

REDACTED VERSION OF DOCUMENT SOUGHT TO BE SEALED

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BLADEROOM GROUP LIMITED AND BRIPCO
(UK) LIMITED

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN JOSE DIVISION

BLADEROOM GROUP LIMITED AND
BRIPCO (UK) LIMITED,

Plaintiffs,

vs.

FACEBOOK, INC., EMERSON
ELECTRIC CO., EMERSON NETWORK
POWER SOLUTIONS, INC., and
LIEBERT CORPORATION,

Defendants.

Case No. 5:15-cv-01370-EJD

SECOND AMENDED COMPLAINT FOR

(1) BREACH OF CONTRACT;

**(2) MISAPPROPRIATION OF TRADE
SECRETS;**

**(3) VIOLATION OF THE LANHAM ACT
(15 U.S.C. § 1125); and**

**(4) UNFAIR BUSINESS
PRACTICES/UNFAIR COMPETITION**

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1 Plaintiffs BladeRoom Group Limited (“BRG”) and Bripco (UK) Limited (“Bripco (UK)”)
 2 (collectively “Plaintiffs”) allege as follows:

3 **NATURE OF ACTION**

4 1. In January 2014, Defendant Facebook, Inc. (“Facebook”) announced to the world
 5 that it had developed a revolutionary new method of constructing large, mission critical data
 6 centers, which are the buildings that house the vast arrays of computer servers that form the
 7 backbone of the internet and the high-technology economy. Facebook claimed that it developed
 8 an innovative, pre-fabricated and modular construction approach and, extolling its benefits,
 9 encouraged the entire data center industry to shift from traditional construction practices to this
 10 new method. What Facebook did not disclose, however, was that this methodology and the
 11 detailed know-how supporting its use had in fact been stolen from BRG by Facebook, acting in
 12 collaboration with a multi-billion dollar per year global company called Emerson Electric
 13 Company (“Emerson”).

14 2. In May 2014, Emerson and Facebook announced that they were working together
 15 to implement the revolutionary construction method that Facebook claimed to have created.
 16 Facebook had hired Emerson to construct the second phase of a large data center project in Luleå,
 17 Sweden, using the very method that Facebook and Emerson had stolen from BRG. Neither
 18 Facebook nor Emerson publicly disclosed that their arrangement was the product of secret
 19 meetings between the two companies that occurred [REDACTED]
 20 [REDACTED]
 21 [REDACTED]

22 3. Plaintiffs spent years developing and refining the services and methodology that
 23 Facebook illegally conspired with Emerson to copy and commercialize, and that Facebook
 24 blithely passed off to the world as its own in 2014. During the roughly two and a half years
 25 before Facebook’s announcement of its supposedly new approach, BRG had disclosed its
 26 methods, techniques, know-how, and other confidential information and trade secrets to Facebook
 27 in an extensive series of meetings, conversations, proposals, and presentations. BRG had also
 28 disclosed substantial amounts of its confidential and trade secret information to Emerson in

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1 separate meetings. All of these disclosures were made [REDACTED] non-disclosure
 2 agreements, including a Non-Disclosure Agreement with Facebook [REDACTED] and
 3 a Non-Disclosure Agreement with Emerson dated August 17, 2011. This action seeks redress for
 4 Facebook's and Emerson's breaches of the non-disclosure agreements; their misappropriation of
 5 trade secrets; Facebook's passing off of BRG's unique data center design service as its own; and
 6 their unfair business practices or unfair competition.

PARTIES

8 4. Plaintiff BRG is a company organized under the laws of England with a registered
 9 office at Stella Way, Bishop's Cleeve, Cheltenham, Gloucestershire GL52 7DQ. Since the late
 10 2000s, BRG has been in the business of developing and perfecting a method for manufacturing
 11 and installing pre-fabricated data centers. These data centers, known as "BladeRooms," are
 12 constructed using BRG's unique methodology and innovative pre-fabrication construction,
 13 shipping, and installation techniques, some of which are publicly known but many of which BRG
 14 keeps as confidential trade secrets. The confidential know-how, design, supply chain, fabrication
 15 and construction techniques, and all other aspects of modular data center construction developed
 16 by BRG are referred to throughout this Complaint as the "BRG Methodology."

17 5. Plaintiff Bripco (UK) is a company organized under the laws of England with a
 18 registered office at Stella Way, Bishop's Cleeve, Cheltenham, Gloucestershire GL52 7DQ.
 19 Bripco (UK) is the legal owner, and BRG is the licensee, of all right, title and interest in all trade
 20 secrets, know-how, registered and unregistered designs, and confidential information created or
 21 developed by BRG, including the BRG Methodology.

22 6. On information and belief, Defendant Facebook is a company organized under the
 23 laws of Delaware with a principal place of business at 1601 Willow Road, Menlo Park, California
 24 94025.

25 7. On information and belief, Defendant Emerson is a company organized under the
 26 laws of Missouri with a principal place of business at 8000 West Florissant Avenue, St. Louis,
 27 Missouri 63136.

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8. On information and belief, Defendant Emerson Network Power Solutions, Inc. (“Emerson Network Power”) is a company organized under the laws of Delaware with a principal place of business at 1050 Dearborn Drive, Columbus, Ohio 43085. Emerson Network Power is a wholly owned subsidiary of Emerson Electric Company.

9. On information and belief, Defendant Liebert Corporation (“Liebert”) is a company organized under the laws of Ohio with a principal place of business at 1050 Dearborn Drive, Columbus, Ohio 43085. Liebert is a wholly owned subsidiary of EECO, Inc., which is a wholly owned subsidiary of Emerson.

10. Defendants Emerson, Emerson Network Power, and Liebert are collectively referred to as the “Emerson Defendants” throughout this complaint.

JURISDICTION AND VENUE

11. The Court has subject matter jurisdiction over this action under 28 U.S.C. § 1332 because there is a complete diversity of citizenship between Plaintiffs and Defendants and the amount in controversy exceeds \$75,000.

12. This Court also has subject matter jurisdiction over this action under 28 U.S.C. §§ 1331 and 1367 because Plaintiffs allege a federal law claim over which this Court has original jurisdiction, and all other claims are so related to the claim within such original jurisdiction that they form part of the same case or controversy within Article III of the United States Constitution.

13. This Court also has subject matter jurisdiction over Plaintiffs’ claims against the Emerson Defendants under 28 U.S.C. § 1367 to the extent such claims involve the joinder of additional parties.

14. This Court has personal jurisdiction over Defendant Facebook because Facebook [REDACTED] non-disclosure agreement it entered with BRG.

15. This Court also has personal jurisdiction over Defendant Facebook because Plaintiffs’ causes of action against Facebook arise out of or relate to Facebook’s purposeful

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1 contacts with California, and the exercise of personal jurisdiction over Facebook in this particular
2 case would comport with principles of fair play and substantial justice.

3 16. This Court also has personal jurisdiction over Defendant Facebook because it has
4 engaged in systematic and continuous contacts with this State and this County by, *inter alia*,
5 regularly conducting and soliciting business in this State and this County, and deriving substantial
6 revenue from products and/or services provided to persons in this State and this County.

7 17. This Court has general personal jurisdiction over the Emerson Defendants because
8 they have engaged in systematic and continuous contacts with this State and this County by, *inter*
9 *alia*, regularly conducting and soliciting business in this State and this County, and deriving
10 substantial revenue from products and/or services provided to persons in this State and this
11 County. In particular, Emerson Network Power maintains a division of its business that focuses
12 on large-scale data center solutions with an office in California, and Liebert also maintains an
13 office focused on data center solutions in California. On information and belief, the Emerson
14 Defendants have numerous employees based in California.

15 18. This Court also has specific personal jurisdiction over the Emerson Defendants
16 because Plaintiffs' causes of action against them arise out of or relate to their purposeful contacts
17 with California, including their business dealings with Facebook in California, and the exercise of
18 personal jurisdiction over the Emerson Defendants in this particular case would comport with
19 principles of fair play and substantial justice. Employees of both Emerson Network Power and
20 Liebert who are based in California committed actions, described below, that form part of the
21 basis for Plaintiffs' claims.

22 19. Venue is proper in this district pursuant to 28 U.S.C. § 1391(b)–(c) because a
23 substantial part of the events or omissions giving rise to Plaintiffs' claims occurred in this district,
24 Defendant Facebook resides in this judicial district, and all Defendants are subject to this Court's
25 personal jurisdiction.

26 20. Venue is also proper in this district because by entering into the non-disclosure
27 agreement with BRG, Facebook agreed 

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1 [REDACTED] were to be resolved by the federal or state courts located in Santa Clara
2 County.

