

Recruiting Co. Says Contractor Lied About Being Co-Founder

By **Lauren Berg**

Law360 (December 14, 2022, 7:09 PM EST) -- A Seattle job placement company for engineers and software developers accused one of its former contractors of falsely representing himself as a co-founder of the company and using the company's marks for his own benefit, according to a lawsuit filed on Tuesday in Washington federal court.

ThirstySprout has been using its marks and logos since its founding in 2017, but Kevin Jaspal took those marks to use on his social media profiles and on other websites to make himself out to be a co-founder of the recruiting company, according to the **22-page complaint**.

In December 2018, Jaspal founded Sonhos Labs, a "minor competitor" of ThirstySprout, but the company didn't do well, according to the suit. So in March 2020, ThirstySprout thought about hiring Jaspal as an independent contractor, but the negotiations fell through when Jaspal started working for another company, the suit states.

But around April 2022, Jaspal provided management and recruiting services to ThirstySprout as an independent contractor under a contract in which he agreed not to represent himself as being an employee, agent or partner of the company, according to the complaint.

But, the suit says, Jaspal advertised himself as a "partner" at ThirstySprout on his LinkedIn profile and also called himself a "co-founder" of the company on his F6S profile.

In November 2022, ThirstySprout terminated the contract with Jaspal, but he "continues to advertise and offer outsourced engineering and software-development services to the public ... under the designation ThirstySprout," the company says.

"The accused mark, as used by defendant Jaspal in his advertising materials, is substantially identical to plaintiff ThirstySprout's work mark," the complaint states. "Plaintiff ThirstySprout has, since before adoption of the accused mark by defendant Jaspal, continuously used the word mark in connection with the advertising of its services throughout the state of Washington and in commerce."

ThirstySprout says that in June, it formed a partnership with Jaspal in which the company owned 51% and Jaspal owned 49%. The partnership, which does business as SproutBank, sought to enable people living outside the United States, including freelance or independent-contractor engineers and software developers who offer their services to U.S. companies, to obtain bank accounts in the U.S., according to the suit.

In October, ThirstySprout dissolved the partnership and told Jaspal he would no longer be able to use the company's marks, the suit states. But Jaspal disregarded that notice and has continued to advertise and offer outsourced engineering and software development services under ThirstySprout's mark, the company says.

The suit claims unfair competition, violation of Washington's Consumer Protection Act and the state's Anti-Dilution Statute, and breach of contract, among other issues. It seeks damages, injunctive relief, attorney fees and litigation costs.

Jaspal's attorney, Moshe "Jeff" Admon of Admon Law, called the lawsuit "absolutely frivolous and without merit," telling Law360 on Wednesday that ThirstySprout filed its suit in retaliation for a

lawsuit Jaspal filed against the company and its owner, David Stepania.

In **his suit**, filed in King County Superior Court, Jaspal accuses Stepania of conspiring with Yo Sup Moon to take over the SproutBank banking platform.

Moon pushed his way into the business, Jaspal says, and eventually agreed to accept a 14% ownership interest. Then he and Stepania offered Jaspal an ultimatum — Moon wouldn't invest in SproutBank unless Jaspal was removed as co-founder, and Jaspal would be offered either a 1% or 5% ownership interest, according to the suit.

"Stepania informed Jaspal that if he refused to comply, he would be removed from the company, even though the idea was entirely Jaspal's, and the vast majority of the venture's development was the fruit of Jaspal's labor," the suit states.

Jaspal did not accept and was subsequently kicked out of the business, he says.

The suit claims breach of fiduciary duty, breach of contract, unjust enrichment, civil conspiracy and violation of Washington's Uniform Trade Secrets Act, among other things. It seeks injunctive relief, damages, litigation costs and attorney fees.

Representatives for ThirstySprout did not immediately respond to requests for comment Wednesday.

ThirstySprout is represented by John J. Bamert and Kevin E. Regan of Bamert Regan PLLC and Christopher W. Pirnke of Inslee Best Doezie & Ryder PS.

Jaspal is represented by Moshe Y. Admon of Admon Law.

The cases are ThirstySprout LLC v. Kevin Jaspal, case number 2:22-cv-01752, in the U.S. District Court for the Western District of Washington and Kevin Jaspal v. ThirstySprout LLC et al., case number 22-2-19924-5, in King County Superior Court.

--Editing by Kristen Becker.