UNITED STATES DISTRICT COURT SOUTHERN DISTRICT OF TEXAS HOUSTON DIVISION

AKM ENTERPRISES INC d/b/a Moblize

Plaintiff,

V.

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CIVIL ACTION NO.

STEVEN LEE HAYES, JR;

SAMARTH GUPTE; RYAN DAWSON;

and CORVA AI, LLC.,

Defendants.

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PLAINTIFF'S ORIGINAL COMPLAINT

1. AKM Enterprises INC. d/b/a Moblize files this Complaint as set forth below against Steven Lee Hayes, Jr, individually, Samarth Gupte, individually, Ryan Dawson, individually, and Corva AI, LLC ("Corva") (collectively "Defendants") and alleges:

PARTIES

- 2. Plaintiff AKM Enterprises INC. d/b/a Moblize (hereinafter "Moblize") is a Texas corporation with its principal offices located in Houston, Texas, and at all times material hereto was authorized and doing business in the state of Texas.
- 3. Defendant Steven Lee Hayes, Jr (hereinafter "Hayes") is a resident of Texas who can be served with process at his residence: 24511 Sandusky Drive, Tomball, Texas 77375. Defendant Hayes is a former employee of Moblize, where he served as a

Customer Success Manager, before subsequently being hired to work for Defendant Corva.

- 4. Defendant Samarth Gupte (hereinafter "Gupte") is an employee of Corva AI, LLC, and a resident of Texas who can be served with process at Defendant Corva's business address: 1334 Brittmoore Rd Suite 150, Houston, TX 77043. Defendant Gupte is a former employee of Moblize, where he initially served as a Real-time Operation Center Engineer and later transitioned into a Product Analyst role, before subsequently being hired to work for Defendant Corva, where he performs similar work.
- 5. Defendant Ryan Dawson (hereinafter "Dawson") is an employee of Corva AI, LLC, and a resident of Texas who can be served with process at his residence: 448 Harvard Street, Houston, Texas, 77007. Defendant Dawson co-owns Corva and serves as its Chief Executive Officer.
- 6. Defendant Corva is a Texas corporation with its principal offices located in Houston, Texas, and at all times material hereto was authorized and doing business in the state of Texas. Defendant Corva may be served with process by serving its chief executive officer, Defendant Dawson, at its business address: 1334 Brittmoore Rd Suite 150, Houston, TX 77043.

JURISDICTION AND VENUE

7. This Court has subject matter jurisdiction over this action under 18 U.S.C. § 1836(c) (actions arising under the Defend Trade Secrets Act of 2016, "DTSA"); 28 U.S.C.

§ 1331 (federal question jurisdiction); 28 U.S.C. § 1367 (supplemental jurisdiction); and the doctrines of ancillary and pendent jurisdiction.

8. Venue is proper in this Court pursuant to 28 U.S.C. § 1391(b) because all Defendants reside in the State of Texas and a substantial part of the events giving rise to this claim occurred in Harris County, Texas, within the Southern District of Texas.

FACTS

- 9. Moblize is a leading provider of a Software as a Service ("SaaS") platform that is designed to mine and interpret billions of data points, both human-derived and machine-generated, thereby simplifying workflows for exploration and production operators during well construction.
- 10. Since its founding, Moblize has helped oil and gas operators improve performance by harnessing the power of data to address the biggest challenges during key phases of well construction: planning, daily operations, post-well analysis, and reporting.
- 11. For the last 18 years, Moblize has hosted thousands of high-quality and high-resolution drilling data from several geological basins in the United States and has developed and introduced a best-in-class drilling analytics platform. Its data quality management approach has allowed it to provide innovative processes to aggregate, prepare, and validate drilling data, coupled with efficient production and delivery capability of data analytics insight improving Oil & Gas Operators workflows.