INTRADISTRICT ASSIGNMENT

4 21. This action is an Intellectual Property Action subject to district-wide assignment.
5 Facebook and BRG's non-disclosure agreement, the breach of which is at issue in this case, states
6 that [REDACTED]
7 [REDACTED]
8 [REDACTED]

FACTUAL ALLEGATIONS

BRG, Bripco (UK), and the BRG Methodology

11 22. Over the course of 25 years, the founders and senior leadership of BRG developed
12 deep expertise in the pre-fabricated, modular construction of buildings that have specific air-
13 handling requirements. They acquired this experience by designing and supplying mission-
14 critical modular buildings with complex mechanical and electrical components, including
15 industrial kitchens and hospital facilities such as operating theaters and clean rooms, to major
16 institutions around the world. Their approach to these projects was to always maximize
17 efficiency and precision by pre-fabricating in a factory as many elements of each building as
18 possible, then transporting them to site. In 2008, BRG's directors came to realize that the fast-
19 growing, multibillion dollar per year data center industry was an area where pre-fabrication and
20 modular construction techniques could provide significant benefits. They decided to develop a
21 pre-fabricated data center product that could take full advantage of their experience and expertise.


22 23. Data centers are extremely complex structures. The backbone of the internet and
23 high-technology economy, they are where companies securely house their computer servers and
24 maintain the appropriate climate for them. Precise construction standards and temperature and
25 humidity controls in these buildings are essential because of the heat that rows upon rows
26 containing racks upon racks of servers generate while operating. This enormous amount of heat
27 can damage the servers if it is not efficiently and effectively removed.

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1 24. Before BRG developed its innovative approach, it analyzed the market and found
2 that companies that were then providing large, enterprise-level data centers used a standard “stick
3 built” approach to construction. In other words, the data centers were built traditionally by a
4 large team that included architects and consultants who would develop the design for the data
5 centers, general contractors to supervise construction, specialist sub-contractors, mechanical and
6 structural engineers, cost managers, on-site tradesmen, and more.

7 25. Using its existing expertise in constructing mission critical modular facilities,
8 BRG set out to develop a better, faster, and more cost-effective way to build, deliver, and install
9 large, mission-critical data centers. BRG devoted substantial resources to refining its methods
10 and designs. The resulting innovations, designs, know-how and technological developments are
11 collectively embodied in the BRG Methodology and a data center product called the
12 “BladeRoom.”

13 26. The BRG Methodology offers many benefits over traditional methods of
14 construction. Using the BRG Methodology, BRG can construct large, enterprise-level data
15 centers



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23 27. BRG installed its first data centers in 2009, and the company has grown rapidly
24 since that time. Due to the innovation and benefits offered by the BRG Methodology, BRG has
25 achieved significant success, and today there are over 40 BladeRooms built by BRG operating on
26 four continents, which are used by national governments and some of the world’s most
27 prestigious and well-known companies. BRG’s innovations have been recognized with industry
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1 awards, including the Green Enterprise IT award from the Uptime Institute, a well-known
2 standard-setting organization within the data center industry.

3 28. The BRG Methodology involves information, compilations, techniques, designs,
4 know-how, methods, and processes that are trade secrets. The specific trade secrets included
5 within the BRG Methodology that Plaintiffs allege Facebook and the Emerson Defendants
6 misappropriated are explained in detail in the October 30, 2015 Disclosure of Plaintiffs' Trade
7 Secrets Under California Code of Civil Procedure § 2019.210, attached as Exhibit B. A
8 declaration supporting the disclosure by Paul Rogers, BRG's Chief Executive Officer, is attached
9 as Exhibit C. Plaintiffs served Exhibits B and C on Facebook on October 30, 2015. In a
10 telephone conference between both parties' counsel on November 5, Facebook's counsel
11 represented that Facebook would not contest the sufficiency of the disclosure of trade secrets and
12 that discovery was open. Plaintiffs and Facebook have engaged in discovery since that time.
13 Plaintiffs also served a third party subpoena on the Emerson Defendants, and they have begun
14 producing documents in response to the subpoena.

15 29. Some aspects of the BRG Methodology are the subject of granted patents and
16 pending patent applications, while others are kept as trade secrets or confidential and proprietary
17 information. However, the trade secrets identified in Exhibit B were not publicly known in the
18 data center construction industry at the time BRG disclosed them to Facebook and the Emerson
19 Defendants. (*See* Ex. C ¶¶ 2–7.)

20 30. Plaintiffs developed their intellectual property over several years at great effort and
21 expense. Bripco (UK) owns the trade secrets, know-how, trademarks, design rights, and
22 confidential proprietary information, while BRG is its licensee. The license between Bripco (UK)
23 and BRG obligates BRG to maintain the confidentiality of Bripco (UK)'s trade secrets, know-
24 how, and other confidential information relating to the BRG Methodology.

25 31. Bripco (UK) and BRG protect Bripco (UK)'s trade secrets and confidential and
26 proprietary information—including the trade secrets identified in Exhibit B—by limiting the
27 content of any public disclosure and ensuring that private disclosure to potential clients, suppliers,
28 and others is covered by non-disclosure agreements. Computer systems containing the trade

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secrets are password-protected. Facilities where the trade secrets are stored are physically secured. Visitors are prevented from accessing the trade secrets unless under a non-disclosure agreement. Employee access to the trade secrets is limited to those employees with a need to know. Employees must sign agreements requiring them to keep confidential trade secrets and proprietary information they learn in BRG's employ and requiring the return of any trade secrets and proprietary information materials at the termination of employment.

32. Bripco (UK) has commercialized its trade secrets relating to the BRG Methodology through several licensing relationships. In addition to its license to BRG, Bripco (UK) has licensed its trade secrets to a distributor in Australia and New Zealand and to a licensee and a manufacturer in the United States.

33. As the owner of the trade secrets relating to the BRG Methodology, Bripco (UK) has authorized BRG to participate as co-plaintiff in this lawsuit for the purposes of pursuing any claims for damages that BRG has suffered as a licensee of the trade secrets, including claims for damages for the misappropriation of the trade secrets by Facebook and the Emerson Defendants as described in this complaint.

The Emerson Non-Disclosure Agreement

34. In August 2011, Emerson and BRG entered into [REDACTED]

35. Before holding any substantive discussions with Emerson, Bladeroom Holdings Limited, the company that owns BRG, executed a non-disclosure agreement with Emerson on August 17, 2011 (the "Emerson Non-Disclosure Agreement"). The Emerson Non-Disclosure Agreement is attached as Exhibit D.

36. Paragraph 13 of the Emerson Non-Disclosure Agreement provides that [REDACTED]

[REDACTED] include Plaintiff Bripco (UK) and Plaintiff BRG, a subsidiary of BladeRoom Holdings Limited.

The Facebook-BRG Non-Disclosure Agreement

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1 37. In late October 2011, BRG was confident in its growing global reputation, and it
2 contacted Facebook to promote BladeRooms and the BRG Methodology. Facebook, at least
3 initially, was reluctant to engage with BRG and was dismissive of the idea that a pre-fabricated,
4 modular data center could meet Facebook's needs. Facebook expressed satisfaction and
5 confidence that it had already found the right approach, which was a traditional stick-built
6 approach, and it directed BRG to view what it had published around six months earlier when it
7 had publicly announced the completion of its first company-owned data center in Prineville,
8 Oregon. But BRG had much to offer Facebook, and soon Facebook agreed to further discussions
9 with BRG to learn more about the BRG Methodology.

10 38. [REDACTED] Facebook and BRG entered into a "Facebook, Inc. Mutual
11 Non-Disclosure Agreement" (the "Facebook Non-Disclosure Agreement"), which is attached as
12 Exhibit A and incorporated into this Complaint.

13 39. In paragraph 1 of the Facebook Non-Disclosure Agreement, Facebook and BRG
14 agreed that [REDACTED],

15 [REDACTED]
16 [REDACTED]
17 [REDACTED]
18 [REDACTED]
19 [REDACTED]
20 [REDACTED]
21 [REDACTED]
22 40. In paragraph 2 of the Facebook Non-Disclosure Agreement, Facebook and BRG
23 agreed that: [REDACTED]
24 [REDACTED]
25 [REDACTED]
26 [REDACTED]

27 41. In paragraph 3 of the Facebook Non-Disclosure Agreement, Facebook and BRG
28 agreed that

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[REDACTED]

42. In paragraph 4 of the Facebook Non-Disclosure Agreement, Facebook and BRG agreed, *inter alia*, that: [REDACTED]

43. In paragraph 9 of the Facebook Non-Disclosure Agreement, Facebook and BRG agreed that: [REDACTED]

44. In paragraph 12 of the Facebook Non-Disclosure Agreement, Facebook and BRG agreed, *inter alia*, that [REDACTED]

45. In paragraph 13 of the Facebook Non-Disclosure Agreement, Facebook and BRG agreed, *inter alia*, that [REDACTED]

46. Paragraph 13 of the Facebook Non-Disclosure Agreement provides that [REDACTED]

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BRG's Confidential Disclosures of the BRG Methodology to the Emerson Defendants and to Facebook and Its Partners

47. Shortly after executing the Emerson Non-Disclosure Agreement, BRG hosted several Emerson executives for a presentation regarding BRG's business and the BRG Methodology at BRG's factory in England on September 13, 2011. BRG [REDACTED] BRG also disclosed to Emerson how suitable the BRG Methodology was for the production of very large data centers for mega-scale clients.

