



## WINNING MATTERS

VINCE LOMBARDI, THE LEGENDARY HALL OF FAME FOOTBALL COACH, ONCE WONDERED, "IF WINNING ISN'T EVERYTHING, WHY DO THEY KEEP SCORE?"

LOMBARDI'S STATEMENT REFLECTS THE WILLENKEN FIRM'S FUNDAMENTAL APPROACH TO LITIGATION: WE UNDERSTAND THAT, IN LITIGATION, AS IN FOOTBALL, WINNING MATTERS.

### Another Trial Victory for the Willenken Firm

On May 21, 2010, the Los Angeles County Superior Court returned a complete defense verdict for firm client Laurus Master Fund, Ltd. and its affiliates. Laurus is a private equity fund that made a significant investment in a company called General Environmental Management (known as "GEM"). When GEM's bid for a competitor named Romic Environmental proved unsuccessful, GEM hired away several of Romic's key employees. Romic then sued GEM, the employees who left Romic to work for GEM, and Laurus. Romic alleged that Laurus was the party that suggested that GEM raid the Romic employees and then loaned GEM money to finance their salaries and signing bonuses. Thus, Romic argued, Laurus was a "aider and abettor." GEM and the individual defendants settled out, leaving Laurus to defend GEM's conduct, as well as its own.

During an eight week trial, the Willenken Firm successfully established that GEM had the absolute right to hire away the Romic employees, and that those employees had an unfettered right to leave. We also established that Romic failed to prove that GEM or the individual employees misappropriated any of Romic's trade secrets, failed to prove damages, and failed to prove that Laurus should be held liable as an aider and abettor.

This case is one of many in which companies sue (often unsuccessfully) when a competitor raids its employees. California law is favorable to the hiring companies and the employees in that situation. In light of California law, most plaintiffs seek to allege misappropriation of trade secrets by the departing employees and their new employers. That is what Romic did. But, as this case proves, that is a dangerous tactic. As the prevailing party on a trade secrets claim, the firm has now brought a motion to recover Laurus' attorneys' fees under the "bad faith" provisions of the Uniform Trade Secrets Act.

