May 13, 2015

THIS CONSTRUCTIVE NOTICE IS SERVED ON THE PRESIDENT OF THE GROCERY MANUFACTURERS ASSOCIATION (GMA) PURSUANT TO THE UNIFORM COMMERCIAL CODE AND THE LAWS OF THE UNITED STATES OF AMERICA

IF THIS AFFIDAVIT IS NOT PROPERLY REBUTTED WITH A COUNTER-AFFIDAVIT WITHIN FORTY FIVE (45) CALENDAR DAYS FROM THE DATE OF ITS SERVICE, ALL PARAGRAPHS NOT DENIED SHALL BE CONFESSED AFFIRMED, BY SUCH DEFAULT, AND SHALL BE ACCEPTED AS DISPOSITIVE, CONCLUSIVE FACTS, BY GMA AND ALL OF ITS MEMBER COMPANIES. WHEREIN THE PRESIDENT, CONTRACTORS AND SUB-CONTRACTORS AND COMPANY MEMBERS OF THE GMA OR ANY PROPERLY DELEGATED AUTHORITY HAVE BEEN GIVEN NOTICE AND HAD THE OPPORTUNITY AND "FAILED TO PLEAD." ALL COUNTER-AFFIDAVITS MUST BE RECEIVED WITHIN THE FORTY FIVE (45) CALENDAR DAYS OF ORIGINAL SERVICE TO GMA AND SIGNED WITH THE VALID LEGAL NAME, TITLE AND ORIGINAL SIGNATURE OF THE PRESIDENT OF GMA OR THEY SHALL NOT BE VALID.

OVERVIEW

In their 2013 income tax statement to the Internal Revenue Service (IRS), the Grocery Manufacturers Association (GMA) states that one of its principal purposes is to serve as the link between their food, beverage and products company members and their regulatory suitors including the U.S. Food and Drug Administration (FDA). GMA has commercial relationships with Battelle Memorial Institute. Battelle Memorial Institute has contracts with the FDA. Battelle Memorial Institute facilitated FDA directed pass-through contracts for the development of computer software by third party vendors that contained Projectioneering LLC owned ideas and trade secrets. GMA is working with Battelle Memorial Institute on various GMA member committees using Projectioneering LLC owned ideas and trade secrets. These GMA member companies were well-noticed that any use of Projectioneering LLC owned ideas and trade secrets they obtained from the FDA constituted infringement and theft of trade secret information. GMA and its member companies disregarded multiple notices not to use the misappropriated Projectioneering LLC intellectual property.

AFFIANT: JOHN H. HNATIO

This Affidavit and all attached documents have been made a part of the Public Record and will be used for evidence in the administrative and judicial proceedings at law, or equity regarding this case. All of these documents are maintained in Claimant's Administrative File. This affidavit and exhibits are posted on the John Galt Program for Investigative Studies web site at http://igpis.org/ for further public notice and to provide the Grocery Manufacturers Association (GMA) the opportunity to rebut each of the ninety-five (95) claims appearing below.

