IN THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF COLORADO

Civil Action No. 03-K-1364 (PAC)

SCOT HOLLONBECK,
JOSE ANTONIO INIGUEZ,
JACOB WALTER JUNG HO HEILVEIL, and
VIE SPORTS MARKETING, INC., a Georgia corporation,

Plaintiff,

v.

UNITED STATES OLYMPIC COMMITTEE, a federally-chartered corporation, and U.S. PARALYMPICS, INC., f/k/a UNITED STATES PARALYMPIC CORPORATION, a Colorado non-profit corporation,

Defendant.

AMENDED COMPLAINT

Plaintiffs Scot Hollonbeck, Jose Antonio Iniguez, Jacob Walter Jung Ho Heilveil, and Vie Sports Marketing, Inc., by and through their attorneys, Fox & Robertson, P.C. and Kevin W. Williams, Esq., hereby bring this Amended Complaint against Defendants United States Olympic Committee ("USOC") and U.S. Paralympics, Inc. ("USP"). Plaintiffs Hollonbeck, Iniguez and Heilveil (the "Athlete Plaintiffs") bring claims for violations of Title III of the Americans with Disabilities Act, 42 U.S.C. §§ 12181-12189 ("Title III"), and section 504 of the Rehabilitation Act of 1973, 29 U.S.C. § 794 ("the Rehabilitation Act"); Plaintiff Vie Sports Marketing ("Vie" or "Vie Sports") brings claims for violation of Title III and the Rehabilitation Act, breach of contract and promissory estoppel.

Introduction

- 1. On July 26, 1990, President George H. W. Bush signed the Americans with Disabilities Act ("ADA"), establishing one of the most important civil rights law for persons with disabilities in our country's history. One of the principal goals of the ADA was equality of opportunity, full participation, and integration of people with disabilities in our economic and social life.
- 2. Now, thirteen years later, the United States Olympic Committee -- a federally chartered corporation responsible for United States participation in the Olympic and Paralympic Games -- continues to discriminate against Paralympic athletes such as Plaintiffs Scot Hollonbeck, Jose Antonio Iniguez and Jacob Walter Jung Ho Heilveil by denying them benefits, funding, and other support provided to Olympic athletes.
- 3. The USOC admits to this discrimination, and attempts to justify it on the grounds that its primary focus is on Olympic, and not Paralympic, athletes, and that more equitable funding for Paralympic athletes would detract from its support for Olympic athletes.
- 4. At the same time that the USOC denies benefits to Paralympic athletes for these ostensibly financial reasons, however, it hinders U.S. Paralympic fund-raising efforts by, for example, failing to effectively market the rights to the U.S. Paralympic trademark -- valuable rights granted to the USOC by Congress.
- 5. In July, 2001, the USOC retained Plaintiff Vie Sports Marketing to develop the Paralympic brand and to market and sell the rights to the U.S. Paralympic trademark. Although Vie put significant work into this project and although potential sponsors showed significant

interest, the USOC ultimately frustrated Vie's attempts to secure the most valuable sponsorships for that mark, simultaneously breaching its contract with Vie and perpetuating its discrimination against Paralympic athletes and against Vie.

6. Plaintiffs bring this case to rectify the USOC's discrimination against the Plaintiffs and to remedy the harm caused by that discrimination and by the breach of Defendants' contract with, and repudiation of their promises to, Vie Sports.

Jurisdiction and Venue

- 7. This Court has subject matter jurisdiction over this action pursuant to 28 U.S.C. §§ 1331, 1343 and 1367.
 - 8. Venue is proper within this District pursuant to 28 U.S.C. § 1391.

Parties

- 9. Scot Hollonbeck is a resident of Georgia. Due to a spinal cord injury, he is paralyzed from the waist down and is substantially impaired in one or more major life activities including but not limited to walking. He uses a manual wheelchair for mobility.
- 10. Jose Antonio Iniguez is a resident of Illinois. Due to the effects of polio, he is substantially impaired in one or more major life activities including but not limited to walking. He uses a manual wheelchair for mobility.
- 11. Jacob Walter Jung Ho Heilveil is a resident of Washington. Due to the effects of polio, he is substantially impaired in one or more major life activities including but not limited to walking. He is able to walk with difficulty with the aid of crutches, and often uses a manual wheelchair for mobility.

