

IN THE CIRCUIT COURT OF TENNESSEE
ELEVENTH JUDICIAL DISTRICT, AT CHATTANOOGA

MIKE BEDSOLE, d/b/a)
TINY HOUSE CHATTANOOGA,)
)
Plaintiff,)
)
v.)
)
SINCLAIR BROADCAST GROUP, INC.;)
WTVC LICENSEE, LLC; AMERICAN)
BROADCASTING COMPANIES, INC.;)
WTVC-TV NEWS CHANNEL 9;)
SAM LUTHER; KELLY CURTIN;)
ABC HOLDING COMPANY, INC.;)
KABC-TV ABC 7 EYEWITNESS NEWS;)
THE WALT DISNEY COMPANY;)
and LETICIA JUAREZ,)
)
Defendants.)

DOCKET NO. 200649
Division _____
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COMPLAINT

The plaintiff, Mike Bedsole (“Mr. Bedsole”), d/b/a Tiny House Chattanooga, (collectively “Plaintiff”), hereby files this lawsuit against the defendants and for the causes of action, states as follows:

INTRODUCTION

1. The right to one’s good name and reputation is paramount in a civilized society. This lawsuit involves defamatory statements broadcast, disseminated, and published to the public by media and television organizations.

2. Mr. Bedsole is a manufacturer specializing in manufacturing homes typically under 400 square feet, referred to in the industry as “tiny homes.” Tiny homes are manufactured and built on trailer bases and are therefore mobile and may be transported and relocated to a permanent location and share similar characteristics with recreational vehicles and mobile homes.

3. The tiny home movement inspired a reality television series known as *Tiny House Nation* which premiered in 2014 and ran for 4 seasons on the FYI network. For season 5, the series aired on FYI’s parent network, A & E Television Networks, LLC (“A & E”). The executive producers of *Tiny House Nation* were Nick Rigg, David George, Jordana Hochman, Tennessee Edwards, Gena McCarthy, and James Bolosh.

4. The *Tiny House Nation* series featured renovation experts and hosts, John Weisbarth and Zack Giffin, as they traveled across America to celebrate and feature various tiny home renovations and the process of renovating and manufacturing a tiny home. The series ran for 5 seasons with a total of 83 episodes.

5. On August 30, 2018, Mr. Bedsole and Tiny House Chattanooga, as seller, entered into a sales agreement with buyer, Benjamin Richards (“Mr. Richards”), of Fullerton, California.

6. The sales agreement provided that Mr. Bedsole and Tiny House Chattanooga would manufacture and sell a tiny home to Mr. Richards. The total purchase price was \$157,000.00. Mr. Richards initially paid Tiny House Chattanooga approximately \$11,500.00 with the remaining amount to be paid via third-party

financing. Mr. Richards planned to permanently relocate the tiny home to Nashville, Tennessee once it was manufactured by Tiny House Chattanooga and paid for by Mr. Richards.

7. A & E chose to feature the manufacture of Mr. Richards' tiny home on *Tiny House Nation* in season 5 to be broadcast on episode 78 on May 8, 2019, entitled "Going Tiny in Music City."

8. Mike Bedsole and Tiny House Chattanooga did not have a contract with *Tiny House Nation* and A & E, and this episode was Mr. Bedsole's first and only appearance on *Tiny House Nation*.

9. The producers of *Tiny House Nation* were aware of Mr. Bedsole's sales agreement to manufacture and sell the tiny home to Mr. Richards. Mr. Bedsole mostly communicated with the *Tiny House Nation* team through Calvin Collins, senior build producer. Upon information and belief, Mr. Richards had an agreement or contract with *Tiny House Nation* and A & E to participate on the TV show.

10. After footage was captured on video by the *Tiny House Nation* film crew of the manufacture of the tiny home around October of 2018, with approximately 96% of the manufacture of the tiny home completed, to later air in May of 2019 on *Tiny House Nation*, Mr. Richards came to Mr. Bedsole and asked to live in the tiny home on site while he waited for third-party financing to be approved to purchase the tiny home, in order to save money as opposed to staying in a hotel.

11. In a show of goodwill, Mr. Bedsole agreed to this arrangement and during this time, Mr. Bedsole and his crew continued further manufacture of the tiny home in order to attain a 100% livable status.

12. The tiny home never reached completion; however, as continued payments toward the purchase and sale of the tiny home, other than the \$11,500.00 initial payment, were never paid by Mr. Richards to Mr. Bedsole.

13. Mr. Richards and his wife, Rebecca Richards (“Ms. Richards”), and their two daughters, had moved into the tiny home and lived rent and utility free for several months. The tiny home was located at Tiny House Chattanooga’s business workshop property it leased from Gary Banther (“Mr. Banther”), situated at 2150 Blythe Avenue, Cleveland, Bradley County, Tennessee 37311.

14. During this time of living in the tiny home, Mr. Richards did not pay any rent nor was Mr. Richards able to secure third-party financing for the final payment that was owed to Mr. Bedsole and Tiny House Chattanooga in accordance with the sales agreement. Mr. Richards never paid Mr. Bedsole for the manufacture of the tiny home other than the initial \$11,500.00 payment, leaving an outstanding unpaid balance of \$145,500.00 that Mr. Richards owed Mr. Bedsole and Tiny House Chattanooga in accordance with the sales agreement.

15. Despite living rent and utility free for several months and not paying the total purchase price for the tiny home, Mr. and Ms. Richards became increasingly demanding of Mr. Bedsole by providing him with a large “to do list” regarding the living conditions of the tiny home. Mr. and Ms. Richards even threatened Mr. Bedsole

with a civil lawsuit and told Mr. Bedsole that he “was better off just giving the tiny home to them.”

16. Accordingly, Tiny House Chattanooga, the named Plaintiff along with Mr. Banther, initiated and commenced a civil action and detainer warrant against Mr. Richards as the named Defendant, in order to evict Mr. Richards from the tiny home and gain legal possession of the tiny home situated at the time at 2150 Blythe Avenue, Cleveland, Bradley County, Tennessee 37311. This lawsuit to evict Mr. Richards from the tiny home was filed in the General Sessions Court of Bradley County, Tennessee, Case No. 2019-cv-1293 (“Detainer Warrant”).

17. Mr. Richards contested the Detainer Warrant and his eviction from the tiny home; however, the Judge entered an order in favor of Tiny House Chattanooga on March 20, 2019 (“Order”). A certified copy of the Order signed by the Judge and dated March 20, 2019 is attached and incorporated herein by reference as Exhibit A.¹

18. Pursuant to the Judge’s signed Order, it provided that “Plaintiff is granted possession of the described property. A Writ of Possession shall be issued on Plaintiff’s request.” See Order, Exhibit A.

19. Mr. Richards and his family voluntarily vacated the tiny home, and Mr. Bedsole and Tiny House Chattanooga lawfully gained legal possession of the tiny home in accordance with the Judge’s signed Order.

¹ Mr. Bedsole’s counsel contacted the Bradley County General Sessions Clerk’s office by telephone and paid the Clerk \$10.00 for the certified copy of the Order.

20. After acquiring legal possession of the tiny home, Mr. Bedsole listed the tiny home for sale with Steven Harrell, owner and operator of one of the leading on-line resources for the tiny home market, where tiny homes are purchased and sold. See <https://tinyhouselistings.com/>.

21. Despite Mr. Bedsole and Tiny House Chattanooga lawfully gaining legal possession of the tiny home in accordance with the Judge's signed Order, Mr. and Ms. Richards later made false and actionable defamatory public statements directed at Mr. Bedsole and Tiny House Chattanooga.

