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IN THE SUPERIOR COURT OF THE STATE OF ARIZONA

IN AND FOR THE COUNTY OF MARICOPA

GILBERT LOPEZ and ARSENIA LOPEZ, husband and wife,

Plaintiff,

13 V.

CONESTOGA MERCHANTS, INC. d.b.a. SONORAN NEWS, an Arizona Corporation; DONALD R. SORCHYCH and SHARI JO SORCHYCH, husband and wife; LINDA BENTLEY, an Arizona resident,

Defendants.

Case No.:

CV 2013-094605

#### **COMPLAINT**

Not Subject to Mandatory Arbitration

Jury Trial Requested

COMES NOW Plaintiffs Gilbert Lopez and Arsenia Lopez, for their Complaint in the above captioned matter, by and through their attorneys, Mahaffy Law Firm, PC, by Steven C. Mahaffy, and alleges as follows:

I. PARTIES, JURISDICTION, AND VENUE.

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- Plaintiffs, Gilbert Lopez ("Mr. Lopez") and Arsenia Lopez (Mrs. Lopez) (collectively: the Lopezes) are residents of the state of Arizona residing at, Cave Creek, Maricopa County, Arizona.
- 2. Defendant Conestoga Merchants, Inc. d/b/a Sonoran News (hereinafter "Sonoran News") is an Arizona corporation, doing business as Sonoran News, with its principal place of business at 6702 East Cave Creek Road, Cave Creek, Maricopa County, Arizona.
- 3. Defendant Donald R. Sorchych ("Sorchych") is, upon information and belief, a married man and a resident of Maricopa County, Arizona, residing at 5000 E. Morning Star Road, Cave Creek, Arizona. At all times relevant, Donald R. Sorchych was the president of Conestoga Merchants, Inc. and/or a corporate director for Conestoga Merchants, Inc. who, upon information and belief, owned all or substantially all of the issued and outstanding stock of Conestoga Merchants, Inc. Donald R. Sorchych is also the Editor in Chief of the Sonoran News.
- 4. Defendant Shari Jo Sorchych is, upon information and belief, a married woman, and a resident of Maricopa County, Arizona, residing at 5000 E. Morning Star Road, Cave Creek, Arizona. Defendant Shari Jo Sorchych is believed to be the wife of Defendant Donald R. Sorchych.
- 5. All actions taken by the Defendants were done in furtherance of the marital community between Donald R. Sorchych and Shari Jo Sorchych.
- 6. Linda Bentley ("Bentley") is, upon information and belief, a single woman residing at 5926
  E. Blue Ridge Dr., Cave Creek, Arizona. At all times relevant hereto, Bentley was an
  employee of Defendant Conestoga Merchants, Inc. d/b/a Sonoran News. Provided, if it is

learned through discovery that Bentley is married, this Complaint may be amended to include the marital spouse and marital community.

- 7. Defendants caused events to occur in the State of Arizona out of which Lopezes' causes of action arise. Defendants have sufficient minimum contacts with the State of Arizona such that the maintenance of personal jurisdiction over them does not offend traditional notions of fair play and substantial justice or they have consented to the jurisdiction of this Court expressly or by operation of law. The amount in controversy exceeds the minimum jurisdictional threshold to bring this matter before this Court. This Court has subject matter and personal jurisdiction over Defendants.
- 8. Venue is proper in Maricopa County.

# INTRODUCTION AND FACTS RELEVANT TO ALL COUNTS

- 9. A defamation action compensates damages to reputation or good name caused by the publication of false information.
- 10. The Lopezes currently reside in the Town of Cave Creek, Arizona. They have been married for 55 years, and have 5 children, 11 grandchildren and 2 great-grandchildren.
- 11. Mr. Lopez is held in high estimation in his community. The character imputed to him is of the highest order. Mr. Lopez is 80 years of age and over his long life, he has built up his stellar reputation by his words and his actions.
- 12. At the age of 19 years, Mr. Lopez volunteered for military service during the Korean War.

