

Business & Ag

Tasty Bake's problems

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Peter Johnson, former President and co-owner from 2001-2014 of Tasty Bake, with his wife, Brenda Johnson, filed a lawsuit on March 14, 2016, also in Baker County Circuit Court, seeking over \$750,000, from Tasty Bake, and Cereal Holding Company, of Wisconsin claiming among other items, economic losses, fraud, and breach of the sales contract. The Johnsons are represented by Yturri Rose LLP, of Ontario.

According to the lawsuit the Johnsons had filed, they sold Tasty Bake to Cereal Holding Company, in September 2014, for \$500,000, which required Cereal Holding Company to pay \$275,000 in cash, and to execute a secured promissory note for the remaining \$225,000. Cereal Holding Company gave the Johnsons the mortgage deed for the Tasty Bake property, at 1945 8th Street, in order to secure the payment of the note.

In addition, the Johnsons were also to be paid up to \$535,000 in the form of earn-out, at the rate of 50% of the actual EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization), during the four years following the closing of the sale.

To assist with the owner-

ship transition, Peter was hired by Cereal Holding Company in October 2014, to serve as Vice President of Tasty Bake, for up to one year after the sale, and he would be reimbursed for regular expenses, such as for travel, and meals, in connection with the business. The Johnsons claim that Cereal Holding Company breached this employment contract, and had not paid Peter for expenses incurred since May 2015, estimated at \$1,960.93.

According to the Johnsons, Cereal Holding Company was required to pay the first installment, of \$50,609.24, on April 1, 2015, under the terms of the note and mortgage. Cereal Holding Company paid \$29,625 on April 1, 2015, resulting in a shortage of \$20,984.24, causing the Johnsons to claim a default on the note and mortgage, and to seek foreclosure, with the principal amount owed stated as \$203,250, plus interest.

The Johnsons claim that Cereal Holding Company fraudulently misrepresented that it would make a significant capital investment in Tasty Bake; that it would hire a qualified sales team, to expand the business; and that it would make every effort to grow, and expand Tasty Bake.

They claim that, after the sales contract was executed, Cereal Holding Company "...made little or

(no) effort to grow Tasty Bake or (to) even maintain Tasty Bake's current business." This resulted in the Johnsons' estimated claim of damages, in the amount of \$535,000.

As part of the claim for relief, the Johnsons are seeking to order the sale of the Tasty Bake property by the Baker County Sheriff. According to Baker County records, the property was appraised at \$319,470 in 2014.

According to Lesaffre Yeast Corporation's claim, the company provided baking materials, including SAF Instant Red Mix Dry Yeast, Red Star Double-Acting Baking Powder, and Red Star Active Dry Yeast, to Tasty Bake on the following dates, which included invoices, for a total of \$21,082.75: April 20, 2015; June 1, 2015; June 25, 2015; July 16, 2015; and September 11, 2015.

Lesaffre Yeast Corporation claims that requests and demands for payment had been made for the balance, the last one on December 3, 2015, from Accounts Receivable Supervisor Jamie Olender, including the notice to Tasty Bake that the account would be turned over to a collection agency, and/or legal counsel; however, the company had not yet paid the balance due.

As stated in the Friday, April 8, 2016 issue of *The Baker County Press*, neither Tasty Bake President

Yasar Samarah (who is also Cereal Holding Company Vice President), nor Tasty Bake Chief Financial Officer Amit Shukla had returned phone calls to comment on the halt in operation, or the future plans for Tasty Bake; however, Samarah recently stated via email that he could not provide any comments at this time, citing corporate policy.

According to Illinois State records, Samarah is also listed, among other positions currently or previously held, as the president of Merchants Capital Corporation; the president of Samarah And Company; the president of Samarah And Company Of Chicago; the president of Samarah Enterprises Of Chicago, Inc.; and the president of Samarah Holding Company.

According to Oregon State records, Shukla is also listed, among other positions currently or previously held, as the registered agent, president, and secretary, of Mayur Technosoft, Inc.; the registered agent, and president, of Tech Atop, Inc.; and a member of Wings Travel, LLC.