48. Emerson showed some initial interest, but in October 2011 it informed BRG's corporate advisers that at that time it [REDACTED]

49. Discussions with Facebook, on the other hand, proceeded rapidly. [REDACTED] the Facebook Non-Disclosure Agreement, Facebook urgently requested a written proposal to supply BladeRooms for a Facebook data center in North Carolina. BRG responded with a detailed proposal on November 25, 2011, which it marked "COMMERCIAL IN CONFIDENCE." The proposal included details about the BRG Methodology, including Bripco (UK) trade secrets. For example, the proposal included [REDACTED]

50. Feedback from Facebook on this proposal was positive, and Facebook quickly began asking to learn even more details about the BRG Methodology. On March 15, 2012, BRG met with Jay Park (Facebook's Director of Data Center Design and Construction) and Marco

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1 Magarelli (Facebook's Senior Design Engineering Manager) in Facebook's offices in Palo Alto,
 2 California to discuss Facebook's interest in using BladeRooms at its various data center sites,
 3 including in the forthcoming second phase of its data center campus in Luleå, Sweden.

4 51. Eight days later, on March 23, 2012, Jay Park and Tom Furlong (Facebook's Vice
 5 President of Site Operations) traveled to England to meet with BRG in person. During their visit,
 6 BRG provided Mr. Park and Mr. Furlong with more written materials about BladeRooms and the
 7 BRG Methodology. These materials were also marked "COMMERCIAL IN CONFIDENCE,"
 8 and they included further confidential information and trade secrets, including:

9 [REDACTED]
 10 [REDACTED]

11 [REDACTED] So that Facebook's senior personnel could see for themselves what the BRG
 12 Methodology was already delivering in practice to BRG's clients around the world and to
 13 illustrate to them that the BRG Methodology could successfully provide the kind of enterprise-
 14 level data centers that Facebook required, BRG also took Mr. Park and Mr. Furlong on a tour of
 15 an operating BladeRoom to prove the technology. This tour of a large-scale, fully operational
 16 data center campus employing multiple BladeRoom data halls included a confidential discussion
 17 with BRG's client operating the BladeRoom, demonstrating to Facebook that the BRG
 18 Methodology was successful in practice, commercially viable, and suitable to the needs of large,
 19 multinational clients.

20 52. Visibly impressed with the operational BladeRoom and the innovative BRG
 21 Methodology, Facebook continued to request yet more detailed confidential information from
 22 BRG. In particular, at the conclusion of the March 23 visit, Mr. Park suggested that the next step
 23 should be for a team of Facebook design and engineering staff to travel to BRG in England for an
 24 in-depth workshop with BRG's technical teams to enable Facebook to learn more and for both
 25 parties to collaboratively determine the technical details of how the BRG Methodology and
 26 BladeRooms could be used to meet Facebook's data center needs.

27 53. Through discovery, Plaintiffs have learned that [REDACTED] Mr. Park met
 28 with an Emerson Network Power executive based in Southern California, [REDACTED]

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1 [REDACTED]
2 April 26, Emerson, who had been silent for the previous six months, contacted Plaintiffs'
3 corporate advisers on [REDACTED] and, during the following weeks, sought to re-
4 open discussions with Plaintiffs. Plaintiffs agreed to do so and Emerson told Plaintiffs that there
5 would be a different group of people [REDACTED] than the Emerson
6 representatives who had visited BRG in September, 2011.

7 54. On May 17, 2012, following up on Emerson's April 26, 2012, email to Plaintiffs'
8 corporate advisers, an Emerson Network Power Vice President named David Gerhart spoke with
9 BRG's CEO, Paul Rogers, and discussed [REDACTED]
10 and a further meeting at BRG's facilities in England. Mr. Gerhart was not among the group of
11 Emerson executives that had visited Plaintiffs in September 2011. On May 18, 2012, Mr. Gerhart
12 proposed that several Emerson Network Power representatives, including Mr. Gerhart, would
13 visit BRG's facilities during the week of June 18, 2012.

14 55. Meanwhile, Facebook and BRG exchanged communications to arrange for the in-
15 depth workshop that Mr. Park had proposed and Facebook took yet more steps to learn further
16 details about the BRG Methodology.

17 56. On May 29 and May 30, 2012, at Facebook's invitation, BRG attended a two-day
18 meeting at the Facebook data center campus in Prineville. BRG had been told that the purpose of
19 the meeting was for BRG to survey and physically see the functionality of a Facebook data center
20 and meet Facebook's lead architect and engineers. Facebook was also working on what it
21 referred to as a "modular" design for a new expansion of its Prineville data center campus, and it
22 wished to learn whether BRG's designs and technology could meet its needs for that installation.
23 However, at the meeting, BRG's personnel were surprised to find present not only Facebook's in-
24 house architect and engineers but also a team of third party architects and general contractors that
25 had helped build Facebook's previous data center at Prineville using stick-build designs and
26 techniques. These included representatives from architectural and construction firms SP Arch,
27 AlfaTech, and DPR-Fortis.

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1 57. Facebook asked BRG to present and discuss BladeRooms and the BRG
 2 Methodology with these Facebook contractors at the Prineville meeting, which BRG did, again
 3 disclosing trade secrets and additional confidential information [REDACTED]
 4 Facebook Non-Disclosure Agreement. Facebook told the BRG representatives at this meeting
 5 that BRG would be asked to submit a proposal for delivery of an expansion to Facebook's
 6 Prineville data center campus using BladeRooms. Because these third party architects and
 7 general contractors were Facebook's [REDACTED] any disclosures to them were [REDACTED]
 8 Facebook Non-Disclosure Agreement.

9 58. From discovery, it is now apparent that Facebook concealed material and
 10 important information from BRG and its representatives, including the fact that before the
 11 Prineville meeting took place, Facebook had already agreed with its construction contractor [REDACTED]
 12 [REDACTED]
 13 [REDACTED] in direct competition with BRG's bid. Unbeknown to BRG,
 14 Facebook had previously supplied BRG's confidential information, which included BRG's
 15 pricing information and other trade secrets, [REDACTED] Around the time of the Prineville
 16 meeting, Facebook's Tom Furlong privately instructed [REDACTED]
 17 [REDACTED]
 18 [REDACTED]

19 59. After inducing BRG to disclose confidential information and trade secrets to DPR-
 20 Fortis, SPArch, and AlfaTech, Facebook knowingly accepted a bid for the project from DPR-
 21 Fortis that relied on the confidential information BRG had disclosed [REDACTED] Facebook Non-
 22 Disclosure Agreement during the May 2012 meeting and in other BRG materials provided to
 23 Facebook.

24 60. BRG was not aware at the time that, as a result of Facebook's actions, DPR-Fortis
 25 would misuse BRG's confidential information in preparing a bid for the Prineville data center.
 26 BRG continued to collaborate with Facebook and prepare for the in-depth workshop that Mr. Park
 27 had proposed. The intensive workshop began on June 19, 2012, with BRG hosting a team from
 28 Facebook that included Mr. Magarelli and two other Facebook employees involved in Facebook's

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1 data center design and engineering efforts, Tin Tse (Facebook's Senior Mechanical Engineer and
2 the design lead for modular data center research and development) and Paul Hsu (Facebook's
3 Director of Data Center Strategic Engineering).

4 61. By the end of the intensive workshop on June 21, 2012, the Facebook team had
5 toured a large-scale, fully operational data center campus employing multiple BladeRoom data
6 halls and been provided with full access to BRG's operations, including a detailed walkthrough of
7 an operational BladeRoom; a tour of the BRG assembly facility, including inspection of the
8 assembly process; review of BladeRoom manuals; and an intensive meeting that included a line-
9 by-line comparison of the components and systems employed in BladeRooms versus those in
10 Facebook's data centers. They also received additional documentation from BRG, again marked
11 "COMMERCIAL IN CONFIDENCE," that included Bripco (UK) trade secrets and confidential
12 information, including:

13 [REDACTED]
14 [REDACTED]
15 [REDACTED]

16 Together,
17 these materials, discussions, and demonstrations disclosed almost every aspect of the BRG
18 Methodology.

19 62. The BRG and Facebook engineering teams collaborated in great technical detail
20 throughout the workshop at BRG's facilities. Near the end of these meetings, Mr. Magarelli told
21 BRG's representatives: "The only thing more impressive than your product is your business." He
22 said that he could see Facebook using BRG's technology on a large scale.

23 63. During the workshop, the BRG and Facebook engineering teams playfully
24 referenced Ikea's approach of flat-packing and home assembly of furniture to summarize the
25 BRG Methodology and how it greatly simplified the very complex task of constructing
26 warehouse-sized data centers. After the end of the workshop had concluded, the BRG team
27 emailed Mr. Magarelli and the Facebook team and included an image of an Ikea Allen key as a
28 light-hearted memento of the visit.

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64. Literally at the same time that Facebook's representatives were visiting BRG for the workshop from June 19–21, 2012, representatives from Emerson Network Power and Fred Rebarber, a Liebert executive based in Menlo Park, California, made their visit to BRG in England. The team from Emerson Network Power, which included Mr. Gerhart, met with BRG in England and were provided with a tour of a large-scale, fully operational data center campus employing multiple BladeRoom data halls so they could see for themselves what the BRG Methodology was already delivering in practice to BRG's clients around the world. The team from Emerson Network Power and Liebert also received trade secrets and confidential information about the BRG Methodology, including know-how, techniques, and concepts to implement the Methodology. During this visit, Plaintiffs disclosed to Emerson Network Power and Liebert each trade secret identified in Exhibit B to this complaint, with the exception of the specific documents provided to Facebook identified in Exhibit B (Trade Secrets 22–25).

