

# VIRGINIA LAWYERS WEEKLY

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## LARGEST VERDICTS

VIRGINIA'S LARGEST VERDICTS OF 2015

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\$4.864 Million

### Telecom company alleged theft of trade secrets

**Tulynet FZ LLC v. Nemetisheva v. Barmawi**

**Type of case:** Business tort

**Court:** Fairfax County Circuit Court

**Attorneys:** Rebecca Bricken Segal, John H. Hawthorne, Aaron C. Cummings, James B. Kinsel and Brian F. Chandler, Tysons Corner



SEGAL



HAWTHORNE



CUMMINGS



KINSEL



CHANDLER

A Fairfax County jury found for a telecommunications company on allegations that its competitor stole confidential trade secrets and used them to interfere with existing business contracts.

The plaintiff, World Telecom Exchange Communications and its parent company Tulynet FZ, operate a business that buys and sells telephone minutes for calls connecting to developing countries. In January 2011, WTXC's CEO, CFO and other key management left the company after starting a similar business designed to compete directly with WTXC.

WTXC and Tulynet sued the former employees and new companies for conspiring to put WTXC out of business by misappropriating confidential trade secrets, including business projections and information on their most profitable customers. While some of the defendants were still employed by WTXC, a dummy login was created to access WTXC's proprietary pricing database, allowing the information to be accessed hundreds of times in the six months following the defendant employees' departure. WTXC alleged that the defendants used this information to undercut WTXC's prices with its key customers.

At trial, the jury found for the plaintiffs on the violation of the Virginia Business Conspiracy Statute, misappropriation of trade secrets and tortious interference with business expectancies, and awarded \$2.682 million in compensatory damages; \$500,000 in punitive damages; and \$1.682 million in attorneys' fees, subject to post-trial motions.