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COMPLAINT

SUMMARY OF THE ACTION

1. This action arises from the misconduct of Gaurav Kathuria ("Kathuria"), a former employee of Qualcomm Technologies, Inc. ("Qualcomm" or the "Company"). Kathuria's duties while working for Qualcomm authorized him to have access to highly valuable and confidential Qualcomm information, including trade secrets. Kathuria promised in a written agreement to safeguard this information and to not disclose it others. But in December 2021 and January 2022, Kathuria unlawfully exfiltrated from Qualcomm's secure network dozens of files containing confidential information, including highly confidential information about Qualcomm's chipset software architecture and design. Kathuria took these actions while interviewing with, and accepting an offer of employment from, a major technology company in direct competition with Qualcomm. In doing so, Kathuria deliberately took steps designed to circumvent Qualcomm's safeguards, including "screenshotting" sensitive documents that could not otherwise be accessed after removal from the Qualcomm network. Qualcomm fears Kathuria thereafter transferred the documents to unknown third persons, or that he has retained copies for himself, possibly to disclose and use in his future employment. Qualcomm brings this action to secure its confidential information and to recover for harm to it caused by Kathuria's misconduct.

PARTIES

- 2. Plaintiff Qualcomm Technologies, Inc. is a Delaware company with its principal place of business in San Diego, California. It is a wholly owned subsidiary of Qualcomm Incorporated, a Delaware company with its principal place of business in San Diego, California.
- 3. Defendant Gaurav Kathuria is an individual who, upon information and belief, resides in San Diego, California.

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JURISDICTION AND VENUE

- 4. This Court has original jurisdiction of this action pursuant to 28 U.S.C. § 1331 because this action arises under the Defend Trade Secrets Act, 18 U.S.C. §§ 1836 *et seq.* This Court has supplemental jurisdiction over Qualcomm's remaining claims under 28 U.S.C. § 1367.
- 5. Venue is proper in this Court because a substantial part of the events and omissions giving rise to the claims herein occurred in this district, and because a substantial part of the property that is the subject of the action is situated in this district. See 28 U.S.C. § 1391(b)(2).

FACTUAL ALLEGATIONS

- 6. Qualcomm is a world leader in the design and production of semiconductor microchips ("chips"). Qualcomm's chips power cellphones, computers, and an increasing number of other modern machines. Qualcomm is also in the vanguard of new chip technologies, and the company's current "5G" technology is ushering in a new age of connectivity and speed for wireless devices.
- 7. Confidential and trade secret information is at the heart of Qualcomm's business. Qualcomm operates in a fiercely competitive sector, and it devotes immense resources to research and development efforts in order to innovate new technologies and stay ahead of competitors. The Company's confidential information is of tremendous commercial value to it and to its rivals. Qualcomm's confidential and trade secret information is also of substantial importance to national security. Qualcomm is a trusted supplier of mission-critical products and services to federal government agencies, and national security programs rely on continued access to Qualcomm products.
- 8. Maintaining the confidentiality of proprietary Qualcomm information is absolutely vital for Qualcomm employees. Qualcomm's Code of Conduct explains that it is "critical" that Qualcomm maintain its "industry leadership," and the "trust of [its] consumers and partners," by "always protecting confidential information,"

whether that information belongs to Qualcomm, Qualcomm's customers, or third parties who have entrusted that information to Qualcomm. Qualcomm employees are instructed not to share Qualcomm information, to use proprietary information only as necessary to perform their job duties, to adhere to Qualcomm's security policies and procedures, and to hold Qualcomm information in strict confidence—even after leaving Qualcomm. Confidentiality is at the heart of Qualcomm's success and leadership.

9. Qualcomm hired Kathuria in June 2012 as a Staff Engineer in the software field.

10. Before commencing work for Qualcomm, and as a condition to his

10. Before commencing work for Qualcomm, and as a condition to his doing so, Kathuria agreed to keep in strict confidence Qualcomm's trade secret and confidential information. This agreement was memorialized in a document titled, "Invention Disclosure, Confidentiality & Proprietary Rights Agreement," (the "Confidentiality Agreement") which Kathuria electronically acknowledged on September 6, 2012.

