

**IN THE CIRCUIT COURT OF WASHINGTON COUNTY, ARKANSAS  
CIVIL DIVISION**

**MULTI-CRAFT CONTRACTORS, INC.**

**PLAINTIFF**

**v.**

**No.** \_\_\_\_\_

**GCM COMPUTERS**

**DEFENDANT**

**VERIFIED COMPLAINT**

Comes now, Plaintiff Multi-Craft Contractors, Inc. (“Multi-Craft”), by and through its attorneys, Rose Law Firm, a Professional Association, and for its Verified Complaint, alleges as follows:

**INTRODUCTION**

1. For nearly two decades, Multi-Craft entrusted to GCM Computers (“GCM”) – a third-party provider of IT services – sensitive and commercially valuable data and information that is vital to Multi-Craft’s business operations.

2. Despite the parties’ successful business relationship, Multi-Craft recently decided to hire a new IT servicer, Edafio. To Multi-Craft’s frustration, this change has been far from seamless.

3. At every twist and every turn, GCM has gone out of its way to make the migration to Edafio as difficult as possible. Because the smooth operation of Multi-Craft’s business hinges on much of the data in GCM’s possession, Multi-Craft has had little choice but to roll with the punches.

4. But now, at the eleventh hour – and on the literal eve of the data migration – GCM is holding Multi-Craft’s information hostage. According to GCM, if Multi-Craft wants GCM to release its own data (which, for the avoidance of doubt, *is Multi-Craft’s property*) to Multi-Craft’s new IT servicer, Multi-Craft must first sign an unreasonable data release form that purports to hold GCM harmless for any issues related to the data release.

5. Exhausted with the situation and left with no other option, Multi-Craft comes to this Court requesting an *Ex Parte* Emergency Temporary Restraining Order and Preliminary Injunction compelling GCM to release to Multi-Craft’s data, and, most importantly, prohibiting GCM from destroying, damaging, or cancelling Multi-Craft’s data, information, or services.

#### **PARTIES**

6. Multi-Craft Contractors, Inc. is an Arkansas corporation with its principal place of business in Springdale, Arkansas.

7. According to its website, GCM Computers is a technology solutions provider with an address of 1680 N. College Ave., Suite 6, Fayetteville, AR 72703. It appears that GCM Computers did not register its business with the Arkansas Secretary of State. The Better Business Bureau lists GCM Computers as a sole proprietorship.

#### **JURISDICTION AND VENUE**

8. This Court has jurisdiction over the parties pursuant to Ark. Code Ann. § 16-4-101.

9. Venue is proper in Washington County pursuant to Ark. Code Ann. § 16-60-101 because a substantial part of Defendant’s conduct occurred and is occurring in Washington County, Arkansas.

## **FACTUAL BACKGROUND**

10. Multi-Craft's roots trace all the way back to 1972. Since that time, Multi-Craft has developed a stellar reputation – at both a local and regional level – as an innovative problem solver.

11. Much of Multi-Craft's success can be attributed to the variety of services it offers its clients, which includes a comprehensive list of industrial services and solutions to clients in the construction and manufacturing industries.

12. Indeed, customers routinely turn to Multi-Craft for its unique (and incredibly valuable) ability to self-perform and manage multiple trades under one contractor.

13. To that end, Multi-Craft's customers – many of which are local, sophisticated companies – regularly approach it with complex problems requiring varying expertise, ranging from, to name only a few, mechanical, electrical, plumbing, building automation, and/or fabrication. Multi-Craft is one of the few business in the industry that can handle all these issues, and more, in-house.

14. Because Multi-Craft is a local business native to Springdale, Arkansas, its incredible success brings both exposure and business to the region.

15. For more than two decades, Multi-Craft has outsourced its IT services to another local company, GCM Computers. The parties never memorialized this relationship in a formal contract, but they operated in this course of performance for nearly twenty years.

16. By outsourcing its IT services to GCM, Multi-Craft entrusted to GCM valuable access and control over information, data, and services that are, put simply, absolutely vital to the Multi-Craft's business and day-to-day operations.

17. Among other things, GCM provides the following:

- Hosts all virtual servers and backups for those servers;
- Hosts customer facing website ([www.multi-craft.net](http://www.multi-craft.net));

- Provides Tier 3 Tech support;
- Manages and configures all network infrastructure;
- Manages and configures security systems;
- Manages and configures Server Operating Systems; and
- Provides software licensing via GCM's tenant.

18. In recent years, Multi-Craft's reputation and reach has expanded further beyond the southwest region of the United States. In fact, Multi-Craft has grown to be a major US industrial and commercial contractor, employing over 750 engineers, project manager, tradespersons, and support staff.

