

MAR 17 2004

FAYETTE CIRCUIT COURT
DIVISION 3rd
CIVIL ACTION NO. 04-CJ-1210

CODY J. WILLIAMS
2169 Appaloosa Trail
Wellington, FL 33414

PLAINTIFF

v.

PETITION FOR DECLARATION OF RIGHTS
AND INJUNCTIVE RELIEF

UNITED STATES EQUESTRIAN FEDERATION, INC.
4047 Iron Works Parkway
Lexington, Kentucky 40511



SERVE: Steven L. Beshear
250 W. Main Street
Suite 2300
Lexington, KY 40507

USA EQUESTRIAN, INC.
4047 Iron Works Parkway
Lexington, Kentucky 40511

DEFENDANTS

SERVE: Steven L. Beshear
250 W. Main Street
Suite 2300
Lexington, KY 40507

Comes now the Plaintiff, Cody J. Williams, by and through counsel, and for his Complaint against Defendants United States Equestrian Federation, Inc. and USA Equestrian, Inc., (herein collectively "Defendants" or "Federation") states as follows:

THE PARTIES, BACKGROUND AND THE RULES

1. This is an action for declaratory and injunctive relief pursuant to KRS Chapter 418.

2. The Plaintiff is an individual who resides in Florida.

3. The Plaintiff is a professional bloodstock agent, who is commissioned to buy and sell horses. Plaintiff has earned and continues to earn his livelihood in the equestrian industry.

4. Plaintiff's occupation requires that he attend certain equestrian events in the Commonwealth of Kentucky and throughout the United States.

5. Upon information and belief, Defendant United States Equestrian Federation, Inc. is a New York corporation that is registered to do business in the Commonwealth as organization number 0572563. The company's principal place of business is in the City of Lexington, County of Fayette, Kentucky.

6. Upon information and belief, Defendant USA Equestrian, Inc. is a New York corporation that it is registered to do business in the Commonwealth as organization number 0461234. The company's principal place of business is in the City of Lexington, County of Fayette, Kentucky.

7. Both Defendants are non-profit corporations that purport to govern all aspects of virtually every equestrian event throughout the United States. Upon information and belief, effective December 1, 2003, Defendant United States Equestrian Federation, Inc. purported to become the "National Governing Body for Equestrian Sport."

8. Defendants aim to maintain monopolistic control over the equestrian sport.

9. Defendant USA Equestrian, Inc. is currently a defendant in antitrust litigation [See JES Properties, Inc. v USA Equestrian, at 2003 U.S. Dist. Lexis 20633 (M.D. Florida) (overruling motion to dismiss antitrust claims based on the federal Sherman Act as well as various Florida statutes)].

10. Defendants proudly proclaim their monopolistic philosophy in the History section of their website [www.usef.org]:

In 2001 the American Horse Shows Association changed its name to USA Equestrian, to better designate the member organization it had become. With more than 80,000 individual members, more than 2,700 member competitions, and 100 affiliate organizations, the Federation oversaw 26 breeds and disciplines of competition.

11. Defendants further state:

In 2003 USA Equestrian and the United States Equestrian Team developed a new organization, a single unified family woven together from the many parts of equestrian governance and leadership. [www.usef.org]

12. Defendants have enacted a comprehensive set of rules to establish and to maintain their monopolistic control over the equestrian sport (the "Rules").

13. Rule VII, Chapter I, Article 701 of the Rules purports to govern "any person" that is a non-member:

CHAPTER I. INDIVIDUALS.

Article 701. General. The provisions of this rule apply in connection with any Recognized Competition to the following persons: owner, exhibitor, agent, trainer, manager, rider, driver, handler, competition official, competition employee (see Art. 113) and member of the family of the above, Member of Federation or *any person* who acts in a manner in violation of the rules of the Federation or deemed prejudicial to the best interests of the sport and the Federation. Any act in connection with a Recognized Competition in violation of the Rules by a member of the family of a person participating in the competition who is described in the previous sentence, may be deemed to have been committed by such person and subject him or her to penalties. (emphasis added)

14. Defendants' Rules purport to govern "any person" even when they are present on the premises of public places.

15. Non-members have virtually no corresponding rights under the Rules.

16. Upon information and belief, the Federation owns no real estate upon which equestrian events are conducted, and the Federation maintains control solely through enforcement of the Rules from its Kentucky offices.

