UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA

CASE NO.

HERON ENTERPRISES, LLC,

Plaintiff,

v.

STARBOARD YACHT GROUP LLC; and
CHARLES J. STRATMANN,

Defendants.
_______________________________________/

COMPLAINT

Plaintiff, Heron Enterprises, LLC ("Heron" or "Plaintiff"), hereby files this Complaint against Defendants, Starboard Yacht Group LLC ("Starboard") and Charles J. Stratmann, individually (collectively, "Defendants"). In support thereof, Plaintiff alleges as follows:

PRELIMINARY STATEMENT

1. This is a civil action for breach of contract, fraudulent misrepresentation, negligent misrepresentation, and quantum meruit.

PARTIES, JURISDICTION, AND VENUE

2. The Court has jurisdiction pursuant to 28 U.S. Code § 1332(a)(1), because the amount in controversy exceeds $75,000, exclusive of interests and costs, and the parties are citizens of different states. Heron is a citizen of Texas, and Defendants are citizens of Florida.

3. Pursuant to 28 U.S. Code § 1391, venue is proper in the Southern District of Florida, because the causes of action alleged herein accrued in Broward County, Florida and at least one of the defendants resides in Broward County, Florida.

4. Heron is a Delaware limited liability company, with its principal place of business in Wilmington, Delaware.

5. Starboard is a Florida limited liability company, with its principal place of business in Dania Beach, Florida.

6. At all times material hereto, upon information and belief, Charles J. Stratmann is and was an individual residing in Broward County, Florida and is *sui juris*.

GENERAL ALLEGATIONS

7. On or about September 13, 2024, Heron engaged Starboard, an authorized dealer of Humphree marine stabilization systems, to assess and install a Humphree zero-speed stabilizing system on the motor yacht Heron, a 139-foot Abeking Rasmussen.

8. Upon information and belief, Charles J. Stratmann is Starboard's sole member.

9. Charles J. Stratmann met with representatives of Heron to evaluate the boat and provide an estimate for the installation.

10. Mr. Stratmann indicated that the project could be completed within eight to ten weeks.

11. Thereafter, in October 2024, Starboard provided a written estimate and "Buyers Order" for the project, which included equipment, labor, and installation costs and sought a $362,183.00 deposit. *See* **Exhibit 1**.

12. Heron wired the full amount to Starboard in reliance on its representation that the funds would be used to promptly purchase equipment and begin installation.

13. In November 2024, Starboard issued two additional invoices in the total amount of $187,000. *See* **Exhibit 2**.

14. Heron paid the full amount of the November 2024 invoice as well.

15. Despite repeated assurances to the contrary, Heron later discovered that Starboard had not paid Humphree for the equipment, and no purchase orders had been submitted for the vast majority of the necessary parts.

16. In fact, Plaintiff learned that Starboard's access to the shipyard, Safe Harbor Lauderdale Marine Center ("SHLMC") where the yacht was located, had been revoked with respect to new projects such as Heron's in June 2024 due to unrelated billing disputes.

17. Starboard and Mr. Stratmann never revealed that Starboard was banned from SHLMC during the course of negotiations even though the ban was in effect at all relevant times and Starboard and Mr. Stratmann were aware of it.

18. In other words, Starboard and Mr. Stratmann withheld the material fact that Starboard was banned from SHLMC while negotiating and entering into an agreement for Starboard to perform major work and the Humphree installation on the yacht at SHLMC.

19. Starboard and Mr. Stratmann misrepresented Starboard's ability to perform the work and repeatedly delayed or failed to appear for scheduled work, causing significant project delays and financial harm.

20. Starboard and Mr. Stratmann later falsely indicated multiple times that Starboard had executed a settlement with SHLMC and indicated, for example, that access would be restored "today." Those representations were untrue. Upon information and belief, Starboard and Mr. Stratmann made these representations with the knowledge that they were false and with the intent that Plaintiff would rely on them.

21. Starboard performed only minimal work including removal of the existing stabilizers and outsourced hot work to Advanced Mechanical Enterprises, Inc. Starboard

substantially failed to perform the services contemplated by the parties' agreement, including the procurement of necessary parts and installation of the Humphree stabilization system.

22. Upon information and belief, Starboard's license as an authorized dealer with Humphree has since been revoked as a result of it failing to use the funds paid to it to purchase the necessary parts and complete the work on the yacht as agreed to by the parties.

23. Heron demanded the return of its funds to directly purchase the equipment and have a different vendor perform the work that Starboard was supposed to complete, but Starboard refused.

24. All conditions precedent to asserting claims herein have been performed or waived.

25. To date, Starboard has failed to return the funds or complete the contracted work.

COUNT I - BREACH OF CONTRACT
(Against Starboard)

26. Heron restates the allegations in the preceding paragraphs as if fully set forth herein.

27. Heron entered into an valid and enforceable oral agreement with Starboard whereby Starboard would procure and install a Humphree stabilization system within eight to ten weeks, in exchange for $549,183.00.

28. The parties exchanged a series of emails and invoices and reached agreement as to all essential terms of the agreement. *See* Ex. 1, 2. In total, Heron paid $549,183.00 in exchange for Starboard's agreement to acquire the necessary parts and perform the installation within eight to ten weeks.

29. Starboard materially breached the agreement by substantially failing to fulfill its obligations thereunder. Starboard did not purchase the vast majority of the essential parts, let alone install the Humphree stabilizing system as agreed.

30. Further, under Florida law, there is an implied promise of good faith and fair dealing that exists in any contract.

31. The implied covenant of good faith and fair dealing means that neither party will do anything to interfere with the right of the other party to the contract to receive the contract's benefits.

32. Starboard failed to perform in good faith under the contract and made multiple false statements to representatives of Heron.

