

Daniel Eichhorn, Sy Kim And Samit Patel Obtained A Wide-Ranging Settlement On The Second Day Of Trial On Behalf Of Commercial Clients In A Case Involving Their Former Employees' Theft Of Customers And Engaging In Secret Competition

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The Firm's clients ("Plaintiffs"), which are related entities in the international shipping, warehouse and logistics industries, filed suit against two of their former employees, who had served as directors, based on allegations that the former employees utilized a separate business entity to engage in secret competition with Plaintiffs for nearly a year while they were still employed with Plaintiffs. Plaintiffs asserted that the former employees utilized this secret business entity to steal customers and potential customers while they were still employed and that they continued to grow this secret business and competed against Plaintiffs even after terminating their employment. Plaintiffs further asserted that these former employees stole Plaintiffs' proprietary information and data, including information related to profit margins and Plaintiffs' customer and business partner contacts, in order to further their secret competition with Plaintiffs.

In the lawsuit, Plaintiffs primarily sought injunctive relief, as well as monetary damages to address the harm caused by the former employees. Plaintiffs asserted numerous legal and equitable claims against the former employees, including breach of loyalty, tortious interference with business relationships and contracts, unfair competition, civil conspiracy and breach of employment contracts. Plaintiffs also asserted claims based on allegations of violations of New Jersey's Trade Secret Act and Computer Related Offenses Act, as well as statutory violations relating to misuse of Plaintiffs' names, marks, reputation and goodwill.

Shortly before trial, Defendants' attorneys filed numerous motions *in limine* seeking to exclude multiple forms of evidence at trial, in an effort to defeat Plaintiffs' case prior to the commencement of trial. Defendants' onslaught of *in limine* motions were not successful and the matter proceeded to trial.

At trial, Plaintiffs' President and CEO took the stand and began to testify in support of Plaintiffs' claims. Thereafter, settlement negotiations were re-engaged by the parties, and a settlement was reached between all

the parties.

The settlement that was entered into between our Firm's clients and its former employees not only included a six-figure monetary payment, but also more importantly from Plaintiffs' perspective, resulted in the former employees and their business entity voluntarily agreeing, among other things, to refrain from transacting business for a significant period of time with over a dozen customers and business partners of Plaintiffs, many of whom are critical to the success and future of Plaintiffs' business.

This outcome demonstrates Cullen and Dykman's complex litigation team's dedication and commitment to not only aggressively pursuing its clients' rights and interests, but also in securing resolutions that uniquely meet each individual clients' needs and goals.

Practices

- Commercial Litigation

Attorneys

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