

CITY

Erik Bruner-Yang Sues Toki Underground And His Former Partners

The chef's other ventures are at the heart of the legal dispute

BY JESSICA SIDMAN — JUN 6, 2016 6 PM



DARROW MONTGOMERY

Amid accusations of mismanaged funds and breach of contract, chef **Erik Bruner-Yang** has filed a lawsuit against **Toki Underground** and its partners for allegedly attempting "to destroy his personal reputation and livelihood as a world-class restaurateur and chef."

In a complaint filed in D.C. Superior Court on June 3 by Bruner-Yang and Maketto LLC, the chef accuses Toki Underground partners **Praveen Goyal** and **Jeff Jetton** of an "illegal campaign to pressure and coerce" him into involving them with his other business ventures and giving them his family recipes and customer lists.

The lawsuit follows a May 13 cease-and-desist letter sent by Toki Underground's lawyer that demanded the chef stop all business with The Line Hotel in Adams Morgan, where Bruner-Yang is planning to open a restaurant, and that he change the menu at both **Maketto** and his new Whole Foods venture, **Paper Horse**. The letter alleges that these projects are a violation of a non-compete agreement.

Jetton declined to comment for this story. Goyal, Toki Underground's attorney, and Bruner-Yang did not respond to requests for comment.

Bruner-Yang claims in his lawsuit that the non-compete clause is "inapplicable" and that he was released from the obligations of his original operating agreement when he was removed as a managing partner of Toki in September 2014.

The letter from Toki Underground's lawyer also accuses Bruner-Yang of using \$150,000 in restaurant funds for "unauthorized and inappropriate expenses," including for personal use and to further other business opportunities.

In his lawsuit, Bruner-Yang says allegations that he mishandled or stole money are "demonstrably false" and "without merit to the point of absurdity." Furthermore, he accuses the Toki Underground partners of spreading false rumors about theft, including to a reporter at "a major Washington-area publication," business partners in other ventures, and current employees of the restaurant.

The relationship between Bruner-Yang and the Toki Underground team appears to have been souring for quite a while. In 2013, "certain members of Toki" took issue with a consulting gig that Bruner-Yang's Chef Yang Consulting did with **Taan Noodles**. In his lawsuit, Bruner-Yang says he was "manipulated" into signing an agreement that gave the rights to his family recipes to Toki Underground in exchange for a release that would allow him to consult.

Bruner-Yang was removed from all operational duties at Toki Underground at a meeting of the business' partners on March 22, according to the lawsuit. "Rather than amicably parting ways, however, [Goyal and Jetton] have engaged in a vicious attempt to ruin Mr. Bruner-Yang's personal and business prospects," the complaint reads.

Bruner-Yang's lawsuit accuses Jetton of accessing his work email account to obtain information on his personal contacts, business dealings, and "other valuable trade secret, proprietary and confidential information." It also alleges that Jetton sent emails from Bruner-Yang's account without identifying that it wasn't the chef behind the messages.

"Jetton, upon information and belief, intended to use and did use this information to interfere with Mr. Bruner-Yang's business relationships and damage Mr. Bruner-Yang's reputation," the complaint reads.

The lawsuit alleges that the Toki Underground partners used information potentially from the emails to contact Sydell Group (which owns The Line Hotel) and Whole Foods to inquire about the chef's dealings with each.

There appears to be bad blood about the hotel venture in particular. In the cease-and-desist letter, the Toki Underground partners claim that, as a group, they initiated negotiations with the Sydell Group to open a restaurant in The Line Hotel back in 2013. But the Toki Underground partners were not part of the final deal.

"These actions constitute a breach of your fiduciary duty of loyalty and are a classic case of self-dealing," the letter says. Toki Underground demanded revenue from the hotel restaurant and Paper Horse ventures.

But according to Bruner-Yang's version of events, negotiations for a Toki-backed hotel restaurant fell through because "Toki attempted to add several new conditions that caused the Sydell investors to disallow Sydell to go forward with Toki." More than a year later, on Nov. 12, 2015, the hotel agreed to a deal with another group, EBY Hospitality Group, of which Bruner-Yang is a partner.

The lawsuit seeks a declaratory judgement that says the Toki Underground partners aren't entitled to any share of Bruner-Yang's outside ventures and that he is free to pursue those ventures without obstruction. Bruner-Yang is also seeking damages of at least \$1 million for alleged defamation and interference with his business dealings.

JOIN THE CONVERSATION!

This site requires you to [login](#) or [register](#) to post a comment.

No comments have been added yet. Want to start the conversation?

RELATED



FOOD

Feast Your Bloodshot Eyes On Buttercream Bakeshop's Two-Foot Bong Cake



FOOD

Top of The Hour: Old Ebbitt Grill's Half-Off Oysters



FOOD

Adams Morgan Cocktail Bar Loves Me Not Caters to D.C.'s Creative Community