11. Section 2 of the Confidentiality Agreement provides that during the period of his assignment at Qualcomm, Kathuria would "have access to secret or confidential information, knowledge or data, whether trade secrets or not (collectively 'Confidential Information')," including:

matters of a technical nature (such as, without limitation, any methods, know-how, formulae, compositions, processes, discoveries, machines, models, devices, specifications, inventions, computer programs and similar items or research projects)....

12. Kathuria expressly agreed to maintain this information in strict confidence:

I agree I will not during or at any time after termination of my employment with the Company, directly or indirectly, use for myself or others, or disclose or convey to others, any Confidential Information of Qualcomm or of others provided to Qualcomm under agreement of secrecy or confidentiality for planned, contemplated, or actual use by Qualcomm in the course of its business, except as may be authorized

and required by the Company in the course of my employment with the Company

* * *

All records, computer programs, computer-stored information, computer disks and other media, files, drawings, sketches, blueprints, manuals, letters, notes, notebooks, reports, memoranda, customer lists, documents, equipment and the like relating in any manner to the Company's business, whether prepared by me or not, shall be and remain the Company's sole and exclusive property, and shall not be removed from the Company's premises without its prior consent, nor shall I make unauthorized copies of such information.

- 13. Kathuria began work for Qualcomm in San Diego, California, as a Staff Engineer. His duties would eventually include leading a team of engineers. Kathuria's work, and the work of the other Qualcomm employees on his team, was proprietary, innovative, and valuable.
- 14. As part of his duties, Kathuria had access to highly confidential and trade secret Qualcomm information including, among other things, confidential documents, processes, schematics, and diagrams related to the chips and software Qualcomm was designing. These materials are confidential and highly valuable, particularly to Qualcomm's competitors, because they reveal secret design components of Qualcomm chips and software.
- 15. Kathuria fully understood his obligation to maintain Qualcomm's confidential and proprietary information in strict confidence. He underwent multiple trainings regarding the proper treatment of confidential and proprietary Qualcomm information.
- 16. Notwithstanding Kathuria's promise to safeguard Qualcomm's Confidential Information, and notwithstanding his training regarding the proper methods of doing so, Kathuria chose to violate his duties to Qualcomm. On December 9, 2021, Kathuria successfully transferred to his personal email account a "zip file" containing confidential and proprietary information related to the design of certain Qualcomm chipsets. Qualcomm security personnel detected the transfer and informed Kathuria, who acknowledged that what he had done was "not right."

- 17. Yet despite Kathuria having a renewed understanding of his obligation to protect Qualcomm's information, Kathuria's misconduct only worsened. On several occasions between January 8 and January 27, 2022, Kathuria again exfiltrated dozens of files containing Qualcomm confidential information, this time to a personal cloud storage account.
- 18. A subsequent investigation by Qualcomm revealed that Kathuria had transferred *hundreds* of files from the Qualcomm network without Qualcomm's permission. Kathuria attempted to transfer files that were blocked by information technology security applications and documents with digital rights management security protections. He intentionally circumvented these security applications by taking "screenshots" of various design files and exfiltrating those files from Qualcomm systems in the form of hundreds of images.
- 19. Qualcomm personnel also found that the zip file Kathuria had uploaded to his personal email account on December 9, 2021 was still located in that account, despite Kathuria having told investigators he had deleted the file.
- 20. The documents Kathuria misappropriated from Qualcomm contained detailed software architecture and technical design documents related to a wide variety of Qualcomm technologies and products.
- 21. During an investigative interview conducted on February 1, 2022, Kathuria finally acknowledged transferring hundreds of files from Qualcomm's systems to his personal accounts and said he did so because he wanted to use the files as reference material in the future. During the same interview, Kathuria admitted that he had accepted an offer from a major technology company and direct competitor of Qualcomm's on or about January 21, 2022.
- 22. The full extent of Kathuria's wrongdoing remains unknown. Kathuria may have sent the information to any number of third parties, including Qualcomm's