22. These false and defamatory statements, more particularly described herein, were broadcast, disseminated, and published around the same time by two ABC affiliates, ABC 7 Eyewitness News on June 22, 2019 and News Channel 9 on June 24, 2019, three months *after* the entry of the Judge's signed Order that was a matter of public record.

23. The false and actionable defamatory statements specifically about Mr. Bedsole and Tiny House Chattanooga published, disseminated, and broadcast by ABC 7 Eyewitness News and News Channel 9 to their viewers and on-line subscribers, included statements that Mr. and Ms. Richards' tiny home was "stolen" and "missing" and intentionally omitted the fact that Tiny House Chattanooga and Mr. Bedsole had lawfully and legally gained possession of the tiny home through a court Order entered on March 20, 2019.

24. As a result of these false and actionable defamatory statements broadcast, disseminated, and published to the public by ABC 7 Eyewitness News and

News Channel 9, Mr. Bedsole (and his Tiny House Chattanooga brand) has suffered serious threat, harm, injury, and damage to his reputation, business, trade, person, and profession.

PARTIES

25. Mr. Bedsole at all relevant times was a manufacturer of tiny homes and operated Tiny House Chattanooga. Prior to the published defamatory statements about him referenced herein, Mr. Bedsole had been a successful manufacturer of tiny homes and manufactured a number of tiny homes for out-of-state orders primarily in the western part of the United States including California. Mr. Bedsole resides in Chattanooga, Hamilton County, Tennessee.

26. Sinclair Broadcast Group, Inc. (“Sinclair”) is a Maryland corporation and a publicly-traded American telecommunications conglomerate (US NASDAQ: SBGI), and is the second-largest television station operator in the United States by number of stations. Sinclair owns and operates WTVC-TV News Channel 9 headquartered in Chattanooga, TN. Sinclair reported revenue of \$4.2 billion in 2019. Sinclair is headquartered in the Baltimore suburb of Hunt Valley, Maryland, and Sinclair may be served with process by serving its President and Chief Executive Officer, Chris Ripley, at Sinclair Broadcast Group, Inc., 10706 Beaver Dam Road, Hunt Valley, Maryland 21030.

27. WTVC-TV News Channel 9 (“News Channel 9”) is a television station and ABC affiliate operating in the Chattanooga, TN metropolitan area. News

Channel 9 may be served with process by serving its General Manager, Todd Ricke, at its headquarters located at 4279 Benton Drive, Chattanooga, TN 37406.

28. WTVC-TV Licensee, LLC (“WTVC Licensee”) maintains News Channel 9’s television broadcast station license with the Federal Communications Commission (“FCC”). WTVC Licensee may be served with process by serving WTVC Licensee, LLC, c/o Pillsbury Winthrop Shaw Pittman LLP, at 2300 N. Street, NW, Washington DC 20037.

29. American Broadcasting Companies, Inc. (“ABC”) is a Delaware corporation and provides commercial broadcasting services and is under the Disney-owned umbrella of businesses and companies. ABC maintains a primary television affiliation agreement with Sinclair and WTVC Licensee, whereby News Channel 9 is ABC’s primary affiliate in the Chattanooga, TN metropolitan area. ABC may be served with process by serving its registered agent in Tennessee, c/o Corporation Service Company, at 2908 Poston Avenue, Nashville, Tennessee 37203 or by serving John Rouse, Executive Vice-President Affiliate Relations, ABC Television Network, at 500 South Buena Vista St., Burbank, CA 91521.

30. Sam Luther (“Mr. Luther”) was at all times relevant a resident of Tennessee and reporter and employee of News Channel 9, and he may be served with process at its headquarters located at 4279 Benton Drive, Chattanooga, TN 37406.

31. Kelly Curtin (“Ms. Curtin”) was at all times relevant a resident of Tennessee and a reporter and employee of News Channel 9, and she may be served

with process at its headquarters located at 4279 Benton Drive, Chattanooga, TN 37406.

32. KABC-TV ABC 7 Eyewitness News (“ABC 7 Eyewitness News”) is a television station and ABC affiliate operating in Los Angeles, California and serves as the network's West Coast flagship outlet. The station is owned by the ABC Owned Television Stations, a subsidiary of The Walt Disney Company. ABC 7 Eyewitness News may be served with process by serving its agent, Chakira Gavazzi, at 500 South Buena Vista St., Burbank, California 91521.

33. ABC Holding Company, Inc. (“ABC Licensee”) maintains ABC 7 Eyewitness News’ television broadcast station license with the FCC. ABC Licensee may be served with process by serving its agent, Chakira Gavazzi, at 500 South Buena Vista St., Burbank, California 91521.

34. The Walt Disney Company (“Disney”) is a Delaware corporation and a publicly-traded diversified multinational mass media and entertainment conglomerate, headquartered at the Walt Disney Studios complex in Burbank, California (NYSE-DIS). ABC 7 Eyewitness News is owned by ABC Owned Television Stations, a subsidiary of Disney. Disney also owns a 50% share of A & E, in a joint venture between Hearst Communications and Disney Media Networks, a business segment of Disney. Disney reported revenue of \$69.5 billion in 2019. Disney may be served with process by serving its Chief Executive Officer, Robert Chapek, or its agent, Chakira Gavazzi, at 500 South Buena Vista St., Burbank, California 91521.

35. Leticia Juarez (“Ms. Juarez”) was at all times relevant a reporter and employee of ABC 7 Eyewitness News, and she may be served with process at its headquarters located at 500 Circle Seven Dr., Glendale, CA 91201.

JURISDICTION & VENUE

36. This court has jurisdiction over the causes of action contained herein pursuant to Tenn. Code Ann. §16-10-101.

37. This court has personal jurisdiction over the parties, as Mr. Bedsole is a citizen and resident of Hamilton County, Tennessee and operated Tiny House Chattanooga at all relevant times. The Defendants are either residents of Tennessee, located within or transact business in Tennessee, or are affiliated in some capacity with the operation and broadcasting of television stations and on-line websites and social media accounts, that broadcast, publish, and disseminate to viewers and on-line subscribers in the Chattanooga, Tennessee metropolitan area.

38. Venue is proper in this court pursuant to Tenn. Code Ann. §20-4-101, because the causes of action contained herein arose within Hamilton County, Tennessee, or the defamatory statements were broadcast, published, and/or disseminated to viewers in Hamilton County, Tennessee.

FACTS

A. The June 22, 2019 Broadcast by ABC 7 Eyewitness News

39. On June 19, 2019, after the “Going Tiny in Music City” episode of *Tiny House Nation* was broadcast to viewers the previous month, Mr. Bedsole discovered that Mr. and Ms. Richards had been posting on their social media pages including Facebook, false and fabricated statements regarding their “plight” and their effort to “recover their stolen tiny home.” Mr. and Ms. Richards even went as far as to organize a fundraiser on GoFundMe, <https://www.gofundme.com/f/missing-tiny-house> (last visited June 9, 2020), titled, “OUR TINY HOUSE IS MISSING.”

40. Mr. and Ms. Richards organized the GoFundMe fundraiser in their words, to raise money to hire a lawyer to track down their missing tiny home and the builder (Mr. Bedsole). The GoFundMe page includes photographs of Mr. Bedsole and states in the opening as follows:

Our Tiny House is MISSING!!

Our house has been missing since March when the builder DISAPPEARED with our house after we were on the tv show Tiny House Nation.

We are raising money to pay for a lawyer to track down our house and the builder and prosecute to get our house back.

41. As of June 9, 2020, the Richards’ GoFundMe fundraiser had raised \$969.00 toward its stated goal of \$30,000.00.

42. The following day on June 20, 2019, right after Mr. Bedsole discovered the Richards had been criticizing him on their social media accounts, the ABC 7 Eyewitness News team attempted to contact Mr. Bedsole by telephone.