Although Plaintiffs did not disclose those specific documents to Emerson Network Power or Liebert, they did disclose the trade secret information relating to [REDACTED] [REDACTED] appearing in the documents identified in Trade Secrets 22–24. All these disclosures were protected by the Emerson Non-Disclosure Agreement.

65. At the time, BRG thought it was merely a coincidence that the two companies were visiting BRG simultaneously, and because the respective discussions with both Facebook and Emerson were confidential, BRG took pains to ensure that the two companies' representatives did not cross paths with one another during their visit to BRG's facilities. BRG believed its efforts to keep the two companies apart were successful until a conversation between Mr. Gerhart and Mr. Rogers about [REDACTED] would be well-suited to target "hyperscale" data center clients, during which Mr. Gerhart volunteered that he had just discovered that some people he knew from Facebook were also visiting BRG at this time. Mr. Gerhart told Mr. Rogers that he might try to catch up with these people before flying out of London and if he did, and that if BRG was mentioned by Facebook, he would let Mr. Rogers know. BRG now knows that, despite Mr. Gerhart's apparently casual remarks, Facebook and Emerson in fact were secretly conspiring to meet together in London on the

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1 evening of June 21, 2012, and in the [REDACTED] to discuss Plaintiffs' technology and to
 2 unlawfully use Plaintiffs' trade secrets and confidential information.

3 66. Emerson is one of the world's largest data center providers and a competitor to
 4 BRG. At the time it visited BRG in June 2012, Emerson and its affiliated companies sold data
 5 centers that were built out of pre-constructed volumetric boxes. Under this approach, multiple
 6 finished boxes are shipped to the construction site and located together to form the finished data
 7 center. BRG had used a volumetric box approach in 2009 and 2010 but found that it would not
 8 be an effective method for constructing warehouse-sized data centers. BRG invented the BRG
 9 Methodology to provide an innovative solution for modular construction of warehouse-sized data
 10 centers that was different than any other approach available on the market.

11 67. Both during and after the visit, Emerson Network Power expressed excitement
 12 about the promise of the BRG Methodology and indicated that it wished to continue discussing
 13 possibly [REDACTED] Communications on this subject continued until late
 14 August 2012 after which Emerson's interest disappeared and Plaintiffs heard nothing further from
 15 Emerson. BRG never imagined that Facebook would, in collusion with the Emerson Defendants,
 16 end up stealing the BRG Methodology and partnering with the Emerson Defendants to construct
 17 its data centers using BRG's trade secrets and confidential information.

18 68. Without disclosing it to Plaintiffs, the teams from Facebook and the Emerson
 19 Defendants left their separate meetings with Plaintiffs and immediately traveled to a pre-arranged,
 20 clandestine meeting together in London on the evening of June 21, 2012. At this meeting, the
 21 Emerson Defendants and Facebook discussed the BRG Methodology and compared notes on
 22 what each had learned from Plaintiffs' confidential disclosures to them. The following day, Mr.
 23 Gerhart emailed Mr. Rogers referencing a discussion he had with Facebook the previous night in
 24 which Facebook had mentioned BRG in a "very casual introductory dialogue." What is now
 25 apparent from discovery, and what Facebook and the Emerson Defendants intentionally
 26 concealed from BRG at the time, is that the June 21 meeting was arranged [REDACTED]
 27 [REDACTED]
 28 [REDACTED]

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69. Facebook continued to indicate that it was interested in partnering with BRG to meet its future data center needs, and it continued to request more proposals and more information from BRG. In July 2012, in response to Facebook's requests, BRG submitted two more lengthy and detailed proposals for the delivery of BladeRooms at Facebook's sites in Prineville and Luleå. Each proposal, like the written presentation materials about BladeRooms that BRG had previously provided to Facebook, were marked "COMMERCIAL IN CONFIDENCE," and included Bripco (UK) trade secrets and confidential information about the BRG Methodology, including:

70. In addition to the communications described above, BRG disclosed to Facebook Bripco (UK) trade secrets and confidential information, including but not limited to

Facebook Partners with the Emerson Defendants To Steal the BRG Methodology

71. Despite visiting BRG twice, soliciting numerous proposals, and conducting many meetings and calls with BRG, Facebook never placed an order for BladeRooms with BRG. Instead, Facebook, together with the Emerson Defendants, simply stole the BRG Methodology and passed it off as its own.

72. Through discovery in this action, Plaintiffs have learned that on June 21, 2012, at the same time that both Facebook and the Emerson Defendants were visiting Plaintiffs' facilities in England, they were also

Knowing that they would soon be meeting with Facebook, a potential BRG customer,

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1 the Emerson Defendants on June 22 and 26 nonetheless requested copies of the presentations that
 2 Plaintiffs had shown them during their visit to Plaintiffs' facilities, all of which were marked
 3 "Confidential."

4 73. The same Facebook team that had visited Plaintiffs' facilities—Marco Magarelli,
 5 Tin Tse, and Paul Hsu—plus [REDACTED]

6 [REDACTED]
 7 [REDACTED]
 8 74. Facebook's documents produced in discovery show that the explicit purpose of
 9 that [REDACTED]

10 [REDACTED] As Facebook's Mr. Tse wrote on [REDACTED] in an internal
 11 Facebook email that Plaintiffs have received through discovery, the purpose of this [REDACTED]

12 [REDACTED]
 13 [REDACTED] In the following weeks, Mr. Tse reported

14 internally that he continued to "[REDACTED]

15 [REDACTED]"
 16 75. Facebook and the Emerson Defendants continued conspiring on a plan to steal
 17 Plaintiffs' technology several weeks later during an [REDACTED]

18 [REDACTED]
 19 [REDACTED]
 20 [REDACTED]
 21 [REDACTED]
 22 76. The Emerson Defendants' internal notes from this meeting, which Plaintiffs have
 23 obtained through discovery, show that [REDACTED]

24 [REDACTED] The notes further show that the Defendants [REDACTED]
 25 [REDACTED] The Defendants also
 26 discussed [REDACTED]

27 [REDACTED] And the Defendants crafted a statement of their [REDACTED]

28 [REDACTED] hat reads: [REDACTED]

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77. The participants at the [REDACTED] included the same people who had visited BRG's facilities in England. In particular, [REDACTED] from Facebook all participated in the [REDACTED] as did [REDACTED] from Emerson Network Power.

78. A few months after this meeting, on January 16, 2013, Emerson Network Power publicly announced that it was launching a new business division, the "Hyperscale Solutions Team," that would focus on "serving the needs of massive data centers." The announcement notes that the market trend toward larger data centers required "customized, highly scalable, and often modular infrastructures," which Emerson Network Power's new team would deliver "through consulting, custom solutions, and implementation." The Emerson Defendants used BRG's trade secrets and confidential information to help launch this new business and to provide modular data center services to Facebook and, eventually, to other companies as well.

Facebook Discloses Confidential Information About the BRG Methodology on OpenCompute

79. Although Facebook conspired with the Emerson Defendants to misappropriate, use and unlawfully benefit from BRG's trade secrets and confidential information, discovery has confirmed that that was not the full extent of Facebook's wrongful and damaging conduct. Facebook was not content with stealing the BRG Methodology and encouraging the Emerson Defendants to develop a new line of business offering BRG's approach to Facebook and the public. Instead, Facebook wanted to drive down its costs for using BRG's technology even further by inducing as many vendors as possible to begin offering data centers using the BRG Methodology.

80. Plaintiffs have learned through discovery in this action that, to further unjustly benefit from its misappropriation of BRG's trade secrets and confidential information, [REDACTED]

Notably, the same

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Facebook employees who had visited BRG's facilities just weeks before also participated [REDACTED]

81. Facebook never informed Plaintiffs about these [REDACTED]

Outwardly, Facebook

continued to demonstrate interest in using BRG's technology for data center projects through 2012 and 2013, even while it simultaneously developed a directly competing approach based on BRG's confidential and trade secret information. For example, in July 2013, Facebook asked BRG to submit an unsolicited proposal for a modular data center, and in October 2013, Facebook asked BRG to submit a proposal involving the BRG Methodology for another data center project in Altoona, Iowa. At around the same time, Facebook engaged the Emerson Defendants and the architectural firm SP Arch to develop a modular design and construction approach for the Altoona data center using designs and methods that BRG had shared with Facebook. At Facebook's request, SP Arch produced at least one design for a data center that incorporated confidential and trade secret designs and information that BRG provided to Facebook.

82. The communications and meetings between Facebook and the Emerson Defendants discussed above show that, at least as early as August 15, 2012, both Facebook and the Emerson Defendants were aware that the other planned to misappropriate Plaintiffs' trade secrets and confidential information and use them to compete unfairly with Plaintiffs. The communications and meetings discussed above show that Facebook and the Emerson Defendants reached an agreement whereby both of them would collaborate to copy and steal Plaintiffs' data center technology and provide it to others, thereby committing wrongful acts of misappropriation and unfair competition.

