

Utah Lawsuit Update - Significant Victory

Crumbl is pleased and strengthened by the recent court order reinforcing our effort to safeguard our intellectual property. We have achieved a significant legal victory and secured a stipulated order in which Dirty Dough has agreed to return Crumbl's trade secret information. Although the court did not grant our additional request to halt Dirty Dough's franchising activities at this time, we are thrilled that the decision includes a conclusion that "Crumbl has probably established a substantial likelihood of success on the merits" of its claims as well as other powerful findings in Crumbl's favor on key issues.

The court's order stated:

"During the last week of his employment, Bradley Maxwell downloaded 66 Crumbl recipes and other Crumbl information from Crumbl's internal password protected server onto his personal cloud drive."

While still employed at Crumbl, Bradley Maxwell invested in Dirty Dough along with his brother, Bennett Maxwell.

"The court also has very little doubt that Bradley Maxwell acted unlawfully—and no doubt that he acted unethically—when he kept the Crumbl information after his employment was terminated and when he disclosed that information to Dirty Dough."

"The court has little doubt that at least some of the Crumbl information at issue in this case meets the definition of a trade secret."

"Bradley Maxwell signed two confidentiality agreements with Crumbl that obligated him not to disclose the types of information he shared with Dirty Dough. And the arguments he offers in his attempts to excuse or justify his conduct are contrived and utterly unconvincing."

Furthermore, the court found that some of Bennett Maxwell's social media statements regarding this case were "deceptive and deliberately misleading if not outright falsehood."

Crumbl's commitment to innovation, quality, and integrity remains strong. Pursuing this legal route was an essential step in our determination to protect the brand and our franchisees. We want to express our sincere gratitude to our devoted customers, franchisees, and team members for standing with us. We will continue to strive for excellence, providing our customers with the unique and beloved products they have come to expect. Your unyielding belief in our brand fuels our resolve to stand firm and safeguard what we have built.

15 August 2023

