entitled to a declaration that CLG is now a holdover tenant, retaining unlawful possession of the Office Space, and that it is to be ejected from the Office Space.

SECOND CAUSE OF ACTION
(Breach of Lease and Ejectment)

58. Plaintiffs re-allege each allegation set forth above in Paragraphs 1 – 57 as though fully set forth herein.

59. As a term of its tenancy, CLG was required to and agreed to abide by law, and office policies of the landlord, MAC.

60. CLG breached its tenancy by failing to comply with law, and by failure to abide by MAC's policies.

61. CLG breached its tenancy by creating a nuisance and untenable work environment through her threatening and disruptive behavior to other workers in the Office Space, violating MAC's policies and New York law.

62. CLG breached its tenancy by displacing MAC and its employees because of the hostile environment Lewis has created, violating MAC's right to peaceful and undisturbed use and enjoyment of the Office Space.

63. CLG has breached its tenancy by, on or about April 29, 2019, without MAC's consent, putting in new internet and phone lines in the Office Space.

64. CLG has breached its tenancy by failing to maintain a neat and clean workspace in the Office Space.

65. As a result, CLG's lease is terminated for breach, CLG must be ejected on that basis as well, and MAC is entitled to damages for the breach in an amount to be determined at trial, but in no event less than \$500,000.00.

THIRD CAUSE OF ACTION
(Breach of Oral Agreement)

66. Plaintiffs re-allege each allegation set forth above in Paragraphs 1 – 65 as though fully set forth herein.

67. Beginning in 2016, MAC provided CLG substantial economic assistance well in excess of any monies paid to MAC by CLG, in order to help it start and develop as a new business.

68. MAC provided those economic services to CLG with CLG's understanding that CLG would repay MAC for the economic assistance afforded to CLG as expenses incurred by MAC to support CLG's business.

69. MAC purchased furniture necessary to fill CLG's office space, office supplies, including but not limited to computers, printers, toner, and office phones.

70. CLG accepted and used all the furniture and office supplies provided by MAC.

71. MAC authorized its staff and other personnel to work for CLG, including MAC's Chief Operating Officer, VP of Operations, Director of Partnerships, Public Relations, Assistants, Information Technology staff, and a receptionist.

72. CLG accepted and demanded work from MAC's staff and personnel.

73. CLG paid a grossly under-market rate for Office Space in New York City, including a conference room, a private office, and six desks and office work spaces.

74. CLG continued to use the Office Space and refused to pay any amount over \$5,000.00 in monthly rent.

75. MAC paid for CLG's use of MAC's phone systems and services and maintenance.

76. CLG accepted and used MAC's phone systems and benefitted from the maintenance costs paid by MAC on a daily basis.

77. CLG has refused to pay any portion of the expenses incurred by MAC that were to be reimbursed, and has repudiated the parties' oral agreement.

78. As a result of CLG's repudiation of the parties' agreement, CLG is in breach thereof, and MAC has been damaged in an amount to be determined at trial, but in no event less than \$500,000.00.

FOURTH CAUSE OF ACTION

(Private Nuisance)

79. Plaintiffs re-allege each allegation set forth above in Paragraph 1 – 78 as though fully set forth herein.

80. As a tenant, MAC has a right to peaceful and undisturbed use of the Office Space.

81. CLG substantially and intentionally interfered with MAC's right to peaceful and undisturbed use of the Office Space by unreasonably creating a hostile environment through her threatening and disruptive behavior to other workers in the Office Space.

82. CLG interference resulted in MAC's underutilization of the Office Space because MAC employees could no longer tolerate CLG and Lewis's behavior and were forced to work from home.

83. As a result of CLG's substantial interference, MAC has been damaged in an amount to be determined at trial, but in no event less than \$500,000.00.

FIFTH CAUSE OF ACTION

(Unjust Enrichment)

84. Plaintiffs re-allege each allegation set forth above in Paragraphs 1 – 83 as though fully set forth herein.

85. MAC purchased furniture necessary to fill CLG's office space, office supplies, including but not limited to computers, printers, toner, and office phones.

86. CLG used all the furniture and office supplies provided by MAC, and was enriched at MAC's expense thereby.

87. MAC authorized its staff and other personnel to work for CLG, including MAC's Chief Operating Officer, VP of Operations, Director of Partnerships, Public Relations, Assistants, Information Technology staff, and a receptionist.

88. CLG accepted and demanded work from MAC's staff and personnel, and was enriched at MAC's expense thereby.

89. CLG paid a grossly under-market rate for Office Space in New York City, including a conference room, a private office, and six desks and office work spaces.