43. Not wanting to inject himself into the public controversy the Richards had started on-line and on their social media pages with their criticism, Mr. Bedsole contacted his attorney he had retained in the Detainer Action and declined to personally respond to the ABC 7 Eyewitness News team.

44. Mr. Bedsole's attorney of record in that matter was licensed Tennessee attorney, Patrick A. Wagner, Esq., of the law firm of Wagner & Weeks, PLLC, located in Chattanooga, Tennessee. *See Order, Exhibit A.*

45. The same day on June 20, 2019, the ABC 7 Eyewitness News team contacted Mr. Wagner by telephone.

46. During this telephone conversation, Mr. Wagner verbally told the ABC 7 Eyewitness News team the facts that had previously transpired regarding the tiny home Mr. Bedsole had manufactured for Mr. Richards and the legal proceeding involving the Detainer Warrant and Order that was a matter of public record. Mr. Wagner stated to the ABC 7 Eyewitness News team the following:

Mr. Richards was lawfully evicted because he failed to procure financing to purchase the tiny home and was living as a squatter at the owner's expense for 5 months, while wrongfully seeming to believe that he was entitled to the tiny home for free. He appeared in court and had everything explained to him, and knew good and well that he was not going to get to keep the tiny house. He attempted to strip the tiny house of the fixtures/things that the show or the owner had provided for the house, and his entire social media post was a complete fabrication and entirely untrue. The house was not "missing" and he never had legal title to it and knowingly was evicted from it by judicial process.

Patrick A. Wagner, Esq. (confidential and privileged attorney/client electronic mail communication dated June 20, 2019, by and between Mr. Bedsole and his attorney Mr. Wagner, with Mr. Wagner advising Mr. Bedsole what he had said on the telephone call).

47. The following day on June 21, 2019, Steven Harrell, the owner and operator who had agreed to sell and list on-line to the public the tiny home at issue, contacted Mr. Bedsole by Facebook messenger to let him know that he no longer was willing to sell the tiny home on his on-line listing site.

48. Mr. Harrell stated to Mr. Bedsole in a Facebook private message the following:

Hey man. I decided to mark your tiny house as sold. I even got an email from a news agency asking to do a story about it. I don't want to be involved in all of that kind of stuff. No offense or anything. Hope you understand.

49. The tiny home; however, was not actually sold and despite his best efforts, Mr. Bedsole has been unable to sell the tiny home at issue at the time of filing this lawsuit.

50. Despite licensed Tennessee attorney Patrick Wagner's verbal recitation of the facts to the ABC 7 Eyewitness News team including explaining to them about the final Order that was a matter of public record establishing Mr. Bedsole's legal and lawful right to possession of the tiny home at issue, ABC 7 Eyewitness News

went ahead and ran with the story and broadcast and disseminated a television video and audio news story two days later on June 22, 2019.

51. The ABC 7 Eyewitness News team broadcast to its viewers a news story entitled, “SMALL DREAM ENDS IN A BIG NIGHTMARE FOR TINY HOUSE BUYERS FROM SO CAL.” See <https://abc7news.com/realestate/tiny-house-nightmare-for-family-who-appeared-on-tv-show/5360727/> (last visited June 9, 2020).

52. Attached and incorporated herein by reference as Exhibit B is a video and audio copy of the news segment ABC 7 Eyewitness News broadcast, disseminated, and published to television viewers on June 22, 2019.

53. ABC 7 Eyewitness News’ lead reporter, Ms. Juarez, begins the news segment with footage that was broadcast from the episode of *Tiny House Nation* that included the Richards family and Mr. Bedsole. Stamped in the upper right corner of the video footage it states, “A & E Television Networks.”

54. Ms. Juarez begins by stating dramatically:

- “A small dream that turned into a big nightmare for Rebecca and Ben Richards”

55. The news segment cuts to Mr. and Ms. Richards, and Mr. Richards, states:

- “They (*Tiny House Nation*, A & E, and Mike Bedsole) put their big fancy TV show on and everyone is watching it and they (TV Show, A & E, and

Mike Bedsole) are benefitting from us (Richards family) being on the show and now we are out all our money and our tiny house”

56. As Ms. Juarez then explains to viewers that the Richards family decided to move from California to Nashville, Tennessee, in order to follow Mr. Richards’ music career, the news segment shows video footage of the Richards family including their two daughters walking in a tranquil neighborhood.

57. Ms. Juarez states:

- “They wanted a home they could afford and found builder Mike Bedsole”

58. The news segment then shows video footage taken by the Richards, where they are shown confronting Mr. Bedsole, ambush-style, with Ms. Richards demanding from Mr. Bedsole “answers” to their questions and editorializing that Mr. Bedsole was being “evicted” from the property.

59. Mr. Richards then states:

- “We spoke to the lawyer (Mr. Wagner) and he said if you move the tiny house, we’ll have you arrested for stealing and we said what are you talking about, and he said you don’t own the title to the house”

60. Ms. Juarez states:

- “Mr. Richards says that Bedsole had put the trailer in his name shortly after their tiny home disappeared from the property”

61. Ms. Juarez then advises the viewers that the Richards found the tiny

home listed for sale on-line. And that it was:

- “Put up for sale by Mike Bedsole”

62. Mr. Richards then states that they can’t afford to hire a lawyer to:

- “Get our house back and seek justice for what has been done”

63. The news segment depicts again in the upper right corner of the screen, “A & E Television Networks,” as video footage from the episode of “Going Tiny in Music City” is shown to viewers, and Ms. Juarez, states:

- “The Richards say they contacted the producers of *Tiny House Nation* who told them it was between them and Bedsole”

64. The broadcast concludes with a statement by lead reporter, Ms. Juarez, and she states:

- “Eyewitness news reached out to Mike Bedsole and his company for a comment and they did not respond”

65. The broadcast falsely states that Mr. Bedsole “had put the trailer in his name shortly after [the Richards’] tiny home disappeared from the property,” that Mr. Bedsole was “evicted,” rather than Mr. Richards pursuant to the Order, and never mentions the Detainer Warrant or final Order entered by the court three months prior to the broadcast that was a matter of public record.

66. There was no mention to viewers on the broadcast by ABC 7 Eyewitness News regarding the telephone conversation their team had only two days prior with Mr. Bedsole’s attorney Mr. Wagner, where Mr. Wagner had explained to the ABC 7

Eyewitness News team that Mr. Bedsole had lawfully and legally obtained possession of the tiny home at issue through a valid court Order.

67. Also notably absent from the broadcast was ABC 7 Eyewitness News' failure to advise its viewers that its owner, Disney, was also a 50% owner in A & E, the broadcast station that aired *Tiny House Nation* the previous month in May of 2019, that featured the Richards family and Mike Bedsole and the manufacture of the tiny home at issue.

68. During this time of the ABC 7 Eyewitness News broadcast, Disney was seeking final court approval from the Department of Justice to go forward with its planned merger and proposed asset purchase of most assets of Twenty-First Century Fox, Inc. ("Fox") for \$71.3 billion. See Case No. 18-05800, United States District Court for the Southern District of New York.

69. Additionally, on May 8, 2019, the same day the "Going Tiny in Music City" episode of *Tiny House Nation* was broadcast by A & E, *The Hollywood Reporter* ran a story that Disney had disclosed it booked a new \$353 million write-down on its investment in Vice Media, the digital company that was being run at the time by former A & E boss Nancy Dubuc. <https://www.hollywoodreporter.com/news/disney-posts-353-million-write-down-vice-media-investment-1209002> (last visited June 9, 2020).

