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# JURY AWARDS \$133,899,391 AGAINST PACIFICORP AND HOLME ROBERTS & OWEN LAW FIRM IN TRADE SECRET MISAPPROPRIATION AND BREACH OF FIDUCIARY DUTY CASE

Salt Lake City, UT – May 22, 2012 – Yesterday evening, a Salt Lake City jury returned a verdict in the case of *USA Power, LLC, et al. v. PacifiCorp, et al.*, in the Third District Court, Salt Lake County, Utah, in favor of Plaintiffs USA Power, LLC, USA Power Partners, LLC, and Spring Canyon, LLC (collectively, "Plaintiffs" or "USA Power"), and against PacifiCorp, the law firm of Holme Roberts & Owen, and Salt Lake City attorney Jody Williams.

Plaintiffs were awarded \$21,399,391 in damages against PacifiCorp (which operates in Utah under the name Rocky Mountain Power) for its misappropriation of USA Power's trade secrets under the Utah Uniform Trade Secret Act and its breach of a written confidentiality agreement. In addition, Plaintiffs were awarded \$112,500,000 in damages against PacifiCorp for its unjust enrichment from the theft of USA Power's trade secrets. The jury also found that PacifiCorp's misappropriation of USA Power's trade secrets was willful and malicious. In addition, the jury found the law firm of Holme Roberts & Owen and Salt Lake City attorney Jody Williams, liable for the same \$21,399,391 in damages for the law firm and lawyers' breaches of their fiduciary duties to Plaintiffs, which had been their clients.

The case arises out of USA Power's development of an air-cooled, natural gas-fired power plant project, with a particular configuration, to be built in Mona, Utah. Plaintiffs brought suit, alleging that PacifiCorp used trade secrets and confidential information to injure USA Power and build the same project disclosed to PacifiCorp, and alleging that Plaintiffs' lawyers at Holme Roberts & Owen switched sides and helped PacifiCorp, to the detriment of USA Power. The Plaintiffs alleged, among other things, that in 2002, PacifiCorp and USA Power entered into a written confidentiality agreement, after which USA Power shared with PacifiCorp its confidential and trade secret materials for the plant. In the spring of 2003, PacifiCorp abruptly terminated negotiations, and almost simultaneously hired Plaintiffs' lawyers, Holme Roberts & Owen and Jody Williams, to assist PacifiCorp with the development of its own, competing power plant, to be built in Mona, Utah. During a brief bidding process that followed, PacifiCorp awarded itself the contract to build a power plant in the same location, with characteristics virtually identical to those disclosed by USA Power's trade secrets. USA Power did not learn the nature

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of PacifiCorp's competing power plant, until after PacifiCorp had awarded itself the bid. The jury found that PacifiCorp's development resulted from misappropriating USA Power's trade secrets and breach of the confidentiality agreement, and that Williams and HRO breached their fiduciary duties by helping PacifiCorp in that effort.

In October of 2007, trial court Judge Tyrone Medley granted summary judgment in favor of the defendants, on all but one claim. On May 14, 2010, the Utah Supreme Court issued a 5-0 unanimous opinion which reversed the grant of summary judgment and remanded the case for a jury trial. After the case was reassigned to Judge Anthony Quinn, trial commenced on April 9, 2012, and lasted more than five weeks, with the case being submitted to the jury on May 21, 2012. The jury rendered its unanimous verdict later that evening.

On behalf of USA Power, lead counsel Peggy A. Tomsic stated that her clients "were pleased that this attentive jury considered the voluminous evidence and rendered a thoughtful verdict, finally giving my clients the justice that they have sought for more than seven years." Ms. Tomsic also observed that the jury awarded all of the damages sought on each claim and against each defendant, as well as finding by clear and convincing evidence that PacifiCorp's theft of USA Power's trade secrets was willful and malicious. "This verdict sends an important message to those who would try to take advantage of their size and superior resources, to steal the fruits of labor by hard-working entrepreneurs without permission or compensation. The jury system levels the playing field, so that smaller companies like our clients can find first their day in court, and then justice."