competitors, or he may be retaining any number of copies of the information to use in future employment. Kathuria's actions cannot be excused as the result of ignorance or mistake, as evidenced by the warnings sent to him by Qualcomm personnel and by Kathuria's deliberate circumvention of security protections by "screenshotting" confidential information and transferring that information in the form of image files. Kathuria was evasive and dishonest during the initial phase of the investigation, and Qualcomm fears he could use Qualcomm's confidential information to cause Qualcomm substantial harm.

23. Although Qualcomm's investigation remains ongoing, it has already suffered damages as a result of Kathuria's misconduct, and it will continue to suffer further damages unless additional misconduct is enjoined.

FIRST CLAIM FOR RELIEF

Defend Trade Secrets Act, 18 U.S.C. §§ 1836 et seq.

- 24. Qualcomm realleges and incorporates by reference each of the foregoing paragraphs as though fully set forth herein.
- 25. Qualcomm owns and possesses certain confidential, proprietary, and trade secret information, as alleged above. This confidential, proprietary, and trade secret information relates to products and services that are used, shipped, sold and/or ordered in, or that are intended to be used, sold, shipped, and/or ordered in, interstate or foreign commerce. Qualcomm products are used worldwide.
- 26. Qualcomm derives independent economic value from the fact that its confidential, proprietary, and trade secret information is not generally known to the public and not readily ascertainable to persons outside Qualcomm, including Qualcomm's competitors. As described herein, Qualcomm has taken, and continues to take, reasonable measures to keep this information secret and confidential. Among other things, Qualcomm (i) requires its employees to execute agreements protecting the confidentiality of Qualcomm's information and to undergo training concerning the proper treatment of confidential Qualcomm data, (ii) limits access to its facilities,

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- (iii) uses encryption and multi-factor authentication tools to safeguard access to its information and to ensure that its sensitive systems and data are protected in the event an account is compromised, and (iv) detects and monitors unauthorized data transfers and other anomalous activity on its network.
- 27. As part of his duties, Kathuria was entrusted with access to Qualcomm's confidential, proprietary, and trade secret information. Kathuria had, and continues to have, a duty to maintain the secrecy of that information.
- As set forth herein, in violation of this duty, and without Qualcomm's 28. consent, Kathuria uploaded confidential and proprietary Qualcomm information to personal email and cloud storage accounts in December 2021 and January 2022. The information uploaded by Kathuria qualifies as a "trade secret" under the meaning of 18 U.S.C. § 1839(3).
- By uploading Qualcomm's confidential, proprietary, and trade secret 29. information, Kathuria committed one or more acts of actual or threatened misappropriation of trade secrets within the meaning of the Defend Trade Secrets Act, 18 U.S.C. §§ 1836 et seq.
- As a direct result of Kathuria's conduct, Qualcomm has suffered—and, if the conduct is not enjoined, will continue to suffer—harm. This harm includes, but is not limited to, investigation and response costs Qualcomm has already suffered, and costs and harm associated with having its confidential and proprietary information in the hands of non-employees and competitors.
- Kathuria's conduct entitles Qualcomm to an injunction based on actual 31. and threatened misappropriation as set forth in 18 U.S.C. § 1836(b)(3)(A)(i).
- 32. Qualcomm requests that the Court take affirmative action to protect its trade secrets, as set forth in 18 U.S.C. § 1836(b)(3)(A)(ii), including by authorizing an inspection of Kathuria's computers, personal USB and electronic storage devices, email accounts, and "cloud"-based storage accounts to determine the extent to which Qualcomm trade secrets were wrongfully taken and/or disseminated to others.