- 12. Plaintiff Vie Sports Marketing, Inc. is a Georgia corporation, with its principal place of business in Atlanta, Georgia.
- 13. Plaintiff Vie Sports Marketing, Inc., was founded and is owned and managed in part by Plaintiff Hollonbeck, an individual with a disability. Vie Sports was founded for the purpose of obtaining sponsors for the Paralympics and is closely associated with Paralympic and disabled athletes and sports. As such, Vie Sports has a known relationship or association with individuals with known disabilities.
- 14. Defendant United States Olympic Committee is a federally chartered corporation, 36 U.S.C. § 220502(a), registered to do business in the State of Colorado with its principal place of business in Colorado Springs, Colorado.
- 15. Defendant U.S. Paralympics, Inc., is a Colorado non-profit corporation with its principal place of business in Colorado Springs, Colorado. USP was formerly known as the Unites States Paralympic Corporation ("USPC").
 - 16. On information and belief, the USP is the alter ego of the USOC.
- 17. Because the USOC often referred to itself as the USP and/or USPC in its relationship with the Athlete Plaintiffs and Vie, the USOC and the USP will often be referred to jointly herein.

Facts

18. The Paralympic Games, held every two years immediately after the Olympic Games, are the equivalent of the Olympic Games for persons with disabilities.

- 19. The Paralympic Games are the second largest sporting event in the world, after the Olympic Games.
- 20. The United States sent approximately 600 athletes to the 2000 Summer Olympic Games and approximately 250 athletes to the 2000 Summer Paralympic Games.
- 21. Congress created the USOC through the Ted Stevens Olympic and Amateur Sports Act ("ASA"), 36 U.S.C. §§ 220501 220529, and gave the USOC exclusive jurisdiction over "all matters pertaining to United States participation in the Olympic Games, the Paralympic Games, and the Pan-American Games, including representation of the United States in the games," and obtaining "the most competent amateur representation possible in each event" in Olympic, Pan-American and Paralympic Games. <u>Id.</u> § 220503(3)(A) & (4).
- 22. Congress empowered the USOC to act as the national Paralympic committee of the United States. <u>Id.</u> § 220505(c)(2).
 - 23. The USOC has responsibility for the United States Paralympic Team.
- 24. The USOC controls many aspects of Olympic and Paralympic organization, administration, housing, training, and competition in the United States, including but not limited to managing, regulating and/or controlling the conditions of such organization, administration, housing, training, and competition.
- 25. The USOC selects the U.S. cities that will submit bids to host the Olympic and Paralympic Games, thereby effectively controlling all aspects of the venues in which competition will take place.

- 26. As such, the USOC operates the places of public accommodation where such organization, administration, housing, training, and competition take place.
- 27. The USOC operates and, on information and belief, owns several additional places of public accommodation.
- 28. On information and belief, the USOC owns the Colorado Springs Olympic Training Center in Colorado Springs, Colorado.
- 29. On information and belief, the USOC operates the Colorado Springs OlympicTraining Center.
- 30. On information and belief, the USOC owns the Lake Placid Olympic Training Center in Lake Placid, New York.
- 31. On information and belief, the USOC operates the Lake Placid Olympic Training Center.
- 32. On information and belief, the USOC owns the ARCO Olympic Training Center, in Chula Vista, California.
- 33. On information and belief, the USOC operates the ARCO Olympic Training Center.
 - 34. Plaintiff Hollonbeck is an elite wheelchair racer.
- 35. Plaintiff Hollonbeck has competed in three Paralympic Games, winning two gold medals and a silver medal in Barcelona in 1992, two silver medals in Atlanta in 1996 and competing as a finalist in three events in Sydney in 2000. He also competed in an exhibition

wheelchair racing event -- the 1500 meter race -- in the corresponding Olympic Games, winning a silver medal in 1996.

