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UNITED STATES DISTRICT COURT FOR THE
SOUTHERN DISTRICT OF NEW YORK

-----X Index No.: 1:18-cv-3126

SAMMY MOURABIT,

Plaintiff,

-against-

COMPLAINT

(Jury Trial Demanded)

LVMH MOËT HENNESSY VUITTON SE,
MAKE UP FOREVER, S.A., and LVMH MOËT
HENNESSY LOUIS VUITTON INC.,

Defendants.

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Plaintiff SAMMY MOURABIT, by and through his counsel M W MOODY LLC,
hereby alleges, as and for his Complaint against defendants LVMH MOËT HENNESSY
VUITTON SE (“LVMH-SE”), MAKE UP FOREVER, S.A. (“MUFE”), and LVMH
MOËT HENNESSY LOUIS VUITTON INC. (“LVMH-NY”), as follows:

PRELIMINARY STATEMENT

1. This is a case of pure and unadulterated corporate power slamming up
against creative brilliance.
2. MUFE – known as Make Up Forever in the marketplace – is an
internationally renowned cosmetics brand owned by LVMH-SE.
3. In or about late 2015 or early 2016, it was determined by LVMH-SE

and MUFE's senior management that MUFE's founder and Artistic Director Dani Sanz¹ was going to need to be replaced.

4. MUFE wanted Plaintiff Sammy Mourabit – one of, if not the, top make up artists in the world today – to replace Ms. Sanz.

5. Over more than a year, MUFE wooed, wined, and dined Mr. Mourabit, and cajoled him into foregoing existing and future business opportunities with the whispered hush-hush guarantee of a long-term contract – represented to be nothing more than a formality – as MUFE's Artistic Director.

6. That contract – with a term of three (3) years at more than one million dollars (\$1,000,000.00) per year and a start date of January 1, 2018 (the “Artistic Director Contract”) – was ultimately consummated on or about August 31, 2017, following LVMH-SE's executive approval.²

7. Mr. Mourabit was then told on October 24, 2017 – without explanation, and before commencing his job – that MUFE and LVMH-SE would not honor the Artistic Director Contract.

8. LVMH-SE displayed a truly shocking lack of respect and neglect for a long cultivated potential employee. Mr. Mourabit, having given his professional life to MUFE on the promise of the Artistic Director Contract for more than a year, has lost millions of dollars as a result.

¹ Ms. Sanz founded MUFE in 1984, sold the company to LVMH-SE in 1999, and has held the position of Artistic Director since that time.

² The contract was ultimately approved by Chris de la Puente who is now on LVMH-SE's Executive Committee. *See infra* ¶¶17-18.

VENUE

9. Venue is appropriate in this Court pursuant to *inter alia* 28 U.S.Code § 1391(b) inasmuch as Defendants find their home in New York.

JURISDICTION AND PARTIES

10. Jurisdiction is appropriate in this Court pursuant to 28 U.S.Code § 1332 inasmuch as the Plaintiff is diverse from all Defendants and the amount in controversy exceeds \$75,000.00.

Plaintiff.

11. Sammy Mourabit is a domiciliary of California who regularly resides in and conducts business in New York at 842 Franklin Avenue, Brooklyn 11225.

LVMH Moët Hennessy Vuitton SE.

12. Upon information and belief³, LVMH-SE is a multi-national Societas Europaea entity registered in accordance with the corporate law of the European Union.

13. Upon information and belief, LVMH-SE is the vertically integrated nerve center of a global operation that it conducts – largely – through numerous 100% owned subsidiaries and/or brands.

14. Upon information and belief, LVMH-SE owns or controls approximately 60 luxury brands in five market segments: i) wines and spirits; ii) fashion and leather goods; iii) cosmetics and fragrances; iv) watches and jewelry; and v) selective retailing.

15. Upon information and belief, LVMH-SE labels this collection of brands its “Group” or its “galaxy”.

³ In the vast majority of the jurisdictional allegations made “upon information and belief”, those allegations are based upon information contained in either LVMH-SE’s website, LVMH-SE’s 2017 Consolidated Financial Statements or LVMH-SE’s 2017 Document de Reference.

16. Upon information and belief, this global entity is tightly managed and controlled by LVMH-SE's Board of Directors (consisting of 15 members) and its Executive Committee (consisting of 12 members).

17. Upon information and belief, both are chaired by LVMH-SE's Chairman and Chief Executive Officer Bernard Arnault.

18. Upon information and belief, LVMH-SE promulgates to all of its brands and subsidiaries, and orders compliance with, a Code of Conduct which sets out "the rules to be followed by *all* employees in their roles and responsibilities" [emphasis supplied].