70. The story in *The Hollywood Reporter* noted that Disney's new \$353 million impairment charge on its ownership stake in the new media startup, followed

a \$157 million write-down on its Vice Media investment in November of the previous year.

71. The story further noted that longtime A & E chief Ms. Dubuc had been tapped to help turn around the Brooklyn-based company of Vice Media, and that she told *The Hollywood Reporter* in October that Vice Media was not profitable but that she was working toward the goal by focusing on growth areas like branded content and film and television production. Further, it noted that Ms. Dubuc, who assumed leadership of the company the previous summer, held her first New Front pitch to advertisers on May 1, 2019, unveiling plans to consolidate many of Vice's digital brands into its main website. *Id.*

72. While in the top position as chief executive officer at Disney-controlled A & E, Ms. Dubuc had overseen such unscripted hits as *Duck Dynasty* and *Tiny House Nation*. *Bloomberg* called her “the “*Duck Whisperer*” and “the show picker with the hottest hand in cable television.” See <https://www.bloomberg.com/news/articles/2013-06-20/a-plus-e-networks-ceo-nancy-dubuc-the-duck-whisperer> (last visited June 9, 2020).

73. Disney’s 50% ownership in A & E and ownership of ABC 7 Eyewitness News, its on-going effort to seek court approval from the Department of Justice in its quest to purchase most assets of Fox, and its write-down of \$353 million following a recent \$157 million write-down in its investment in Vice Media now being run by former A & E boss Ms. Dubuc, is significant with respect to timing because in the

ABC 7 Eyewitness News broadcast, Mr. Richards is clearly upset and expresses his resentment, not only with Mr. Bedsole, but also with A & E and *Tiny House Nation*.

74. Disney, as 50% owner of A & E, had an incentive, financially and to its brand and reputation, to protect A & E and its brand and TV show, *Tiny House Nation*, from the negative exposure and criticism the Richards were leveling on their social media accounts and to the media, regarding their negative experience on the TV show that had just aired.

75. Accordingly, Disney, by and through its ownership, direction, and control over ABC 7 Eyewitness News and its broadcast that contained false and defamatory statements and cast Mr. Bedsole in a false negative light, intentionally, maliciously, and wrongfully deflected the Richards' criticism away from A & E and the *Tiny House Nation* TV show, and onto Mr. Bedsole and *Tiny House Chattanooga*. And Disney used the ABC 7 Eyewitness News broadcast as the vehicle to accomplish its goal.

76. ABC 7 Eyewitness News published and disseminated the Exhibit B news broadcast video for viewing by the public on its official website and also has posted and made available an article written by lead reporter Ms. Juarez related to the news broadcast attached hereto as Exhibit C.

77. Upon information and belief, the Exhibits B and C broadcast video and article by Ms. Juarez are still available for viewing by the public at the time of filing this lawsuit on ABC 7 Eyewitness News' official website.

78. ABC 7 Eyewitness News' broadcast and dissemination of the defamatory statements herein were not privileged, nor a fair and accurate report, summary, depiction or representation of the Detainer Warrant, final Order, or the related proceedings regarding the tiny home manufactured by Mr. Bedsole for Mr. Richards.

B. The June 24, 2019 Broadcast by News Channel 9

79. On June 24, 2019, News Channel 9 broadcast, disseminated, and published a segment on its television station entitled, "Cleveland home gone missing in midst of popular TV show." See <https://newschannel9.com/news/local/cleveland-home-gone-missing-in-midst-of-popular-tv-show>. (last visited June 9, 2020.) Prior to this broadcast, News Channel 9 reporters Mr. Luther and Eryn Cooper left voice messages on Mr. Bedsole's phone. Consistent with his position on not wanting to inject himself into the public controversy the Richards had started on-line and on their social media pages with their criticism, Mr. Bedsole declined to personally respond to News Channel 9, preferring to communicate privately with his attorney Mr. Wagner. Attached and incorporated herein by reference as Exhibit D is a video and audio copy of the news segment News Channel 9 broadcast, disseminated, and published to its television viewers on June 24, 2019.

80. Ms. Curtin begins the News Channel 9 weekend broadcast by stating:

- "Tonight we begin with a family out thousands of dollars and a home"

81. Before turning the segment over to her colleague, Mr. Luther, she notes

that Mr. Luther was in the studio and had talked to the couple (Mr. and Ms. Richards), and then Ms. Curtin further states that Mr. Luther and News Channel 9 had been:

- “Digging through court documents the couple sent us”

82. Mr. Luther then takes over the broadcast from Ms. Curtin and states:

- “This family of 4 (Mr. and Ms. Richards and their children) are searching for answers and their home”

83. The broadcast then cuts to an idyllic family scene of a tiny house with a young female toddler walking in front (presumably Mr. and Ms. Richards’ daughter) and Mr. Luther states that Mr. and Ms. Richards were looking forward to their new tiny home:

- “Until all of the sudden their lives were turned upside down”

84. Ms. Richards is then shown on the segment with a graphic at the bottom of the television screen which states:

- “Ben and Rebecca Richards”
- “Missing Tiny House”

85. Mr. Luther continues in the broadcast and the broadcast shows footage of Mr. Bedsole directly facing the camera standing next to and behind a pick-up truck with a tiny home attached to the pick-up truck by trailer, and Mr. Luther states:

- “The Richards say they had their tiny home built by Tiny Homes Chattanooga and Mike Bedsole for an episode of *Tiny House Nation* that ran in May”

86. The broadcast then depicts a screenshot of an unsigned General Sessions detainer warrant with the same case number of the Detainer Warrant and Order referenced above, although the footage is not the most recent final Order containing the Judge's signature where he ordered and granted legal possession of the tiny home in Mr. Bedsole's favor. Mr. Luther states:

- "They (Mr. and Ms. Richards) ended up in Bradley County General Sessions Court"

87. Mr. Luther states that the Richards were ordered to leave their tiny home in just ten (10) days by the court, and the broadcast then cuts to Mr. Richards who states:

- "During those ten days, the builder (Mr. Bedsole) disappeared with our house and we haven't been able to get in contact with him since then"

88. The broadcast then indicates that the tiny home the Richards claim was their tiny home had later been listed on-line and made available to the public for sale. Mr. Luther then states:

- "After explaining the story, the seller took the listing down, saying Mr. Bedsole asked him to sell it"

Mr. Richards states:

- "It felt like such a violation to see our house being shopped around on-line"

89. The broadcast shows the camera getting very close to Mr. Bedsole with

his back toward the camera as if he were avoiding the camera and not wanting to be filmed, then later showing Mr. Bedsole's face. Next the footage shows two young girls, presumably the Richards' daughters, in cute dress-up type clothes. Mr. Luther states:

- "With around \$40,000.00 sunk into the experience, the Richards didn't have a home and were forced to make a long and painful drive across the country"

90. The broadcast then cuts to Ms. Richards who emphatically states:

- "We had our home stolen"
- "You know, that's the big thing. Like, expensive cars get stolen, expensive things get stolen, but this is our home, our girls were calling it home"

91. The broadcast then cuts to Mr. Luther who states:

- "The Richards say they originally went with the builder (Mr. Bedsole) due to the safe and clean way he promised he could build the home. The family believes the home cost much less than the \$157,000.00 quote they were originally given"

92. The broadcast concludes with Ms. Curtin who states:

- "The family (Mr. and Ms. Richards and their two daughters) had to move to California where they are originally from and they are staying with family"

93. News Channel 9 published and disseminated the Exhibit D broadcast

video for viewing by the public on its official website and also has posted and made available an article written by Mr. Luther related to the broadcast attached hereto as Exhibit E. Additionally, News Channel 9 further published and disseminated the Exhibit D broadcast to the public on its Facebook page, attached as Exhibit F. See <https://www.facebook.com/wtvcnewschannel9/videos/2311707119052193/>.