As of this writing, there is no indication that a response to either lawsuit has been filed in Baker County Circuit Court, by either Cereal Holding Company, or Tasty Bake, Inc.

— WEEKLY HAY REPORT —

Friday, April 15, 2016 — Eastern Oregon

Prices trended generally steady compared to week-ago prices in a very limited test. Many producers have decided to hold on to their hay for now, in hopes for higher prices or to feed to their own animals. Many hay producers are sold out for the year.

Tons	Price Range	Wtd Avg
No new sales recently. Two week ago results were:		
Alfalfa—Large Square Good	400 150.00-150.00	150.00
Alfalfa / Orchard Mix—Small Square Premium	10 195.00-195.00	195.00

USDA Market News Service—AMS.USDA.gov

— CATTLE MARKET REPORT —

Wednesday, April 13, 2016

Vale, Oregon

Cattle sold through the auction: 1239

Steer Calves

300-400#	Bulk 189.00 - 204.00	Top 205.00
400-500#	Bulk 177.00 - 211.00	Top 212.50
500-600#	Bulk 167.00 - 192.00	Top 196.00

Heifer Calves

300-400#	Bulk 167.00 - 185.00	Top 188.00
400-500#	Bulk 166.00 - 180.00	Top 181.00
500-600#	Bulk 151.00 - 161.00	Top 163.50

Yearling Steers

600-700#	Bulk 156.00 - 177.00	Top 178.50
700-800#	Bulk 139.00 - 153.00	Top 157.75
800-900#	Bulk 135.00 - 141.00	Top 143.00
900-1,000#	Bulk N/A	Top N/A

Yearling Heifers

600-700#	Bulk 133.00 - 148.00	Top 151.50
700-800#	Bulk 126.00 - 133.00	Top 135.00
800-900#	Bulk N/A	Top N/A
900-1,000#	Bulk N/A	Top N/A

Thin Shelly Cows	53.00 - 67.00
Butcher Cows	69.00 - 81.00
Butcher Bulls	64.00 - 84.00
Stock Cows Yng.	N/A
Pairs.	800.00 - 1350.00
Stock Cows Older.	900.00 - 1375.00

ProducersLivestock.com
541-473-3136

— LOG PRICE REPORT —

Price per 1,000 board feet: Northeast Oregon

Currently the local log market is flooded with fire salvage logs. The log buyer for Malheur Lumber Co. stated they have all the logs they need under contract and are not accepting any new purchases. BCC/LLC of La Grande has receive so many burned fire salvage logs they are no longer accepting logs at the La Grande log yard. Any additional pine logs have to be delivered to the Elgin Log yard cut in plywood lengths and to a 8 inch top. For these pine logs cut in plywood lengths, BCC is offering \$280.00/mbf. They are also paying \$410.00/mbf for Doug Fir & Western Larch. For White Fir they are offering \$310.00/mbf. At the Pilot Rock Saw Mill BCC is offering \$360.00/mbf for a 12 to 15 inch top, for 16 to 19 inch top \$400.00/mbf & offering \$425.00/mbf for 20 inch plus top

Courtesy of Arvid Andersen,
Andersen Forestry Consulting

— PRECIOUS METALS REPORT —

Price per ounce, USD

Gold: \$1,255.60

Silver: \$16.98

Platinum: \$1014.66

Palladium: \$583.52

Bloomberg.com

— AG COMMODITIES —

Corn: \$357.00/bu/USD

Wheat: \$472.50/bu/USD

Soybeans: \$904.25/bu/USD

Oats: \$185.00 bu/USD

Rough Rice: \$9.79/cwt/USD

Canola: \$480.20 CAD/mwt

Live Cattle: \$120.75/lb./USD

Feeder Cattle: \$150.20/lb./USD

Lean Hogs: \$79.00/lb./USD

Bloomberg.com

BCVibe meeting focuses on grants

BY TODD ARRIOLA
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A BCVibe (Baker County Vibrancy) meeting was held on Thursday, April 14, 2016, 10:30 a.m., in the Commission Chambers of the Baker County Courthouse, in order to discuss the rough draft of the scope of work for the Community Program Development Contract Facilitator position, and to further discuss ways of marketing Baker City, and Baker County.

