



Subscribe

Subscription

Buy Photos

Monday, January 23, 2012

Login Register

TheRecord.com

Search this Site

Search [Waterloo Region Businesses](#)

Full Text Archive

Category Business Name

Home **News** Sports What's On Opinion Living Community More | **Announcements** | **Jobs** | **Cars** | **Real Estate** | **Rentals** | **Classifieds** | **Flyers**

BUSINESS CANADA LOCAL WORLD CAMBRIDGE REPORTER **SUBMIT A NEWS TIP**

HOT TOPICS APPS/ALERTS RIM BLOGS TRANSIT ROADS

Home > News > Business > Peanut-vending firm denies allegations in lawsuit

download your local community news app. [click here](#)

Small | Large | Print | Email | Favourite |

By Chuck Howitt, Record staff | Fri Jan 20 2012 | 0 Recommend

Peanut-vending firm denies allegations in lawsuit

KITCHENER — An Orillia area company facing a class-action lawsuit over its program to hire distributors to sell peanuts through vending machines across the country says many distributors were “extremely successful” under the plan.

In a statement of defence filed in the Ontario Superior Court of Justice in Toronto, Revolution Food Technologies says distributors who followed its advice “and dedicated themselves to excellent customer service consistently achieved success with the business.”

A Kitchener couple is the lead plaintiff in the suit, filed last March and seeking damages of more than \$20 million.

The suit accuses Revolution and its supplier, Johnvince Foods of Toronto, of “fraudulent” or “negligent” misrepresentation of the benefits of the peanut-selling program, which was launched in September 2009.

In March 2010, Jennifer and David Zwaniga Jr. of Kitchener invested a total of \$65,488 in 51 vending machines to sell Planters peanuts.

Promotional materials suggested distributors could earn anywhere from \$300 to \$2,400 a week depending on the number of machines purchased, their statement of claim says.

In the Zwanigas’ case, they were told they could earn up to \$89,000 a year by making just four sales a day from each machine, their claim says.

Eight months later, their sales total came to just \$2,100, “despite all efforts to make the business a success” including the hiring of professional vending-machine locators and “contact with the defendants regarding successful business strategies,” the couple says in its statement of claim.

Allegations in the statements of claim and defence have not been proven in court.

In its statement of defence, Revolution denies that it used “high-pressure sales tactics” to recruit distributors, saying the Zwanigas had “ample time and the opportunity to take away any of the proposed contracts and/or literature” before making a decision to sign up with the program.

Revolution denies that each serving of peanuts was undersized and that it failed to restrict the number of vending machines in each geographical area. Each serving was to be four ounces in volume not weight, and Revolution was not responsible for the actions of third-party locators offered to the distributors, it says.

The company says it made “no representations as to the expected earnings projections, and examples of sales were provided solely to assist potential distributors with the costs associated with the business.”

The Zwanigas “failed to mitigate their losses,” Revolution says, adding that the dispute should be settled through arbitration, not a lawsuit.

In its statement of defence, Johnvince Foods says it was “nothing more than a supplier” of Planters peanuts to Revolution, and that the program was “controlled, managed and operated by Revolution.”

Adam Halioua, of the Toronto law firm Thomson Rogers, which is handling the class action, said more than 200 distributors have contacted the firm since the lawsuit was launched. A motion to certify the suit as a class action will be heard in September, he said.

A letter sent to some of the distributors by Johnvince Foods in October indicated that Revolution had recently ceased operations.

Select a City

- [ABBOTSFORD](#)
[59% off an Online Will](#)
- [ALLISTON / INNISFIL / ANGUS](#)
[59% off an Online Will](#)
- [AURORA / NEWMARKET](#)
[59% off an Online Will](#)

RARRIE
REGISTER WAGJAG NOW - FREE!

Popular Read Recommended Shared

Today | This Week | This Month

- [New RIM boss doesn't seek spotlight](#)
- [Balsillie was combative as RIM co-CEO...](#)
- [Observers holding breath after RIM...](#)
- [Wi-LAN files patent suit against RIM](#)
- [Waterloo remains optimistic about RIM's...](#)

Kitchener Top Jobs »

[Click for More LocalWork.ca Kitchener-Waterloo Jobs](#)

Sponsored Video »