The January 2014 OpenCompute Presentation

83. Facebook's and the Emerson Defendants' misdeeds might never have come to light had they decided that simply stealing BRG's intellectual property was enough. Instead, Facebook went further when it decided to encourage and induce others to use BRG's intellectual property as well by revealing BRG's confidential information through an initiative created by Facebook called the "OpenCompute Project" ("OpenCompute").

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1 84. According to the initiative's website, available at
2 <http://www.opencompute.org/about>, the goal of OpenCompute is to give the public "full access to
3 the[] specifications" used by Facebook in its data centers in order to "spark a collaborative
4 dialogue" about how to improve its approach to data centers. Thus, market participants and
5 consumers in the data center industry understand that designs, specifications, methods, and other
6 information shared through the OpenCompute project have been donated to the public as "open
7 source" material and may be used by others free of charge.

8 85. Facebook claims to share its data center designs and information openly with the
9 public through OpenCompute in order to induce as many companies as possible to adopt its
10 specifications and to encourage as many suppliers as possible to provide goods and services in
11 compliance with its data center designs. By promoting widespread adoption of its specifications
12 for data center technology, Facebook seeks a great commercial benefit—reduction in costs and
13 the eventual commoditization of products needed to build data centers as a result of suppliers
14 vying against each other for Facebook's business. Facebook claims that this approach has saved
15 it billions of dollars. For example, during a January 28, 2014 Q&A session at an OpenCompute
16 conference, Facebook's CEO, Mark Zuckerberg, was asked why the company decided to make all
17 OpenCompute designs "open source." As part of his response, Mr. Zuckerberg stated: "In the last
18 three years alone, Facebook has saved more than a billion dollars in building out our
19 infrastructure using OpenCompute designs." A video of this conversation is available at
20 https://www.youtube.com/watch?v=imwHX_dlpIw&feature=youtu.be. Mr. Zuckerberg's
21 comment begins at about the 3:42 mark.

22 86. Similarly, a member of Facebook's engineering department posted online that,
23 through OpenCompute, Facebook had "open-sourced every major physical component of our data
24 center stack," which had "saved us \$2 billion in infrastructure costs over the last three years."
25 The blog post is available here: [https://code.facebook.com/posts/1538145769783718/open-](https://code.facebook.com/posts/1538145769783718/open-compute-project-u-s-summit-2015-facebook-news-recap/)
26 [compute-project-u-s-summit-2015-facebook-news-recap/](https://code.facebook.com/posts/1538145769783718/open-compute-project-u-s-summit-2015-facebook-news-recap/).

27 87. On January 28, 2014, approximately 18 months after attending the in-depth
28 workshop at BRG's facilities in England, Mr. Magarelli made a public presentation at the same

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1 OpenCompute forum in San Jose, California where Mr. Zuckerberg made his comments about the
2 cost savings achieved through OpenCompute. Mr. Magarelli's presentation focused on
3 Facebook's brand new "rapid deployment data center" or "RDDC method." A video of Mr.
4 Magarelli's presentation was posted to YouTube at
5 <http://www.youtube.com/watch?v=yu8jin33G64>. Mr. Magarelli's presentation begins around the
6 21:49 mark.

7 88. In his presentation of the RDDC, Mr. Magarelli explains that Facebook was
8 looking for ways to use construction methods that would allow it to deliver twice the amount of
9 data space in about half the normal time. Mr. Magarelli explains that many of the concepts
10 underlying the RDDC were developed with "vendors."

11 89. The RDDC method that Mr. Magarelli describes is the BRG Methodology that
12 Facebook stole and re-marketed with a different name.

13 90. For example, in his presentation, Mr. Magarelli states that Facebook considered
14 [REDACTED] but they [REDACTED] Instead, the RDDC method
15 calls for building [REDACTED]
16 [REDACTED]
17 [REDACTED]

18 91. Mr. Magarelli's presentation shows that Facebook's RDDC copied BRG's
19 [REDACTED] too, even using the exact same language to describe this structure. [REDACTED]
20 [REDACTED]
21 [REDACTED]
22 [REDACTED]
23 [REDACTED]
24 [REDACTED]

25 92. Mr. Magarelli's presentation also shows an animation of [REDACTED]
26 [REDACTED]
27 [REDACTED]
28 [REDACTED]

REDACTED VERSION OF DOCUMENT SOUGHT TO BE SEALED

1
2
3 93. Mr. Magarelli states:
4
5

6 94. Mr. Magarelli further states that the RDDC method provides
7
8
9

10 95.
11
12

13 In his presentation, Mr. Magarelli compares this to the “Ikea
14 model” for shipping products, an apparent reference to the discussions between Facebook and
15 BRG during the June 2012 workshop.

16 96. RDDC, as presented by Mr. Magarelli, is copied from the BRG Methodology.
17
18

19 But Mr. Magarelli does not mention BRG or BladeRooms in his presentation.

20 97. Facebook’s actions have caused direct competitive harm to BRG. Facebook, on its
21 own and in collaboration with Emerson, stole the BRG Methodology, called it by another name
22 (RDDC), then passed off the BRG Methodology as its own. At the OpenCompute presentation,
23 Facebook portrayed RDDC as its own method for the modular construction of warehouse-sized
24 data centers. Facebook took the BRG Methodology, disclosed it to the public as RDDC, and
25 encouraged the data center industry to take the BRG Methodology and further develop it to build
26 the data centers of the future. By claiming that RDDC is its own methodology, Facebook has
27 positioned itself as an innovator of data center construction in direct competition with BRG.
28

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1 98. Facebook also encouraged and induced the Emerson Defendants to assist it in
 2 developing RDDC and to offer it to the public in direct competition with BRG. In its 2014
 3 Annual Report to shareholders, Emerson states that it “collaborated with Facebook to create the
 4 new ‘rapid deployment data center’ (RDDC).” Emerson boasts that this “new-to-the world data
 5 center approach . . . combines the best of factory-built components with lean construction
 6 techniques, resulting in a data center that is more efficient, uses less material and deploys faster.”
 7 In the same annual report, Emerson projects “near-term improvement in the data center business.”

8 99. Whereas before Facebook’s acts, BRG was the only company in the world offering
 9 its unique Methodology, Emerson now seeks to expand its practice, publicly offering to construct
 10 warehouse-sized data centers using the RDDC method. For example, in or around June 2015, the
 11 Emerson Defendants proposed a modular data center design and solution to [REDACTED]
 12 [REDACTED] The Emerson Defendants’ proposal relied on Plaintiffs’ trade secrets
 13 and confidential information, including trade secrets and confidential information relating to air
 14 handling and cooling systems.

15 *The March 2014 OpenCompute Blog Post*

16 100. Facebook continued to misuse and misappropriate BRG’s confidential information
 17 and Bripco (UK)’s trade secrets. On March 7, 2014, Mr. Magarelli also authored and published
 18 an OpenCompute blog post about or RDDC that provides further details showing it is a copy of
 19 the BRG Methodology. The blog post may be accessed at
 20 <http://www.opencompute.org/blog/faster-leaner-smarter-better-data-centers>.

21 101. In his blog post, Mr. Magarelli reveals that the RDDC concept was developed at
 22 the October 2012 “hack”: “In October 2012, our data center strategic engineering and
 23 development team and several experts in lean construction came together to hack on a design for
 24 a data center that would look less like a construction project and more like a manufactured
 25 product.” The blog post further confirms that RDDC, as described by Mr. Magarelli in his
 26 presentation and blog post, is nothing more than the BRG Methodology re-packaged and offered
 27 by Facebook.

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1 102. Through his blog post and presentation, Mr. Magarelli falsely claims that it was
2 Facebook's "engineering and development teams" that performed the architectural and
3 engineering design services necessary to create the RDDC method. The truth is that it was
4 BRG—not Facebook—that provided the innovative architectural, engineering and design services
5 Facebook falsely claimed were performed by its internal teams. RDDC is merely a copy of the
6 BRG Methodology, which BRG spent years developing, designing, and refining.

7 103. For example, the blog describes details of [REDACTED]
8 [REDACTED]
9 [REDACTED]
10 [REDACTED]
11 [REDACTED]
12 [REDACTED]
13 [REDACTED]

14 104. Mr. Magarelli's blog post also describes RDDC's use of [REDACTED]
15 [REDACTED]

16 105. [REDACTED]
17 [REDACTED]
18 [REDACTED]
19 [REDACTED]
20 [REDACTED]
21 [REDACTED]
22 [REDACTED]

23 106. Some of the hoped-for benefits of RDDC that Mr. Magarelli cites in his blog post
24 include [REDACTED]
25 [REDACTED]
26 [REDACTED]
27 [REDACTED]
28 [REDACTED]

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These are all benefits that BRG taught Facebook that could be achieved using the BRG Methodology. Mr. Magarelli concludes his blog post with news that Facebook planned to use the RDDC designs in the construction of their second data center in Luleå. The blog post emphasizes that Facebook's RDDC is a "new approach to data center design."

107. Three days after Mr. Magarelli published his blog post about RDDC,

108.

Again, Mr. Magarelli does not mention BRG or BladeRooms in his blog post or make any attempt to attribute or credit BRG for the innovative new approach he falsely claimed was Facebook's.