AFFIDAVIT OF TRUTH

- On April 12, 2015, FoodQuestTQ LLC first became aware of the activities of the Grocery Manufacturers' Association (GMA) and their member companies to exploit for their own commercial advantage Projectioneering LLC-owned patented ideas and trade secrets. [GMA EXHIBIT 1]
- 2. Projectioneering is a limited liability company (LLC) established according to the laws of the State of Maryland in the United States of America.
- FoodQuestTQ is a limited liability company established according to the laws of the State of Maryland in the United States of America.
- FoodQuestTQ LLC uses Projectioneering LLC owned intellectual property pursuant to a license.
- Both Projectioneering and FoodQuestTQ LLC operate out of offices located at 7420 Hayward Road, Frederick, Maryland 21702.
- FoodQuestTQ LLC is engaged in commerce and sells food risk management products and services to food, beverage and products companies across the United States of America. [GMA EXHIBIT 2]
- 7. The U.S. Food and Drug Administration (FDA) is headquartered in Silver Springs, Maryland, in the United States of America. [GMA EXHIBIT 3]
- 8. The U.S. Food and Drug Administration (FDA) engages in commerce by entering into agreements and contracts with the private sector. [GMA EXHIBIT 4]
- The U.S. Food and Drug Administration (FDA) is subject to United States procurement statutes, codes and laws including, but not limited to, 5 CFR Part 2635; Title 41 U.S. Code 253; Title 48, Chapter 1 U.S. Code; Title 18 U.S. Code § 1031; P.L. 96-303; Title 18 U.S. Code §§ 654; 654; 641, and 1832. [GMA EXHIBIT 5]
- The U.S. Food and Drug Administration (FDA) works in cooperation with the Grocery Manufacturers Association. [GMA EXHIBIT 6]
- 11. The U.S. Food and Drug Administration (FDA) is subject to the patent laws of the United States, including but not limited to, Title 35 U.S. Code- Patents. [GMA EXHIBIT 7]
- 12. The U.S. Food and Drug Administration (FDA) is subject to the Uniform Trade Secrets Act (UTSA). [GMA EXHIBIT 8]
- The U.S. Food and Drug Administration (FDA) is subject to the U.S. Economic Espionage Act of 1996. [GMA EXHIBIT 9]
- The U.S. Food and Drug Administration (FDA) is subject to 18 U.S. Code §§ 1832-1839
 Theft of Trade Secrets. [GMA EXHIBIT 10]
- 15. The U.S. Food and Drug Administration (FDA) is subject to 18 U.S.C. § 1030- The "Computer Crimes" Statute. [GMA EXHIBIT 11]
- 16. The U.S. Food and Drug Administration (FDA) is subject to 18 U.S.C. §§ 1341, 1343- Mail and Wire Fraud. [GMA EXHIBIT 12]
- 17. The U.S. Food and Drug Administration (FDA) is subject to 18 U.S.C. §§ 1961-68- The Federal Racketeer Influenced and Corrupt Organizations Act (RICO). [GMA EXHIBIT 13]

- 18. The U.S. Food and Drug Administration (FDA) is subject to 18 U.S.C. §§ 2311-33- The National Stolen Property Act. [GMA EXHIBIT 14]
- 19. The U.S. Food and Drug Administration (FDA) is subject to 18 U.S.C. § 1029- Fraud in Connection with Access Device (use of computers and the internet). [GMA EXHIBIT 15]
- 20. The Grocery Manufacturer's Association (GMA) operates as a tax-exempt organization pursuant to section 501 (c) 6 of the Internal Revenue Code under employer identification number 53-0114930. [GMA EXHIBIT 6]
- 21. GMA is a corporation formed under the laws of the State of Delaware in the United States of America. [GMA EXHIBIT 6]
- 22. GMA represents the world's leading food, beverage and products companies. [GMA EXHIBIT 6]
- 23. GMA runs its national operations in the United States of America from its headquarters location at 1350 I Street, NW, Washington, D.C. 20005. [GMA EXHIBIT 6]
- 24. GMA is an entity engaged in commerce that solicits and lets contracts for lobbying congressional and state officials and conducting scientific research, testing and evaluation on behalf of GMA member companies. [GMA EXHIBIT 6]
- 25. GMA serves as a link between GMA member companies and their regulatory suitors, i.e., the U.S. Food and Drug Administration (FDA) and other federal regulatory agencies. [GMA EXHIBIT 6]
- 26. The United States issues patents through the United States Patents and Trademarks
 Office (USPTO) which are valid in the United States and its territories. [[GMA EXHIBIT 7]
- 27. The GMA, and its member companies are subject to the patent laws of the United States, including but not limited to, Title 35 U.S. Code- Patents. [GMA EXHIBIT 7]
- 28. The GMA and its member companies are subject to the Uniform Trade Secrets Act (UTSA). [GMA EXHIBIT 8]
- 29. The GMA and its member companies are subject to the U.S. Economic Espionage Act of 1996. [GMA EXHIBIT 9]
- 30. The GMA and its member companies are subject to 18 U.S. Code §§ 1832-1839- Theft of Trade Secrets. [GMA EXHIBIT 10]
- 31. The GMA and its member companies are subject to 18 U.S.C. § 1030- The "Computer Crimes" Statute. [GMA EXHIBIT 11]
- 32. The GMA and its member companies are subject to 18 U.S.C. §§ 1341, 1343- Mail and Wire Fraud. [GMA EXHIBIT 12]
- 33. The GMA and its member companies are subject to 18 U.S.C. §§ 1961-68- The Federal Racketeer Influenced and Corrupt Organizations Act (RICO). [GMA EXHIBIT 13]
- 34. The GMA and its member companies are subject to 18 U.S.C. §§ 2311-33- The National Stolen Property Act. [GMA EXHIBIT 14]
- 35. The GMA and its member companies are subject to 18 U.S.C. § 1029- Fraud in Connection with Access Device, i.e., use of computers and the internet. [GMA EXHIBIT 15]
- 36. Over the period 2003 to 2013 JOHN H. HNATIO patented his ideas arising from a program of doctoral research at The George Washington University. [GMA EXHIBIT 16]