  He was a member of the United States Air Force, and graduated from Williams Air Force

  Base in Chandler, Arizona with pilot's wings and a 2<sup>nd</sup> Lieutenant Commission. Mr. Lopez served as a jet fighter pilot, piloting the high performance jet fighters of that era. In 1957,

after satisfying his initial time obligation, Mr. Lopez returned to his Arizona home to continue his education at Arizona State University. Mr. Lopez then joined the Arizona Air National Guard at Sky Harbor. The Guard unit utilized jet fighter aircraft so it was a minimal transition from what he had been doing in the Air Force. In 1962, the Arizona National Guard unit was assigned to serve near Frankfurt, Germany, utilizing an F-104 Starfighter, a Mach II fighter. Upon return from Germany the Guard unit transitioned into 4-engined cargo aircraft. These aircraft flew worldwide missions in support of military operations on behalf of the United States. Five years later the unit converted aircraft again but this time into air refueling type aircraft. Again the unit flew missions over the United States as well as worldwide, in support of military operations. By September, 1976, Mr. Lopez had spent 23 plus years serving the military and his country. At this time, Mr. Lopez chose to retire from the military. He had achieved the rank of Lieutenant Colonel.

- 13. In 1963, while belonging to the Arizona Air National Guard, Mr. Lopez engaged in a parallel career; flying for a scheduled airline. Mr. Lopez enjoyed an airline flying career just one month short of 30 years, mostly as the pilot-in-command (captain) as well as a 5 year tour as an instructor pilot. In 1993, Mr. Lopez accepted mandatory retirement from the airline at age 60.
- 14. Additionally, Mr. Lopez, from 1973 through 1977, served on the Peoria, Arizona School Board. He also served as president of the Peoria Boys Club. From 1999 through 2004, Mr. Lopez was a member of the Board of Directors of the Arizona Aerospace Foundation, which oversees the Pima Air and Space Museum, located in Tucson, Arizona. Mr. Lopez was a member and chairman of the selection committee to the Arizona Aviation Hall of Fame for

the Pima Museum from 1999 through 2004. This committee inducts approximately 3 to 4 people per year into the Arizona Aviation Hall of Fame on behalf of the Pima Air Museum. The persons chosen are deemed to have contributed specific and meaningful events to the Arizona aerospace industry and are memorialized in the Pima Air Museum's display room.

- 15. From June, 1999 through May, 2009 Mr. Lopez was elected to 5, two- year terms on the Cave Creek Town Council. Additionally he served as Vice-Mayor his last two years, June, 2007 through May, 2009.
- 16. Mr. Lopez has been a member of the Knights of Columbus for approximately the past 6 years, which is a men's worldwide, Catholic organization whose principals are charity, unity, fraternity and patriotism. For the last 7 years it has held a local, yearly dinner event honoring law enforcement, firefighters and the military. Mr. Lopez chaired the committee that organized the 2013 event. He has been a member of the American Legion for the last 5 years and a volunteer for St. Vincent de Paul for the past 1.5 years. Mr. Lopez regularly attends church at St. Gabriel's Catholic Church in Cave Creek.
- 17. On May 1, 2013, Sorchych and the Sonoran News published an editorial which stated that Mr. Lopez had promised the Carefree Chamber of Commerce a \$10,000.00 check. That same allegation was made by Sorchych/ Sonoran News in an editorial 5 years earlier. At that time Mr. Lopez refuted that allegation and the associated comments. On May 6, 2013, during a Cave Creek Council meeting, in a Call to the Public, Mr. Lopez again refuted the Sorchych/Sonoran News allegation.
- 18. In apparent retaliation for Mr. Lopez's refutation of the Sonoran News, on May 8, 2013, an article in the Sonoran News, authored by Linda Bentley, contained the headline: "Call to the

Public draws hostility and lies, Lopez said the town's credibility would be at risk after 'assuring' Ellison the funds for this project would be available to him." A copy of the article is attached hereto as Exhibit "A" and can be found on the internet at <a href="http://sonorannews.com/archives/2013/130508/news-call.html">http://sonorannews.com/archives/2013/130508/news-call.html</a>. Upon information and belief, the article continues to be available and thus is and has been published daily since May 8, 2013.