33. As a direct result of Starboard's breach, Heron has suffered damages in excess of $549,183.00.

WHEREFORE, Heron requests an award of damages in its favor against Starboard including, but not limited to, compensatory damages, lost profits, loss of use and enjoyment, and any other relief this Court determines is just and proper.

COUNT II – FRAUDULENT CONCEALMENT
(Against All Defendants)

34. Plaintiff restates the allegations in the paragraphs 1 through 25 as if fully set forth herein.

35. On September 13, 2024, Mr. Stratmann, on behalf of Starboard, represented that Starboard was willing and able to perform the installation within eight to ten weeks.

36. In connection with this discussion, Mr. Stratmann, on behalf of Starboard, concealed and failed to disclose the fact that Starboard was banned from SHLMC, the shipyard where it agreed to perform services in connection with the installation project.

37. Mr. Stratmann was aware that Starboard was banned from SHLMC and was aware that the yacht was located at SHLMC.

38. Furthermore, Defendants had a duty to disclose complete and accurate information about Starboard's ban from SHLMC to Plaintiff, because Defendants conveyed only partial and incomplete information to Plaintiff when negotiating and entering into the agreement to perform the installation. This partial and incomplete information was misleading, because Starboard agreed to perform installation services within eight to ten weeks, with the knowledge that Starboard was banned from SHLMC. Defendants had a duty to correct this false impression by providing complete and accurate information.

39. The fact that Starboard was banned from SHLMC was material, because a reasonable person would not have entered into the transaction had Defendants disclosed it.

40. Defendants knew or should have known that he should have disclosed the material fact that Starboard was banned from SHLMC in connection with his negotiations for this transaction.

41. Heron relied on these misrepresentations to its detriment by wiring funds for purposes of Starboard's work on the project.

42. Defendants withheld, concealed, and made misleading partial representations with the intent to induce Heron to wire the funds.

43. Mr. Stratmann, on behalf of Starboard, reaffirmed these false and misleading assurances on multiple occasions, including by falsely stating that personnel would come to SHLMC to perform work on the project in the imminent future and that parts had been ordered when they had not been.

44. Mr. Stratmann exercised complete dominion over Starboard with respect to this transaction.

45. Mr. Stratmann used the corporate entity as a vehicle for fraud.

46. Upon information and belief, Mr. Stratmann misappropriated Plaintiff's funds.

47. As a result, Plaintiff has suffered damages and is entitled to compensatory damages in excess of $549,183.00.

48. Defendants' fraudulent concealment, inducing Plaintiff's reliance, was the direct and proximate cause of Plaintiff's damages.

WHEREFORE, Heron requests an award of damages in its favor against Defendants including, but not limited to, compensatory damages, lost profits, punitive damages, and any other relief this Court determines is just and proper.

COUNT III – NEGLIGENT MISREPRESENTATION
(Against All Defendants)

49. Plaintiff restates the allegations in paragraphs 1 through 25 as if fully set forth herein.

50. Mr. Stratmann, on behalf of Starboard, knowingly misrepresented that Starboard would perform services on the installation project imminently and that Starboard would promptly order and pay for the Humphree equipment to begin the project.

51. At times, Mr. Stratmann, on behalf of Starboard, also misrepresented that parts had already been ordered when, in fact, they had not been.

52. Upon information and belief, Defendants knew or should have known that these representations were false and/or had no intention of fulfilling these representations.

53. For instance, Mr. Stratmann, on behalf of Starboard, stated, "Parts needed are with welding team and arrive[d] last week."

54. Plaintiff subsequently asked Humphree directly and determined this representation to be false. On February 24, 2025, Humphree stated that Starboard had not paid for any of the fins,

actuators, or other associated parts under the agreement, except for certain rings, of a relatively minimal value.

55. Defendants reaffirmed these false assurances on multiple occasions, including falsely stating that parts had been ordered when they had not been.

56. These misrepresentations were material and intended to induce Heron to act.

57. Plaintiff relied on these misrepresentations to its detriment by foregoing other alternative options to accomplish the work needed. Some of Starboard's work needed to be accomplished before painting and hot work was scheduled to begin, but given Starboard's misleading assurances that it was on track, Plaintiff decided not to pursue alternatives within the necessary timeframe.

58. Upon information and belief, Mr. Stratmann used Starboard as a mere instrumentality.

59. Mr. Stratmann used the corporate entity as a vehicle for fraud or an improper purpose.

60. Upon information and belief, Defendants misappropriated Plaintiff's funds.

61. As a result, Heron has suffered damages.

WHEREFORE, Heron requests an award of damages in its favor against Defendants including, but not limited to, compensatory damages, lost profits, and any other relief this Court determines is just and proper.

COUNT IV – UNJUST ENRICHMENT
(Against Starboard)

62. Plaintiff restates the allegations in paragraphs 1 through 25 as if fully set forth herein.

63. Plaintiff alleges in the alternative to its breach of contract claim that it is entitled to recover under the doctrine of unjust enrichment based on the transactions and occurrences at issue herein.

64. Plaintiff conferred a benefit upon Starboard by paying $549,183.00.

65. Starboard knowingly accepted and retained the benefit without providing the promised services.

66. Plaintiff reasonably expected Starboard to perform the services, given the parties' conversations and Defendants' repeated assurances that performance was underway.

67. It would be inequitable for Starboard to retain these funds.

WHEREFORE Heron requests an award of damages in its favor against Starboard including, but not limited to, compensatory damages, special damages, lost profits, and any other relief this Court determines is just and proper.

DEMAND FOR JURY TRIAL

Plaintiff demands a jury on all issues so triable.

Submitted on July 7, 2025.

Respectfully submitted,

HOLLAND & KNIGHT LLP

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