90. CLG was enriched at MAC's expense by benefitting from use of MAC's phone systems and services and maintenance.

91. CLG accepted and used MAC's phone systems and benefitted from the maintenance costs paid by MAC on a daily basis.

92. As a result of MAC's payment of substantial expenses to support CLG's business, CLG was enriched and it would be against equity and good conscience to permit CLG to retain the benefit without providing MAC the reasonable value of services rendered, in an amount to be determined at trial, but in no event less than \$500,000.00.

SIXTH CAUSE OF ACTION
(Quantum Meruit)

93. Plaintiffs re-allege each allegation set forth in Paragraphs 1 – 92 above as though fully set forth herein.

94. As set forth above, MAC provided and performed services in good faith for the benefit of CLG, which CLG demanded and accepted and MAC expected reasonable compensation of the same.

95. MAC is entitled to recover from Defendants the reasonable value of MAC's services in providing materials and labor to CLG for its business, in an amount to be determined at trial, but in no event less than \$500,000.00.

SEVENTH CAUSE OF ACTION
(Unfair Competition)

96. Plaintiffs re-allege each allegation set forth above in Paragraphs 1 – 95 as though fully set forth herein.

97. Defendants obtained confidential information belonging to MAC regarding its business and clientele.

98. Defendants, and their agents, usurped that information and deliberately began soliciting MAC's clients to interfere with MAC's business and business opportunities.

99. Defendants and its agents wrongfully solicited MAC's clients by contacting them directly, using the knowledge and confidential information they learned while sharing space with Allen and MAC, and attempting to convince them to work with Lewis and CLG instead, interfering with MAC's business.

100. As a result of CLG's wrongful conduct, MAC has been damaged in an amount to be determined at trial, but in no event less than \$1,000,000.00.

EIGHTH CAUSE OF ACTION
(In the Alternative, Breach of Fiduciary Duty to Co-Venturer)

101. Plaintiffs re-allege each allegation set forth above in Paragraphs 1 – 100 as though fully set forth herein.

102. Defendants claim they are in a joint venture with Plaintiffs.

103. As a co-venturer, Defendants owe a fiduciary duty to Plaintiffs to act in the utmost good faith, and loyalty, and to act prudently in the affairs of the business so as not to harm MAC's interest.

104. Defendants breached their duty, by *inter alia* (i) disparaging Allen to MAC's own employees and third parties; (ii) usurping confidential information for its own purposes, including soliciting clients without MAC's consent, approval, or involvement; (iii) failing to pay

the expenses MAC incurred for CLG (or the joint venture) to operate; (iv) destroying MAC's peace and enjoyment in its office space; and (v) attempting to cut MAC out of business opportunities and harm its business.

105. As a result of Defendants' wrongful conduct, Plaintiff has been damaged in an amount to be determined at trial, but in no event less than \$1,000,000.00.

DEMAND FOR RELIEF

WHEREFORE, Plaintiffs demand judgment against Defendants as follows:

- a) on the First Cause of Action for a declaration that the oral lease agreement between MAC and CLG has terminated pursuant to a 30 day notice to terminate as of May 1, 2019; and equitable relief to eject CLG as a holdover tenant in the Office Space on that basis;
- b) on the Second Cause of Action for termination of the lease for breach and equitable relief to eject on the basis of that breach, along with an award of damages in an amount to be determined at trial, but in no event less than \$500,000.00;
- c) on the Third Cause of Action for an award of damages for breach of an oral agreement to repay expenses in an amount underpaid, in an amount to be determined at trial, but in no event less than \$500,000.00;
- d) on the Fourth Cause of Action for an award for damages for private nuisance in an amount to be determined at trial, but in no event less than \$500,000.00;
- e) on the Fifth Cause of Action for an award of damages based upon unjust enrichment in an amount to be determined at trial, but in no event less than \$500,000.00;

f) on the Sixth Cause of Action for an award of damages based upon quantum meruit in an amount to be determined at trial, but in no event less than \$500,000.00;

g) on the Seventh Cause of Action for an award of damages for unfair competition in an amount to be determined at trial, but in no event less than \$1,000,000.00;

h) on the Eighth Cause of Action for an award of damages for Defendant's breach of fiduciary duty in an amount to be determined at trial, but in no event less than \$1,000,000.00;

i) an award for reasonable attorney's fees;

j) punitive damages; and

k) such other further relief as the Court may deem just and proper.

DATED: May 9, 2019
New York, New York

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