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11 IMMERSIVE MANAGEMENT HOLDINGS LLC

12 **UNITED STATES DISTRICT COURT**
13 **CENTRAL DISTRICT OF CALIFORNIA**

14 IMMERSIVE MANAGEMENT
15 HOLDINGS LLC,

16 Plaintiff,

17 v.

18 INDIGO DRAGON GROUP (UK)
19 LTD.,

20 Defendant.

CASE NO.:

**IMMERSIVE MANAGEMENT
HOLDINGS LLC'S PETITION TO
CONFIRM ARBITRATION AWARD**

Date:

Time:

Courtroom:

1 **PETITION TO CONFIRM ARBITRATION AWARD**

2 Petitioner Immersive Management Holdings LLC’s (“Petitioner” or “IMH”),
3 by and through its counsel, hereby petitions this Court to confirm the final ruling
4 and arbitration award of the JAMS International Arbitration dated September 22,
5 2021 (the “Final Arbitration Award”).

6 **NATURE OF ACTION**

7 1. This is a Petition brought pursuant to the Federal Arbitration Act
8 (“FAA”) to confirm and enforce a final arbitration award issued in an arbitration
9 before JAMS in JAMS Case No. 1220065786 (the “Arbitration”) between
10 Petitioner and Respondent Indigo Dragon Group (UK) Ltd. (“Respondent” or
11 “IDGL,” and together with Petitioner, the “Parties” and each a “Party”). The final
12 arbitration award was issued in favor of IMH and against IDGL in the amount of
13 \$45,000,000.00, plus fees and costs in the amount of \$130,900.96.

14 **PARTIES**

15 2. Petitioner IMH is a limited liability company organized and existing
16 under the laws of the State of Delaware, with its principal place of business in Los
17 Angeles, California.

18 3. Upon information and belief, Respondent IDGL is a limited company
19 organized and existing under the laws of the United Kingdom (“UK”) with its
20 principal place of business in Hong Kong, China. Upon information and belief,
21 IDGL is a citizen of the foreign nations of the United Kingdom and/or China.

22 **JURISDICTION AND VENUE**

23 4. This Court has subject matter jurisdiction over this matter pursuant to 28
24 U.S.C. § 1331 because this action arises under the laws of the United States,
25 specifically Chapter Two of the Federal Arbitration Act. 9 U.S.C. § 203.

26 5. This Court also has subject matter jurisdiction over this matter
27 pursuant to 28 U.S.C. §1332(a)(2) in that this is a civil action between citizens of
28 different states and the amount in controversy is in excess of \$75,000, exclusive of

1 interest and costs. Petitioner IMH is a Delaware LLC based in Los Angeles,
2 California and its two members, Cary Granat and Ed Jones, are individuals who are
3 citizens of California and Texas, respectively. Respondent is a citizen or subject of
4 a foreign state.

5 6. This Court has personal jurisdiction over the Parties because they
6 have availed themselves to the forum voluntarily by agreeing to participate in the
7 arbitration underlying this Petition in this forum.

8 7. Venue is proper in the United States District Court for the Central
9 District of California pursuant to 9 U.S.C. § 9 because this is the judicial district in
10 which the arbitration award sought to be confirmed was made.

11 **FACTUAL BACKGROUND**

12 8. Petitioner IMH is a first of its kind business conceived to develop
13 state-of-the-art entertainment parks, including Westworld style theme parks that
14 use virtual reality and digital effects technology to give consumers realistic,
15 immersive experiences. To bring this experience to life, IMH sought to partner
16 with funders in a joint venture in which IMH would contribute the operations,
17 technology and creative teams of its affiliate company, Immersive Artistry, LLC,
18 and its subsidiaries, and the funder would bring a minimum of \$45 million of
19 funding to a 50/50 venture under a new entity, Culture Fusion LLC (“Culture
20 Fusion”).

21 9. Kahlil Piscopo and Ryan Kinghorn are the CEO and COO,
22 respectively, of Respondent IDGL. Mr. Piscopo and Mr. Kinghorn held IDGL out
23 as a sophisticated company experienced with large investments around the world
24 and substantial funds in the billions under their control. Mr. Piscopo recognized the
25 ingenuity and promise of IMH’s vision, and expressed interest that IDGL wanted
26 to be IMH’s partner and fund the joint venture, and wished to proceed
27 immediately. IDGL represented to IMH that it had more than sufficient capital to
28 make an initial \$15-45 million investment to launch Culture Fusion. Indeed, IDGL

1 regularly referred to, and showed IMH evidence of, investments in the hundreds of
2 millions of dollars and capital backing in the billions of dollars. Based on IDGL’s
3 representations, IMH decided to move forward.

4 10. On April 2, 2020, IMH and IDGL solidified the deal by entering into
5 a Letter Agreement, in which IDGL agreed to provide \$45,000,000.00 in funding
6 in the form of capital contributions towards the joint venture between the Parties.
7 The Letter Agreement governs the Parties’ contractual relationship. Attached as
8 Exhibit 1 to the accompanying declaration of Remi Salter is a true and correct copy
9 of the Letter Agreement between IDGL and IMH.