19. Upon information and belief, LVMH-SE requires *all* employees (globally) to adhere to environmental standards, and an Internal IT Systems Security Charter.

20. Upon information and belief, LVMH-SE also requires *all* employees (including all MUFE employees) to defend LVMH-SE's heritage and resources in order to avoid any loss, misuse, deterioration or waste.

21. Upon information and belief, in or about 1999, LVMH-SE built a twenty four (24) story architecturally celebrated headquarters, part of the Manhattan skyline known as the LVMH Tower, located at 19 East 57th Street, New York, New York (the "Tower").

22. Upon information and belief, the Tower was inaugurated on or about December 8, 1999 by Mr. Arnault.

23. Upon information and belief, in 2014 LVMH-SE rented an additional

twenty six thousand (26,000) square feet of office space at 130 Fifth Avenue, New York New York, and thus has more office space in New York than in any other city in the world.

24. Upon information and belief, LVMH-SE's galaxy, or Group, occupies at least 45 stand-alone stores in New York City; it is unknown to Plaintiff how many of those stores are owned (if any), and how many are leased (if any).

25. Upon information and belief, the foregoing does not account for: i) the sale of LVMH-SE's products at department stores like Bergdorf Goodman's, Barney's and Bloomingdales; ii) the sale of LVMH-SE's products throughout Long Island (including the Hamptons) and Upstate New York; or iii) the sale of wines and spirits (from its approximately 22 brands in this market, including Moet & Chandon and Veuve Cliquot) throughout New York State.

Make Up Forever, S.A.

26. Upon information and belief, MUFE is a French Societe Anonyme which has no subsidiary organized in New York, and has no authorization to conduct business in New York.

27. Upon information and belief, in spite of this lack of authorization, MUFE has a retail outlet located at 8 East 12th Street, New York, New York.

28. Upon information and belief, MUFE also has corporate offices located at 552 Broadway, 3rd Floor, New York, New York.

29. Upon information and belief, MUFE is wholly owned by LVMH-SE.

30. Upon information and belief, MUFE is included, fully, in LVMH-SE's 2017 Consolidated Financial Statement.

31. Upon information and belief, MUFE is wholly controlled by LVMH-SE inasmuch as, *inter alia*: i) MUFE's senior management is approved by LVMH-SE⁴; ii) MUFE cannot enter into significant contracts without LVMH-SE's approval; iii) MUFE relies upon LVMH-SE's financial support in order to continue doing business; and iv) MUFE is obligated to follow all of LVMH-SE's rules, including but not limited to its Code of Conduct.

32. Upon information and belief, among other things, LVMH-SE's control over MUFE is, in part, implemented through LVMH-SE's Group-wide publication of its "General Purchasing Conditions of the Perfumes and Cosmetics Companies of the LVMH Group" (the "GPC")⁵.

33. Upon information and belief, all of MUFE's significant marketing and operational policies are controlled by LVMH-SE.

34. Upon information and belief, in 2017, LVMH-SE spent nearly Eur5 billion in advertising expenses and nearly Eur8 billion in personnel expenses.

35. Upon information and belief, MUFE's advertising and personnel expenses

⁴ By way of limited example, before Mr. Mourabit could enter into the Artistic Director Contract for MUFE, he had to meet with, and be approved by, both Gena Smith – LVMH-SE's Senior Vice President of Human Resources and Head of Global Executive and Creative Recruitment; and Chris de la Puente – LVMH-SE's Chairman and C.E.O. of LVMH-SE Perfumes and Cosmetics and Sephora Worldwide.

⁵ The GPC tightly governs and controls, without possibility of deviation, the relationship between an LVMH-SE cosmetics and/or perfume brand (including but not limited to MUFE) and a supplier to that brand. Among other things, a brand: i) cannot deviate from the GPC under any circumstances; ii) must abide by the GPC's deadlines; and iii) will be obligated to pay a supplier a specific amount for late payments to that supplier. The GPC is so specific it covers the brand's rights vis-à-vis a supplier with respect to intellectual property rights, confidentiality, bankruptcy events, waiver, and choice of law and forum.

were part of these expenses.⁶

36. Upon information and belief, in 2017, LVMH-SE paid nearly Eur8 billion in salaries.

37. Upon information and belief, MUFE's salaries were included in this amount.

LVMH Moët Hennessy Louis Vuitton Inc.

38. Upon information and belief, LVMH-NY is a Delaware Corporation authorized to do business in New York.

39. Upon information and belief, LVMH-NY is 100% owned by LVMH-SE.

40. Upon information and belief, LVMH-NY is included, fully, in LVMH-SE's 2017 Consolidated Financial Statement.

41. Upon information and belief, LVMH-NY is the predominant, if not exclusive, revenue generator in the United States for LVMH-SE.