- 12. Moblize's drilling data analytics tools, data quality management processes and techniques, and its ability to validate the accuracy of these tools, processes, and techniques, are proprietary and confidential and include valuable trade secrets that play a critical role in the research and development of its products.
- 13. Moblize developed these innovative capabilities through the significant expenditure of time, effort, and financial investment, and these capabilities provide significant competitive advantages. Consequently, Moblize has implemented and continues to use extensive, reasonable measures to protect the confidentiality of its proprietary information and trade secrets, including its tools, processes, and techniques. Moblize's protective measures, among others, include:
 - a. the execution of written agreements containing confidentiality provisions with employees;
 - b. the execution of non-disclosure agreements ("NDAs") governing its interactions with customers, prospective customers, suppliers, service providers, agents, or contractors; and
 - c. the enforcement of rigorous technological and physical access restrictions.

The Former Employee-Defendants and their Binding Obligations to Moblize

14. On or about May 21, 2018, Defendant Gupte accepted employment with Moblize by executing an employment agreement that included confidentiality and intellectual property provisions, which included protecting the trade secrets and/or Confidential Information of Moblize and its customers, and he confirmed his

understanding of, and agreed to comply with, all the rights and obligations of the employment agreement.

- 15. While employed by Moblize, Defendant Gupte first served as a Real-time Operation Center Engineer. To assist him in performing his job responsibilities for Moblize, Defendant Gupte received specialized training on Moblize's data analytics and management tools and gained access to confidential data from Moblize and its clients—conditioned on his agreement to protect Moblize's and its clients' trade secrets and/or Confidential Information.
- 16. Defendant Gupte's responsibilities included, but were not limited to, developing real-time torque and drag models, and analyzing, monitoring, and correcting high resolution drilling data for Moblize's cloud-based data-management and analytics platform.
- 17. On or about August 31, 2018, Defendant Hayes accepted employment with Moblize, by executing an employment agreement that included confidentiality and intellectual property provisions, which included protecting the trade secrets and/or Confidential Information of Moblize and its customers, and he confirmed his understanding of, and agreed to comply with, all the rights and obligations of the employment agreement.
- 18. While employed by Moblize, Defendant Hayes served as a Customer Success Manager whose job tasks included supporting Moblize's Product Team in

designing analytical and predictive SaaS tools for energy professionals. He was also responsible for providing demonstrations on new products, user trainings, and helping Moblize's clients with adopting its new products. Defendant Hayes received specialized training on Moblize's data analytics and management tools and gained access to trade secrets and/or Confidential Information from Moblize and its clients—conditioned on his agreement to protect Moblize's and its clients' trade secrets and/or Confidential Information.

- 19. Defendants Gupte and Hayes each executed a copy of the Moblize Employment Agreement and acknowledged, *inter alia*, that as concerns Moblize (which was referred to in the Employment Agreement as the "Company") that:
 - a. he should not, without the prior written consent of the Board of Directors of the Company, for any reason, either directly or indirectly, divulge to any third-party (except as may be required to further the interests of the Company) or use for his own benefit, or for any purpose other than the exclusive benefit of the Company, any and all confidential, proprietary, business and technical information or trade secrets of the Company or of any subsidiary or affiliate of the Company, whether oral, written, computerized, digitized or otherwise, revealed, obtained or developed in the course of his employment with the Company;
 - b. The Company's Confidential Information includes, but is not limited to, intellectual property and technology (whether owned or licensed), patents and patent applications, research development, inventions, systems, system configurations, equipment, software, Internet and website matters, engineering data and specifications, technical knowledge, know-how, techniques, manuals, look and feel, products, sales and marketing, costs, prices, earnings, business plans, financial information and forecasts, prospects, contracts, business arrangements, operating policies and

