

STONE HILTON

STONE HILTON FILES ANTITRUST LAWSUIT AGAINST MAJOR CROWDFUNDING COMPANIES

Dec. 9, 2024

AUSTIN – Stone Hilton filed a lawsuit today on behalf of Coast Runner, Inc. an innovative engineering company, against Kickstarter PBC, Indiegogo, Inc., and Launchboom, Inc., alleging an illegal conspiracy to sabotage crowdfunding campaigns for Coast Runner’s groundbreaking product, the CR-1, because they disagree the political views of Coast Runner’s founders. These companies caved to outside pressure from anti-gun advocates—and violated antitrust law—because Coast Runner’s founders are staunch supporters of Second Amendment rights.

The CR-1 is a desktop CNC machine capable of precise metal fabrication, offering a transformative solution for industrial applications and hobbyists alike. The CR-1 can mill metals as hard as titanium to within one thousandth of an inch of precision, and it is a revolutionary alternative to expensive and time-consuming custom fabrication by traditional machinists. The CR-1 has been recognized by the U.S. government as an all-purpose industrial tool with broad application across many industries.

Coast Runner partnered with Kickstarter, a leading crowdfunding platform, and Launchboom, a marketing firm and certified Kickstarter “expert,” to launch a campaign for the CR-1. The company invested significant resources and disclosed proprietary business details to secure campaign approval and maximize success. On February 27, 2024, the campaign launched to overwhelming support, raising over \$500,000 within the first few hours, and was projected to raise millions in funding.

But Kickstarter abruptly terminated the campaign on its second day, providing no explanation and ignoring Coast Runner’s inquiries. Launchboom, initially supportive, severed ties and issued an unprompted refund.

Determined to proceed, Coast Runner turned to Kickstarter’s competitor, Indiegogo, which launched a replacement campaign on February 29, 2024. This campaign also saw rapid success, raising \$250,000 within hours, before being terminated the following day without notice or justification.

“The sudden and unexplained actions by Kickstarter, Indiegogo, and Launchboom were clearly part of an illegal conspiracy fueled by political pressure targeting Coast Runner’s founders,” said Chris Hilton, partner at Stone Hilton. “The CEOs of these companies colluded to block the CR-1 from accessing crowdfunding markets, violating federal and Texas antitrust laws.”

“This lawsuit seeks to expose the anticompetitive practices that stifled innovation and harmed the market and consumers alike,” said Judd Stone, partner at Stone Hilton. “We are committed to holding these companies accountable and seeking justice for the significant losses that Coast Runner incurred.”

A collusive agreement between companies that, like Kickstarter and Indiegogo, control access to an entire marketplace is a per se violation of Federal antitrust laws and patently violates Texas’s parallel laws. Stone Hilton and Coast Runner will not allow these ideologically motivated corporations to stifle innovation and manipulate free trade.

This case was filed in the Western District of Texas, Midland Division—the heart of the oil and gas industry in Texas—where the CR-1 will become a necessary device that allows oilfield operations to continue virtually uninterrupted compared to having parts sent in from a custom fabricator after weeks or months of downtime.



TEXAS LITIGATORS
600 Congress Ave., Suite 2350, Austin, TX 78701
737-465-3897