

# Lawsuit alleges Reditus CEO is 'pillaging' the company to fund lavish lifestyle

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Published March 18, 2022 at 5:37 PM CDT



Eric Stock / WGLT

Reditus CEO Aaron Rossi became a high-profile businessman in central Illinois—even appearing alongside Gov. JB Pritzker in 2020—when his company won hundreds of millions of dollars in state contracts to run COVID-19 tests

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A motion filed this week in Tazewell County court could reveal details of an ongoing lawsuit against Reditus Labs chief Aaron Rossi.

The latest development in the business dispute comes just days after Rossi, a 39-year-old entrepreneur from Bloomington, was [indicted on federal tax fraud charges](#). Rossi became a high-profile businessman in central Illinois—even [appearing alongside Gov. JB Pritzker in 2020](#)—when his company, Reditus, won hundreds of millions of dollars in state contracts to run COVID-19 tests, including from a testing site in Bloomington. Rossi, who grew up in the Morton and Peoria area, [also runs or plans to launch several other businesses](#).

In the lawsuit, one of Rossi's business partners in Reditus, James Davie, accuses Rossi of "pillaging" Reditus to fund a "nouveau riche over-the-top lifestyle," court records show. That includes the purchase of a small private plane that's registered to one of Rossi's other companies, according to an early copy of the lawsuit.

In Wednesday's filing, attorney's representing Davie asked a judge to lift a protective order, or seal, that's kept certain documents in the case from being publicly disclosed, including an updated version of the lawsuit. They argue there's a "strong public and governmental interest in Reditus," the motion reads.

"Sunlight is always the best disinfectant. The billionaire and millionaire class don't get special treatment in court to hide their dirty laundry simply because it is embarrassing," said Peter Lubin, one of the attorneys representing Davie in the case.

When reached for comment Friday, the Reditus chief of staff, Kristen Vromen, said the Pekin-based company doesn't comment on pending litigation.

Later Friday afternoon, WGLT received this statement from Reditus:

"The Davie litigation currently has a protective order in place which was agreed to by Davie's attorneys when it was entered with the court. Reditus will respect that order and therefore not comment on this matter which court violate the terms of that order. The company does not comment on pending litigation and will file our responses through the court. Finally, (a Reditus spokesperson) does not comment on Dr. Aaron Rossi's personal matters or questions regarding same," the company said.

Davie has since hired new attorneys since the protective order was put in place. Lubin wants it lifted.

## History of the business relationship

Problems between Rossi and Reditus co-founder James Davie began just months after the company's formation in 2019, according to court documents. That's when the two doctors began discussing plans to form a testing laboratory in Pekin, Illinois. There was nothing glamorous about the lab's proposed purpose. It would analyze foot and ankle tissue, or what's called *podiatric histology*, and provide PCR testing services.

At the time, PCR tests were not a part of the lay lexicon. But just over a year later, the COVID-19 pandemic would break out. And facilities capable of processing PCR tests to quickly detect cases of the virus would become key to mitigation efforts.

The unassuming lab in Pekin suddenly found itself uniquely positioned in a statewide effort to curb the spread of COVID-19. The state of Illinois would go on to pay Reditus over \$222 million for its testing services during the course of the pandemic, [WGLT previously reported](#).

Davie alleges by that time, he'd been systematically "squeezed out" of operations by Rossi, who maintained a majority share of ownership in the company, court records show. Rossi in 2019 allegedly offered to buy out Davie's share for \$50,000. Davie argued that he had made significant capital investments in the business and rejected the "low ball" offer.

In May 2020, two months into COVID, Rossi filed suit in Tazewell County to expel Davie from the business. According to Davie, Rossi was attempting to intimidate him into selling his stake in Reditus for less than it was worth. Davie alleges that he made several requests for financial documents from Reditus in order to assess the company's value. He says those requests were never satisfactorily met.

By December of 2020, Rossi upped the offer for Davie's stake to \$500,000, Davie claimed.

## 'Just a Midwest farm kid from central Illinois'

As part of the ongoing legal battle, Davie is seeking to unseal financial records in Tazewell County that he alleges will show Rossi's "pillaging" of Reditus to fund that "nouveau riche over-the-top lifestyle."



*Flight Aware /*

A photo of a plane registered to owner AJR MD Consulting LLC, which is one of Aaron Rossi's other companies, according to state and FAA records. The photo comes from Flight Aware, a flight-tracking service.

The records were sealed under a protective order in May 2021 issued by Tazewell County Judge Daniel Cordis, who is no longer assigned to the case. The order said both sides wanted to "protect ... proprietary or confidential documents and information from unauthorized, unnecessary disclosure."

Davie's current attorneys argue there is no sound legal reason for the financials to be kept apart from public record. The only damage that can come from revealing them, according to Davie, is the undermining of the public image Rossi has worked to

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Rossi was profiled by WGLT days before news of his indictment broke. In the interview, Rossi described himself in humble terms.

"I'm not a smart guy, I just work hard. I tell everybody I'm just a Midwest farm kid from central Illinois," Rossi said at the time. "It's worked well for me, I think."

During the pandemic, Reditus has expanded three times and now has more than 300 employees.

But according to Davie's suit, Rossi's "profligate spending habits" fly in the face of that image. That includes the private plane. Indeed, a company managed by Rossi called "AJR MD Consulting LLC" is the owner of a private plane, according to FAA registration records. The lawsuit claimed it was purchased in 2020; the FAA record shows it was registered in 2021.

Davie alleges that Rossi has wrought "financial destruction" on Reditus Labs through "shady accounting" and the misuse of funds. The lawsuit claims Rossi has conflated his personal finances with that of the business, using company employees and accountants to handle private dealings.

Davie disputes Rossi's claim that his personal financial records should be sealed to protect company operations.

"In fact, it would likely be helpful to Reditus Labs for the disclosures to be made to reveal the substantial risk Rossi poses to Reditus Labs," the lawsuit reads.

The lawsuit alleges that Rossi engaged in a "Brewster's Millions"-style spending spree, referencing a 1985 Richard Pryor movie in which the protagonist has 30 days to spend \$30 million. Rossi also allegedly kept his family members on the company payroll, awarding them with "enormous amounts in excessive compensation," according to the suit.

The case is due back in court March 23.



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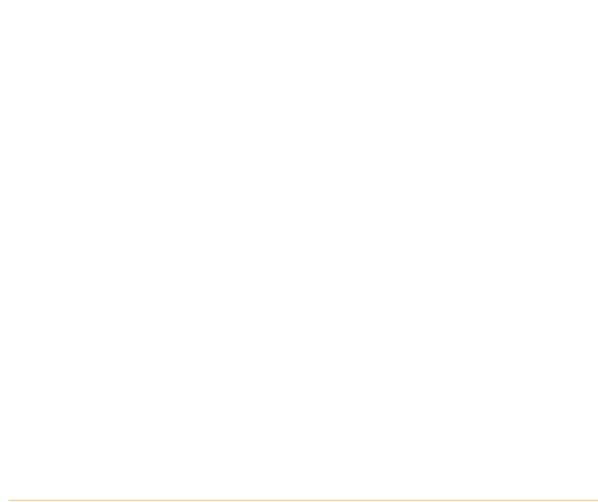
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