- procedures, methods of operation and business strategies, regardless of whether or not such information is deemed "trade secrets";
- c. he would, upon termination of employment with the Company, but no later than five business days after termination of employment, promptly deliver to the Company all correspondence, manuals, notebooks, lists of customers and suppliers, prototypes, computer programs, disks and any documents, materials or property, whether written or stored on computerized medium, belonging to The Company or containing Confidential Information, and all copies in his possession or control, shall not take any action to preserve or regain access to such information through any means, including but not limited to access to The Company's facilities or through a computer or other digital or electronic means;
- d. he agreed for a period of twelve months from the termination of his employment with The Company not to directly or indirectly, for his own account and benefit or for or on behalf of any other person or entity (except The Company), or as owner, partner, director, officer, employee, agent, consultant or otherwise: (i) engage in any business in North America which is in competition with The Company; (ii) perform data quality analysis and/or management and data analytical services in the oil and gas industry within a 50 mile radius of Houston, Texas; (iii) establish or attempt to establish (other than for the Company) any business relationship with any Business Relation (as hereinafter defined) in competition with The Company; (iv) offer, provide or sell to any Business Relation, or enter into or seek to enter into any contract or other arrangement with any Business Relation for the performance or sale of, any services or goods and products of a nature provided or sold by the Company; (v) encourage any Business Relation to discontinue, in whole or part, a business relationship with or doing business with the Company, or discourage any such business relationship; (vi) have any type of interest in or employment or commission relationship with any venture or entity which engages in any of the activities referred to in clauses (i) through (v) above;
- e. he agreed that Business Relation in the context of his Employment Agreement is defined as any person, entity or group that within two years preceding the date of termination of his employment: (i) is or

was a customer or vendor of the Company; (ii) has entered into any contract or other arrangement for the provision of services or the sale of products or otherwise, regardless of whether such contract or other arrangement is in effect at the time of termination of his employment; (iii) received a written or verbal proposal from The Company for the performance of services or the sale of goods or products.; (iv) The Company entered or agreed to enter into a contract, either as a subcontractor or as the prime contractor, or into any other business relationship such as a joint venture arrangement, collaborative agreement, joint development agreement, or other arrangement or understanding; or (v) The Company has identified as a business prospect;

- f. he agreed that the software developed by The Company is or is intended to be marketed and licensed to customers nationally throughout North America;
- g. he agreed to the reasonableness of this Covenant Not to Compete and the reasonableness of the geographic area, duration of time, and types of activities restricted which are a part of said covenant. He also agreed that this covenant will not preclude him from becoming gainfully employed following termination of employment with The Company;
- h. he agreed for a period of twelve months from the termination of his employment with The Company not to directly or indirectly: (i) induce or attempt to induce any employee of The Company to quit employment with The Company; (ii) otherwise interfere with or disrupt The Company's relationship with its employees; (iii) solicit, entice, or hire away an employee of The Company; or (iv) hire or engage any employee of The Company or any former employee of The Company whose employment with The Company ceased less than twelve (12) months before the date of such hiring or engagement;
- i. he agreed that the restrictions set out in the Agreement are necessary to protect The Company, that they are reasonable, and agreed that any breach of the terms of the Agreement would likely cause substantial and irrevocable damage and irreparable harm to The Company, so it is entitled to obtain specific performance and other injunctive relief, in addition to such other remedies that may be

- available, including interim or interlocutory relief if demanded; and
- j. he agreed that the provisions in the Agreement survived the termination of his employment relationship.
- 20. Upon Defendant Gupte's request, on or about October 29, 2019, Moblize transferred him to work for its Product Team as a Product Analyst. In this role, Defendant Gupte had exposure to all of Moblize's product lines and participated in development meetings for its existing and upcoming product releases. Before he was transferred, Moblize reminded Defendant Gupte of his existing and on-going obligations under the Employment Agreement, which included his duty of loyalty to Moblize.
- 21. On or about January 1, 2020, without prior authorization and in violation of Moblize's policies and procedures, Defendant Gupte began transferring Moblize data and information about its confidential SaaS platform and services to multiple personal email accounts. Then, on or about April 5, 2020, Defendant Gupte began uploading Moblize documents to a personal cloud-based storage service in violation of his obligations under his Employment Agreement.
- 22. On or about April 6, 2020, after discovering Defendant Gupte's foregoing violations, Moblize disabled his log-in credentials, and performed a supervised removal of Moblize data from his personal account. Later that year, Defendant Gupte was terminated.
 - 23. On February 15, 2021, Defendant Hayes resigned his job at Moblize in a