42. Upon information and belief, LVMH-NY's senior management is (as with MUFE) appointed and approved by LVMH.

43. Upon information and belief, by way of limited example, LVMH-NY's current C.E.O. – Anish Melwani - was appointed by Mr. Arnault in his capacity as chair of LVMH-SE's Board of Directors and Executive Committee.

44. Upon information and belief, at the appointment ceremony for Mr.

⁶ As LVMH-SE's 2017 Document de Reference states: "Products or marketing strategies not in line with brand image objectives; inappropriate behavior by brand ambassadors, the Group's employees, distributors or suppliers; or detrimental information circulating in the media might endanger the reputation of the Group's brands and adversely impact sales."

Melwani in New York, Mr. Arnault said *inter alia* "I am delighted to welcome Anish into our Group." and "Anish will work alongside the global leaders of our businesses leveraging his strategic skills and sharing his deep knowledge of the market."

45. Upon information and belief, like MUFE, rules of operation and significant contracts are also controlled by LVMH-SE.

46. Upon information and belief, LVMH-NY is responsible for *one quarter* (25%) of LVMH-SE's global revenue, or more than 10.5 billion dollars.

47. Upon information and belief, this is more than 2.5x the revenue from *France* - LVMH-SE's titular headquarters.

48. Upon information and belief, LVMH-SE also owns and/or controls 2 other entities in New York – LVMH Fragrance Brands LLC, a Delaware LLC licensed to do business in New York; and LVMH Perfumes and Cosmetics Inc., a New York Corporation established in 1974.

49. LVMH-SE is at home in New York.

FACTS

A. Mr. Mourabit and MUFE are Uniquely Suited.

50. Sammy Mourabit is one of the most original and creative make up artists in the market today; in part because of his signature ability to combine make up artistry and special effects.

51. Mr. Mourabit is the only high profile make up artist today who has the breadth and diversity of portfolio to work across fashion, theatre, movies, opera, and dance, among others.

52. MUFE is the only cosmetics company in the world today that offers

cosmetic products across all of these fields.

53. By virtue of this original skill, Mr Mourabit has had a long list of A-list clients including but not limited to singers (e.g. Rihanna, Katy Perry, Madonna, Britney Spears), actors (e.g. Sharon Stone, Dakota Fanning, Annette Bening), sports stars (e.g. Maria Sharapova), fashion designers (e.g. Versace, Alexander Wang, Gaultier, Rick Owens, Uma Wang, Milly), movie directors (e.g. Roland Emmerich, Abel Ferrara), and the most prominent photographers (e.g. Steven Klein, Annie Liebovitz, Patrick Demarchelier, Peter Lindbergh, Mert and Marcus, Tom Munro).

54. Mr. Mourabit is uniquely suited to work with MUFE.

55. MUFE understood this, and anticipating the departure of Ms. Sanz, MUFE's global image director – Vincent Ditrichstein – first contacted and met with Mr. Mourabit in January 2016 with a view to Mr. Mourabit's possible replacement of Ms. Sanz.

B. MUFE Courts Mr. Mourabit.

56. At this meeting on January 19, 2016 in MUFE's head offices in Neuilly, France, Mr. Ditrichstein was intimately familiar with Mr. Mourabit's work and career, and explored the trajectory of Mr. Mourabit's career in great detail.

57. Mr. Ditrichstein asked Mr. Mourabit if he would be available, in 2016 and 2017, to help with, and to advise and consult on, between 6 and 8 of MUFE's advertising campaigns for 2017 and 2018, and to do the make up for all of them.

58. Between March 7th and 10th, 2016 Mr. Mourabit – having spent the prior two (2) months preparing for it and guiding MUFE in connection with it – attended a MUFE photo-shoot in London.

59. Throughout the following months, Mr. Mourabit was in constant – almost daily – telephone and/or email contact with Mr. Dittrichstein, Carlota Thevenot (Senior Vice President of Marketing and Communication), and Pauline Frachon (Global Head of Communication and Brand Entertainment), consulting as to MUFE's future direction.

60. They each regularly intimated that he would become MUFE's Artistic Director.

C. MUFE Guarantees Mr. Mourabit its Global Artistic Director Position.

61. On June 1, 2016, Ms. Thevenot emailed Mr. Mourabit and asked him if he could meet with her and Nicolas Cordier (MUFE's C.E.O.) at Balthazar Restaurant in Soho, New York on July 6, 2016.