109. Mr. Magarelli's January presentation and March blog post do not disclose Facebook's own methodology, but rather the BRG Methodology, including BRG's confidential and trade secret information

the Facebook Non-Disclosure Agreement.

On information and belief, dozens of companies that are consumers in the market for data center design sent representatives to the OpenCompute forum where Mr. Magarelli made his announcement in January 2014. Mr. Magarelli's presentation and his blog post were also widely covered in the data center industry media, where

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1 BRG's competitors in data center design and construction and additional consumers in the data
2 center design market learned of his statements about RDDC.

3 110. On information and belief, at the time he made the statements concerning RDDC
4 in his OpenCompute presentation and blog post, Mr. Magarelli knew that RDDC was a copy of
5 the BRG Methodology and that it incorporated confidential and trade secret information that
6 Facebook had obtained from BRG. Mr. Magarelli was present at the workshop with BRG in June
7 2012, and he personally learned BRG confidential and trade secret information in the form of
8 presentations, written materials, and factory and site visits, among other things.

9 111. On information and belief, Mr. Magarelli was acting within the scope of his
10 employment and was acting as a Facebook agent and representative at all times mentioned in this
11 Complaint.

12 ***Facebook and Emerson Use the Information and Trade Secrets They Misappropriated from***
13 ***BRG To Construct Facebook's New Data Center in Luleå, Sweden***

14 112. By conspiring with the Emerson Defendants to adopt the BRG Methodology and
15 revealing the BRG Methodology to the entire data center industry through the OpenCompute
16 project, Facebook put itself into in a prime position to demand lower prices from any company
17 that wanted its data center business. It had created one direct competitor to BRG—the Emerson
18 Defendants—and it had provided enough information to inspire countless more competitors, all
19 using the BRG Methodology and all vying for Facebook's business.

20 113. In May 2014, Facebook announced that it had selected Emerson Network Power to
21 construct a pre-fabricated, modular data center for the second phase of its Luleå, Sweden campus.
22 On information and belief, the design and construction process for the Luleå phase two data
23 center that Emerson Network Power has constructed for Facebook incorporates Bripco (UK)
24 trade secrets and other confidential information about the BRG Methodology.

25 114. Publicly available information about the construction of the data hall of phase two
26 of the Luleå data center campus shows that Facebook and Emerson are using components of the
27 BRG Methodology and concepts and techniques that BRG developed [REDACTED]
28 their respective non-disclosure agreements. For example, photos of the construction at phase two

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of the Luleå site show that Facebook used the modular construction techniques disclosed by BRG for this data center instead of the traditional, stick-built approach that Facebook has used for all its previous data centers (including the first phase of the Luleå campus).

115. Through discovery in this action, Plaintiffs have learned that Facebook's May 2014 announcement that it had selected Emerson Network Power to construct the expansion of the Luleå data center campus had been put into place long before. For example, on Facebook and Liebert rely on the same technology that BRG had demonstrated to Facebook and the Emerson Defendants just months before they executed their

116. Discovery in this action has also shown that Facebook asked Emerson BRG showed Facebook in detail how its obtained a greater degree of control than Facebook's preexisting technology, in part through using

FIRST CAUSE OF ACTION**(Breach of Contract Against Facebook)**

117. Plaintiffs incorporate by reference as though set forth herein each of the preceding allegations of each paragraph in this Complaint.

118. Facebook and BRG entered into the Facebook Non-Disclosure Agreement,

119. the Facebook Non-Disclosure Agreement

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120.

the Facebook Non-Disclosure Agreement

121. In the alternative, to the extent that Facebook did not breach any term of the Facebook Non-Disclosure Agreement, it breached the covenant of good faith and fair dealing by unfairly interfering with Plaintiffs' right to receive the benefit of the contract. The parties contemplated that one of the benefits of the Facebook Non-Disclosure Agreement

122. As a direct and proximate result of Facebook's breaches of the Facebook Non-Disclosure Agreement (or, alternatively, of the covenant of good faith and fair dealing), Plaintiffs have suffered damages, and Facebook has been unjustly enriched, in an amount to be determined at trial.

123. Facebook's breaches have caused and continue to cause Plaintiffs irreparable harm that cannot be fully redressed through damages alone. An injunction as set forth herein is necessary to provide Plaintiffs with complete relief.

SECOND CAUSE OF ACTION

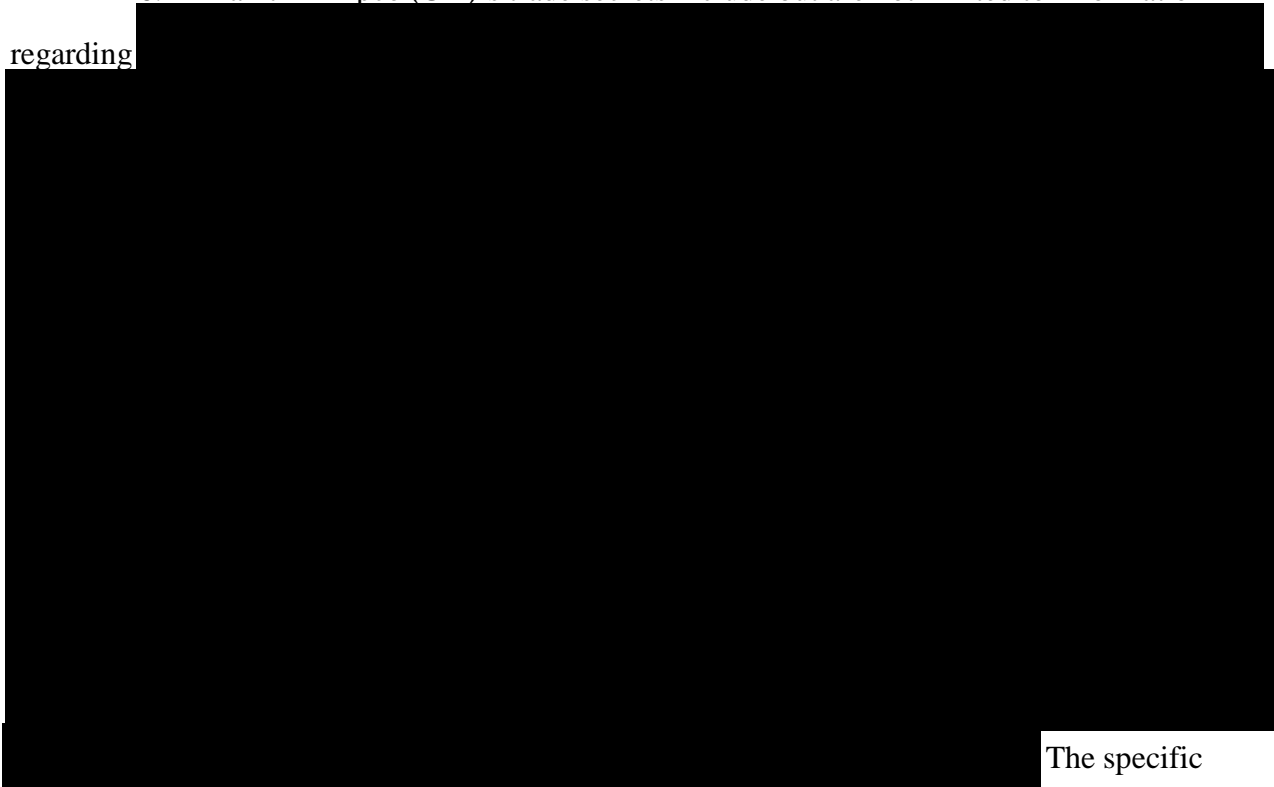
(Misappropriation of Trade Secrets & Conspiracy to Misappropriate Trade Secrets Against Facebook and the Emerson Defendants)

124. Plaintiffs incorporate by reference as though set forth herein each of the preceding allegations of each paragraph in this Complaint.

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125. Plaintiff Bripco (UK) is the owner of trade secrets as defined by California's Uniform Trade Secrets Act, Civil Code sections 3426–3426.11. BRG is a licensee of the trade secrets. As the owner of the trade secrets, Bripco (UK) has authorized BRG to participate as co-plaintiff in this lawsuit for the purposes of pursuing any claims for damages that BRG has suffered as a licensee of the trade secrets, including claims for damages for the misappropriation of the trade secrets by Facebook and the Emerson Defendants as described in this complaint.

126. Plaintiff Bripco (UK)'s trade secrets include but are not limited to information regarding



The specific trade secrets that, at this time, Plaintiffs believe Facebook and the Emerson Defendants have misappropriated are identified in Exhibit B, and supporting facts concerning the secrecy of the trade secrets at the time of disclosure are provided in Exhibit C.

127. Bripco (UK)'s trade secrets derive independent actual and potential economic value from not being generally known or available to the public or other persons who can obtain economic value from their disclosure or use.

128. Bripco (UK)'s trade secrets have significant value, resulting from significant investment of time and resources.

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129. Bripco (UK) and BRG have made, and continue to make, efforts that are reasonable under the circumstances to maintain the secrecy of its trade secrets.