94. Upon information and belief, Exhibits D, E, and F are still available for viewing by the public at the time of filing this lawsuit on News Channel 9's official website and official social media accounts including Facebook.

95. News Channel 9's broadcast and dissemination of the defamatory statements herein were not privileged, nor a fair and accurate report, summary, depiction or representation of the Detainer Warrant, final Order, or the related legal proceedings regarding the tiny home manufactured by Mr. Bedsole for Mr. Richards.

96. Last month on May 6, 2020, the FCC announced the largest civil penalty involving a broadcaster in the agency's 86-year history.

97. Specifically, the FCC fined Sinclair, owner of News Channel 9, and it agreed to pay a \$48 million civil penalty and abide by a strict compliance plan in order to close three open investigations against Sinclair by the FCC pursuant to a Consent Decree. Attached and incorporated herein by reference as Exhibit G is a copy of the FCC press release announcing Sinclair's fine and penalty.

98. An order adopting the Consent Decree along with the Consent Decree itself is attached and incorporated herein by reference as Exhibit H.

99. The Consent Decree closed three investigations into Sinclair’s business practices as follows: (1) An investigation into Sinclair’s disclosure of information relating to its proposed acquisition of stations owned by Tribune Media; (2) An investigation into whether Sinclair had met its obligations to negotiate retransmission consent agreements in good faith; and (3) An investigation into Sinclair’s failure to identify the sponsor of content it produced and supplied to both Sinclair and non-Sinclair television stations. See Exhibit G.

100. The FCC is directed by five commissioners appointed by the president of the United States and confirmed by the United States Senate for five-year terms, except when filling an unexpired term.

101. The U.S. president designates one of the commissioners to serve as chairman. Only three commissioners may be members of the same political party. None of them may have a financial interest in any FCC-related business.

102. President Trump appointed the current chairman of the FCC, Mr. Ajit Pai (“Chairman Pai”). Chairman Pai stated in the recently-released FCC fine against Sinclair that, “Sinclair’s conduct during its attempt to merge with Tribune was completely unacceptable,” and that “[t]oday’s penalty, along with the failure of the Sinclair/Tribune transaction, should serve as a cautionary tale to other licensees seeking Commission approval of a transaction in the future.” See Exhibit G. Unlike some of the other Commissioners; however, Chairman Pai stopped short of thinking Sinclair’s broadcast license should be revoked. *Id.*

103. The current makeup of the FCC Commission is as follows:

Name	Position	State of Residence	Party	Term Expires	Max. Extended Time†
<u>Ajit Pai</u>	Chairman	Kansas	Republican	June 30, 2021	Jan. 3, 2023
<u>Michael O’Rielly</u>	Commissioner	New York	Republican	June 30, 2019	Jan. 3, 2021
<u>Jessica Rosenworcel</u>		Connecticut	Democratic	June 30, 2020	Jan. 3, 2022
<u>Geoffrey Starks</u>		Kansas	Democratic	June 30, 2022	Jan. 3, 2024
<u>Brendan Carr</u>		Virginia	Republican	June 30, 2023	Jan. 3, 2025

See https://en.wikipedia.org/wiki/Federal_Communications_Commission.

104. Two FCC Commissioners, Ms. Jessica Rosenworcel (“Commissioner Rosenworcel”) and Mr. Gregory Starks (“Commissioner Starks”), dissented in the FCC/Sinclair order and Consent Decree.

105. In her dissenting statement, Commissioner Rosenworcel, stated:

Sinclair Broadcast Group has a history of difficulty complying with FCC rules, as demonstrated by multiple forfeiture orders, notices of apparent liability, and admonishment from this agency. I respect the desire of

the company to remedy past behavior but find suspect the agency's willingness to contort the law and its rules to allow them to do so.

See Exhibit H, pg. 22.

106. In his dissenting statement, Commissioner Starks, stated:

Sunlight is the best disinfectant. The majority's conclusion that there is no substantial and material question of fact as to whether a character qualifying issue arises from the Sinclair conduct is not warranted, and the decision to allow Sinclair to pay a penalty in lieu of fully accounting for its admitted lack of candor in the Sinclair-Tribune transaction is an abdication of our responsibility to enforce our rules and to require that broadcast licensees act in the public interest, not in furtherance of their own interests.

See Exhibit H, pg. 24.

107. As referenced by Commissioner Rosenworcel in her dissenting statement, Sinclair's past business practices have been questionable to say the least, and it has suffered the ire of the FCC on more than one occasion.

108. Sinclair's past journalistic practices have also taken a series of hits in the court of public perception over the years, and Sinclair is viewed by critics as having a biased political view. That biased political view and heavy-handed managerial style extends to Sinclair's iron-fisted rule over its local journalists, reporters, and local news stations, including final authority over the content local news journalists publish and broadcast. For example, in March of 2018, CNN's senior media correspondent and host of *Reliable Sources*, Brian Stelter, first reported in CNN Money that Sinclair was requiring its local news anchors to read scripted promos bashing "fake news," and voicing complaints to viewers about the biased

mainstream media. <https://money.cnn.com/2018/03/07/media/sinclair-broadcasting-promos-media-bashing/index.html> (last visited June 9, 2020).

109. Mr. Stelter had obtained internal documents from Sinclair local news journalists, and Sinclair's corporate office was calling the new initiative an "anchor delivered journalistic responsibility message." *Id.*

110. The Sinclair local staffers who shared the documents with CNN said the promos were inappropriate and yet another corporate infringement on local journalism. One Sinclair local anchor insisted on anonymity because they believed they would be fired for speaking out. The local anchor stated, "At my station, everyone was uncomfortable doing it." *Id.*

111. The instructions handed down by Sinclair management to its local news stations say, "Please produce the attached scripts exactly as they are written," and "[t]his copy has been thoroughly tested and speaks to our Journalistic Responsibility as advocates to seek the truth on behalf of the audience." "I felt like a POW recording a message," said one of the local anchors. *Id.*

112. Scott Livingston, Sinclair's senior vice president of news, in a statement to CNN prior to publication of the article, said, "Promo messages, like the one you are referring to, are very common in our industry." "This promo addresses the troubling trend of false stories on *social media* [Livingston's emphasis], and distinguishes our trusted local stations as news destinations where we are committed to honest and accurate reporting. This promo reminds our viewers of this mission." *Id.*

113. After Mr. Stelter's story, *Deadspin* spliced together clips of various Sinclair local news anchors in a chilling video mashup that went viral with over 6 million views on Twitter in the first weekend. The mashup showed local Sinclair news anchors delivering the new "journalistic responsibility message," while saying the same scripted lines in lockstep unison that had been handed down from corporate. <https://theconcourse.deadspin.com/how-americas-largest-local-tv-owner-turned-its-news-anc-1824233490> (last visited June 9, 2020).

114. Media Matters identified the 66 local news stations across 29 states and D.C. that participated in Sinclair's scripted promo video. News Channel 9 was one of the local news stations that participated, and its lead anchors Josh Roe and Kim Chapman delivered the Sinclair scripted promo on behalf of News Channel 9 and it can be found at <https://www.mediamatters.org/sinclair-broadcast-group/here-are-66-local-news-stations-airing-sinclairs-brainwashing-anti-media> (last visited June 10, 2020).