62. On July 6, 2016, Mr. Mourabit had lunch at Balthazar with Ms. Thevenot and Mr. Cordier.

63. Mr. Cordier told Mr. Mourabit that he wanted to arrange a meeting between Ms. Sanz and Mr. Mourabit.

64. Both Ms. Thevenot and Mr. Cordier told Mr. Mourabit that he would replace Ms. Sanz, that they needed LVMH-SE's consent, and that the contract would be a formality.

65. Both Ms. Thevenot and Mr. Cordier again asked Mr. Mourabit to refrain from seeking or pursuing any professional engagements from any third party, and to be discreet about his present and future relationship with MUFE.

66. Shortly thereafter, on July 9, 2016, again at Balthazar in New York

City, Mr. Mourabit met with the head of the U.S. market – Laure de Metz; the head of the European market – Frank Ebel; the head of the Asian market – Jomo Elg; and the head of the Middle East market (Tamar Al Zaq).

67. Each of these executives made clear their understanding that Mr. Mourabit was going to be offered the position of Artistic Director of MUFE.

68. On September 19, 2016, Mr. Mourabit met with Gena Smith - LVMH-SE's SVP Human Resources, Head of Global Executive & Artistic Recruitment.

69. Ms. Smith was, upon information and belief, responsible for hiring all new Artistic Directors, where relevant, across all LVMH-SE brands.

70. Ms. Smith told Mr. Mourabit, after spending hours discussing Mr. Mourabit's work and career, that she was in charge of hiring MUFE's new Artistic Director.

71. On October 3, 2016, at MUFE's headquarters in France, Mr. Cordier and Ms. Thevenot again told Mr. Mourabit that the contract would be a formality.

72. Ms. Thevenot sent Mr. Mourabit an email with a photograph of the three (3) of them attached to commemorate the occasion, captioned: "A date to remember".

73. Beginning in November 2016, the entire MUFE team began to contact Mr. Mourabit directly, asking for his input as to artistic direction.

74. On December 1, 2016, Mr. Mourabit did the make up for the MUFE UHD Campaign 2017 photo-shoot in New York City.

75. Mr. Mourabit was in charge of seven (7) in-house professional make up artists from New York.

76. Each of the make up artists told Mr. Mourabit of their excitement as to what he would be able to do with, and for, the MUFE brand as global artistic director.

77. On December 14, 2016, Mr. Mourabit met with Ms. Thevenot, Mr. Cordier and Mikael Schetter (MUFE/LVMH-SE's Director of Human Resources) in MUFE's offices in Paris.

78. During this meeting, they told Mr. Mourabit that they were working on "Project Phoenix", whereby Mr. Mourabit as MUFE's Artistic Director would raise MUFE from the ashes.

79. It was called Project Phoenix because Mr. Mourabit has a tattoo of a Phoenix on his left arm.

80. MUFE was faltering and flailing in the market place and it was to be Mr. Mourabit's bailiwick to breathe new life into MUFE, to give it a new birth, to metaphorically raise MUFE from the ashes.

81. On February 9, 2017 Mr. Mourabit went to the Grammys with Pauline Frachon, MUFE's global Director of Communications who emailed Mr. Mourabit and asked him to keep his upcoming contract as MUFE's Artistic Director secret as she did not want anyone in the U.S. market getting wind of Mr. Mourabit's new position.

82. On February 11 and 12, 2017, Mr. Mourabit, using MUFE make up did, *inter alia*, Jesse J.'s make up for the Grammy awards party and Kehlani's make up for a music video.

83. Between January and March 2017, Mr. Mourabit spent a considerable amount of time in London doing a Stills and Video Campaign for MUFE's ULTRA HD 2018 Campaign.

84. On June 24, 2017 during a meeting with Mr. Cordier, Mr. Mourabit was again asked to maintain the secrecy of his becoming MUFE's Artistic Director.

85. Mr. Cordier explained that Ms. Sanz *still* did not know that her successor had been chosen, and that she was officially leaving on December 31, 2017.

86. On August 6, 2017, Mr. Cordier sent Mr. Mourabit the proposed Artistic Director Contract.

87. After minimal negotiation, and following a 2 hour meeting with Ms. Smith⁷ and a 2 hour meeting with Christopher de la Puente⁸ (now on LVMH-SE's Executive Committee)), the years long "mere formality" of a contract was ultimately finalized on or about August 31, 2017.

D. MUFE Reneges on the Artistic Director Contract.

88. Between September 1, 2017 and October 24, 2017, Mr. Mourabit prepared to move his life, together with his girlfriend, to Paris to begin his new career as MUFE's Artistic Director.