JURISDICTION AND VENUE

17. This Court has subject matter jurisdiction over this matter pursuant to KRS 23A.010 and KRS 418.040.

18. Venue is proper in Fayette County pursuant to KRS 452.450 and KRS 418.040.

19. An actual controversy exists pursuant to KRS 418.040.

DEFENDANT FEDERATION PUBLISHES A BLACKLIST AND ORDERS THE PLAINTIFF TO LEAVE EQUESTRIAN EVENTS

20. On or about January 28, 2004 and February 1, 2004, Plaintiff attended an equestrian event called the Nutrena Wellington Classic in Palm Beach, Florida.

21. Plaintiff attended in the capacity of a person who is a United States citizen and who desired to attend the event for both personal and professional purposes.

22. The Federation and its agents ordered the Plaintiff to leave this event based on a BLACKLIST list of allegedly suspended members.

23. The Federation established and maintains this BLACKLIST at its Iron Works headquarters in Lexington, Kentucky where it also publishes the list on its website which is open to public view [[see www.usef.org/content/competitions/suspensions.php](http://www.usef.org/content/competitions/suspensions.php)].

24. The BLACKLIST on Defendants' website begins:

The following persons are under suspension and are not in good standing until further notice, unless otherwise specified. A suspended person is forbidden for the time specified in the sentence to hold or exercise office in the Federation or any Recognized Competition, from the privilege of taking any part whatsoever in any Recognized Competition, and is excluded from all show grounds during Recognized Competitions, as an exhibitor, participant or spectator. Any horse or horses, completely or in part

owned, leased or of any partnership, corporation or stable of such person, or shown in any name or for his or her credit or reputation, whether such interest was held at the time of the alleged violation or acquired thereafter, are barred from taking any part whatsoever in any Recognized Competition and are excluded from all show grounds during Recognized Competitions. Any Recognized Competition that permits a suspended person and/or his or her horse to take any part whatsoever in the competition is in violation of the rules of the Federation and is subject to disciplinary action. Where applicable, following the name of the suspended party are shown the start dates, followed by the end dates of the suspension. Note: The suspension List is updated nightly and can be accessed on our Website at www.equestrian.org, (choose Licensed Officials/Suspensions on the menu).

25. Plaintiff is listed on the BLACKLIST.

26. Defendants attempted to eject Plaintiff from the following events: Littlewood Winter Circuit Finale, Wellington, Florida on or about February 4-8, 2004; and Kilkenny International, Wellington, Florida, February 11-15, 2004.

27. The Federation's actions in ordering the Plaintiff to leave the events on the dates stated above caused humiliation and embarrassment to Plaintiff and threatened to breach the peace.

28. The Federation caused Plaintiff to suffer this indignity despite the fact that Plaintiff was not a Federation member at any relevant time.

**IT IS A PRACTICAL NECESSITY FOR PLAINTIFF TO
HAVE ACCESS TO THE KENTUCKY HORSE PARK**

29. Plaintiff's profession requires that he enter into the Kentucky Park beginning in May of 2004 when three weeks of shows, starting with the Kentucky Spring Preview, are hosted at the Kentucky Horse Park.

30. The Federation purports to bar the Plaintiff from attending equestrian events notwithstanding the fact that Plaintiff voluntarily discontinued his annual membership in the

Federation in 1999, and notwithstanding the fact that these events occur at public places, including without limitation the Kentucky Horse Park.

31. At no time relevant to this action has Plaintiff acceded to the Federation's jurisdiction by signing in at events or in any other way.

32. The Kentucky Horse Park is a working horse farm with 1,200 acres surrounded by 30 miles of white plank fencing.

33. The Kentucky Horse Park contains two museums, two theaters and nearly fifty breeds of horses.

34. No Federation event has used or reasonably will use the entire premises of the Kentucky Horse Park.

35. The Federation has created a climate of fear that has chilled the ability of Plaintiff -- and other non-members -- to enjoy legally protected rights, causing Plaintiff uncertainty regarding his ability to earn a living.

36. If the Plaintiff attends the Spring horse shows at the Kentucky Horse Park, purportedly governed by the Federation, then breach of the peace is likely.

**DEFENDANT FEDERATION'S HEARING PROCESS PURPORTS TO
SUSPEND THE PLAINTIFF IN ABSENTIA
EVEN THOUGH HE IS NOT A FEDERATION MEMBER**

37. The Federation brought two formal proceedings against Plaintiff for violation of the Rules as both a "member" and a "suspended member" even though, at all relevant times, Plaintiff was actually a non-member by his own choice.

38. The more recent charges were based on Federation Rules that prohibit a suspended member from attending certain equestrian events; namely, the three events described above in paragraphs 20 and 26.