115. News Channel 9 had implemented Sinclair's new mission-driven policy of "Journalistic Responsibility Advocacy" approximately one year prior to its false and defamatory broadcast about Mr. Bedsole and Tiny House Chattanooga as set forth herein.

COUNT I-DEFAMATION (LIBEL)

(All Defendants)

116. The allegations of the preceding paragraphs (1-115) are incorporated herein by reference as if fully restated.

117. The Defendants broadcast, disseminated, and published the defamatory statements referenced herein about Mr. Bedsole and Tiny House Chattanooga, which were false and misleading, to their television viewers and on-line subscribers in the Chattanooga, Tennessee metropolitan area and beyond, on or about June 22, 2019 and June 24, 2019.

118. The Defendants knew or should have known that the defamatory statements broadcast, disseminated, and published were false and defamatory as to Mr. Bedsole because the Bradley County General Sessions Court in its Order had previously ordered and granted to Mr. Bedsole, lawful and legal possession of the tiny home that was manufactured for Mr. Richards.

119. The finalized Order had been entered by the court approximately three months prior to the Defendants airing, publishing, and disseminating the broadcasts at issue. The final Order granting legal and lawful possession of the tiny home in Mr. Bedsole's favor was a matter of public record that was readily available to the Defendants for verification had they bothered to actually verify and investigate this legal and public record.

120. However, the Defendants purposely ignored the public Order which would have confirmed the defamatory statements they disseminated to the public were untrue and misleading.

121. A reasonable investigation by the Defendants into the public Order would have revealed significant “questions” and “red-flags” regarding what the Richards were saying on the air and on social media that the Defendants purposely chose to disseminate to the public.

122. The Defendants knew by their false and misleading broadcast, dissemination, and publication that Mr. Bedsole’s character and reputation, both personally, and professionally, as a manufacturer of tiny homes in Tennessee and across the country including California, would be severely damaged.

123. The Defendants broadcast, disseminated, and published the defamatory statements with actual malice, reckless disregard for the truth or falsity of the defamatory statements, and/or with negligence in failing to ascertain the truth or falsity of the defamatory statements, by verifying the actual public court records related to the Detainer Warrant and Order and the tiny home manufactured by Mr. Bedsole for Mr. Richards.

124. The Defendants’ broadcasts gave the viewers and on-line subscribers the false impression that Mr. Bedsole had committed criminal theft or done something illegal to gain possession of the tiny home from the Richards family, and that he did not have legal rights or legal authority to possess the tiny home the Richards claim

was their tiny home, even though the Detainer Warrant and Order related to the public court proceedings granted Mr. Bedsole legal and lawful rights of possession to the tiny home at issue.

125. As a result of the Defendants' actions, inactions, misrepresentations, and/or omissions in broadcasting, disseminating, and publishing the defamatory and false statements herein, Mr. Bedsole's character and reputation have been damaged, and he has suffered, and will continue to suffer, economic and non-economic damages as a result. Further, as a result of the Defendants' actions, inactions, misrepresentations, and/or omissions in broadcasting, disseminating, and publishing the defamatory and false statements herein, Mr. Bedsole has been exposed to public scorn, hatred, contempt, humiliation, or ridicule, thereby discouraging others in the community of having a good opinion of Mr. Bedsole or associating with him.

126. Since the broadcasts of the defamatory statements by the Defendants, Mr. Bedsole is facing the prospect of filing bankruptcy and his business revenue and income have decreased significantly. Moreover, Mr. Bedsole started receiving death threats from people immediately after the broadcasts aired, and his family members have also received threats of bodily harm, injury, and death as a result of Mr. Bedsole being depicted as an immoral person or criminal as the Defendants depicted him in the broadcasts.

127. His business revenue in the past few years for Tiny House Chattanooga were as follows:

- 2017 - \$790,789 per tax filing.
- 2018 - \$970,384 per tax filing.
- 2019 - \$368,972.

128. Notably, his revenue in 2019, the year in which the defamatory broadcasts were published, broadcast, and disseminated by the Defendants, decreased significantly from previous years.

129. ABC 7 Eyewitness News, Ms. Juarez, Disney, ABC Licensee, and ABC published the Exhibits B and C broadcast video and written article (with embedded broadcast video) with actual malice by making a calculated decision not to pressure-test the Richards' claims that their tiny home was "missing" or "stolen" in order to publish a biased, preconceived narrative despite serious doubts about the credibility of their sources, Mr. and Ms. Richards.

130. ABC 7 Eyewitness News, Ms. Juarez, Disney, ABC Licensee, and ABC published the Exhibits B and C broadcast video and written article (with embedded broadcast video) with actual malice by purposely avoiding obtaining a copy of the publicly-available Order entitling Mr. Bedsole to legal possession of the tiny home, which would have contradicted the Richards' preconceived storyline.

131. ABC 7 Eyewitness News, Ms. Juarez, Disney, ABC Licensee, and ABC published the Exhibits B and C broadcast video and written article (with embedded broadcast video) with actual malice by making a calculated decision to hide from

public view that Disney partially owned and controlled A & E and the *Tiny House Nation* TV show in order to deflect the Richards' public criticism away from A & E and the *Tiny House Nation* TV show, and onto Mr. Bedsole and Tiny House Chattanooga, and Disney used the ABC 7 Eyewitness News defamatory broadcast as the vehicle to accomplish its goal.

132. ABC 7 Eyewitness News, Ms. Juarez, Disney, ABC Licensee, and ABC published the Exhibits B and C broadcast video and written article (with embedded broadcast video) with actual malice by making a calculated decision to interview Mr. Bedsole's licensed Tennessee attorney Patrick Wagner and to entirely disregard the information Mr. Wagner provided about the tiny home, Mr. and Ms. Richards living in the tiny home rent-free for several months at Mr. Bedsole's expense, the public Detainer Action and Order, and that Mr. Bedsole obtained possession of the tiny home through legal and valid judicial process.

133. ABC 7 Eyewitness News, Ms. Juarez, Disney, ABC Licensee, and ABC published the Exhibits B and C broadcast video and written article (with embedded broadcast video) with actual malice by repeatedly lying in an effort to bolster the credibility of their false story about the tiny home and the Richards' false and untrue claims that their tiny home was "missing" or "stolen."

134. ABC 7 Eyewitness News, Ms. Juarez, Disney, ABC Licensee, and ABC published the Exhibits B and C broadcast video and written article (with embedded broadcast video) with actual malice because they had serious doubts as to the truth of the Richards' statements and claims of their tiny home being "missing" or "stolen"

and they had a high degree of awareness the claims were probably false, and therefore were required to investigate the veracity of the claims before publishing them.

135. ABC 7 Eyewitness News, Ms. Juarez, Disney, ABC Licensee, and ABC published the Exhibits B and C broadcast video and written article (with embedded broadcast video) with actual malice because they purposely avoided the truth, and purposely avoided interviewing sources and following fundamental reporting practices intentionally in order to avoid the truth.

136. News Channel 9, Mr. Luther, Ms. Curtin, Sinclair, WTVC Licensee, and ABC published the Exhibits D, E, and F broadcast video and written articles (with embedded broadcast video) with actual malice by making a calculated decision not to pressure-test the Richards' claims that their tiny home was "missing" or "stolen" in order to publish a biased, preconceived narrative despite serious doubts about the credibility of their sources, Mr. and Ms. Richards.

137. News Channel 9, Mr. Luther, Ms. Curtin, Sinclair, WTVC Licensee, and ABC published the Exhibits D, E, and F broadcast video and written articles (with embedded broadcast video) with actual malice by purposely avoiding obtaining a copy of the publicly-available Order entitling Mr. Bedsole to legal possession of the tiny home, which would have contradicted the Richards' preconceived storyline.