89. On October 24, 2017, Mr. Cordier called Mr. Mourabit and told him that LVMH-SE, through Mr. de la Puente, had unilaterally decided not to implement the Artistic Director Contract.

90. Thereafter, underscoring LVMH-SE's fraud, their absence of justification for walking away from the Artistic Director Contract is breathtaking.

91. Mr. Mourabit has demonstrably lost millions of dollars as a direct and

⁷ LVMH-SE's Senior Vice president of Human Resources and Head of Global Executive and Creative Recruitment.

⁸ At the time, Mr. de la Puente was Chairman and C.E.O. of LVMH-SE Perfumes and Cosmetics and Sephora Worldwide.

proximate result of MUFE's and LVMH-SE's fraud.

**AS AND FOR A FIRST CAUSE OF ACTION
(Fraudulent Inducement to Contract / Promissory Estoppel)**

92. Mr. Mourabit repeats and re-alleges the foregoing as if fully set forth herein.

93. As set forth in detail hereinabove, LVMH-SE repeatedly promised and guaranteed – between at least July 2016 and August 2017 – that Mr. Mourabit would become the Artistic Director of MUFE.

94. MUFE intended to induce reliance upon its promises and guarantees, that they knew to be false, in order to persuade the uniquely qualified Mr. Mourabit to be available for MUFE's and LVMH-SE's needs (viz. LVMH-SE's need to have a replacement for Ms. Sanz), and no matter the cost to Mr. Mourabit – they repeatedly encouraged him to forego other opportunities.

95. Mr. Mourabit justifiably relied upon LVMH's misrepresentations inasmuch as, *inter alia*:

- (a) he knew – given his known and acknowledged ability and experience – that there was little, if any, competition in the marketplace for the position, and it was made clear to him that MUFE needed and was looking for a completely new direction; and
- (b) as of July 2016, senior executives at MUFE guaranteed to him, albeit often *sote voce*, that his role as MUFE's new “face” or Artistic Director was guaranteed, and that a contract confirming and memorializing same was a mere formality; and
- (c) month after month passed with Mr. Mourabit being introduced to more and more executives at LVMH-SE and MUFE, all of whom treated him – as he had previously been guaranteed – as the new Artistic Director of MUFE.

96. By virtue of the foregoing, Mr. Mourabit discontinued and forewent

numerous lucrative professional opportunities.

97. Mr. Mourabit entirely removed himself from the market for all of the time that MUFE and LVMH-SE promised him the Artistic Director Contract; and that removal has been devastating to his career.

98. By way of limited example, Mr. Mourabit lost a personal client – the wife of an African President that was worth \$250,000.00 per annum, which LVMH-SE knew about (Mr. Mourabit told Mr. de la Puente about her during a meeting on March 8, 2017 in Paris).

99. In addition, Mr. Mourabit gave up doing twenty (20) fashion shows for Fashion Mac Cosmetic Pro (“FMCP”) that would have been worth at least \$350,000.00 per annum.

100. In connection with FMCP, Mr. Mourabit would have been doing seminars and tutorials as well as a campaign that he would have been paid a day-rate of \$20,000.00.

101. Since LVMH-SE/MUFE’s unilateral renege on the Artistic Director Contract, Mr. Mourabit has reached out to FMCP to see if he could renew the relationship. He was told that FMCP would see what they could do, but that they’d worked hard to make a smooth transition and – because it’s a matter of credibility – it would take some time before FMCP could even consider putting Mr. Mourabit back on.

102. Mr. Mourabit was at the height of his career. What LVMH-SE and MUFE took from him through their promises will take him at least 3 to 5 seasons to rebuild.

103. The pop-star Rihanna (with whom Mr. Mourabit had a strong

professional relationship because he had worked with her previously) was looking for a new artistic director for her brand FENTY (ironically also owned by LVMH-SE) that Mr. Mourabit turned down as a result of the pending Artistic Director Contract.

104. Mr. Mourabit also turned down world-tours with Lady Gaga and Katy Perry.

105. MUFE's and LVMH-SE's conduct foreseeably and proximately resulted in Mr. Mourabit turning down opportunity after opportunity, justifiably taking himself out of the market on a long term basis with the explanation that he was going to be the new "face" of MUFE.

106. Plaintiff has been damaged in an amount to be determined at trial, but in no event less than ten million dollars (\$10,000,000.00).

WHEREFORE, Plaintiff demands judgment against Defendants as follows:

On the first cause of action against Defendants in an amount to be proven at trial, but in no event less than ten million dollars (\$10,000,000.00) together with such other and further relief as to this Court seems just and proper, including but not limited to attorneys' fees and costs.

Dated: New York, New York
April 9, 2018

Yours, etc.

S/

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