- 36. Plaintiff Hollonbeck has held the United States records in the 800, 1500 and 5000 meter races, and world records in the former two events.
- 37. Plaintiff Hollonbeck has won 15 marathons and twice won the United States 10,000 meter championship.
 - 38. Plaintiff Hollonbeck was the Wheelchair Sports USA Athlete of the Year in 1992.
- 39. Plaintiff Hollonbeck is currently in training for the 2004 Olympic and Paralympic games in Athens.
- 40. Plaintiff Iniguez is an elite wheelchair racer. He competed in the 1992 Paralympic Games, in the 100 and 800 meter races and the marathon.
- 41. Because he had to work full time, Plaintiff Iniguez was not able to afford the time to train and qualify for the 1996 Paralympic Games.
- 42. Plaintiff Iniguez qualified for the 2000 Paralympic Games in several distances and for the quarterfinal preliminary race for the 2000 Olympic 1500 meter wheelchair exhibition race. However, he was not able to afford to leave his job for the time required to attend the Paralympic Games.
- 43. Plaintiff Iniguez is currently in training for the 2004 Olympic and Paralympic games in Athens.
 - 44. Plaintiff Heilveil is an elite wheelchair racer.

- 45. Plaintiff Heilveil has competed in two Paralympic Games. In the 1996 Paralympic Games in Atlanta, he competed in the 800 meter, the 1500 meter, the 5000 meter, the 10,000 meter, and the marathon. He placed fourth in the 10,000 meter race. He also competed in the 1996 Olympic exhibition 1500 meter competition in Atlanta.
- 46. In 2000, Plaintiff Heilveil competed in the Paralympic Games in Sydney, racing in the 800 meter, the 1500 meter, the 5000 meter, the 10,000 meter, and the marathon. He did not win any medals.
- 47. Plaintiff Heilveil is currently in training for the 2004 Olympic and Paralympic games in Athens.
- 48. Defendants provide certain goods, services, facilities, privileges, advantages, and accommodations to elite non-disabled athletes that they either do not provide to elite athletes with disabilities, including the Athlete Plaintiffs, or provide to such athletes in inferior quantities, manners and/or forms.
- 49. Defendants' discrimination includes but is not limited to discrimination in grants, and other financial support for individual athletes, programs and organizations as well as insurance, eligibility for the Resident Athlete Program, use of training facilities, representation in governance, marketing, and other goods, services, facilities, privileges, advantages, and accommodations.
- 50. Defendants' discrimination against Paralympic athletes, including the Athlete Plaintiffs, includes but is not limited to that described in this Amended Complaint.

- 51. Prior to 2002, the USOC awarded money to Olympic athletes for gold, silver, and bronze medals as well as fourth place finishes, but did not award any money to Paralympic athletes for gold, silver, or bronze medal or fourth place finish.
- 52. In 2002, the USOC awarded an athlete \$25,000 for an Olympic gold medal, \$15,000 for an Olympic silver medal, and \$10,000 for an Olympic bronze medal.
- 53. In 2002, the USOC awarded an athlete \$2,500 for a Paralympic gold medal, \$1,500 for a Paralympic silver medal, and \$1,000 for a Paralympic bronze medal.
- 54. To determine usage of its training facilities, the USOC prioritizes athletes by class. Olympic athletes are allocated an A (or first) priority level; Paralympic athletes are allocated a C (or third) priority level.
- 55. The USOC makes Basic Grants available to Olympic athletes but not Paralympic athletes.
- 56. The USOC makes Tuition Assistance Grants available to Olympic athletes but not Paralympic athletes.
- 57. The USOC makes Elite Athlete Health Insurance available to Olympic athletes but not Paralympic athletes.
- 58. During the 1997 to 2000 quadrennium, the USOC directed grants to some 2,300 individual Olympic athletes (with awards ranging from \$200 to \$100,000) for a total of \$26 million.
- 59. Under USOC rules, Paralympic athletes, including the Athlete Plaintiffs, are not eligible to receive basic grants, tuition assistance grants or health insurance from the USOC.