letter sent to Amit Mehta, its CEO. Moblize requires departing employees, such as Defendant Hayes, to sign a Post Termination Letter. This letter is to confirm that they have complied with, and will continue to comply with, their Confidentiality and Covenant not to Compete obligations to protect Moblize's trade secrets and/or Confidentiality Information, and the obligations not to retain any of Moblize Confidential Information as described explicitly under their Employment Agreement with Moblize. Accordingly, on or around February 16, 2021, Moblize informed Defendant Hayes of the aforementioned obligations and requested that he sign Moblize's Post Termination Letter and return all Moblize equipment.

- 24. On March 17, 2021, Defendant Hayes refused to sign Moblize's Post Termination Letter. Upon his resignation, and unbeknownst to Moblize and without its authorization, Defendant Hayes retained files containing Moblize's trade secrets and/or Confidential Information. On information and belief, he caused these files to be unlawfully downloaded and transferred to a personal USB device. At least one of these confidential files disclosed Moblize's trade secrets regarding statistical approach, analysis, features, and the confidential insights generated by Moblize's products to existing or previous customers.
- 25. Plaintiff Moblize and Defendant Corva are engaged in fierce competition in a niche market. Moblize believes, on information and belief, that Defendant Corva is currently leveraging Defendant Gupte to launch SaaS applications imitating Moblize's

features and tools. Defendant Gupte's exposure and familiarity with the trade secrets and Confidential Information related to Moblize's SaaS applications, data quality proprietary processes, and procedures developed over 15 years is, on information and belief, being leveraged by Defendant Corva to facilitate its ability to bring products to market. Defendant Gupte had not only been exposed to Moblize's protected trade secrets and Confidential Information while he was employed at Moblize, but he had worked on developing products at Moblize, whose features now appear as part of Corva's products, such as its Corva Fusion product that Defendant Gupte, on information and belief, has worked on since joining Corva.

26. On information and belief, Defendant Hayes, with the help of Defendant Corva's Chief Executive Officer, Defendant Dawson, and unknown others, assisted Defendant Corva to unfairly compete against Plaintiff Moblize, executed a scheme to violate Defendant Hayes' and Defendant Gupte's duties of protecting Moblize's trade secrets and/or Confidential Information and their duties of loyalty owed to their former employer, by assisting in the procurement and misappropriation of Moblize's protected trade secrets and/or Confidential Information, and by receiving, reviewing, and causing such information to be used by Defendant Corva in developing competing products without Moblize's consent.

The Defendants' Involvement in the Conspiracy and Violations

27. Defendant Hayes works as a Drilling Technical Sales Engineer at

Defendant Corva—a role nearly identical to his last role at Moblize.

- 28. In violation of his obligations to maintain the secrecy of the Moblize trade secrets and Confidential Information, as well as his duty of loyalty to Moblize, his former employer, Defendant Hayes unlawfully retained and, without its consent, disclosed Moblize's trade secrets and/or Confidential Information to Defendant Dawson and other Corva employees.
- 29. Defendant Gupte now works as a Product Manager at Defendant Corva- a role that appears to be nearly identical to his last role at Plaintiff Moblize.
- 30. On or about May 3, 2022, Defendant Dawson sought and obtained through Defendant Hayes certain of Moblize's trade secrets and/or Confidential Information, despite such information having been categorized and clearly labeled as being Moblize's "Proprietary and Confidential" information.
- 31. Subsequently, on or about October 27, 2022, Defendant Dawson once again sought and obtained, through Defendant Hayes, access to Moblize's trade secrets and/or Confidential Information that it had categorized and labeled as being its "Proprietary and Confidential" information.
- 32. On information and belief, Defendant Hayes, Defendant Gupte, and others affiliated with Defendant Corva, aided and abetted Defendant Corva, in its development efforts for competing products using Moblize's trade secrets and/or Confidential Information that Defendant Dawson had sought and obtained from Defendant Hayes,

