

VIRGINIA LAWYERS WEEKLY

Vol. 29, No. 51

valawyersweekly.com

May 25, 2015

VERDICTS & SETTLEMENTS

Trade secrets case remanded to district court, defendant settles

\$275,000,000 Settlement

DuPont accused Kolon, a South Korean company, of stealing trade secrets related to Kevlar. The case proceeded to trial in July 2011, and on Sept. 14, 2011, after a seven-week trial, a U.S. District Court jury in Richmond rendered a verdict finding that Kolon willfully and maliciously stole 149 trade secrets from DuPont. The jury awarded DuPont compensatory damages of \$919.9 million.

On Nov. 22, 2011, after further proceedings in which (among other things) the District Court awarded DuPont the statutory maximum of \$350,000 in punitive damages, the District Court entered a judgment of \$920.25 million.

On April 3, 2014, the 4th Circuit issued an unpublished per curiam opinion vacating the judgment and

remanding the case to the District Court for a new trial. The 4th Circuit opined that the District Court had applied an incorrect evidentiary standard in excluding certain evidence that Kolon claimed would show that 42 of DuPont's technical trade secrets had been disclosed during patent litigation in the 1980s between DuPont and a Dutch company, Akzo Nobel, concerning certain aspects of Kevlar technology.

On remand, the case was re-assigned to Judge Anthony Trenga. Simultaneous to the civil case, the U.S. Attorney's office for the Eastern District of Virginia indicted Kolon and



RIOPELLE



SATTERWHITE



SONGER

five individuals. On April 30, 2015, the parties reached a settlement agreement. Separately, that same day, Kolon entered a plea agreement with the U.S. Department of Justice in which it pled guilty to a single count of conspiracy to convert trade secrets. Kolon agreed to pay DuPont \$275,000,000 in restitution, in addition to paying a fine of \$85,000,000 to the U.S. Government.

[15-T-061]

Type of action: Trade Secret Misappropriation

Name of case: E.I. du Pont de Nemours and Company v. Kolon Industries, Inc.

Court: U.S. District Court, Richmond

Case no.: 3:09cv58

Tried before: Jury

Judge: Anthony Trenga

Date resolved: April 30, 2015

Verdict or settlement: Settlement

Amount: \$275,000,000

Attorneys for plaintiff: Brian C. Riopelle and Rod Satterwhite, Richmond; Michael Songer, Washington

Attorneys for defendant: Jeffrey Randall and Paul Hastings, Palo Alto, California

Plaintiff's experts: Aaron Stowell, Matthew Levey, Michael Jaffe and John Jarosz

Defendant's experts: John Ashley, Mark Morgan, Bert Lommerts and Michael Wagner