138. News Channel 9, Mr. Luther, Ms. Curtin, Sinclair, WTVC Licensee, and ABC published the Exhibits D, E, and F broadcast video and written articles (with embedded broadcast video) with actual malice by repeatedly lying in an effort to

bolster the credibility of their false story about the tiny home and the Richards' false and untrue claims that their tiny home was "missing" or "stolen."

139. News Channel 9, Mr. Luther, Ms. Curtin, Sinclair, WTVC Licensee, and ABC published the Exhibits D, E, and F broadcast video and written articles (with embedded broadcast video) with actual malice because they had serious doubts as to the truth of the Richards' statements and claims of their tiny home being "missing" or "stolen" and they had a high degree of awareness the claims were probably false, and therefore were required to investigate the veracity of the claims before publishing them.

140. News Channel 9, Mr. Luther, Ms. Curtin, Sinclair, WTVC Licensee, and ABC published the Exhibits D, E, and F broadcast video and written articles (with embedded broadcast video) with actual malice because they purposely avoided the truth, purposely avoided interviewing sources, such as Mr. Bedsole's licensed Tennessee attorney Patrick Wagner, whose name was listed on the Detainer Warrant they depicted in a screenshot on their broadcast, and purposely avoided following fundamental reporting practices intentionally in order to avoid the truth.

141. News Channel 9, Mr. Luther, Ms. Curtin, Sinclair, WTVC Licensee, and ABC published the Exhibits D, E, and F broadcast video and written articles (with embedded broadcast video) with actual malice because Sinclair made a calculated decision to implement its mission-driven policy of "Journalistic Responsibility Advocacy," which is not a generally-accepted fundamental reporting practice because it does not allow local news journalists the intellectual autonomy to rigorously

investigate potential news stories, including “the troubling trend of false stories on *social media*,” the very problem Sinclair’s senior vice president of news Scott Livingston purported to address when he implemented the new policy, and the very cause of Mr. Bedsole’s injury to his reputation, since the Richards began their false and fabricated narrative and “fake news” of their “missing” and “stolen” tiny home on social media by organizing a fundraiser on GoFundMe.

COUNT II-DEFAMATION
(FALSE LIGHT INVASION OF PRIVACY)
(All Defendants)

142. The allegations of the preceding paragraphs (1-141) are incorporated herein by reference as if fully restated.

143. By publishing the defamatory statements to their television viewers and on-line and social media subscribers, the Defendants gave publicity to an alleged or implied theft or illegal behavior by Mr. Bedsole that was false and untrue and placed him in a negative false light before the public and as a result, was an invasion of Mr. Bedsole’s privacy.

144. The false light in which Mr. Bedsole was placed as a result of the published defamatory statements, was highly offensive to a reasonable person.

145. The Defendants had knowledge of or acted in reckless disregard as to the truth or falsity of the published defamatory statements and the false light in which Mr. Bedsole would be placed.

146. As a result of being placed in a negative false light before the public, Mr. Bedsole's privacy has been invaded and his character and reputation have been damaged, and he has suffered, and will continue to suffer, economic and non-economic damages as a result.

147. ABC 7 Eyewitness News, Ms. Juarez, Disney, ABC Licensee, and ABC published the Exhibits B and C broadcast video and written article (with embedded broadcast video) with actual malice by making a calculated decision not to pressure-test the Richards' claims that their tiny home was "missing" or "stolen" in order to publish a biased, preconceived narrative despite serious doubts about the credibility of their sources, Mr. and Ms. Richards.

148. ABC 7 Eyewitness News, Ms. Juarez, Disney, ABC Licensee, and ABC published the Exhibits B and C broadcast video and written article (with embedded broadcast video) with actual malice by purposely avoiding obtaining a copy of the publicly-available Order entitling Mr. Bedsole to legal possession of the tiny home, which would have contradicted the Richards' preconceived storyline.

149. ABC 7 Eyewitness News, Ms. Juarez, Disney, ABC Licensee, and ABC published the Exhibits B and C broadcast video and written article (with embedded broadcast video) with actual malice by making a calculated decision to hide from public view that Disney partially owned and controlled A & E and the *Tiny House Nation* TV show in order to deflect the Richards' public criticism away from A & E and the *Tiny House Nation* TV show, and onto Mr. Bedsole and *Tiny House*

Chattanooga, and Disney used the ABC 7 Eyewitness News defamatory broadcast as the vehicle to accomplish its goal.

150. ABC 7 Eyewitness News, Ms. Juarez, Disney, ABC Licensee, and ABC published the Exhibits B and C broadcast video and written article (with embedded broadcast video) with actual malice by making a calculated decision to interview Mr. Bedsole's licensed Tennessee attorney Patrick Wagner and to entirely disregard the information Mr. Wagner provided about the tiny home, Mr. and Ms. Richards living in the tiny home rent-free for several months at Mr. Bedsole's expense, the public Detainer Action and Order, and that Mr. Bedsole obtained possession of the tiny home through legal and valid judicial process.

151. ABC 7 Eyewitness News, Ms. Juarez, Disney, ABC Licensee, and ABC published the Exhibits B and C broadcast video and written article (with embedded broadcast video) with actual malice by repeatedly lying in an effort to bolster the credibility of their false story about the tiny home and the Richards' false and untrue claims that their tiny home was "missing" or "stolen."

152. ABC 7 Eyewitness News, Ms. Juarez, Disney, ABC Licensee, and ABC published the Exhibits B and C broadcast video and written article (with embedded broadcast video) with actual malice because they had serious doubts as to the truth of the Richards' statements and claims of their tiny home being "missing" or "stolen" and they had a high degree of awareness the claims were probably false, and therefore were required to investigate the veracity of the claims before publishing them.

153. ABC 7 Eyewitness News, Ms. Juarez, Disney, ABC Licensee, and ABC published the Exhibits B and C broadcast video and written article (with embedded broadcast video) with actual malice because they purposely avoided the truth, and purposely avoided interviewing sources and following fundamental reporting practices intentionally in order to avoid the truth.

154. News Channel 9, Mr. Luther, Ms. Curtin, Sinclair, WTVC Licensee, and ABC published the Exhibits D, E, and F broadcast video and written articles (with embedded broadcast video) with actual malice by making a calculated decision not to pressure-test the Richards' claims that their tiny home was "missing" or "stolen" in order to publish a biased, preconceived narrative despite serious doubts about the credibility of their sources, Mr. and Ms. Richards.

155. News Channel 9, Mr. Luther, Ms. Curtin, Sinclair, WTVC Licensee, and ABC published the Exhibits D, E, and F broadcast video and written articles (with embedded broadcast video) with actual malice by purposely avoiding obtaining a copy of the publicly-available Order entitling Mr. Bedsole to legal possession of the tiny home, which would have contradicted the Richards' preconceived storyline.

156. News Channel 9, Mr. Luther, Ms. Curtin, Sinclair, WTVC Licensee, and ABC published the Exhibits D, E, and F broadcast video and written articles (with embedded broadcast video) with actual malice by repeatedly lying in an effort to bolster the credibility of their false story about the tiny home and the Richards' false and untrue claims that their tiny home was "missing" or "stolen."

157. News Channel 9, Mr. Luther, Ms. Curtin, Sinclair, WTVC Licensee, and ABC published the Exhibits D, E, and F broadcast video and written articles (with embedded broadcast video) with actual malice because they had serious doubts as to the truth of the Richards' statements and claims of their tiny home being "missing" or "stolen" and they had a high degree of awareness the claims were probably false, and therefore were required to investigate the veracity of the claims before publishing them.