- 19. The harm to the Lopezes continues daily.
- 20. The Bentley article stated: "Well, putting it bluntly, Lopez is a liar and he did in fact vote to give \$10,000 to the Carefree/Cave Creek Chamber of Commerce." The foregoing statement was made knowingly, recklessly, with an evil mind, or negligently and constituted defamation and defamation per se against Mr. Lopez.
- 21. By virtue of publishing the article, Sorchych and Sonoran News adopted the statements as their own.
- 22. Upon information and belief, Sorchych uses the Sonoran News as his mouth-piece and his main source of income as way to insulate himself from any personal liability which could/would result from his wrongful words and actions.
- 23. Upon information and belief, Sorchych does not adequately capitalize Conestoga Merchants, Inc. d.b.a. the Sonoran News, rather, retaining the same as his personal and/or marital assets.
- 24. Sorchych, as the Editor-in-Chief of The Sonoran News, was responsible for the content of the article authored by Linda Bentley, and upon information and belief, the article was written either by him under Bentley's by-line, or at Sorchych's urging.

- 25. Sorchych and the Sonoran News made the publication with an evil mind, were intending to cause injury, were motivated by spite or ill will, calculated to serve their own interests, and knowingly and consciously disregarding a substantial risk that their conduct might significantly injure the rights of Lopezes or consciously pursuing a course of conduct knowing that it created a substantial risk of significant harm to Lopezes.
- 26. The corporation was influenced and governed by Sorchych, such a unity of interest and ownership between Conestoga Merchants, Inc. d.b.a. the Sonoran News and its owner Sorchych that the separate personalities of the corporation and Sorchych do not in reality exist.
- 27. There would be an inequitable result if the defamatory statements published in the Sonoran News regarding Mr. Lopez, were treated only as those of the corporation, Conestoga Merchants. Inc. and not those of Sorchych.
- 28. Mr. Lopez suffered damage to his reputation, standing in the community, and/or his good name caused by the publication of these false statements.
- 29. Mrs. Lopez suffered damage to her reputation, standing in the community and/or her good name by virtue of her relationship as a wife to Mr. Lopez and the damage to Mr. Lopez's reputation.

## COUNT I

### (Sorchych/Conestoga Merchants - Defamation and Defamation Per Se)

- 30. The Lopezes reallege all previous allegations in this Complaint and incorporate them herein by this reference.
- 31. Defendant Donald R. Sorchych, and his alter ego, the Sonoran News, uttered a false and defamatory statement of and concerning Mr. Lopez.

- 32. Defendant Donald R. Sorchych, and his alter-ego, the Sonoran News, caused to be made an unprivileged publication to third parties.
- 33. Defendant Donald R. Sorchych, and his alter ego, the Sonoran News, made the statement knowingly, recklessly, or negligently.
- 34. Defendant Donald R. Sorchych and the Sonoran News' statements were not privileged and the statements brought Mr. Lopez into disrepute, contempt, or ridicule or impeached his honesty, integrity, virtue or reputation thus constituting defamation per se.

# **COUNT II**(Bentley - Defamation and Defamation Per Se)

- 35. The Lopezes reallege all previous allegations in this Complaint and incorporate them herein by this reference.
- 36. Defendant Bentley, via the Sonoran News, uttered a false and defamatory statement of and concerning Mr. Lopez.
- 37. Defendant Bentley, via the Sonoran News, caused to be made an unprivileged publication to third parties.
- 38. Defendant Bentley, via the Sonoran News, made the statement knowingly, recklessly, or negligently.
- 39. Defendant Bentley, via the Sonoran News statements were not privileged and the statements brought Mr. Lopez into disrepute, contempt, or ridicule or impeached his honesty, integrity, virtue or reputation thus constituting defamation per se.