130. The Bripco (UK) trade secrets identified in Exhibit B were trade secrets at the time that they were [REDACTED] the Facebook Non-Disclosure Agreement.

131. The Bripco (UK) trade secrets identified in Exhibit B were trade secrets at the time that they were disclosed to the Emerson Defendants under the Emerson Non-Disclosure Agreement.

132. Facebook improperly used Bripco (UK)'s trade secrets without Bripco (UK)'s consent and at the time of such use, knew, or had reason to know that its knowledge of Bripco (UK)'s trade secrets [REDACTED] the Facebook Non-Disclosure Agreement, [REDACTED]

Facebook improperly used Bripco (UK)'s trade secrets, for example, in its development of its RDDC, which it deployed and plans to deploy on its own or with the assistance of third parties.

133. The Emerson Defendants improperly used Bripco (UK)'s trade secrets without Bripco (UK)'s consent and at the time of such use, knew, or had reason to know that its knowledge of Bripco (UK)'s trade secrets was acquired under the Emerson Non-Disclosure Agreement, which created a legal obligation on the Emerson Defendants to limit their exposure of Bripco (UK)'s trade secret information to others strictly for the purposes of considering whether [REDACTED]

However, the Emerson Defendants improperly used Bripco (UK)'s trade secrets, for example, in their [REDACTED] their development of a modular data center solution that it proposed to Facebook after the [REDACTED] and in their proposal for and construction of the second phase of Facebook's data center campus in Luleå, Sweden. The Emerson Defendants continue to misuse Bripco (UK)'s trade secrets in proposing to build modular data centers for other customers using designs and methods they learned from Plaintiffs under the protection of the Emerson Non-Disclosure Agreement.

134. Facebook improperly disclosed Bripco (UK)'s trade secrets without Bripco (UK)'s consent and at the time of such disclosure, knew or had reason to know that its knowledge of

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1 Bripco (UK)'s trade secrets was [REDACTED] the Facebook Non-Disclosure Agreement, [REDACTED]
 2 [REDACTED] For example,
 3 on information and belief, Facebook disclosed Bripco (UK)'s trade secrets to Emerson and
 4 employed Bripco (UK)'s trade secrets in its construction of the second phase of its Luleå data
 5 center campus. Facebook also disclosed Bripco (UK)'s trade secrets to its architecture consultant,
 6 SP Arch, and asked SP Arch to incorporate elements of Bripco (UK)'s trade secrets into a design
 7 for a Facebook data center. Facebook also improperly disclosed Bripco (UK)'s trade secrets
 8 when it disclosed to various potential contractors its design for the second phase of Facebook's
 9 Luleå data center campus.

10 135. The Emerson Defendants improperly disclosed Bripco (UK)'s trade secrets
 11 without Bripco (UK)'s consent and at the time of such disclosure, knew or had reason to know
 12 that its knowledge of Bripco (UK)'s trade secrets was acquired under the Emerson Non-
 13 Disclosure Agreement, which created a legal obligation on the Emerson Defendants to keep the
 14 trade secret information secret. For example, on information and belief, the Emerson Defendants
 15 have disclosed Bripco (UK)'s trade secrets to Facebook, to their sub-contractors and partners that
 16 participated in the design and construction of the second phase of Facebook's Luleå data center
 17 campus, and to potential clients.

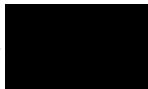
18 136. Facebook and the Emerson Defendants are each jointly and severally liable for
 19 their misappropriation of Bripco (UK)'s trade secrets because some of their acts of
 20 misappropriation are the product of a conspiracy. Discovery in this case demonstrates that at the
 21 [REDACTED] and perhaps before, Facebook and the Emerson Defendants conspired
 22 to misappropriate Bripco (UK)'s trade secrets. The modular data center methods and designs that
 23 Facebook and the Emerson Defendants jointly developed in connection with [REDACTED]
 24 [REDACTED] constitute acts of trade secret misappropriation that have damaged
 25 Plaintiffs.

26 137. As a natural and proximate result of Facebook's and the Emerson Defendants'
 27 misappropriation and conspiracy to misappropriate, Plaintiffs have suffered injury and harm. For
 28 example, as a direct consequence of Defendants' actions, the Emerson Defendants are now

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1 offering to construct warehouse-sized data centers using BRG's methodology in direct
 2 competition with BRG, whereas before, BRG was the only company in the world offering its
 3 methodology. In addition, BRG's reputation and business have been harmed by Defendants'
 4 misappropriation and subsequent sharing of BRG's information to BRG's competitors, including
 5 any potential loss of customers due to Defendants' actions. Defendants' actions also harmed
 6 BRG's reputation as an innovative company offering a brand new, unique methodology for
 7 constructing warehouse-sized data centers. By publicly disclosing Bripco (UK)'s trade secrets,
 8 Facebook has also damaged the market for Bripco (UK)'s licensing of its trade secrets to others.

9 138. Defendants have been unjustly enriched, in amounts according to proof.
 10 Defendants benefitted from the information BRG provided it in multiple ways. Defendants used
 11 the information and the confidence in Plaintiffs' concepts that they had gained from their visits to
 12 BRG's facilities to inspire, direct, and develop the designs for phase two of Facebook's data
 13 center campus in Luleå, Sweden. Facebook also copied the BRG Methodology, presented it as its
 14 own, and claimed to have performed the architectural and engineering services that led to the
 15 designs and methodology, resulting in an enhancement of Facebook's reputation as an innovator
 16 in data center design.

17 139. The Emerson Defendants have benefitted as being perceived as innovators in the
 18 modular data center industry. The Emerson Defendants have also benefitted by being able to
 19 offer the BRG Methodology to their potential clients, including 

20 140. The Defendants' benefit came at BRG's expense. Because Defendants claimed to
 21 have collaborated in performing the services that led to the designs and methodology that
 22 Defendants call RDDC, BRG's reputation as an innovator in data center design was not enhanced
 23 whereas the Defendants' reputations were. On information and belief, Facebook's public
 24 disclosures and endorsement of BRG's methods and practices without acknowledging BRG's
 25 rights over them has also inspired, encouraged, and given confidence to other competitors to use
 26 the BRG Methodology in competition with BRG. Additionally, it would have taken Defendants
 27 much longer and cost Defendants much more money to develop the design for Facebook's Luleå
 28

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1 and other data center campuses had it not misused Plaintiffs' methods and trade secrets for their
2 own benefit.

3 141. Defendants have never compensated Plaintiffs for the benefit that they have
4 received from Plaintiffs.

5 142. Defendants' trade secret misappropriation has caused and continues to cause
6 Plaintiffs irreparable harm that cannot be fully redressed through damages alone. An injunction
7 as set forth herein is necessary to provide Plaintiffs with complete relief.

8 143. In misappropriating Bripco (UK)'s trade secrets, Defendants acted willfully and
9 maliciously. Defendants arranged secret meetings between each other at the same time they were
10 visiting Plaintiffs' facilities in England in June 2012 for the purpose of discussing and copying
11 Plaintiffs' technology. [REDACTED]

12 [REDACTED]
13 [REDACTED] Plaintiffs are thus entitled to
14 punitive and exemplary damages against Defendants pursuant to section 3426.3(c) of the Civil
15 Code.

THIRD CAUSE OF ACTION**(Violation of the Lanham Act, 15 U.S.C. § 1125 Against Facebook)**

17
18 144. Plaintiffs incorporate by reference as though set forth herein each of the preceding
19 allegations of each paragraph in this Complaint.

20 145. Facebook's acts described above violate the Lanham Act, 15 U.S.C.
21 § 1125(a)(1)(A).

22 146. Facebook falsely claimed that it and its contractors performed the architectural,
23 engineering, and design services that led to RDDC. In reality, RDDC is the BRG Methodology,
24 falsely re-labeled and presented to the public by Facebook. Facebook obtained the BRG
25 Methodology from BRG, renamed it RDDC, falsely passed off this method as its own, and
26 claimed the credit for having performed the services behind the BRG Methodology.

27 147. Facebook's acts are likely to cause confusion as to who truly performed the
28 services that led to RDDC. Consumers in the data center industry viewing Mr. Magarelli's

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1 presentation or blog post would probably assume that RDDC is associated with Facebook and its
2 in-house team of architects and engineers.

3 148. Facebook's acts have harmed Plaintiffs. By portraying itself as an innovator of
4 data center design and providing RDDC to the OpenCompute community and the public in
5 general, Facebook competes with BRG as a data center design provider and innovator. With its
6 business partners, BRG provides to its data center customers a complete service from design to
7 manufacturing and assembly of the data center. Facebook has irreparably damaged Plaintiffs'
8 licensing markets by providing through the OpenCompute forum the core components of BRG's
9 Methodology to data center customers and data center providers. BRG has also suffered loss of
10 goodwill and loss of reputation because potential customers are unlikely to view the BRG
11 Methodology as innovative or proprietary to BRG.

FOURTH CAUSE OF ACTION

12
13 **(Violation & Conspiracy to Violate the Unfair Business Practices/Unfair Competition Law,**
14 **Bus. and Prof. Code § 17200, *et seq.*, Against Facebook and the Emerson Defendants)**

15 149. Plaintiffs incorporate by reference as though set forth herein each of the preceding
16 allegations of each paragraph in this Complaint.