- 60. As a result, the Athlete Plaintiffs have had to pay significant training expenses out of their own pockets and Plaintiff Iniguez has had to work a full-time job both to earn enough to cover expenses and to secure health insurance. This has impaired their ability to train for Paralympic and Olympic competition.
- 61. Plaintiff Hollonbeck competed in the 1992, 1996 and 2000 Olympic Games in the 1500 meter wheelchair exhibition race.
- 62. He was denied many benefits that, on information and belief, non-disabled athletes participating in exhibition events enjoyed.
- 63. For example, Plaintiff Hollonbeck was not permitted to march in the opening ceremonies of the Olympic Games.
- 64. On information and belief, non-disabled U.S. Olympic athletes participating in exhibition events in the 1992 Olympics marched in the opening ceremonies.
- 65. On information and belief, non-disabled U.S. Olympic athletes participating in exhibition events in the 1996 Olympics marched in the opening ceremonies.
- 66. On information and belief, non-disabled U.S. Olympic athletes participating in exhibition events in the 2000 Olympics marched in the opening ceremonies.
- 67. Although he won several medals -- including an Olympic silver medal and silver and gold Paralympic medals -- Plaintiff Hollonbeck received no compensation, while Olympic athletes received monetary compensation for winning gold, silver and bronze medals in those same years.

- 68. The governance structure of the USOC discriminates against Paralympic athletes.

 This discrimination includes but is not limited to that described in this Amended Complaint.
- 69. The USOC Constitution calls for the creation of an Athlete Advisory Committee ("AAC"), which plays a central role in USOC governance. See, .e.g., USOC Constitution arts. XII, XIII, XIX. Despite the fact that the definition of "amateur athlete" in the ASA includes Paralympic athletes, see 36 U.S.C. § 220501(b)(1), until recently, Paralympic athletes were excluded from the AAC. Even in the most recent version of the USOC Constitution, which includes Paralympic athletes in the AAC for the first time, each Olympic sport has a representative on the AAC, while a total of two Paralympic representatives are permitted. USOC Constitution art, XIX, sec. 1.
- 70. Congress granted the USOC the exclusive right to use, market and sell rights to the Olympic and Paralympic names, emblems and symbols. 36 U.S.C. § 220506(a).
 - 71. The USOC relies on the sale of rights to the Olympic mark to generate revenue.
- 72. The USOC obtains most of its funding through sponsorship fees, suppliership agreements and fees obtained through licensing of media properties and merchandise.
- 73. These fees are used to house, feed, train and otherwise support U.S. Olympic athletes and to finance the United States' participation the Olympic Games.
- 74. On information and belief, the USOC used the Olympic mark to generate over \$300 million in corporate sponsor and other income during the 1997 to 2000 quadrennium.
- 75. The USOC discriminates against elite athletes with disabilities, including the Athlete Plaintiffs, by limiting the promotion, marketing and sale of rights to the Paralympic

Olympic mark. This has the effect, among others, of limiting funds available for Paralympic programs and athletes, limiting public understanding, exposure and profile of the Paralympics and of individual Paralympic athletes, and generally suppressing the role of the Paralympics in public life.

- 76. In the spring and summer of 2000, the USOC convened a United States Paralympic Sport Corporation Working Group ("Working Group") to address issues of Paralympic governance and structure.
- 77. The Working Group consisted of three representatives of Disabled Sport Organizations, one representative of a National Governing Body (an organization administering an Olympic sport), four representatives from the USOC, two at-large members and an athlete representative of the Paralympic Athletes Committee ("PAC").
- 78. Plaintiff Hollonbeck was a member of the Working Group; he was the athlete representative of the PAC.
- 79. One of the tasks of the Working Group was to explore whether a separate entity should be created to administer U.S. participation in the Paralympic Games.
- 80. Among the early goals of the Working Group such a separate entity was that it would "[e]stablish value for Paralympic team rights."
- 81. Ultimately, the USOC proposed to spin off the administration of United States participation in the Paralympic Games into a separate entity, with the goal that it become self-sustaining.

