# Bartko Pavia

# BARTKO PAVIA'S PATRICK M. RYAN OBTAINS \$222 MILLION JURY VERDICT AGAINST WALMART

## **Press Release**

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#### **Press Contact**

Katy von Treskow

kvontreskow@bartkopavia.com

(310) 963-9037

On behalf of agri-tech startup Zest Labs, Inc., Bartko Pavia's Patrick M. Ryan obtains \$222 million jury verdict against Walmart

Zest Labs, Inc. et al. v. Wal-Mart Inc., U.S. District Court, Eastern District of Arkansas, Case No. 4:18-cv-00500-JM

**Little Rock, Ark, May 13, 2025** - Patrick M. Ryan of Bartko Pavia LLP is lead counsel on behalf of Zest Labs, Inc. in a contentious trade secrets dispute against Walmart that has been pending in federal court in Arkansas. On May 13, 2025, a unanimous jury awarded Zest \$222 million, comprising \$72.7 million in compensatory and \$150 million in punitive damages against Walmart.

This is one of the largest verdicts in Arkansas history and likely the highest trade secret verdict in the history of the state. The verdict was secured by a coordinated, multi-firm team. Along with Mr. Ryan as lead counsel and his team from Bartko Pavia, Kate Falkenstien of Blue Peak Law Group served as second chair, and Scott P. Richardson of McDaniel Wolff PLLC served as local counsel.

Zest conceived of the Zest Fresh Solution for use in produce supply chain logistics. Zest's revolutionary technology could reduce food waste dramatically by dynamically predicting when food would expire based on a complex process of combining and analyzing data from every stage

of the supply chain in order to constantly recalculate the predicted shelf life of produce using machine learning. This technology promised to help reduce billions of dollars in produce from being thrown into the garbage while simultaneously helping the environment. Zest shared the details of its trade secret Zest Fresh Process with Walmart under a non-disclosure agreement with the expectation that Walmart planned to deploy the Zest Fresh Process across Walmart. But Zest presented evidence to the jury that Walmart went from a customer to a competitor when it secretly planned to develop its own competing technology using Zest's trade secrets and eventually filed a secret patent on Zest's own technology. The patent eventually published, destroying Zest's trade secret. Bartko Pavia was retained following a prior \$110M judgment where the same Court ordered a new trial in light of pretrial statements made by Zest's former counsel. Zest selected Patrick as the new lead trial counsel in light of his long and successful track record of winning high-stakes jury trials. Zest's selection proved prescient as the verdict more than doubled the prior judgment. The final judgment will also need to be adjusted to take into account interest and attorneys' fees.

"Zest Labs developed groundbreaking technology aimed at addressing a significant humanitarian issue: food waste. Currently, a substantial portion of the food produced never even reaches the table. Addressing food waste is crucial for sustainability, economic efficiency, and ensuring that resources are used more efficiently. Zest's technology had the potential to reduce approximately 30-33% waste of perishable foods in half. But Walmart's misuse of Zest's trade secret has hindered our ability to achieve the necessary scale to make a substantial impact and help feed the world. This legal victory is a small but crucial triumph for small businesses that often face exploitation by larger corporations, robbing them of the opportunity to bring their innovative solutions to the market. It marks a significant step toward ensuring justice and fair play in the business world," said Gary Metzger, Manager, Zest Labs, Inc.

Mr. Metzger also said: "After our first \$110 million judgment was set aside and a new trial was ordered, Zest worried that it might never see justice for Walmart's theft of our trade secrets. But we did not give up, searching long and hard to find the best lawyer to lead to us to victory. Zest was fortunate to find Patrick M. Ryan of Bartko Pavia, who took over the case and litigated with tenacity, creativity, commitment, and passion. Patrick believed in us and our technology and we put our faith in him and Bartko Pavia, which has been vindicated by a verdict twice the size of the prior one."

Patrick M. Ryan, Zest Lab's lead trial counsel, said: "We are so appreciative of the jury's courageous verdict, awarding a total of \$222 million, which is more than Zest had requested. The jury heard the evidence and concluded that Walmart stole Zest's revolutionary technology and incorporated it into a patent that was later published, destroying Zest's trade secret. The jury found that Walmart's conduct was willful and malicious; thus, they sent a strong multi-million dollar deterrent message to companies like Walmart who might contemplate stealing the trade secrets of other small companies."

Joining Mr. Ryan were Bartko Pavia LLP attorneys <u>Adam Mitzner</u>, <u>Sean R. McTigue</u>, <u>Andrew Ryan</u>, <u>Natalie Felsen</u>, <u>Katie Allgood</u>, <u>Kenneth Richard</u>, <u>Chad DeVeaux</u>, <u>Griff Towle</u>, <u>Rob Bunzel</u>, <u>Brian Smith</u>, <u>Joe Fraresso</u>, <u>Brianne Kalach</u>, and <u>Gianna Signorille</u>, with paralegals <u>Blanca Conway</u>, <u>Chet Chou</u>, Winni Yan, Raymond Pelayo, and <u>Windy Loritsch</u> providing indispensable litigation support, and many other administrative and support staff. Scott P. Richardson and Brittany Webb of McDaniel Wolff PLLC served as local counsel, aided by paralegals Kisha Alverson and Chandler Sullivan-Perry. H. Christopher Bartolomucci of Schaerr | Jaffe LLP was also part of the team. Joining Kate M. Falkenstien of Blue Peak Law Group LLP was paralegal Hannah Kim.

#### **About Bartko Pavia**

Bartko Pavia is an industry-leading powerhouse firm with a global reach made up of lawyers who are dedicated to solving problems. The firm fosters a collaborative work environment, offering personalized, creative and high-quality out-of-the-box legal services. Their innovative business-centric approach has established Bartko Pavia as an elite and distinctive boutique law firm in the marketplace. www.bartkopavia.com

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PATRICK M. RYAN **Co-Managing Partner** 



ROBERT H. BUNZEL

General Counsel

415.956.1900



CHAD E. DEVEAUX

Partner



JOSEPH J. FRARESSO **Partner** 

415.956.1900



SEAN R. MCTIGUE

Partner



ADAM D. MITZNER

Partner

**4** 212.980.3500



BRIAN A. E. SMITH

Partner



C. GRIFFITH TOWLE

Partner

415.956.1900



KATIE ALLGOOD

Special Counsel

**4** 212.980.3500



BRIANNE E. KALACH

Special Counsel

**\** 212.980.3500

# **ATTACHMENTS**

Patrick M. Ryan