- 37. On October 28, 2003, JOHN H. HNATIO applied to the USPTO for a patent (Application No. US 10/694,024) based on his doctoral research. [GMA EXHIBIT 17]
- 38. In August 2006, JOHN H. HNATIO's doctoral dissertation was published and registered with USPTO as copyrighted material belonging to JOHN H. HNATIO. [GMA EXHIBIT 18]
- 39. On June 12, 2007, JOHN H. HNATIO submitted USPTO Patent Application No. US 11/808,580 claiming preference to his 2003 invention disclosure. [GMA EXHIBIT 19]
- 40. On January 24, 2012, USPTO Patent No. US 8103601 B2 issued (with priority to Application No. US 11/808,580) with Affiant listed as inventor. [GMA EXHIBIT 20]
- 41. As JOHN H. HNATIO reduced his inventions to practice he generated, and protected from disclosure, a large body of trade secret information. [GMA EXHIBITS 21 & 22]
- 42. Affiant's body of trade secrets was not easily reverse engineered. [GMA EXHIBIT 22]
- 43. Affiant's body of trade secrets was not widely known nor made available to government entities except under U.S. Code Title 18 § 1905. [GMA EXHIBIT 23]
- 44. Affiant's body of trade secrets was not widely known nor made available to commercial or any public entities except pursuant to confidentiality agreements. [GMA EXHIBIT 24]
- 45. No examples in the prior art of Projectioneering LLC-owned patented ideas and trade secrets have provided the same result as the Affiant's invention.
- 46. The results of Projectioneering LLC-owned patented ideas and trade secrets are superior to any pre-existing methods, processes and techniques. [GMA EXHIBIT 25]
- 47. There exist no examples in the prior art to suggest Affiant's invention, or prior art teaches away from Affiant's invention.
- 48. Projectioneering LLC patents and trade secrets are not objectively baseless.
- 49. Projectioneering and FoodQuestTQ LLC do not have subjective knowledge that Projectioneering LLC-owned patents or trade secrets are invalid.
- 50. In 2003, when Affiant filed his first invention disclosure with the United States Patent and Trademarks Office (USPTO) there was skepticism that predictive analytic methods would be created in the near or midterm future, i.e., ten (10) to twenty (20) years. [GMA EXHIBIT 26]
- 51. Prior to Affiant's invention disclosures and subsequent patents there were failures in creating predictive analytic systems that accomplish the same result as the Affiant's invention. [GMA EXHBIT 27]
- 52. The Affiant's invention represented an unexpected result. [GMA EXHIBIT 28]
- 53. The market for predictive analytics is expected to grow from \$1.70 billion in 2013 to \$5.24 billion in 2018. [GMA EXHIBIT 29]
- 54. Under common law, liability for trade secret misappropriation is the acquisition by another by improper conduct or unfair means together with the use or disclosure by such person to the trade secret owner's detriment. [GMA EXHIBIT 30]
- 55. Under the Uniform Trade Secrets Act (UTSA) the misappropriation of trade secrets means the acquisition of a trade secret of another by a person who knows or has reason to know that the trade secrets were acquired by improper means. [GMA EXHIBIT 8]
- 56. Under the Uniform Trade Secrets Act (UTSA) GMA and its member companies derive no liability protection from the use of Projectioneering LLC owned misappropriated trade secrets because GMA and its members companies were sufficiently noticed. [GMA EXHIBIT 32]