39. Previously, the Federation purported to suspend the Plaintiff for allegedly committing cruelty to a horse on or about August 21-23, 2002 at the Kentucky Hunter Horse Jumper Show that was held in Lexington, Kentucky.

40. On August 12, 2003, the Federation held a hearing on the charges against Plaintiff and also on the charges against his daughter, Emily Williams.

41. Emily Williams was charged with similar violations for cruelty based on "eyewitness accounts" by members of the Federation.

42. The Federation found her not guilty of the charges when a videotape was produced that clearly proved that Emily had violated no Federation Rules.

43. The Plaintiff was not present at the August 12, 2003, hearing.

44. The Plaintiff's allegedly offending actions were not videotaped, and the Federation found Plaintiff guilty based only on "eyewitness" accounts, upon information and belief.

45. Thereby, the Federation purported to impose sanctions on Plaintiff, including suspension from membership, prohibition from entering upon public and private lands and realty used for purposes of equestrian events and payment of a fine to Defendants. These sanctions are contained in an October 23, 2003 Hearing Report.

46. Neither the Federation nor any of its agents notified or in any way involved legitimate law enforcement or animal protection authorities regarding either Plaintiff's or his daughter Emily's alleged cruelty to animals, but instead purported to enforce its own "laws" throughout the Commonwealth and the United States.

47. Non-members like the Plaintiff should be subject to the law of the land of which they are presumed to be aware and as properly enacted by the duly elected legislature.

48. On March 4, 2004, Plaintiff appeared at the Federation's more recent hearing against the Plaintiff regarding his attendance -- as a suspended member -- at equestrian events.

49. Through his counsel, Pierce Cunningham, Esq., Plaintiff made only a special appearance at the March 4, 2004, hearing to preserve his contest of the jurisdiction of the Federation over his person.

50. At the hearing, the Federation barred a stenographer retained by Plaintiff's counsel from attending the hearing and thereby denied Plaintiff a record of the proceedings.

51. At the hearing, the Federation threatened to expel Plaintiff permanently not only from membership but from entering onto the public or private grounds of equestrian events, including those held at the Kentucky Horse Park.

52. Upon information and belief, permanent expulsion and the natural consequence for Plaintiff (i.e., permanent loss of livelihood) is the standard punishment for attendance at an equestrian event while "suspended" -- even as to a person who was suspended despite the fact that he or she was not a member of the Federation.

53. Plaintiff has exhausted administrative remedies and further appeal is futile.

COUNT I

54. Plaintiff restates the averments contained in paragraphs 1-53 as if fully rewritten.

55. The Federation has acted under color of law to deprive Plaintiff of constitutionally protected property and liberty interests to enter upon public places and to earn his livelihood.

56. The Federation's Rules that purport to govern and to punish the conduct of non-members of the Federation are void and unenforceable in that the Federation has no jurisdiction over such persons, including the Plaintiff.

57. The Federation's Rules are overbroad in that they purport to disallow conduct that is otherwise lawful.

58. The Federation's Rules are overbroad in that they purport to govern non-members in public places at which the Federation has no jurisdiction.

59. The Federation's Rules are vague and ambiguous such that they do not put a reasonable person on notice of that which is allowed.

60. The severity of these deficiencies is heightened in that the Federation delegates responsibility for identifying violations to all of its members, many of whom are untrained in such matters.

61. The deficiencies are further heightened because the lack of clear standards encourages such untrained members to enforce the Rules without substantial evidence and/or in a manner that is irrational, arbitrary, and capricious.

62. The Federation's hearing process is similarly violative of the Plaintiff's rights because the sanctions imposed on Plaintiff were imposed in the absence of jurisdiction and without substantial evidence.

63. The Federation's hearings themselves are further defective because they are conducted in a manner that result in finding of facts and imposition of sanctions that are irrational, arbitrary, and capricious.

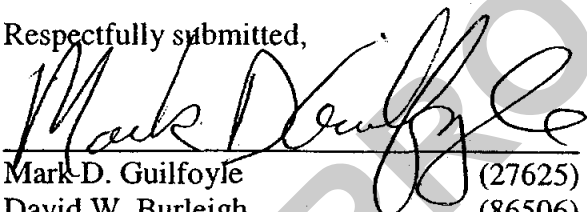
WHEREFORE, Plaintiff Cody J. Williams demands the following relief:

1. A permanent injunction enjoining Defendants from taking any steps to bar Plaintiff from any equestrian shows or events and from taking any administrative action against Plaintiff, including without limitation fining him or suspending him from the Federation;

2. A permanent injunction enjoining Defendants from taking any steps to enforce the October 23, 2003, administrative action against Plaintiff;

3. A declaratory judgment that the Federation has no jurisdiction to bar Plaintiff from any equestrian shows or events or to take any purported administrative action against him; and
4. Any other relief to which Plaintiff may appear entitled.