- 82. The PAC declined to endorse the USOC's proposal. Among other reasons, the PAC believed that the new structure would be "separate but unequal" and expressed concern that the USOC had not allocated sufficient funds to permit a successful startup or continuation of the separate entity.
- 83. Nevertheless, in August, 2000, the USOC Executive Committee resolved to create a separate corporation named the United States Paralympic Corporation ("USPC").
- 84. The USPC was to be created with the stated purpose of providing Paralympic athletes access to funds, services and supports more comparable to those afforded Olympic athletes.
- 85. The USOC represented that it endorsed those objectives for Paralympic athletes but could not fund them in light of the fact that it believed its principal mission to be Olympic sport.
- 86. The USPC was to have authority over commercial use of Paralympic marks, images and terminology, and to market those marks, images and terminology to raise funds for the Paralympics.
- 87. The USOC made clear, in establishing the USPC, that only those sponsors who had explicit rights to the U.S. Paralympic trademark would be able to exercise such rights, and that those contracts ran, at most, through 2004. Sponsors without such rights would be given a right of first negotiation.
- 88. In August, 2000, USOC officials Norman P. Blake and William J. Hybl incorporated the USPC as a Colorado non-profit corporation.

- 89. In or about November, 2002, the name of the USPC was changed to "U.S. Paralympics, Inc."
- 90. The USOC never ultimately transferred authority for United States participation in the Paralympics to the USP or USPC.
- 91. Rather, the USOC administered and continues to administer United States participation in the Paralympics through a division of the USOC known as "U.S. Paralympics."
- 92. In or about the fall of 2000, representatives of the USOC promised to representatives for Paralympic athletes that, whether United States participation in the Paralympics was administered within the USOC or through a separate corporation, the entity in question would have full authority over U.S. Paralympic trademarks.
- 93. Plaintiff Hollonbeck began taking steps to form Plaintiff Vie Sports Marketing during the year 2000. One of the primary purposes of Vie Sports Marketing was to provide marketing services to the USOC for the U.S. Paralympic trademark.
- 94. In early 2001, Mr. Hollonbeck started working with Daniel Dooley, a successful businessman and father of a child with a disability, on a plan to provide marketing services to the USPC for the rights to the U.S. Paralympic trademark.
- 95. Mr. Hollonbeck also recruited Svein Romstad, who at that time was with Meridian Management, the marketing agency for the IOC. Mr. Romstad provided consulting services to Vie Sports in 2001 and joined the company in the spring of 2002.

- 96. On or about April 18, 2001, Mr. Hollonbeck and Mr. Dooley made a presentation to the USOC concerning services they could provide in marketing and selling rights to the U.S. Paralympic trademark.
- 97. In the spring of 2001, the USPC issued a "Reason for Proposal" ("RFP") for a marketing agency for the U.S. Paralympic trademark.
- 98. In June, 2001, Vie submitted a bid to become the exclusive marketing agency for the U.S. Paralympic trademark.
- 99. In July, 2001, Defendants selected Vie to be the exclusive marketing agency for the U.S. Paralympic trademark.
- 100. Among the terms of the agreement between Defendants and Vie were that Vie would be the exclusive marketing agency for U.S. Paralympics and that it would receive a base fee of \$20,000 per month for the first 12 months of the contract and \$12,500 per month for the remainder of the term as well as 15% of total gross revenues on all sponsor and supplier sales. The parties agreed that the contract would extend from 2001 through the 2005-2008 quadrennium.
- 101. Both before and after the Vie proposal, representatives of Defendants stated to representatives of Vie that Vie would be able to sell rights to the U.S. Paralympic mark to companies that had existing sponsorship contracts with the USOC or the IOC provided that the sponsor did not have explicit rights to that mark.
- 102. Defendants stated that those USOC and IOC sponsors who did not have such rights were to be provided a right of first negotiation for the rights to the U.S. Paralympic mark.