knowing and having reason to know that these trade secrets and/or Confidential Information were derived through improper means and under circumstances giving rise to a duty to maintain their secrecy, and in violation of Defendant Hayes' and Defendant Gupte's ongoing duties owed to Moblize, their former employer, that prohibited them from using or sharing such information with others without its express authorization. Thereafter, on information and belief, Corva used such information to develop or improve its competing products and/or services to unfairly compete against Moblize.

- 33. Defendant Hayes continues to work at Defendant Corva and has, on at least two occasions, shared Moblize's protected trade secrets and/or Confidential Information with Defendant Dawson and others at Corva, despite the trade secrets and/or Confidential Information being categorized and labeled as the "Proprietary and Confidential" Information of Moblize.
- 34. On or about February 27, 2023, Defendant Hayes unlawfully distributed Moblize's Proprietary and Confidential Information to employees at Defendant Corva, including its Director of Technical Sales, while elaborating on how Defendant Corva can leverage this information to unfairly compete with Moblize.
- 35. This information constitutes protected trade secrets and/or Confidential Information of Moblize, including its platform planning features, that Defendant Hayes and his co-defendants could use to seize business opportunities and unfairly develop competing products for Defendant Corva.

COUNT I: MISAPPROPRIATION OF TRADE SECRETS UNDER THE DEFEND TRADE SECRETS ACT (AGAINST ALL DEFENDANTS)

- 36. The allegations set out in paragraphs 1-35 are hereby incorporated by reference.
- 37. Moblize's protected trade secrets and/or Confidential Information include its SaaS software and data quality proprietary processes and procedures developed over 15 years, that are not in the public domain, along with its products, systems, system configurations, equipment, software, engineering data and specifications, technical knowledge, know-how, techniques, business methods, practices, strategies, business plans, operating policies and procedures, and methods of operations that Defendants Gupte and Hayes had access to via their former employment with Moblize.
- 38. Moblize has taken reasonable measures to protect its trade secrets and they derive independent economic value from not being generally known to, and not being readily ascertainable through proper means by other persons who can obtain economic value from the unauthorized disclosure or use of Moblize's protected information.
- 39. Defendant Hayes misappropriated and caused to be misappropriated confidential and proprietary information, including trade secrets of Moblize (that derive independent economic value from not being generally known to, and from not being

readily ascertainable by proper means by, other persons who can obtain economic value from their disclosure or use, and that are the subject of efforts that are reasonable under the circumstances to maintain their secrecy), for the use by Defendant Corva and its employees to unfairly compete against Moblize.

- 40. As detailed above, on information and belief, Defendants misappropriated and caused Moblize's trade secrets and/or Confidential Information to be misappropriated in one or more of the following ways:
 - a. by Defendant Hayes' improperly retaining Moblize's trade secrets and/or Confidential Information after he was no longer employed by Moblize and, thereafter, breaching his duty to maintain the secrecy of Moblize's trade secrets and/or Confidential Information and his duty of loyalty to Moblize; and by Defendant Dawson inducing Defendant Hayes to breach of his duty to Moblize to maintain the secrecy of its trade secrets and/or Confidential Information, along with breaching his duty of loyalty to his former employer.
 - b. by disclosing or causing to be disclosed and/or by using or causing to be used Moblize's trade secrets and/or Confidential Information without Moblize's consent to unfairly compete against it;
 - c. by disclosing or causing to be disclosed and/or by using or causing to be used Moblize's trade secrets and/or Confidential Information without Moblize's consent and for Defendant Corva's commercial benefit, while knowing, or having reason to know, at the time of the disclosure and/or use, that Moblize trade secrets and/or Confidential Information was being provided without authorization and through improper means;
 - d. by disclosing or causing to be disclosed and/or using or causing to be used Moblize's trade secrets and/or Confidential Information without Moblize's consent and for Defendant Corva's commercial benefit, while knowing, or having reason to know, at the time of the disclosure and/or use, that Moblize trade secrets and/or