Respectfully submitted,



Mark D. Guilfoyle (27625)
David W. Burleigh (86506)
Deters, Benzinger & LaVelle, P.S.C
207 Thomas More Parkway
Crestview Hills, Kentucky 41017-2596
(859) 341-1881
(859) 341-4879 (fax)
Attorneys for Plaintiff

OF COUNSEL:

Pierce W. Cunningham, Esq.
312 Walnut Street
Site 3250
P.O. Box 5427
Cincinnati, OH 45202
(513) 361-0100
(513) 361-0110 (fax)

28813.1

COMMONWEALTH OF KENTUCKY
FAYETTE CIRCUIT COURT
THIRD DIVISION
CIVIL ACTION NO. 04-CI-1210

CODY J. WILLIAMS

PLAINTIFF

v.

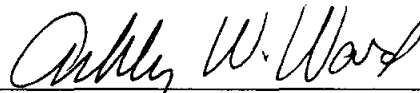
NOTICE OF FILING OF NOTICE OF REMOVAL

UNITED STATES EQUESTRIAN
FEDERATION, INC., and
USA EQUESTRIAN, INC.

DEFENDANTS

PLEASE TAKE NOTICE that on April 6th, 2004, Defendants UNITED STATES EQUESTRIAN FEDERATION, INC. and USA EQUESTRIAN TRUST, INC. (f/k/a USA EQUESTRIAN, INC.) removed the above-captioned action to the United States District Court for the Eastern District of Kentucky. Pursuant to 28 U.S.C. § 1446(d), the Defendants hereby file a copy of the Notice of Removal. Pursuant to 28 U.S.C. § 1446(d), this Court shall take no further action with regard to the above-captioned action.

Respectfully submitted,

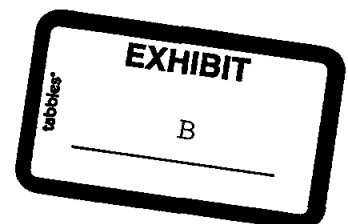


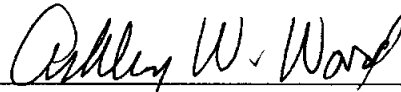
Steven L. Beshear
Ashley W. Ward
STITES & HARBISON PLLC
250 West Main Street, Suite 2300
Lexington, Kentucky 40507
Telephone (859) 226-2300

Of Counsel:

Ira A. Finkelstein
HARNIK & FINKELSTEIN
405 Lexington Avenue
New York, New York 10174
Telephone (212) 599-7575

ATTORNEYS FOR UNITED STATES
EQUESTRIAN FEDERATION, INC.





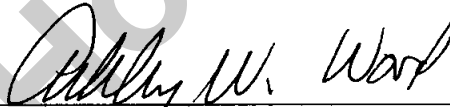
Steven L. Beshear
Ashley W. Ward
STITES & HARBISON PLLC
250 West Main Street, Suite 2300
Lexington, Kentucky 40507
Telephone (859) 226-2300
ATTORNEYS FOR USA EQUESTRIAN TRUST,
INC. (f/k/a USA EQUESTRIAN, INC.)

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing NOTICE OF FILING OF NOTICE OF REMOVAL was served by United States First Class Mail, postage prepaid, and telefax on this 6th day of April, 2004 upon:

Mark D. Guilfoyle
David W. Burleigh
Deters Benzinger & LaVelle PSC
207 Thomas More Parkway
Crestview Hills, KY 41017-2596

Pierce W. Cunningham
312 Walnut Street, Suite 3250
Cincinnati, OH 45202



Ashley W. Ward

Civil Case Assignment

Case number 5:04CV-161

Assigned : Judge Joseph M. Hood
Judge Code : 4311

Assigned on 04/06/2004

Request New Judge

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RECEIPT FOR PAYMENT
 UNITED STATES DISTRICT COURT
 for the
 EASTERN DISTRICT OF KENTUCKY