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#### COUNT III

#### (Conestoga Merchants, Inc. dba Sonoran News - Respondeat Superior)

- 40. The Lopezes reallege all previous allegations in this Complaint and incorporate them herein by this reference.
- 41. Defendant Bentley was employed by or was an independent contractor for Conestoga Merchants, Inc., dba Sonoran News at the time she authored the Sonoran News article which defamed Mr. Lopez, through her false and defamatory statements of and concerning Mr. Lopez.
- 42. Defendant Conestoga Merchants, Inc., dba Sonoran News is responsible for all acts of Bentley, via the Sonoran News, which caused to be made an unprivileged publication to third parties.
- 43. Defendant Bentley, via the Sonoran News, made the statement knowingly, recklessly, or negligently.
- 44. Defendant Bentley, via the Sonoran News made statements that were not privileged and these statements brought Mr. Lopez into disrepute, contempt, or ridicule or impeached his honesty, integrity, virtue or reputation thus constituting defamation per se.

#### **COUNT IV**

#### (Sorchych/Conestoga Merchants - Piercing The Corporate Veil)

- 45. The Lopezes reallege all previous allegations in this Complaint and incorporate them herein by this reference.
- 46. Sorchych, as the president and/or a corporate director and owner of all or substantially all of the stock of Conestoga Merchants, Inc. d.b.a. the Sonoran News, and the Editor-in-Chief of the Sonoran News, and Conestoga Merchants, Inc. have such a unity of interest and

ownership that the separate personalities of the corporation and Sorchych do not in reality exist.

47. Thus, the corporate veil should be pierced, making the personal assets and community property assets of Sorchych (and those of his wife, Shari Jo Sorchych), the individual stockholder of Conestoga Merchants, Inc. also available to satisfy any judgment obtained against Conestoga Merchants, Inc. and/or Sorchych.

# COUNT V (All Defendants - Punitive Damages)

- 48. Lopezes reallege all previous allegations in this Complaint and incorporate them herein by this reference.
- 49. Defendants' actions as aforesaid, were done with an evil mind, intending to cause injury, motivated by spite or ill will, calculated to serve their own interests, knowing and consciously disregarding a substantial risk that their conduct might significantly injure the rights of Plaintiffs or consciously pursuing a course of conduct knowing that it created a substantial risk of significant harm to Plaintiffs.
- 50. As such, Defendants, and each of them, is liable to Plaintiffs, and each of them, in an additional amount of punitive or exemplary damages in an amount to be proved at trial.

#### RELIEF REQUESTED

- A. For Count I against Defendants Sorchych and Conestoga Merchants dba Sonoran News in an amount to be proven at trial, in an amount which exceeds the minimum jurisdictional amount of this Court;
- B. For Count II against Defendant Bentley in an amount to be proven at trial, in an amount which exceeds the minimum jurisdictional amount of this Court;

- C. For Count III against Defendant Conestoga Merchants dba Sonoran News in an amount to be proven at trial, in an amount which exceeds the minimum jurisdictional amount of this Court;
- D. For Count IV against Defendants, Sorchych and Conestoga Merchants dba Sonoran News piercing the corporate veil of Conestoga Merchants, Inc. such that the personal and community property assets of Sorchych can be used to compensate the Lopezes in addition to any assets held by Conestoga Merchants, Inc.; in an amount to be proven at trial, in an amount which exceeds the minimum jurisdictional amount of this Court;
- E. For Count V against all Defendants for punitive or exemplary damages in an amount to be proven at trial, in an amount which exceeds the minimum jurisdictional amount of this Court;
- F. For attorney's fees and costs, plus interest for each and every count where applicable;
- G. For other and further relief as to the Court seems justified under the circumstances.
- H. For a jury for all issues which may be tried to a jury.

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