- 57. Under the Uniform Trade Secrets Act (UTSA) GMA trade secrets are misappropriated through the unauthorized use of trade secrets; the acquisition of trade secrets through improper means; and by breaches of contracts of confidence. [GMA EXHIBIT 8]
- 58. GMA member companies were made aware of the Projectioneering-owned trade secrets being exercised by FoodQuestTQ LLC through links with their regulatory suitor, i.e., the U.S. Food and Drug Administration (FDA). [GMA EXHIBIT 6]
- 59. Knowledge of Projectioneering LLC-owned trade secret information was known by GMA through their company members. [GMA EXHIBIT 31]
- 60. GMA knowledge of Projectioneering LLC misappropriated trade secret information resulted from access to the trade secret information by GMA member companies. [GMA EXHIBIT 31]
- 61. On December 12, 2012, GMA hosted a meeting at their Washington, D.C. Headquarters offices on behalf of the FDA to unveil the FDA's Food Defense Planner tool to GMA's major food producing members.
- 62. GMA did not acquire the Projectioneering LLC-owned trade secret information from other persons with a right to disclose the trade secret information. [EXHIBIT 31]
- 63. Projectioneering LLC-owned patents and trade secrets are inextricably intertwined so that the GMA process represents a direct subset of the Projectioneering and FoodQuestTQ LLC process. [GMA EXHIBIT 16]
- 64. GMA works with Battelle Memorial Institute. [GMA EXHIBIT 1]
- 65. Battelle Memorial Institute serves as a support contractor to the U.S. Food and Drug Administration (FDA). [GMA EXHIBIT 4]
- 66. The misappropriation of Projectioneering-owned patented ideas and trade secret information took the form of negative know-how resulting from the involvement of Battelle Memorial Institute as a contractor to the U.S. Food and Drug Administration (FDA). [GMA EXHIBIT 1]
- 67. Battelle Memorial Institute facilitated, on behalf of the FDA, a directed pass-through contract to a private commercial vendor to develop their Food Defense Plan builder tool. [GMA EXHIBIT 4]
- 68. Battelle Memorial Institute is an "alternative vendor" that derived knowledge and processes from the Projectioneering LLC owned information used by the U.S. Food and Drug Administration (FDA) thereby tainting the alternative vendor's process as the poisoned fruit of the initial misappropriation. [GMA EXHIBIT 1]
- 69. The degree of difference between the elements and components of GMA's development of predictive analytic tools for the food, beverage and products companies demonstrates that GMA tools perform the same or similar functions, in the same or similar way, arriving at the same or similar result as do Projectioneering LLC's owned patented ideas and trade secret information. [GMA EXHIBIT 1]
- 70. No matter what modifications or improvements GMA and their member companies have made to Projectioneering LLC patented ideas and trade secrets, GMA development of predictive analytic tools is derived from Affiant's patented ideas and trade secrets making the fruit of the poisoned tree also poisoned.