17 150. Defendants' acts described above constitute unfair business practices and unfair
18 competition as defined by California Business & Professions Code § 17200, *et seq.*

19 151. At least the following acts by Facebook were unlawful business acts: Facebook's
20 use of Bripco (UK)'s trade secrets to develop and direct its RDDC approach, which it deployed
21 and plans to deploy on its own or with the assistance of third parties; its inducement of BRG to
22 disclose Bripco (UK) trade secrets to BRG's competitors, such as SP Arch, AlfaTech, and DPR-
23 Fortis; its discussion of Bripco (UK) trade secrets with Emerson without authorization; its
24 disclosure of Bripco (UK) trade secrets to other contractors; its disclosure of BRG's confidential
25 information to the world through its OpenCompute presentation and blog post; and its efforts to
26 claim credit for the architectural and engineering services that led to the BRG Methodology,
27 which Facebook calls RDDC.

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1 152. At least the following acts by the Emerson Defendants were unlawful business
2 acts: the Emerson Defendants' use of Bripco (UK)'s trade secrets to design and develop a
3 modular data center solution for Facebook; their disclosure of Bripco (UK) trade secrets to
4 contractors and potential clients; their discussion of Bripco (UK) trade secrets with Facebook
5 without authorization; and their use of Bripco (UK) trade secrets in the design and construction of
6 the second phase of Facebook's data center campus in Luleå, Sweden.

7 153. In addition, at least the following acts by Facebook were unfair business acts: By
8 portraying itself as an innovator of data center design and providing the plans for RDDC to the
9 OpenCompute community and the public in general, Facebook competes with BRG as a data
10 center design provider and innovator. With its business partners, BRG provides to its data center
11 customers a complete service from design to manufacturing and assembly of the data center.
12 Facebook irreparably damaged Plaintiffs' licensing markets by providing through the
13 OpenCompute forum a copy of the BRG Methodology to data center customers and data center
14 providers. By claiming credit for performing the services that led to the BRG Methodology and
15 encouraging potential BRG competitors to adopt it, Facebook has irreparably damaged fair
16 competition in the market for data center design. In addition, Facebook induced the Emerson
17 Defendants to become BRG's direct competitor in the modular data center construction market by
18 partnering with the Emerson Defendants to implement the RDDC approach and by allowing the
19 Emerson Defendants to offer this approach to other customers.

20 154. In addition, at least the following acts by the Emerson Defendants were unfair
21 business acts: the Emerson Defendants compete with BRG in the markets for data center design
22 and construction. The Emerson Defendants have irreparably damaged fair competition in these
23 markets by claiming to have collaborated in developing RDDC, a copy of the BRG Methodology,
24 by offering that methodology and related designs to potential data center customers, and by
25 building data centers using the BRG methodology and Bripco (UK)'s trade secret information.

26 155. In addition, Facebook's misappropriation of Bripco (UK)'s trade secrets and its
27 violations of the Lanham Act were unlawful acts.
28

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156. Facebook and the Emerson Defendants are each jointly liable for their acts of unfair competition because some of their acts are the product of a conspiracy. At the [REDACTED] and perhaps before, Facebook and the Emerson Defendants conspired to misappropriate Bripco (UK)'s trade secrets. They also conspired for the Emerson Defendants to use Plaintiffs' trade secret and confidential information in developing modular data center construction methods and designs that the Emerson Defendants could offer to other potential customers in direct competition with Plaintiffs. The modular data center methods and designs that Facebook and the Emerson Defendants jointly developed in connection with [REDACTED] constitute acts of unfair competition that have damaged Plaintiffs.

157. As a direct and proximate result of Defendants' wrongful conduct, Plaintiffs have been injured in fact. For example, as a direct consequence of Defendants' actions, the Emerson Defendants are now offering to construct warehouse-sized data centers using a method in direct competition with BRG, whereas before, BRG was the only company in the world offering its methodology. The Defendants' actions have undermined BRG's ability to fairly compete in both the market for data center design and the market for modular construction of warehouse-sized data centers. Such harm will continue unless the Defendants' acts are enjoined by the Court. Plaintiffs have no adequate remedy at law for the Defendants' continued acts of unfair business practices and unfair competition.

FIFTH CAUSE OF ACTION**(Breach of Contract Against the Emerson Defendants)**

158. Plaintiffs incorporate by reference as though set forth herein each of the preceding allegations of each paragraph in this Complaint.

159. On August 17, 2011, BladeRoom Holdings Limited and Emerson entered into the Emerson Non-Disclosure Agreement, which is a binding contract supported by offer, acceptance and mutual consideration. Plaintiffs Bripco (UK) and BRG have the full power and authority to enforce the terms of that agreement.

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1 160. BladeRoom Holdings Limited and Plaintiffs have fully performed their obligations
2 under the Emerson Non-Disclosure Agreement to the extent those obligations were not excused
3 by the Emerson Defendants' breaches thereof.

4 161. Emerson is liable for any breaches of the Emerson Non-Disclosure Agreement
5 committed by Emerson Network Power, Liebert, or any other companies affiliated with Emerson.

6 162. The Emerson Defendants breached the Emerson Non-Disclosure Agreement in
7 numerous ways, including at least by: discussing Plaintiffs' trade secret and confidential
8 information with Facebook on June 21, 2012; meeting with Facebook on [REDACTED]

9 [REDACTED]
10 [REDACTED] developing data center designs and methods for Facebook's use that
11 were based on or incorporated Plaintiffs' trade secrets and confidential information, including at
12 least the designs and methods used in the second phase of Facebook's Luleå, Sweden data center
13 campus; offering to other clients data centers design and construction services that are based on
14 and incorporate Plaintiffs' trade secrets and confidential information; building data centers using
15 the BRG Methodology and Bripco (UK)'s trade secrets; and failing to hold Plaintiffs'
16 Confidential Information in strict confidence and take reasonable precautions to protect such
17 Confidential Information.

18 163. In the alternative, to the extent that the Emerson Defendants did not breach any
19 term of the Emerson Non-Disclosure Agreement, they breached the covenant of good faith and
20 fair dealing by unfairly interfering with Plaintiffs' right to receive the benefit of the contract. The
21 parties contemplated that one of the benefits of the Emerson Non-Disclosure Agreement was that
22 Plaintiffs' Confidential Information would be kept in strict confidence, that it would not be
23 disseminated to Plaintiffs' potential customers (including Facebook), and that Plaintiffs'
24 Confidential Information would not be used for any purpose besides evaluating whether to do
25 business with Plaintiffs.

26 164. As a direct and proximate result of Emerson's breaches of the Emerson Non-
27 Disclosure Agreement (or, alternatively, of the covenant of good faith and fair dealing), Plaintiffs
28

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1 have suffered damages, and the Emerson Defendants have been unjustly enriched, in an amount
2 to be determined at trial.

3 165. The Emerson Defendants' breaches have caused and continue to cause Plaintiffs
4 irreparable harm that cannot be fully redressed through damages alone. An injunction as set forth
5 herein is necessary to provide Plaintiffs with complete relief.

6
7 **PRAYER FOR RELIEF**

8 WHEREFORE, Plaintiffs pray for judgment against Facebook and Emerson as follows:

- 9 1. Damages from Defendants according to proof;
- 10 2. Disgorgement from Defendants of unjust enrichment according to proof;
- 11 3. For preliminary and permanent injunctive relief to enjoin Defendants and their
12 agents, servants, and employees, and all persons acting under, in concert with, or for it, from
13 using or disclosing any of Bripco UK's trade secrets, confidential know-how, and proprietary
14 information regarding BladeRooms, in any way;
- 15 4. For preliminary and permanent injunctive relief requiring Defendants and their
16 agents, servants, and employees, and all persons acting under, in concert with, or for it, to return
17 all trade secrets and confidential and proprietary information acquired from Plaintiffs;
- 18 5. For punitive and exemplary damages as may be provided by law;
- 19 6. For Plaintiffs' attorneys' fees and costs as may be provided by law and in
20 accordance with the [REDACTED]
- 21 7. For prejudgment and post-judgment interest;
- 22 8. For profits, damages and costs (including treble damages), and attorneys' fees
23 under 15 U.S.C. § 1117(a);
- 24 9. That Defendants are jointly and severally liable for damages caused by their
25 conspiracy to misappropriate Plaintiffs' trade secrets and for their acts of unfair competition;
- 26 10. For such other relief as the Court may deem just and proper.
- 27
28

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1 April 21, 2016

FARELLA BRAUN + MARTEL LLP

2
3 By: /s/ Stephanie P. Skaff
Stephanie P. Skaff

4
5 Attorneys for Plaintiff
BLADEROOM GROUP LIMITED AND
6 BRIPCO (UK) LIMITED

7
8 **JURY DEMAND**

9 Plaintiffs demand a jury trial on all claims and issues that are so triable.

10 April 21, 2016

FARELLA BRAUN + MARTEL LLP

11
12 By: /s/ Stephanie P. Skaff
Stephanie P. Skaff

13 Attorneys for Plaintiff
14 BLADEROOM GROUP LIMITED AND
15 BRIPCO (UK) LIMITED