19. Though GCM had competently handled Multi-Craft's IT needs up to that point, Multi-Craft was concerned about GCM's continued ability to reliably support Multi-Craft's IT service needs, particularly in light of Multi-Craft's recent growth.

20. For this reason, on or about July 21, 2022, Multi-Craft notified a GCM employee that it was moving its business to a new IT servicer, Edafio.

21. Importantly, Multi-Craft required GCM's cooperation during its transition to Edafio because GCM has exclusive dominion and control over Multi-Craft's data, information, and technological services. Considering the parties' history, Multi-Craft hoped that this process would be seamless and amicable. The process has been anything but that.

22. Instead, the ensuing six weeks comprised mostly of GCM's resistance to the transition, which brought on unreasonable and costly delays.

23. By way of example, in mid-August, GCM informed Multi-Craft that it would not cooperate and release its data because Multi-Craft owed GCM for certain unpaid licensing fees. Multi-Craft asked (on more than one occasion) for documentation of such fees. But GCM never produced any documentation substantiating those purported charges.

24. On August 12, 2022, nearly a month after first notifying GCM of its change in provider, counsel for Multi-Craft sent a demand letter to GCM demanding, among other things, that GCM cooperate in the transition in good faith, and again asking for documentation of the outstanding unpaid licensing fees. *See* Exhibit A.

25. GCM's owner, Barton Hodges, responded on that same day, noting that GCM "value[s] our long-term relationship with Multi-Craft and will continue to assist with their transition to their new IT provider." *See* Exhibit B.

26. Barton also backtracked on the outstanding licensing fees, claiming that GCM was only "requesting payment for services and products already rendered." *Id.* This payment for services, it appeared, was in reference to certain invoices that GCM sent to Multi-Craft the week immediately preceding this letter. Though GCM sent these bills in early August, the invoices had March 1 dates.

27. That aside, in the days and weeks following the letter, GCM did start cooperating – to varying degrees – with the transition. The parties eventually agreed that the data migration from GCM's servers to Edafio would begin on Friday, October 21, 2022.

28. However, on Thursday, October 20, 2022, GCM sent to Multi-Craft a data release form. *See* Exhibit C. According GCM, it would not release Multi-Craft's data unless and until Multi-Craft signed the form.

29. Among other things, the form contains an indemnification and hold harmless provision that purports to bar Multi-Craft from having the ability to file suit or otherwise bring a claim against GCM.

30. GCM has no right, legal or otherwise, to condition the release of information on Multi-Craft signing this document, particularly when it presented said document to Multi-Craft mere hours before the agreed-upon migration was to begin.

31. Because Multi-Craft does not intend to sign the form, GCM is refusing to release to Multi-Craft's data.

32. GCM's refusal and continued delays has caused and will continue to cause Multi-Craft damages, both financial and irreparable.

33. Specifically, GCM's actions and delays are depriving Multi-Craft of its possession, use, and enjoyment of its own property, all without any reasonable or legally sufficient justification.

34. Moreover, the data in GCM's possession is vital to Multi-Craft's business. As such, Multi-Craft cannot operate as optimum capacity until the data migration is complete. These delays are causing significant business interruptions, risking Multi-Craft's existing customer relationships and good will, its reputation, and potential future business, among other things.

35. Additionally, given GCM's last-minute attempt at absolving itself of any liability, there are legitimate concerns that Multi-Craft's data and information are at risk of being deleted or damaged, and an additional risk that crucial services may be prematurely cancelled.

36. If GCM destroys Multi-Craft's data or cancels its existing services before the migration can finish, the resulting harm to Multi-Craft's business would be catastrophic, much of which could not be adequately compensated with money damages.

37. For these reasons, Multi-Craft seeks an *ex parte* temporary restraining order from this Court ordering the following: (1) that GCM release Multi-Craft's data and information and cooperate in good faith in Multi-Craft's transition to Edafio; and (2) prohibiting GCM from

deleting Multi-Craft's data from its servers or otherwise cancelling its services until the data migration is complete.

### **COUNT I – CONVERSION**

38. Multi-Craft adopts and incorporates by reference the allegations set forth in paragraphs 1-37 above.

39. The data and information GCM is refusing to release is Multi-Craft's property.

40. Multi-Craft has repeatedly demanded that GCM cooperate in migrating Multi-Craft's data and information to its new IT servicer.

41. Despite these repeated demands, GCM refuses to release Multi-Craft's data and information to Multi-Craft and/or Multi-Craft's new IT servicer, Edafio.

42. GCM's refusal to release Multi-Craft's data and information is in direct defiance of Multi-Craft's ownership of the data and information.