- Confidential Information was being provided without authorization and under circumstances giving rise to a duty to maintain the secrecy and limit the use of the trade secrets and/or Confidential Information; and
- e. by disclosing and/or using Moblize's trade secrets and/or Confidential Information without Moblize's consent and for Defendant Corva's own commercial benefit, while knowing, or having reason to know, at the time of the disclosure and/or use, that the Moblize trade secrets and/or Confidential Information was derived from or through a person who owed a duty to Moblize to maintain the secrecy and limit the use of its trade secrets and/or Confidential Information and who owed a duty of loyalty to Moblize.
- 41. Plaintiff is informed, believes, and thereupon alleges that the Defendants took such actions willfully, maliciously, and/or in reckless disregard of Moblize's rights. Plaintiff also alleges that none of the Defendants were authorized to use Moblize's trade secrets and/or Confidential Information for Defendant Corva's commercial benefit.
- 42. As a result of the Defendants' acts in causing the misappropriation of Moblize's trade secrets and/or Confidential Information, and, on information and belief, Corva using that information to unfairly compete against Moblize, Moblize has suffered and will continue to suffer actual damages, and/or the Defendants have been unjustly enriched, in an amount to be determined at trial.
- 43. Pursuant to 18 U.S.C. § 1836(b)(3)(C), Moblize is entitled to exemplary damages for the Defendants' willful and malicious misappropriation of Moblize's trade secrets and/or Confidential Information.
 - 44. Further, pursuant to 18 U.S.C. § 1836(b)(3)(D), Moblize is entitled to

recovery of its attorneys' fees because of the Defendants' willful and malicious misappropriation of Moblize's trade secrets and/or Confidential Information.

COUNT II: MISAPPROPRIATION OF TRADE SECRETS UNDER THE TEXAS UNIFORM TRADE SECRETS ACT (AGAINST ALL DEFENDANTS)

- 45. The allegations set out in paragraphs 1-35 are hereby incorporated by reference.
- 46. On information and belief, Defendant Hayes and Defendant Gupte have helped Defendant Corva and Defendant Dawson unfairly compete against their prior employer, Moblize, in Harris County, Texas, and elsewhere.
- 47. Moblize has taken reasonable measures to protect its trade secrets and/or Confidential Information which derive independent economic value from not being generally known to, and not being readily ascertainable through proper means by other persons who can obtain economic value from the unauthorized disclosure or use of Moblize's protected information.
- 48. Defendant Hayes, in violation of his continuing duties owed to Moblize, and despite his acknowledged obligations to Moblize, has misappropriated and caused to be misappropriate its trade secrets and its confidential and proprietary information, and on information and belief, has used or helped others at Defendant Corva use such information to unfairly compete against Moblize, without the knowledge of, and consent from, Moblize, which conduct has and will continue to cause substantial damage and

irreparable harm to Moblize.

- 49. Defendant Corva has been unjustly enriched through its unfair competition with Moblize, and through Defendant Dawson's aiding and abetting and encouragement of Defendant Hayes to breach his duties of loyalty and his ongoing contractual obligations to Moblize to protect its trade secrets and Confidential Information.
- 50. On information and belief, Defendant Corva has also benefited and obtained a pecuniary advantage to which it is not legally entitled at the expense of Moblize. The enrichment to Defendant Corva resulting from the conduct described above is unjust and inequitable. Plaintiff is entitled to be compensated for the business that Defendant Corva has taken from Moblize without compensation or restitution, which includes, but is not limited to, that part of Corva's income, profits, and increased market share obtained through the efforts of its codefendants as described above.
- 51. The foregoing acts by Defendant Hayes and Defendant Gupte, aided and abetted by Defendant Corva through its Chief Executive Officer and co-owner Defendant Dawson, have caused and will continue to cause irreparable harm and financial damage to Plaintiff Moblize, who seeks injunctive relief for the misappropriation of its trade secrets and/or Confidential Information pursuant to TEX. CIV. PRAC. & REM. CODE §134A.003.