- 33. Kathuria's misappropriation and disclosure of Qualcomm's trade secrets entitle Qualcomm to monetary damages, fees, and costs, as provided in 18 U.S.C. § 1836(b)(3)(B). Qualcomm is also entitled to recover for Kathuria's unjust enrichment.
- 34. Kathuria's misappropriation of Qualcomm's trade secrets was willful and malicious under the meaning of 18 U.S.C. § 1836(b)(3)(C)-(D), and Qualcomm is therefore entitled to recover exemplary damages and attorney's fees.

SECOND CLAIM FOR RELIEF

California Computer Data Access and Fraud Act, California Penal Code § 502

- 35. Qualcomm realleges and incorporates by reference each of the foregoing paragraphs as though fully set forth herein.
- 36. By uploading confidential Qualcomm documents to various personal accounts, Kathuria violated California Penal Code § 502(c)(1), which forbids knowingly accessing, and without permission using, data, a computer, a computer system, or a computer network in order to wrongfully control or obtain money, property, or data.
- 37. By uploading confidential Qualcomm documents to his personal accounts, Kathuria violated California Penal Code § 502(c)(2), which forbids knowingly accessing, and without permission taking, copying, or making use of, data from a computer, computer system, or computer network.
- 38. As the owner of the data Kathuria uploaded to his personal accounts, Qualcomm is entitled to compensatory damages caused by Kathuria's violation of California Penal Code § 502, including those expenditures reasonably and necessarily incurred by Qualcomm to verify the security of its data, as well as injunctive relief and attorneys' fees. Cal. Penal Code § 502(e)(1)-(2).
- 39. Kathuria's violations of California Penal Code § 502 were done with oppression and malice and have subjected and will continue to subject Qualcomm to cruel and unjust hardship in conscious disregard of Qualcomm's rights, such that

Qualcomm is entitled to an award of exemplary and punitive damages according to proof. Cal. Penal Code § 502(e)(4).

THIRD CLAIM FOR RELIEF

Breach of Contract

- 40. Qualcomm realleges and incorporates by reference each of the foregoing paragraphs as though fully set forth herein.
- 41. Qualcomm is an express third-party beneficiary of the Confidentiality Agreement, and the Confidentiality Agreement's provisions were made for the benefit of Qualcomm and are enforceable by Qualcomm.
- 42. The Confidentiality Agreement provides that Kathuria was required not to "use for [him]self or others or disclose or convey to others" Qualcomm's confidential information, "except as may be authorized and required by the Company in the course of [his] employment with the Company." Kathuria further agreed not to "remov[e] from the Company's premises" Qualcomm's confidential information, not to "make unauthorized copies of such information," and "not to make or retain any copies or extracts" of documents containing Qualcomm's confidential information.
- 43. Despite the express terms of the Confidentiality Agreement, Kathuria breached his contractual obligations by uploading confidential and trade secret Qualcomm information to various personal accounts in December 2021 and January 2022. Qualcomm neither required Kathuria to upload the information, nor consented to his doing so.
- 44. As a direct and proximate result of the foregoing breach, Qualcomm has suffered, and will continue to suffer, damages in an amount to be proven at trial. Qualcomm has also suffered immediate and irreparable harm and will continue to suffer such harm until Kathuria's breaches are enjoined.

1	PRAYER FOR RELIEF			
2	Wherefore, Qualcomm respectfully prays for relief as follows:			
3	A.	For an order enjoining	g Kathuria and all persons or entities acting in	
4	concert or participation with him from obtaining, using, or disclosing any of			
5	Qualcomm's confidential information or trade secrets;			
6	B.	For compensatory damages in an amount to be proven at trial;		
7	C.	For punitive and exemplary damages;		
8	D.	For prejudgment interest according to law;		
9	E.	For recovery of attorn	eys' fees, costs, and expenses incurred in this	
10	action; and			
11	F.	For such other and further relief as this Court may deem just and proper.		
12	Qualcomm demands a trial by jury.			
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14	Dated:	March 15, 2022	COOLEY LLP	
15			D //M: I I A Au	
16			By: /s/ Michael A. Attanasio Michael A. Attanasio	
17			Attorneys for Plaintiff QUALCOMM TECHNOLOGIES, INC.	
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