USA Power was represented at trial by attorneys Peggy A. Tomsic, co-lead counsel James E. Magleby, and by Eric K. Schnibbe, all partners at the Salt Lake City law firm of Magleby & Greenwood, PC. USA Power was also represented in the case by Chap Petersen, of the Fairfax, Virginia law firm of Surovell Isaacs Petersen & Levy, PLC.

Inquiries should be directed to Peggy A. Tomsic.

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## Third District Court, Salt Lake County State of Utah

USA POWER, LLC; USA
POWER PARTNERS, LLC; and
SPRING CANYON ENERGY,
LLC,

Plaintiffs,

VS.

PACIFICORP; JODY L.
WILLIAMS and HOLME,
ROBERTS & OWN, LLP,
Defendant

SPECIAL VERDICT

CASE NO. 050903412

## MEMBERS OF THE JURY:

Please answer all questions based on a preponderance of the evidence unless otherwise indicated.

For purposes of this Verdict Form, all plaintiffs are collectively referred to as "USA Power," defendant PacifiCorp is referred to as "PacifiCorp," and defendant Jody L. Williams and Holme, Roberts & Owen, LLP, are collectively referred to as "Williams/HRO."

We, the jury answer the questions to us, as follows:

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#### TRADE SECRET MISAPPROPRIATION CLAIM

## Question No. 1 35, 36,37,38

Did PacifiCorp misappropriate a trade secret possessed by USA Power?

Yes X No

If you answered "No" to Question No. 1, then please proceed to Question No. 5. Otherwise, please proceed to Question No. 2.

## Question No. 2 42

What amount of actual loss, if any, were caused by PacifiCorp's misappropriation of USA Power's trade secret?

\$ 21,399,391

Please proceed to Question No. 3.

#### Question No. 3

What amount of unjust enrichment, if any, did PacifiCorp receive from PacifiCorp's misappropriation of USA Power's trade secret?

\$ 112,500,000

Please proceed to Question No. 4

## Question No. 4 43

Did Plaintiffs prove by clear and convincing evidence that PacifiCorp's trade secret misappropriation was willful and malicious?

Yes\_X No\_\_\_

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Please proceed to Question No. 5

### BREACH OF CONTRACT CLAIM

## Question No. 5 44

Did PacifiCorp breach the Confidentiality and Non-Disclosure Agreement (Exhibit 9)?

Yes\_\_\_\_\_\_ No\_\_\_\_\_

If you answered "No" to Question No. 5, then please proceed to Question No. 7. Otherwise, please proceed to Question No. 6.

#### Question No. 6

What amount of damages, if any, were caused by PacifiCorp's breach of contract?

\$ 21,399,39

Please proceed to Question No. 7.

## BREACH OF FIDUCIARY DUTY-CLAIM

### Question No. 7 50

Did Williams/HRO breach any fiduciary duties that they owed to USA Power?

Yes X No\_\_\_\_

If you answered "No" to Question No. 7, then please proceed to Closing Instruction. Otherwise, please proceed to Question No. 8.

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#### Question No. 8

What amount of damages, if any, were caused by Williams/HRO's breach of fiduciary duty?

\$ 21,399,391

#### Question No. 9

USA Power is not entitled to recover from both defendants more than once for the same harm. If you find that both PacifiCorp and Williams/HRO caused harm to USA Power (excluding any amount awarded for unjust enrichment in Question 3 above), please allocate to each defendant their share of the total damages.

**PacifiCorp** 

\$ 18,189,489,35

Williams/HRO

\$ 3,209,908.65

#### Question No. 10

For any damages you award against Williams/HRO determine what percentage of fault should be allocated to each party?

Williams/HRO	100	%
USA Power	O	_%

Please proceed to Closing Instruction.

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#### **CLOSING INSTRUCTION**

After answering the questions above as instructed, the jury has completed this Special Verdict Form. The jury foreperson should sign the document for return to the Court.

Dated this 21 day of May, 2012.

JURY FOREPERSON