COUNT III: BREACH OF CONTRACT (AGAINST DEFENDANTS HAYES AND GUPTE)

- 52. The allegations set out in paragraphs 1-35 are hereby incorporated by reference.
- 53. As detailed above, Moblize entered into Employment Agreements with Defendants Hayes and Gupte as a precondition to their employment. These Employment Agreements between Moblize and the two former employees are valid and enforceable contracts.
- 54. Pursuant to these Agreements, Defendants Hayes and Gupte agreed, among other things, not to use or disclose any of Moblize's trade secrets and/or Confidential Information except as expressly authorized by Moblize, and not to retain such information after their employment. Defendants Hayes and Gupte further agreed to promptly return to Moblize all its trade secrets and/or Confidential Information within five business days following the end of their employment.
- 55. Pursuant to these Agreements, Defendants Hayes and Gupte further agreed that a breach of their Employment Agreement would entitle Moblize to injunctive relief, specific performance or other equitable relief in any court, without bond, and without prejudice to any other rights and remedies that Moblize may have.
- 56. Pursuant to these Agreements, Defendants Hayes and Gupte further agreed to indemnify and hold harmless Moblize and its directors, officers, employees,

and stakeholders from and against any and all claims, actions, proceedings, losses, liabilities, damages, costs and expenses, including attorneys' fees, arising from, relating to, or in connection with any breach by them of any of their obligations under the Moblize Employment Agreement.

- 57. On information and belief, Defendant Hayes and Defendant Gupte breached their Employment Agreements, in one or more of the following ways:
 - 1. by improperly using and/or disclosing Moblize's trade secrets and its Proprietary and Confidential Information without authorization from Moblize;
 - 2. by failing to return all of Moblize's trade secrets and/or Confidential Information; and
 - 3. by participating in a scheme to violate their Covenant not to Compete terms through Defendant Corva.
- 58. As detailed above, from the investigation that Plaintiff has been able to conduct thus far, Plaintiff is informed, believes, and thereon alleges, that Defendants continue to wrongfully retain, use, and/or disclose Moblize's trade secrets and/or Confidential Information.
- 59. Accordingly, Moblize has been, and continues to be, seriously and irreparably damaged by the breach of contractual obligations and violations of the duty of loyalty owed to Moblize committed by its former employees, Defendant Hayes and Defendant Gupte.
 - 60. As a foreseeable, direct, and proximate result of the breaches of Moblize's

Employment Agreement, Defendants Hayes and Gupte, along with Defendants Dawson and Corva, have been unjustly enriched while Plaintiff Moblize has been injured and damaged. Accordingly, Moblize is entitled to money damages to compensate it for the losses caused by these breaches.

61. Moblize has also suffered irreparable harm resulting from Defendant Hayes' breach and Defendant Gupte's breach of their contractual obligations and will continue to suffer irreparable injury that cannot be remedied at law. This harm will persist unless both Defendants Hayes and Gupte, along with their agents and conspirators, and all other persons acting in concert with them, are enjoined from engaging in any further such breaches.

COUNT IV: UNFAIR COMPETITION UNDER TEXAS COMMON LAW (AGAINST ALL DEFENDANTS)

- 62. The allegations set out in paragraphs 1-35 are hereby incorporated by reference.
- 63. Alternatively, on information and belief, Defendant Hayes and Defendant Gupte have aided and abetted Defendant Corva and Defendant Dawson to unfairly compete against their prior employer, Moblize, in Harris County, Texas, and elsewhere in violation of their duties of loyalty to Moblize and agreement not to use or disclose any of Moblize's Confidential Information except as expressly authorized by Moblize, nor to retain such information following their employment.

