

BOSTON // GENERAL BUSINESS



Court Affirms Trade Secret Jury Verdict for Sunstein Client Benchmark Technologies

JULY 27, 2023



Sunstein LLP is pleased to announce that on July 14, 2023, the U.S. District Court for the District of Massachusetts ruled in firm client Benchmark Technologies' favor and

denied defendants' motion seeking to overturn the favorable jury verdict and final judgment in *Benchmark Technologies, Inc. v. Yuqiang (Richard) Tu and Kifonix Technology, LLC*. The Court's order on July 14 affirms the Court's **earlier judgment**, which was entered after a 5-day jury trial in Boston in January 2023, based on Benchmark's claims, including trade secret, unfair competition claims.

Benchmark, an international supplier of test reticles, photomasks, and related services for lithography systems, filed suit in February 2022, after its former senior applications engineer resigned to form a competing business and, among other misconduct, misappropriated five categories of trade secrets — valuable Benchmark intellectual property that gives the company a distinct competitive advantage in the market.

With quick action, Sunstein was able to swiftly shut down the defendants' illegal activity on Benchmark's behalf with a temporary restraining order and preliminary injunction, protecting vital portions of Benchmark's business from irreparable harm.

As explained in the Court's post-trial orders and judgment in May 2023, prior to trial, the Court had ruled in Benchmark's favor on numerous claims in response to the parties' motions for summary judgment. The Court noted that in its summary judgment ruling it found that the "defendants had engaged in unfair methods of competition and unfair or deceptive acts or practices in violation of Chapter 93A," and that the defendants had misappropriated Benchmark's trade secrets.

After the trial in January, the jury similarly found, among other things, that Tu and Kifonix Technology had engaged in unfair and deceptive trade practices in violation of Chapter 93A. In its May 2023 order granting a permanent injunction, the Court observed that "Tu's conduct was brazen and willful." Tu and Lijun (Jenny) Luo are the managers of Kifonix.

Benchmark was represented by Sunstein Partner and Litigation Practice Chair **Lisa M. Tittlemore** and attorneys **Bryan D. Harrison** and **Jackie Salwa**, as well as co-counsel **Laura Greenberg-Chao**, Litigation Partner at Henshon Klein LLP. In addition to the key early successes, the team successfully argued at summary judgment and trial that Benchmark had taken reasonable steps to protect its trade secrets, and that the defendants had misappropriated Benchmark's trade secrets and confidential information. The team also proved that the defendants breached contractual obligations and fiduciary duties owed to Benchmark.

"Our team believed that the manner in which harm was inflicted on Benchmark made attorneys' fees more likely and thus, worth pursuing. We are gratified that Judge Sorokin responded by awarding attorneys' fees and costs of almost a million dollars and entering a permanent injunction limiting the defendants' future activity," noted Sunstein Founding Partner **Bruce Sunstein**.

"Benchmark takes the value of their trade secrets very seriously. After earning such a favorable initial outcome and great result at trial, we are all the more encouraged by the Court's latest decision to deny the motion for a new trial," Tittlemore said. "Our client looks forward to putting this matter behind them once and for all."

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