

1 Thank you.

2 THE WITNESS: Thank you.

3 THE COURT: All right. Mr. Collins.

4 MR. COLLINS: Your Honor, I will call Danny Romano.

5 THE COURT: Mr. Romano. All right.

6 THE COURTROOM DEPUTY: Raise your right hand.

7 Do you solemnly swear your testimony will be the truth,
8 the whole truth, and nothing but the truth, so help you God?

9 THE WITNESS: I do.

10 THE COURTROOM DEPUTY: Have a seat, please.

11 Will you state and spell your name for the record.

12 THE WITNESS: Daniel Romano, R-O-M-A-N-O.

13 THE COURTROOM DEPUTY: Thank you.

14 DANIEL ROMANO,

15 having been first duly sworn, was examined and testified as
16 follows:

17 DIRECT EXAMINATION

18 BY MR. COLLINS:

19 Q Good afternoon, Mr. Romano. Can you give us a bit of
20 your employment history.

21 A I -- my grandfather started a liquor -- in the liquor
22 business in 1913, and we had a family distributorship in
23 Illinois until 2002, when we sold it. I had a noncompete that
24 ended in 2017, and in 2018 we started a small distributor, and
25 we've been in business since then.

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1 Q And how has that distributorship grown?

2 A My distributor, it went from nothing, and last year we
3 did, like, \$70 million.

4 Q So you're not a small distributor anymore, correct?

5 A Well, we're still small. You know, there's a couple of
6 distributors that are a billion dollars, and so we're small.

7 Q Right. But 70 million is not tiny?

8 A Yeah. I think we're the fourth largest in Illinois.

9 Q Okay. And then so when you kind of formed this -- what's
10 your new company's name?

11 A Romano Beverage.

12 Q Romano Beverage. So when you started Romano Beverage,
13 how did you start it? What was your --

14 A We started by buying a few small companies in Illinois
15 that were basically going out of business. You know, we
16 bought small ones and just built from there.

17 Q And who was your first, your first account for -- your
18 first brand?

19 A Our first brand, I don't remember. We bought some
20 companies that -- we bought some companies that had brands.

21 Q Well, how early did you get involved with Uncle Nearest?

22 A Oh, like, right at the start. I met Fawn, and what
23 happened is that we had a couple of small -- we just had a
24 couple small companies, and we just took the owners and maybe
25 one salesman. But when Fawn came, we ended up having to hire

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1 a bunch more people because of what her plans were and what we
2 thought what we can do with Fawn and the product. That's when
3 we started adding the people in. It was our first major brand
4 that we had. We had just a couple small brands that guys were
5 going out of business with.

6 Q Okay. And so you've been with --

7 A Yes.

8 Q -- or dealing with the Uncle Nearest products for a
9 little bit?

10 A We sold the first case of Uncle Nearest.

11 Q Yeah. Okay. So in your role as a distributor, how do
12 you interact with retailers?

13 A I go to a lot of the buyers' meetings. I'm the CEO and
14 the owner. And, you know, I'm not good at a lot of things,
15 but I am good at meeting with buyers and the people who make
16 the decisions, and meet with the restaurant owners, and that's
17 my job.

18 Q And as a distributor just kind of generally, the
19 interaction between distributors and retailers, both on-
20 premise and off-premise, right, bars on-premise, liquor stores
21 off-premise, how does that, how does that marketing process
22 between the distributor and the retailer work, like in terms
23 of shelf space and those types of things?

24 A Well, it's our job to get the information from the
25 supplier and then present it to the buyer: This is why you

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1 should have this product, this is the margins you're going to
2 make, this is the advertising that they're going to do, and
3 this is why we think we should get this product in your store
4 or why we should generate this many -- all these shelves or
5 prices and whatever.

6 Q Now do you rely on any data for that at all?

7 A Yeah. We rely on what our suppliers say that they're
8 going to spend in the market. We rely on stuff like that.

9 Q Okay. And in terms of promotional activity, do you work
10 with your distillery accounts and brands in terms of kind of
11 joint marketing efforts?