- 71. GMA and their member companies were noticed of the trade secret status of the Projectioneering LLC- owned information.
- 72. Over the period May 2013, to March 2015, FoodQuestTQ LLC issued 14 public notifications to 754 food companies advising them that the use of the duplicated FDA tools represented patent infringement and the unauthorized use of stolen Projectioneering LLC owned trade secrets. [GMA EXHIBIT 32]
- 73. Thirty (30) GMA member companies represented on the GMA Board of Directors were the direct recipients of these FoodQuestTQ LLC public notifications. [GMA EXHIBIT 33]
- 74. FoodQuestTQ LLC took proactive measures to protect Projectioneering-owned trade secret information as confidential prior to its misappropriation by FDA, GMA and its member companies.
- 75. Projectioneering LLC-owned trade secret information was clearly marked by FoodQuestTQ LLC as containing proprietary information.
- 76. Projectioneering-owned trade secret information shared with the U.S. Food and Drug Administration (FDA) by FoodQuestTQ LLC was done so pursuant to 18 USC § 1905. [GMA EXHIBIT 23]
- 77. Projectioneering LLC-owned trade secret information was shared by FoodQuestTQ LLC with the commercial sector pursuant to confidentiality agreements. [GMA EXHIBIT 24]
- 78. FoodQuestTQ and Projectioneering LLC efforts to protect their trade secret information were reasonable under the circumstances.
- 79. Projectioneering and FoodQuestTQ LLC exercise no monopoly over the predictive analytics market in the agricultural nor any other industry vertical. [GMA EXHIBIT 32]
- 80. Projectioneering LLC has protectable ownership rights in Affiant's patents. [GMA EXHIBIT 20]
- 81. Projectioneering LLC has protectable ownership rights in Affiant generated trade secret information. [GMA EXHIBIT 21]
- 82. The use of Affiant's patented ideas and trade secret information by GMA and its member companies gives significant economic advantage to GMA and their member companies as a direct competitor of FoodQuestTQ LLC.
- 83. The Supreme Court decision in *eBay v. MercExchange* (2006) allows for the presumption of irreparable harm as a "lesson of ... historical practice" that can be applied "when the circumstances of the case bear substantial parallels to litigation the courts have confronted before."
- 84. Projectioneering and FoodQuestTQ LLC have suffered the most severe types of irreparable harm including: loss of overall market share, which cannot be recouped; loss of customer goodwill due to loss of a line of its business and even its entire business.
- 85. The GMA has disclosed Projectioneering LLC-owned trade secrets in linkage with their federal regulatory suitor, i.e., the U.S. Food and Drug Administration (FDA) resulting in significant economic damages to Projectioneering and FoodQuestTQ LLC.
- 86. GMA and its member companies have unjustly enriched themselves by avoiding losses as the result of using Projectioneering and FoodQuestTQ LLC patented ideas and misappropriated trade secrets. This unjust enrichment is \$625,000,000. [EXHIBIT 34]

- 87. Projectioneering LLC-owned patented ideas and trade secrets represent novel predictive analytic ideas, methods and techniques.
- 88. The applications of predictive analytics include Agriculture, Banking and Financial Services, Insurance, Healthcare, Environment and Government, Consumer Goods and Retail, Manufacturing, Transportation and Logistics, Travel and Hospitality, Telecommunication and IT, Media and Entertainment, Sports and Energy & Utilities and Oil & Gas. http://www.marketsandmarkets.com/PressReleases/predictive-analytics.asp]
- 89. The predictive analytics market is estimated to grow from \$1.70 billion in 2013 to \$5.24 billion in 2018 at a CAGR of 25.2% from 2013 to 2018. [EXHIBIT 29]
- 90. The current value of predictive analytics for the agricultural vertical is estimated at \$4.0 billion each year. [EXHIBIT 29]
- In 2011 the ability of FoodQuestTQ LLC to penetrate the emerging predictive analytics in agriculture alone was estimated by an independent market analyst at \$183,000,000 over five (5) years. [GMA EXHIBIT 35]
- 92. The very same Projectioneering LLC-owned patented ideas and trade secrets that represent novel predictive analytic ideas, methods and techniques have application across all of the above industry verticals. [GMA EXHIBIT 36]
- 93. The disclosure of Projectioneering-owned trade secrets by GMA and their member companies in "linkage" with their federal regulatory suitor, i.e., the U.S. Food and Drug Administration (FDA), has resulted in and severe personal duress, pain and suffering to members of Projectioneering and FoodQuestTQ LLC. [GMA EXHIBIT 6]
- 94. Punitive damages against GMA for personal duress, pain and suffering to the members of Projectioneering and FoodQuestTQ LLC and their stockholders are \$31,675,000. [GMA EXHIBIT 37]
- 95. Total economic damages to Projectioneering LLC across all industry verticals as the consequence of GMA use and dissemination of novel predictive analytic ideas, methods and techniques, i.e., trade secrets, are \$3.375 billion. [GMA EXHIBIT 38]

Affiant incorporates by reference the affidavit of truth served to the U.S. Food and Drug Administration (FDA) under the Uniform Commercial Code dated April 28, 2015. The affidavit of truth and all exhibits can be directly accessed on the World Wide Web at http://www.jpgis.org

Affiant also incorporates by reference a comprehensive report of investigation of the misappropriation of Projectioneering LLC-owned intellectual property by the U.S. Food and Drug Administration (FDA) that includes a computer library of documentary evidence. The report dated November 28, 2014, entitled, "The Case of FoodQuestTQ" and all exhibits can be directly accessed on the World Wide Web at http://www.jpgis.org

I solemnly affirm under the penalties of perjury and upon personal knowledge that the contents of the foregoing paper are true to the best of my knowledge and belief.