- 64. Moblize has created its innovative SaaS platform, data analytics tools, and services through the significant expenditure of extensive time, labor, skill, and money. On information and belief, the Defendants have used Moblize's Confidential Information, without its approval, to unfairly compete with Moblize in the marketplace and have thereby wrongfully gained a special advantage.
- 65. Moblize has taken reasonable measures to protect its trade secrets and/or Confidential Information and it derives independent economic value from these not being generally known to, and not being readily ascertainable through proper means by other persons who can obtain economic value from the unauthorized disclosure or use of Moblize's protected information.
- 66. Defendant Hayes, and on information and belief, Defendant Gupte, in violation of their continuing duties owed to Moblize, and despite their acknowledged obligations to Moblize, have misappropriated confidential and proprietary information, and have used or helped others at their new employer, Defendant Corva, use such information to unfairly compete against Moblize, to the benefit of Defendants Dawson and Corva without the knowledge of, and consent from, Moblize, conduct in violation of their Employment Agreement with Moblize and Texas common law.
- 67. Accordingly, Defendant Corva has been unjustly enriched through its unfair competition with Moblize, and through Defendant Dawson's aiding and abetting and encouragement of Defendant Hayes, and on information and belief, Defendant

Gupte, to breach their duties of loyalty and their contractual obligations to Moblize.

- 68. Defendants' wrongful acts have proximately caused and will continue to cause Moblize substantial injuries, including loss of customers, dilution of its goodwill, injury to its reputation, and diminution in value of its Confidential Information and other proprietary products.
- 69. On information and belief, Defendant Corva has also benefited and obtained a pecuniary advantage to which it is not legally entitled at the expense of Moblize. The enrichment to Defendant Corva resulting from the conduct described above is unjust and inequitable. *AMID, Inc. v. Medic Alert Found. United States, Inc.*, 241 F. Supp. 3d 788, 827 (S.D. Tex. 2017). Plaintiff is entitled to be compensated for the business that Defendant Corva has taken from Moblize without compensation or restitution including, but not limited to, that part of Corva's income, profits, and increased market share obtained through the efforts of its codefendants as described above.

JURY DEMAND

70. Plaintiff demands trial by jury on its claims against Defendants.

PRAYER

71. WHEREFORE, Plaintiff respectfully requests that the Court enter judgment in its favor and against Defendants as follows:

- a. grant injunctive relief enjoining Defendants, and all persons or entities in active concert with Defendants, from retaining, using or disclosing Moblize's trade secrets and/or Confidential Information;
- b. grant injunctive relief enjoining Defendants Hayes and Gupte from otherwise breaching their contractual obligations to Moblize under their Employment Agreement;
- c. compel Defendants to return to Moblize any of Moblize's trade secrets and/or Confidential Information in their possession, custody, or control and destroy any copies or reproductions thereof;
- d. compel Defendants Hayes and Gupte to provide a detailed accounting of any of Moblize's trade secrets and/or Confidential Information in their possession, custody, or control at any time following the termination of their employment;
- e. find that Defendants Hayes and Gupte breached and materially breached their Employment Agreement;
- f. find that Defendants willfully and maliciously misappropriated

 Moblize's trade secrets in violation of the Texas Uniform Trade Secrets

 Act;
- g. find that Defendants willfully and maliciously misappropriated

Moblize's trade secrets in violation of the Defend Trade Secrets Act;

h. grant expedited discovery, including a forensic analysis of Defendants'

external hard drives, portable storage devices, and other electronic

devices, which may contain Moblize's trade secrets and/or Confidential

Information;

i. award Moblize monetary damages in an amount to be determined at

trial, including interest thereon and exemplary damages as allowed by

law;

j. award Moblize its reasonable costs and attorneys' fees incurred in

obtaining any and all relief in this action; and

k. any and all other and further relief as this Court deems just and proper.

Respectfully submitted,

WOMBLE BOND DICKINSON (US) LLP

Date: November 1, 2023

By: <u>/s Michael E. Clark</u>

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