Attendance included Baker County Commission Chair Bill Harvey, Baker City Manager Mike Kee, Baker County Economic Development Director Greg Smith, Smith's assistant Julee Smith, Historic Baker City (HBC) President Larry Abell, Baker City Council member Rosemary Abell, Bake Heritage Museum Director Lea Gettle, Crossroads Art Center Executive Director Ginger Savage, Blue Mountain Community College Small Business Development Center (BMCC SBDC) Advisor Jeff Nelson, and Baker County Tourism Marketing Director Tim Bishop.

Kee called the meeting to order, and he asked Savage to begin the discussion, regarding the Facilitator position description, in the rough draft stage. Sav-

age said that grant writer Kat Davis had been given a copy, and that BCVibe would need to match the grant funding, on a one-to-one ratio. Though BCVibe felt \$5,000 total would be enough to fund the position (making BCVibe's contribution \$2,500), Savage said that Davis recommended more.

Kee said he didn't realize it would be a matching fund grant, at a one-to-one ratio, as he had heard \$5,000 would be provided, but he said BCVIBE could provide \$3,000 without an issue, bringing the total funds to \$8,000, if needed. Harvey also said he thought it would be a matching, one-to-one ratio grant, as did Gettle, who said she understood it to be for a total of \$6,000, with \$3,000 from BCVibe.

Rosemary said that, typically, The Ford Family Foundation grants are on a matching, one-to-one ratio basis, and she cited those dispersed to Historic Baker City, as an example.

Savage asked Kee about the funds, and he said, it will work, whatever the actual total will need to be, and that the matching funds will come from a combination of sources, from the City.

SEE BCVIBE PAGE 5



Todd Arriola / The Baker County Press

The second regular BCVibe meeting this year was held at the Courthouse last week back to back with the Economic Development Council meeting.

Estate/Moving Auction

Date: Saturday April 23rd., 2016 Time: 10:00 a.m. MDT
Sale Located at: 158 Lauren Dr. Ontario, Or. From St. Alphonsus Hospital, go west on S.W. 4th. Av. to Dorian Drive (2nd. stoplight). Turn north to N.W. 4th. Ave., West to Tori Dr., right on Patricia Ave. Then left on Lauren to sale site.

Terms: Cash or bankable check day of sale. No merchandise removed prior to settlement. 10% buyers premium.

Auctioneers Note: Fred and Cathy Wiegand were long time residence of Ontario. Plan on attending this quality auction.

Household and Furniture: Basset 6 dr. chest of drawers; Basset 9 drawer mirrored dresser; dark finish Armoire; 2-pad footed end tables; white brocade sofa; 2-needlepoint dining chairs; needlepoint side chair; 50" Sony HDTV; 4 drawer legal file cabinet; nice selection of stemware; More to find.

Collectables: Double drop leaf hardwood dining table; 50's school desk (refinished); Super Nintendo and games; a large selection of D.U. signed and numbered prints, decoys, and sculptures; fishing lures; Remington Express ammo box; Flexible Flyer sled; numerous fishing poles and reels; Faulks predator call; More to find.

Shop and Misc.: Honda EQ 1400 generator (less than 75 hrs); snow blower (like new); treadmill; 500,000 candle power cordless spotlight; Sharper Image solar stereo; Olympus SLR camera and lenses; Eddie Bauer "Alaskan" goose down sleeping bag; tent (complete); packers saw; ski helmet, size large; 2 snowmobile helmets, FLY and Polaris Pure; hard and soft sided golf club carriers; Bar-b-Q; smoker; Oak barrel ice chest; Lawn chairs; 3/8" cordless drill; 3/8" & 1/4" socket set; 6 gal. shop vac; Husky equalizer hitch. More to find.

For pictures and more information go to our website, www.snakeriverauction.com. To arrange absentee or telephonic bidding, call Roger at (541)212-5918. Preview Friday April 22 noon until 5:00 p.m.

Sale Conducted by

Snake River Auction L.L.C.
Roger K. Nakashima (541) 212-5918