- 103. Finally, Defendants stated that even those sponsors with rights to the U.S. Paralympic mark only owned those rights through 2004, so that Vie would immediately be able to sell the U.S. Paralympic rights for use starting in 2005.
- 104. The parties referred to this access to USOC and IOC sponsors as the "open market."
- 105. Starting in August, 2001, through January, 2003, Vie did a substantial amount of work pursuant to its contract with Defendants.
- 106. For example, Vie developed a strategic plan to market the rights to the U.S. Paralympic trademark, conducted market research and brand analysis, and developed the products through which the brand would be marketed.
- 107. Vie kept Defendants informed of its substantial efforts by sending Defendants drafts of Vie's products and presentations, meeting with representatives of Defendants on several occasions, holding weekly conference calls with Defendants, and exchanging numerous emails with Defendants' representatives concerning Vie's activities.
- 108. Defendants approved of and encouraged Vie to continue its work pursuant to the parties' contract.
- 109. Throughout this time, Vie repeatedly sought reassurance from Defendants of the open market principle.
 - 110. Defendants repeatedly provided these reassurances.
- 111. Specifically, Defendants assured Vie that a certain category of IOC sponsors -- known as "The Olympic Programme" or "TOP" sponsors -- did not own rights to the U.S.

Paralympic trademark, and that Vie could sell rights to the Paralympic trademark to them or (if they declined) to their competitors.

- 112. As of June, 2001, it was the USOC's view that TOP sponsors did not have rights to the U.S. Paralympic trademark.
- 113. Plaintiff Hollonbeck would not have taken the steps he took to form Vie, Messrs.

 Dooley and Romstad would not have joined Vie, and Vie would not have bid on Defendants'

 RFP if not for the promise of an open market.
- 114. When Vie met with USOC and IOC sponsors to sell the U.S. Paralympic brand, a number of sponsors showed significant interest.
- 115. However, Defendants undermined, discouraged and deterred Vie's attempts to secure sponsorships.
- 116. Among other things, several sponsors took the position that they already owned rights to the U.S. Paralympic brand.
- 117. Despite the fact that this was contrary to Defendants' own view of the sponsors' contracts, Defendants discouraged further meetings with those sponsors and their competitors, and prohibited Vie from attempting to sell them rights to the U.S. Paralympic brand.
- 118. In September, 2002, representatives of the U.S. Paralympics division of the USOC submitted a memorandum to the USOC Executive Committee raising the question whether or not the USOC should "yield to TOP sponsors" and recognize "implied" rights to the U.S. Paralympic brand.

- 119. In this memorandum, the U.S. Paralympics division asserted that these sponsors had "[n]o contractual rights."
- 120. The effect of "yield[ing] to TOP sponsors" would be to close the major sponsor categories to sale of the rights to the U.S. Paralympic mark.
- 121. That is, not only would sponsors who had purchased rights to the Olympic mark from the USOC receive "implied" rights to the U.S. Paralympic mark, but the category in which each such sponsor fell would be completely closed to the sale of the U.S. Paralympic mark.
- 122. This would radically curtail the ability to raise funds to support the U.S. Paralympics.
- 123. That is, if the USOC had permitted Vie Sports Marketing to sell rights to the Paralympic mark as originally promised, there would be significantly more money available to fund Paralympic programs.
- 124. The USOC's September 2002 submission to its Executive Committee estimated the loss of revenue from a decision to "yield to TOP sponsors" at \$18-24 million.
- 125. Nevertheless, the U.S. Paralympics division of the USOC submitted to the Executive Committee of the USOC a question that Defendants had represented to Paralympic athletes and Vie as having been resolved long ago, the USOC's long-standing position on which had formed the basis both for Vie's acceptance of the role of exclusive marketing agency and for a over a year of its hard work in building and promoting the U.S. Paralympic mark.
- 126. On information and belief, the determination was made to close access to major sponsor categories to the independent sale of rights to the U.S. Paralympic mark.