43. GCM's refusal to release Multi-Craft's data and information is intentional and for the purpose of causing Multi-Craft damage.

44. GCM knew or should have known that its conduct would naturally and probably result in damage and carried on with malice or in reckless disregard of those consequences.

45. GCM's ongoing refusal has caused and continues to cause significant interruptions to Multi-Craft's business, resulting in both financial and irreparable damages.

46. Multi-Craft seeks actual, consequential, and punitive damages resulting from GCM's conduct.

47. Multi-Craft further seeks an *ex parte* emergency temporary restraining order and preliminary injunction requiring that GCM release Multi-Craft's data and information, and to prohibit GCM from destroying any data or cancelling current services until a trial on the merits.

**COUNT II – TORTIOUS INTERFERENCE WITH  
BUSINESS RELATIONSHIPS**

48. Multi-Craft adopts and incorporates by reference the allegations set forth in paragraphs 1-47 above.

49. Multi-Craft has established contractual and otherwise advantageous business relationships with its customers, both within Arkansas and beyond its borders.

50. GCM knew of these contracts and/or business expectancies between Multi-Craft and its customers.

51. Despite this knowledge, and with full understanding of the consequences, GCM refused to release Multi-Craft's data and information and otherwise refused to meaningfully cooperate with the migration of data to Multi-Craft's new IT servicer.

52. GCM knew or should have known that its course of conduct in refusing to release Multi-Craft's data and information would cause significant business interruptions.

53. That being the case, GCM intentionally and knowingly interfered with Multi-Craft's business and contractual relationships with its customers and employees.

54. GCM's course of conduct has caused and continues to cause significant business interruptions, resulting in both financial and irreparable damages.

**COUNT III – BREACH OF CONTRACT**

55. Multi-Craft adopts and incorporates by reference the allegations set forth in paragraphs 1-55 above.

56. Multi-Craft and GCM had mutually beneficial a business relationship spanning multiple decades whereby GCM provided IT services to Multi-Craft in exchange for payment.



57. Though the parties did not memorialize this agreement, their course of conduct clearly demonstrate a manifestation of assent on the part of both parties, creating a contract implied in law or fact.

58. As part of this implied contract, Multi-Craft entrusted to GCM data and information that is vital to Multi-Craft's business and day-to-day operations.

59. Every contract imposes upon each party a duty of good faith and fair dealing in the contract's performance and its enforcement.

60. By refusing to release Multi-Craft's data and information, GCM is breaching the covenant of good faith and fair dealing.

61. As a direct and proximate result of GCM's breach of the covenant of good faith and fair dealing, Multi-Craft has suffered and will continue to suffer business interruptions, resulting in both financial and irreparable damages.

62. Multi-Craft seeks all damages available at law, including but not limited to all actual damages stemming directly from GCM's unlawful conduct.

#### **COUNT IV – BREACH OF FIDUCIARY DUTY**

63. Multi-Crafts adopts and incorporates by reference the allegations set forth in paragraphs 1-62 above.

64. Multi-Craft entrusted to GCM data and information that is vital to Multi-Craft's business and day-to-day operations.

65. GCM knew or should have known that its refusal to release this data and information could cause significant business interruptions for Multi-Craft.

66. In this way, GCM's possession of Multi-Craft's data and information conferred significant influence and superiority over Multi-Craft.

67. By virtue of this relationship and entrustment, a fiduciary relationship existed between Multi-Craft and GCM whereby GCM was a fiduciary of and for Multi-Craft.

68. GCM's refusal to release Multi-Craft's data and information is a breach of its fiduciary duty to Multi-Craft.

69. As a direct and proximate result of GCM's conduct, Multi-Craft has suffered and will continue to suffer significant business interruptions, resulting in both financial and irreparable damages.

70. Multi-Craft seeks all damages available at law, including actual and punitive damages stemming directly from GCM's unlawful breach of this fiduciary relationship.

#### **COUNT V - NEGLIGENCE**

71. Multi-Craft adopts and incorporates by reference the allegations set forth in paragraphs 1-70 above.

72. By virtue of the parties' business relationship, GCM owed to Multi-Craft a duty cooperate in Multi-Craft's migration to a new IT servicer.

73. By refusing to release Multi-Craft's data and information and otherwise cooperate with this migration, GCM breached its duty to Multi-Craft.

74. As a direct and proximate result of this breach, Multi-Craft is suffering and continues to suffer business interruptions, resulting in both financial and irreparable damages.

75. Multi-Craft seeks all damages available at law, including actual damages stemming directly from GCM's unlawful conduct.

76. Multi-Craft demands a trial by jury on all issues.

Respectfully submitted,

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a Professional Association

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