12 A Our suppliers, yes.

13 Q And what -- can you tell us a little bit about how that
14 works?

15 A I'm not sure what you mean. It's like we meet with the
16 supplier and they say, okay, this is, this is how we're going
17 to promote the brand. This is the kind of money that we have
18 to spend. And then we will say, okay, we need this, this, and
19 this. And it's up to the supplier and I to, okay, you know,
20 we'll contribute this, you guys contribute this, and together
21 we'll build this so that we can get what we want from a
22 retailer or from a restaurateur.

23 Q So it's kind of a --

24 A Yes.

25 Q -- you guys collaborate together?

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1 A Yeah.

2 Q Both in terms of expertise and money, right?

3 A Right.

4 Q To promote the brand?

5 A Yeah. I like to envision it or look at it as, you know,
6 you don't know where one company starts and one company ends.

7 It's like, you know --

8 Q Symbiotic?

9 A Right.

10 Q It's a symbiotic relationship?

11 A Like we've had with Uncle Nearest for many years.

12 Q Okay. And so from your perspective as a distributor, in
13 terms of, let's say, going back to the middle of the summer,
14 right, before the receivership, what was your view of the
15 brand and its trajectory as of that time?

16 A It was great. We were growing it every month and we had
17 a brand. It was, you know, it was the first major brand we
18 had, and it was our most important brand that we had in our
19 portfolio. So our salespeople spent a lot of time, you know,
20 selling the product. And Fawn and Victoria and Kate, they
21 would come to the market and promote the brand and help us,
22 you know, sell the product.

23 Q Okay. And in terms of the retailers that you deal with,
24 what did you view their view of the brand to be back in, let's
25 say, middle of the summer of 2025?

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1 A I would say they view it as Fawn Weaver's brand, you
2 know, that she was the energy behind it and it was a great
3 brand. You know, that was the first thing our salespeople,
4 first thing we talked about in every presentation is, you
5 know, Uncle Nearest, what they have coming, what they're
6 doing.

7 And then they would have a ton of promotions come in.
8 Fawn would come to auditoriums and sell out. You know, I
9 don't know how many we had that we would sell out a bunch of
10 stuff. I had to pay \$100 for a ticket. I was upset about
11 that. But that was what we would tell the retailers, that we
12 would tell the restaurateurs, hey, she's coming, she's giving
13 a speech in an auditorium. And that's what we did.

14 Q And so in terms of to you, as a distributor, the value of
15 this brand as part of your portfolio, how tied in your mind is
16 that to Fawn Weaver?

17 A She's the brand. I would say 100 percent she's the
18 brand.

19 Q So let's kind of move forward now. Now we're in January.
20 We've been in a receivership for a few months. Has anything
21 changed in terms of the retailers and the perception of what's
22 happening?

23 A Yeah. What's changed is -- in my opinion, what has
24 changed is we've had to deflect a lot, basically, from our
25 competitors. You know, they're saying, okay, you know,

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1 they're in receivership. Who knows what's going to happen to
2 them?

3 So there was a lot of deflecting that we would have to
4 do. We would have to come on the offense because our
5 competitors would say, well, you never know what's going to
6 happen to them, or, you know, who knows what's going to
7 happen? You know, you don't know if they're going to be
8 around, if they're going to be sold or whatever.

9 So that was the -- that's what I've -- we've had to spend
10 a lot of time deflecting that. And I say, no, no, no, no, no.
11 This is the way it's going. This is where it's going. It's
12 strong. Our numbers are still pretty good. And in terms of,
13 you know, the industry, our numbers are -- have been good on
14 Uncle Nearest.

15 Q And in terms of sales and marketing and dollar spend,
16 have you seen any kind of -- has there been any modification
17 in that?

18 A From the retailers?

19 Q No, from the spend on marketing in your distribution
20 network.

21 A From Uncle Nearest to us?

22 Q In terms of from the company.

23 A No. I -- you know, I have to say that, you know, every
24 time we've come to Kate, looking for help to build this brand,
25 you know, we have gotten it.

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1 Q And that's probably why you're seeing in your market that
2 sales have actually --

3 A Yeah, they've grown. You know, there is, there is an
4 issue where, you know, we have a couple major chains, a couple
5 national chains, and the national chains, you know, they hear
6 the chirping from their competitors. And, you know, there's a
7 national chain that has said that, you know, because of
8 national -- Niensens, you know, are going to probably
9 discontinue 1884, which, you know, that one chain is 184
10 accounts that, you know, we're going to lose distribution on.