158. News Channel 9, Mr. Luther, Ms. Curtin, Sinclair, WTVC Licensee, and ABC published the Exhibits D, E, and F broadcast video and written articles (with embedded broadcast video) with actual malice because they purposely avoided the truth, purposely avoided interviewing sources, such as Mr. Bedsole's licensed Tennessee attorney Patrick Wagner, whose name was listed on the Detainer Warrant they depicted in a screenshot on their broadcast, and purposely avoided following fundamental reporting practices intentionally in order to avoid the truth.

159. News Channel 9, Mr. Luther, Ms. Curtin, Sinclair, WTVC Licensee, and ABC published the Exhibits D, E, and F broadcast video and written articles (with embedded broadcast video) with actual malice because Sinclair made a calculated decision to implement its mission-driven policy of "Journalistic Responsibility Advocacy," which is not a generally-accepted fundamental reporting practice because it does not allow local news journalists the intellectual autonomy to rigorously investigate potential news stories, including "the troubling trend of false stories on *social media*," the very problem Sinclair's senior vice president of news Scott

Livingston purported to address when he implemented the new policy, and the very cause of Mr. Bedsole's injury to his reputation, since the Richards began their false and fabricated narrative and "fake news" of their "missing" and "stolen" tiny home on social media by organizing a fundraiser on GoFundMe.

COUNT III-INTENTIONAL INFLICTION
OF EMOTIONAL DISTRESS
(All Defendants)

160. The allegations of the preceding paragraphs (1-159) are incorporated herein by reference as if fully restated herein.

161. The Defendants acted intentionally and/or with reckless disregard in publishing the defamatory statements about Mr. Bedsole.

162. The Defendants' conduct in publishing the defamatory statements about Mr. Bedsole and destroying his character and reputation, were so outrageous that it cannot be tolerated by civilized society.

163. This conduct by the Defendants has resulted in serious emotional and mental injury to Mr. Bedsole, evidenced by stress and emotional fatigue, and other associated problems Mr. Bedsole has suffered, including the significant loss of personal and business income and unwelcome death threats.

164. As a result of being subjected to intentional infliction of emotional distress, Mr. Bedsole has suffered, and will continue to suffer, serious emotional and mental injury and distress.

COUNT IV-NEGLIGENT INFLICTION
OF EMOTIONAL DISTRESS

(All Defendants)

165. The allegations of the preceding paragraphs (1-164) are incorporated herein by reference as if fully restated.

166. The Defendants owed a duty to Mr. Bedsole to report fairly and accurately any alleged illegal or unlawful behavior regarding the tiny home manufactured for Mr. Richards and to also report on the Order which was a matter of public record and which gave legal possession of the tiny home to Mr. Bedsole and Tiny House Chattanooga.

167. The Defendants breached that duty they owed to Mr. Bedsole by publishing the defamatory statements and omitting or not fairly and accurately reporting on the Order that was a matter of public record.

168. As the proximate cause of the defamatory statements being published and disseminated to viewers and on-line subscribers, Mr. Bedsole has sustained serious emotional and mental injury evidenced by stress and emotional fatigue, and other associated problems.

COUNT V-INTENTIONAL INTERFERENCE
WITH BUSINESS RELATIONSHIPS

(All Defendants)

169. The allegations of the preceding paragraphs (1-168) are incorporated herein by reference as if fully restated.

170. Mr. Bedsole had an existing relationship with Steven Harrell and his on-line listing to sell the tiny home at issue to the public, and Mr. Bedsole also had a prospective relationship with potential on-line purchasers in the public domain to sell the tiny home at issue.

171. The Defendants contacted and communicated with Steven Harrell and intended for Steven Harrell to terminate his relationship with Mr. Bedsole, which he did, regarding the sale of the tiny home in the on-line listing, and further intended that Mr. Bedsole would not have any prospective purchasers of the tiny home at issue on-line or by any other method to purchase the tiny home, which he doesn't.

172. The Defendants' improper motive to cause the breach and/or termination of Mr. Bedsole's existing and prospective relationships was in order to enhance their television ratings by broadcasting and disseminating sensationalized news stories, to further their reputations in broadcasting, for financial reasons, and to deflect criticism away from them and onto Mr. Bedsole and Tiny House Chattanooga.

173. As a result of the tortious interference by the Defendants, Mr. Bedsole has suffered significant monetary damages including his inability to sell the tiny home at issue, as the tiny home is viewed as tainted on the public market or that Mr. Bedsole gained possession of it via an illegal scheme or artifice or by criminal means. Mr. Bedsole has suffered further, future damages as a result of the Defendants' tortious interference in decreased sales of tiny homes in general.

COUNT VI-DAMAGES

(All Defendants)

174. The allegations of the preceding paragraphs (1-173) are incorporated herein by reference as if fully restated.

175. Mr. Bedsole has suffered significant past, present, and future monetary damages as the direct and proximate result of the defamatory statements in his current profession as a manufacturer of tiny homes, and he has suffered damages to his character and reputation.

176. Mr. Bedsole has further suffered damages as the direct and proximate result of the defamatory statements, in lost future tiny home manufacturing business and employment opportunities, because the nature of the defamatory statements being published by the Defendants has harmed his character and reputation and has stigmatized Mr. Bedsole, resulting in the diminishment of his future business and employment opportunities as a manufacturer of tiny homes.

177. As the direct and proximate cause of the defamatory statements being published to viewers, Mr. Bedsole has sustained serious emotional and mental injury evidenced by stress and emotional fatigue, and other associated problems.

COUNT VII-PUNITIVE DAMAGES

(All Defendants)

178. The allegations of the preceding paragraphs (1-177) are incorporated herein by reference as if fully restated.

179. In publishing the defamatory statements, the Defendants acted with actual malice for which Mr. Bedsole has suffered damages as the direct and proximate cause thereof, and he is entitled to recover punitive damages in order to punish and deter the Defendants from future and further defamatory and malicious behavior and dissemination to the public of untrue, false and misleading broadcasts.

JURY DEMANDED

180. The allegations of the preceding paragraphs (1-179) are incorporated herein by reference as if fully restated.

181. Mr. Bedsole demands a trial by jury on all counts herein.

WHEREFORE, Mr. Bedsole respectfully prays for the following relief:

- A. That civil service of process issue against all Defendants and that they be required to file answers in accordance with the Tennessee Rules of Civil Procedure;
- B. That a jury of twelve persons be empaneled to try the issues on all counts as set forth herein;
- C. That he be awarded a judgment and compensatory damages against the Defendants, individually, jointly and severally, on all counts herein in an amount to be proven at a jury trial but not less than \$50,000,000.00;
- D. That he be awarded a judgment and punitive damages against the Defendants, individually, jointly, and severally, on all counts herein in an amount to be proven at a jury trial but not less than \$200,000,000.00, for a total combined amount in compensatory and punitive damages of \$250,000,000.00;
- E. That the Defendants and their affiliates be required to retract any and all publications of defamatory statements and false and negative depictions about Mr. Bedsole and Tiny House Chattanooga; and
- F. That this Court award him any further relief to which he may be entitled.

Respectfully Submitted,

**DUNCAN, HATCHER,
HOLLAND & FLEENOR, P.C.**



M. E. Buck Dougherty III (BPR #022474)
Phillip E. Fleenor (BPR #12075)
Chanse J. Hayes (BPR #37220)
Duncan, Hatcher, Holland & Fleenor, P.C.
1418 McCallie Avenue
Chattanooga, TN 37404
423-266-2207 (Phone)
bdougherty@duncanhatcher.com
pfleenor@duncanhatcher.com
chayes@duncanhatcher.com

Attorneys for Plaintiff