- 127. During the period around the September Executive Committee meeting,
 Defendants urged Vie to try to sell the rights to the U.S. Paralympics mark to more disabilityoriented sponsors, for example, durable medical equipment companies.
- 128. By blocking Vie's attempts to market and sell the rights to the U.S. Paralympics trademark to current major sponsor categories and asking Vie to obtain sponsorships from smaller, disability-oriented sponsors, Defendants blocked access to millions of dollars of revenue that could have been devoted to supporting Paralympic athletes and sports.
- 129. Defendants continue to market and promote the Olympics in more ways -- and more effective ways -- than they promote the Paralympics.
 - 130. This has the effect of denying funding to Paralympic athletes and programs.
- 131. This has the further effect of significantly reducing the public profile of the Paralympics, Paralympic sports and Paralympic athletes, suppressing public awareness of the Paralympics, Paralympic athletes and sports, and generally frustrating the ability of athletes with disabilities to achieve competitive success, public understanding and integration.
- 132. Defendants also denied Vie the amounts it would have earned had it been permitted access to the open market as originally promised.
- 133. In January, 2003, Defendants attempted unilaterally to renegotiate the terms of their contract with Vie to far less advantageous terms.
- 134. At least two sponsors were obtained for the U.S. Paralympics through Vie's efforts and/or during the period of its exclusive agency. Defendants have not paid Vie the amounts it is owed for those sponsorships.

- 135. All of the work Vie did for Defendants was required by the contract between the parties, and would not have been performed but for that contract. Vie's work is referable to no other theory than that of the contract between the parties.
- 136. All of the work Vie did for Defendants was done in reliance on the Defendants' representations, including that it would be able to market the U.S. Paralympic brand on the open market and that it would receive a 15% commission on all sponsor and supplier sales for the U.S. Paralympics.
- 137. Defendants should reasonably have expected their promises to have induced substantial action and/or forbearance on the part of Vie.
- 138. Based on (among other things) Defendants' representations to the public concerning the marketing of the U.S. Paralympics brand and the purposes of the USPC, this reliance was reasonable.
- 139. Defendants' actions in breaching its contract with, and/or reneging on its promise to, Vie Sports were part of its overall policy and practice of discriminating against athletes with disabilities. Vie was harmed by Defendants' discrimination against Paralympic athletes.
- 140. Paralympic athletes were harmed by the fact that the USOC discriminated against, breached its contract with, and/or reneged on its promise to, Vie Sports.
- 141. Paralympic athletes will benefit -- through the increased funding available for their support -- if the contract and/or promise between the USOC and Vie Sports is enforced as originally agreed.

142. Defendants discriminated against Vie Sports based on the fact that its primary purpose was to obtain sponsorships for the Paralympics, based on the fact that it was closely associated with Paralympic and disabled athletes and sports, and/or based on the fact that one if its principals was an individual with a disability.

<u>Claim I: Violation of Title III of the Americans with Disabilities Act</u> (All Plaintiffs against both Defendants)

- 143. Plaintiffs reallege and incorporate by reference the allegations set forth in this Amended Complaint as if fully set forth herein.
- 144. The USOC owns, operates, leases and/or leases to one or more places of public accommodation as that term is defined in 42 U.S.C. § 12181(7).
- 145. The USP owns, operates, leases and/or leases to one or more places of public accommodation as that term is defined in 42 U.S.C. § 12181(7).
- 146. Defendants have discriminated and continue to discriminate against Plaintiffs on the basis of disability in the full and equal enjoyment of their goods, services, facilities, privileges, advantages, or accommodations in violation of Title III of the Americans with Disabilities Act, 42 U.S.C. § 12181 et seq.
- 147. Plaintiffs have been and continue to be harmed by Defendants' violations of Title III of the Americans with Disabilities Act.

Claim II: Violation of the Rehabilitation Act

(All Plaintiffs against both Defendants)

148. Plaintiffs reallege and incorporate by reference the allegations set forth in this Amended Complaint as if fully set forth herein.