11 Q And do you have any indication of what may be causing
12 them to --

13 A I can only surmise, you know, that I would believe that
14 retailers and national accounts, national chains, you know,
15 they look at Nielsen and they decide, okay, what's the trend
16 coming from the east, what's the trend coming from the west.
17 They see the Nielsen. Then they make the decision.

18 They also have, you know, their competitors coming in or
19 my competitors coming in and chirping in their ear, like, you
20 know, you never know what's going to happen. This is going to
21 happen. This is going to happen. In the state of
22 uncertainty, you know, buyers make the decisions.

23 Now, you know, the buyer from this national chain has not
24 told me personally that that's the reason, but I can surmise.
25 You know, I've been in this business since -- I'm 69. I've

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1 been in this business since I was 13, so I can surmise what
2 happens.

3 Q Yeah. You mentioned about the Nielsen data. How
4 important is the Nielsen data, especially talking to chains
5 and --

6 A For national chains, you know, they make, I don't know,
7 I'm not going to say all their decisions, but I assume they
8 can make a lot of their decisions based on Nielsen.

9 Now, you know, at the old Romano company that we had, you
10 know, we had brands like Bacardi and Jack Daniels, and we used
11 Nielsens all the time. We showed, you know, how the Nielsens
12 are growing so that we could get more ads and we could say,
13 well, we need more ads because look at the ads that you run
14 have shown incremental growth. So we would use Nielsens all
15 the time from my bigger company. For this company, we use
16 Nielsens for the major chains.

17 Q You've mentioned kind of, in your view, the brand is Fawn
18 Weaver. Can you explain a little bit again why you say that?

19 A Well, you know, because, you know, when we first started
20 it, we didn't sell any case of it. And, you know, I met Fawn
21 and so, you know, I was caught up with the energy. And
22 because of my relationship with these buyers, I was able to
23 get appointments that not many people in Chicago can get. You
24 know, I'm not going to say I'm important, but we were the
25 largest distributor in Illinois. So when I called, I can get

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1 an appointment with anybody.

2 And, you know, I remember our first appointment we met
3 with the number one restaurateur in Chicago. And he had a
4 meeting with Fawn, and he took it into all his restaurants, I
5 mean, or I think most of his restaurants. And it was just
6 because of the energy she had. That's what I say, she's
7 been -- we've grown the brand, so I'm going to take some, I'm
8 going to take some credit for it.

9 But when she came in, you know, I was able to get her in
10 front of, you know, the Binny's people, which is a big chain,
11 you know, and all those people. She came in, did whatever she
12 does, and they brought it in. And so I was able to say, oh,
13 look at, Binny's brought it in and they're supporting it. You
14 know, Osco's bringing it in; they're supporting it. Phil
15 Stefani, the restaurateur, he's bringing it in.

16 And so I was able to use, you know, her first meetings
17 with these people to get them in. I was able to use that as
18 the selling point on growing this brand. So that's what I
19 mean, she was the brand. Does that make sense?

20 Q And in terms of -- do you think your story is unique in
21 the distributor world --

22 A No.

23 Q -- with respect to Ms. Weaver and her impact --

24 A No.

25 Q -- on other distributors --

1 A No.

2 Q -- and retailers?

3 A Look, I obviously don't know. But I see, when I go to
4 all the signings that Victoria has or the signings or the
5 talks that Fawn did, where you get all these people, you know,
6 that you feel there's something more than a distributor built
7 in the brand. There's a -- I wouldn't say it's a cult
8 following, but, you know --

9 Q Is it like a celebrity --

10 A Oh, yeah, definitely celebrity, definitely so much energy
11 and passion people have for Fawn. I don't even know if they
12 drink the brand, but they have the passion for her. You have
13 people crying. You know, it was crazy. I spent \$100 for a
14 ticket. Did I tell you that?

15 Q In your experience, can the value of this brand, the true
16 value of this brand be achieved without Fawn Weaver?

17 A No.

18 MR. COLLINS: Okay. No further questions, Your
19 Honor.

20 THE COURT: All right. Thank you.
21 Any questions?

22 MS. LIGGINS: No questions, Your Honor.

23 THE COURT: Okay. Do you have any questions,
24 Mr. Campbell?

25 MR. CAMPBELL: No.