at Lexington

RECEIVED FROM

Stites & Harrison
250 W. Main St.
Lex KY 40507

*U.S. GOVERNMENT PRINTING OFFICE: 2002-736-522

Fund	ACCOUNT	AMOUNT
6855XX Deposit Funds		
604700 Registry Funds	<u>086900</u>	<u>60.00</u>
General and Special Funds		
508800 Immigration Fees	<u>510000</u>	<u>90.00</u>
085000 Attorney Admission Fees		
086900 Filing Fees		
0869PL Filing Fee Prisoner Lit.		
322340 Sale of Publications		
322350 Copy Fees		
322360 Miscellaneous Fees		
143500 Interest		
322380 Recoveries of Court Costs		
322386 Restitution to U.S. Government		
109900 Misc. Fines, Penalties, etc.		
121000 Conscience Fund		
129900 Gifts		
504100 Crime Victims Fund		
613300 Unclaimed Monies		
810000 Filings Spec. Acct		
5100PL Filings Spec. Acct. Prisoner Lit.		
510100 Registry Admin. Acct.		
	TOTAL	150.00
	Case Number or Other Reference	
	<u>Ref 4-CV-161</u>	

Williams
 v.
US Equestrian
Liberation, Inc.

Checks and drafts are accepted subject to collection and full credit will only be given when the check or draft has been accepted by the financial institution on which it was drawn.

DATE 065048 4.7 2004 Cash Check M.O. Credit DEPUTY CLERK: Kd
K Reynolds

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www.ratemyhorsepro.com
CIVIL COVER SHEET

JS 44 (Rev. 3/99)

The JS-44 civil cover sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. (SEE INSTRUCTIONS ON THE REVERSE OF THE FORM.)

PLAINTIFFS

Cody J. Williams

DEFENDANTS

United States Equestrian Federation, Inc. and
USA Equestrian Trust, Inc. (f/k/a USA Equestrian, Inc.)

(b) County of Residence of First Listed Plaintiff Wellington, Florida
(EXCEPT IN U.S. PLAINTIFF CASES)

County of Residence of First Listed
(IN U.S. PLAINTIFF CASES ONLY)

NOTE: IN LAND CONDEMNATION CASES, USE THE LOCATION OF THE LAND INVOLVED.

(c) Attorney's (Firm Name, Address, and Telephone Number)
Mark D. Guilfoyle and David W. Burleigh Pierce W. Cunningham
Detors Benzinger & LaVelle PSC 312 Walnut Street, Suite 3250
207 Thomas More Parkway Cincinnati, Ohio 45202
Crestview Hills, KY 41017-2596

Attorneys (If Known)
Steven L. Beshcar and Ashley W. Ward Ira A. Finklestein
Stites & Harbison PLLC Hamik & Finklestein
250 West Main Street, Suite 2300 405 Lexington Avenue
Lexington, Kentucky 40507 New York, New York 10174

II. BASIS OF JURISDICTION (Place an "X" in One Box Only)

- 1 U.S. Government Plaintiff
2 U.S. Government Defendant
3 Federal Question (U.S. Government Not a Party)
4 Diversity (Indicate Citizenship of Parties in Item III)

III. CITIZENSHIP OF PRINCIPAL PARTIES (Place an "X" in One Box for Plaintiff and One Box for Defendant)

- Citizen of This State
Citizen of Another State
Citizen or Subject of a Foreign Country
DEF
PTF
DEF
PTF
DEF
PTF

IV. NATURE OF SUIT (Place an "X" in One Box Only)

Table with columns: CONTRACT, REAL PROPERTY, TORTS, CIVIL RIGHTS, PRISONER PETITIONS, FORFEITURE/PENALTY, LABOR, BANKRUPTCY, SOCIAL SECURITY, FEDERAL TAX SUITS, OTHER STATUTES. Includes sub-sections like PERSONAL INJURY, PERSONAL PROPERTY, and LABOR.

V. ORIGIN (PLACE AN "X" IN ONE BOX ONLY)

- 1 Original Proceeding
2 Removed from State Court
3 Remanded from Appellate Court
4 Reinstated or Reopened
5 Transferred from another district (specify)
6 Multidistrict Litigation
7 Appeal to District Judge from Magistrate Judgment

VI. CAUSE OF ACTION (Cite the U.S. Civil Statute under which you are filing and write brief statement of cause. Do not cite jurisdictional statutes unless diversity.)

Alleged violation of constitutional rights arising out of enforcement of rules of Defendant United States Equestrian Federation, Inc.

VII. REQUESTED IN COMPLAINT: CHECK IF THIS IS A CLASS ACTION UNDER F.R.C.P. 23 DEMAND \$ CHECK YES only if demanded in complaint: JURY DEMAND: Yes No

VIII. RELATED CASE(S) IF ANY No Judge Docket Number

DATE 4/6/04 SIGNATURE OF ATTORNEY OF RECORD [Signature]

FOR OFFICE USE ONLY RECEIPT # AMOUNT APPLYING IFP JUDGE MAG. JUDGE