JOHN H. HNATIO

Affiant and President of Projectioneering LLC

County of: Frederick State of: Maryland

Witnesseth the above signature affixed to this document on this day of May 13, 2015

Notary Signature and Official Seal on this day of May 13, 2015

Beverly &. Stevens (Expires 116/16)

LIST OF EXHIBITS

- Briefing presented by Dr. Joseph Scimeca of Cargill Corporation on behalf of GMA and its member companies on April 12, 2015, at a meeting of the Grocery Manufacturer's Association.
- 2. Official web site of FoodQuestTQ LLC.
- 3. Official web site of the U.S. Food and Drug Administration (FDA).
- 4. Sample U.S. Food and Drug Administration (FDA) commercial contract.
- 5. Procurement and procurement integrity laws applying to the U.S. Food and Drug Administration (FDA).
- 6. Grocery Manufacturers Association 2013 income tax filing pursuant to section 501 (c) 6 of the Internal Revenue Service Code.
- 7. Title 35 USC-Patents.
- 8. Uniform Trade Secrets Act (UTSA).
- 9. U.S. Economic Espionage Act of 1996.
- 10. Title 18 USC §§ 1832-1839- Theft of Trade Secrets.
- 11. Title 18 USC § 1030- Computer Crimes.
- 12. Title 18 USC §§ 1341, 1343- Mail Fraud.
- 13. Title 18 USC §§ 1961-68- Federal Racketeer Influenced Corruption Act (RICO).
- 14. Title 18 USC §§ 2311-33- The National Stolen Property Act.
- 15. Title 18 USC § 1029- Fraud in Connection with Access Device, i.e., computers and internet access.
- 16. Analysis of patent infringement and misappropriation of Projectioneering LLC-owned trade secrets by GMA and its member companies.
- 17. JOHN H. HNATIO's October 28, 2003, USPTO patent application.
- 18. JOHN H. HNATIO's copyrighted doctoral dissertation.
- 19. JOHN H. HNATIO's June 12, 2007, USPTO patent application.
- 20. JOHN H. HNATIO's January 24, 2012, USPTO final patent issue.
- 21. JOHN H. HNATIO's body of misappropriated trade secrets.
- 22. FoodQuestTQ patent and trade secret analysis.
- Title 18 USC § 1905- Protection of industry business confidential information by the U.S. Government.
- 24. Representative examples of FoodQuestTQ confidentiality agreements.
- 25. Statement by Jody Menikheim, Food Defense Team, U.S. Food and Drug Administration (FDA) as to the superiority of FoodQuestTQ products.
- Expressions of skepticism as to the future of artificial intelligence and the prediction of future states.
- 27. Major failures in artificial intelligence and the prediction of future states.
- 28. The unexpected results of JOHN H. HNATIO's patents and trade secrets.
- 29. Size of today's predictive analytics market.
- 30. Common law liability for the misappropriation of trade secrets.
- 31. U.S. Food and Drug Administration (FDA) publication of Projectioneering LLC-owned trade secrets.

- Notifications to GMA member companies not to use Projectioneering LLC misappropriated trade secrets.
- 33. Listing of thirty (30) GMA companies with representatives sitting on the GMA Board of Directors that received FoodQuestTQ LLC notifications describing the stolen trade secrets and cautioning against their unauthorized use.
- 34. Calculation of unjust enrichment by GMA and their member companies.
- 35. Calculation of punitive damages for duress of Projectioneering and FoodQuestTQ LLC employees and stockholders.
- 36. Applications and 2011 projected Projectioneering LLC market for predictive analytics across all industry verticals.
- 37. Independent analysis of FoodQuestTQ LLC market.
- 38. Calculation of total economic damage to Projectioneering and FoodQuestTQ LLC by GMA and their member companies.