10 11. Clause 5 of the Letter Agreement contains a mandatory arbitration
11 provision specifying that:

12 any dispute under or relating to the terms of this Letter
13 Agreement or any breach thereof . . . shall be submitted
14 to binding arbitration by JAMS, before a single arbitrator
15 (who will have extensive experience arbitrating disputes
16 in the entertainment industry), in Los Angeles, California
17 in accordance with the rules promulgated by said
18 association and any judgment and award rendered
19 thereby may be confirmed by any court having
20 jurisdiction thereof.

21 12. A dispute arose between IMH and IDGL when IDGL failed to pay the
22 \$45,000,000 in funding explicitly called for in the Letter Agreement, despite IMH
23 having performed its obligations under the Letter Agreement.

24 13. On July 20, 2020, IMH commenced arbitration against IDGL for
25 breach of the Letter Agreement and fraud. JAMS provided notice to all parties on
26 August 6, 2020 that it had received IMH’s Request for Arbitration. Ms. Barbara A.
27 Reeves, Esq. (the “Arbitrator”) was appointed as the arbitrator in accordance with
28 the JAMS International Rules of Arbitration on November 24, 2020.

1 14. On July 21, 2021, the arbitration took place before the Arbitrator in
2 Los Angeles, California, conducted via the JAMS Zoom platform due to the
3 COVID-19 pandemic. IDGL failed to appear, and failed to submit a Statement of
4 Defense. IMH submitted an Arbitration Brief, exhibits, and the declaration and
5 testimony of Cary Granat and Robert Mockler.

6 15. On August 9, 2021, the arbitrator closed the proceedings. The
7 Arbitrator reopened the proceedings on August 31, 2021 requesting additional
8 submissions on Delaware law and remedies sought, which IMH provided. The
9 proceedings were subsequently closed on September 14, 2021.

10 16. On September 22, 2021, the Arbitrator issued a detailed ten-page
11 arbitration award, ruling that:

12 i.) within thirty days from the date of the Final Award,
13 IDGL was to pay to IMH \$45,000,000.00 in accordance
14 with the April 2, 2020, Letter Agreement to fund its full
15 capital contribution in a joint venture, Culture Fusion
16 Ltd., for the purposes of, among other things, funding
17 and operating Culture Fusion operations containing the
18 operations of Immersive Artistry, LLC and its
19 subsidiaries (“Immersive Artistry”);

20 ii.) IMH and IDGL would each own 50% of the equity
21 interests of Culture Fusion and have mutual approval
22 over the business of Culture Fusion; and

23 iii.) within thirty days from the date of the Final Award,
24 IDGL was to pay to IMH fees and costs in the amount of
25 \$130,900.96.

26 Attached as Exhibit 3 to the accompanying declaration of Remi Salter is a true and
27 correct copy of the final ruling and arbitration award of the JAMS International
28 Arbitration dated September 22, 2021 (the “Final Arbitration Award”).

1 17. To date, IDGL has not paid any portion of the Final Arbitration
2 Award.

3 18. IMH hereby petitions this Court to confirm the Final Arbitration Award
4 attached as Exhibit 3 to the accompanying Declaration of Remi Salter pursuant to
5 the Federal Arbitration Act, and direct that judgment be entered thereon.

6 **COUNT ONE**

7 **(Confirm Arbitration Award under the Federal Arbitration Act)**

8 19. Petitioner repeats and realleges paragraphs 1 through __, as if fully set
9 forth within.

10 20. The Final Arbitration Award should be confirmed. Confirmation of
11 the Final Arbitration Award is warranted pursuant to the FAA as the Letter
12 Agreement contains a written agreement to arbitrate involving interstate commerce
13 and provides that this Court may enter judgment on the award. 9 U.S.C. § 2, 9.

14 21. The FAA requires that an arbitration award be confirmed unless the
15 court finds grounds to vacate, modify, or correct the award. 9 U.S.C. § 9. None of
16 the grounds set forth in the FAA for vacatur, modification, or correction exists with
17 respect to the Final Arbitration Award.

18 22. The Petition is timely as Petitioner has brought this action within one
19 year after the Final Arbitration Award was made on September 22, 2021. 9 U.S.C.
20 § 9.

21 **PRAYER FOR RELIEF**

22 WHEREFORE, the Court should enter judgment in favor of IMH and
23 against IDGL:

- 24 1. Confirming the Final Arbitration Award in favor of IMH in the
25 underlying arbitration, as authorized by Section 9 of the Federal
26 Arbitration Act;
27 2. Ordering IDGL to pay to IMH \$45,000,000.00 in accordance with the
28 April 2, 2020, Letter Agreement as provided in the Arbitration Award;

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- 3. Ordering IDGL to pay to IMH fees and costs in the amount of \$130,900.96 as provided in the Final Arbitration Award; and
- 4. Granting any and all other relief that the Court deems just and proper.

DATED: November 11, 2021

STEPTOE & JOHNSON LLP

By: /s/ Robert W. Mockler
Robert W. Mockler
Remi Salter
Attorneys for Plaintiff IMMERSIVE
MANAGEMENT HOLDINGS LLC