- 149. The USOC receives federal financial assistance as that term is used in 29 U.S.C. § 794.
- 150. The USP receives federal financial assistance as that term is used in 29 U.S.C. § 794.
- 151. Defendants have discriminated and continue to discriminate against Plaintiffs on the basis of disability in violation of section 504 of the Rehabilitation Act of 1973. 29 U.S.C. § 794.
- 152. In violating the Rehabilitation Act, Defendants acted intentionally, maliciously, and/or with reckless, callous and/or deliberate indifference to Plaintiffs' federally protected rights.
- 153. Plaintiffs have been and continue to be harmed by Defendants' violations of section 504 of the Rehabilitation Act of 1973.

Claim III: Breach of Contract

(Plaintiff Vie Sports Marketing against both Defendants)

- 154. Plaintiffs reallege and incorporate by reference the allegations set forth in this Amended Complaint as if fully set forth herein.
- 155. Defendant USOC, either on its own or acting through its alter ego, Defendant USP, entered into a contract with Plaintiff Vie Sports Marketing pursuant to which Vie was to be the exclusive marketing agency for the U.S. Paralympic brand and was to be able to sell rights to that trademark in the open market, as more fully described above, in return for an agreed-upon compensation.

- 156. Plaintiff Vie Sports Marketing performed substantial work pursuant to the contract.
- 157. Defendant USOC, either on its own or acting through its alter ego, Defendant USP, prevented Vie Sports from selling the rights to the Paralympic mark in the open market and otherwise fully performing under the contract.
- 158. Defendant USOC, either on its own or acting through its alter ego, Defendant USP, failed to compensate Plaintiff Vie Sports as required under the contract.
 - 159. Plaintiff Vie Sports has been damaged by Defendants' breach of contract.

Claim IV: Promissory Estoppel

(Plaintiff Vie Sports Marketing against both Defendants)

- 160. Plaintiffs reallege and incorporate by reference the allegations set forth in this Amended Complaint as if fully set forth herein.
- 161. Defendant USOC, either on its own or acting through its alter ego, Defendant USP, made promises to Plaintiff Vie Sports Marketing, including but not limited to promises that the latter would be the exclusive marketing agency for the U.S. Paralympics, that it would have access to the open market, and that it would be compensated as described above.
- 162. It was reasonable for Defendant USOC, either on its own or acting through its alter ego, Defendant USP, to expect its promises to induce action and/or forbearance of a definite and substantial character on behalf of Vie Sports Marketing. For example, it was reasonable for Defendants to expect that its promises would induce Vie Sports to undertake substantial work to

market and sell the U.S. Paralympic trademark and to forego other opportunities so it could perform that work.

- 163. Plaintiff Vie Sports Marketing performed substantial work in reliance on Defendants' promises, and passed up other business opportunities to perform that work.
- 164. Defendants broke their promises to Vie Sports. For example, Defendants did not permit Vie Sports to have access to the open market and did not compensate Vie Sports as promised.
 - 165. Injustice can only be avoided by the enforcement of Defendants' promises.

PRAYER FOR RELIEF

WHEREFORE, Plaintiffs respectfully pray:

- 1. That this Court assume jurisdiction;
- That this Court declare the actions of Defendants USOC and USP described in this Amended Complaint to be in violation of the Americans with Disabilities Act and the Rehabilitation Act and to constitute breach of contract or breach of a legally enforceable promise;
- 3. That this Court enter an injunction, pursuant to Title III of the ADA, the Rehabilitation Act, and/or state law, enforcing the contract and/or promise between the USOC and Vie Sports Marketing, ordering Defendants to cease discrimination in their programs and activities, ordering Defendants to provide the Athlete Plaintiffs full and equal enjoyment of their goods, services, facilities, privileges, advantages, and/or accommodations in a fashion to be specified following trial, and awarding any further injunctive or equitable relief allowed by law;

- 4. That this Court award Plaintiffs compensatory and/or other appropriate damages under the Rehabilitation Act and/or state law, in amounts to be proved at trial;
 - 5. That this Court award Plaintiffs their reasonable attorneys' fees and costs; and
- 6. That this Court award such additional or alternative relief as may be just, proper and equitable.

JURY DEMAND: Plaintiff demands a jury on all issues which can be heard by a jury.

Respectfully submitted,

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