

**IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF NORTH CAROLINA
CHARLOTTE DIVISION**

INVUE SECURITY PRODUCTS, INC.,

Plaintiff,

v.

**HANGZHOU LANGHONG
TECHNOLOGY CO., LTD. and
LANGHONG TECHNOLOGY USA INC.**

Defendants.

Civil Action No. 3:14-cv-654

JURY DEMAND

FIRST AMENDED COMPLAINT

Plaintiff INVUE SECURITY PRODUCTS INC. (“Plaintiff” or “InVue”) files this Complaint against Defendants HANGZHOU LANGHONG TECHNOLOGY CO., LTD. (“Langhong China”) and LANGHONG TECHNOLOGY USA INC. (“Langhong US”) (collectively, “Defendants”) and, in support thereof, alleges as follows:

NATURE AND BASIS OF ACTION

1. This is a civil action involving claims for tortious interference with contract and unfair or deceptive trade practices. This action is brought pursuant to N.C. Gen. Stat. § 75-1.1, *et seq.*, and the common law of the State of North Carolina.

PARTIES

2. Plaintiff InVue is a corporation organized and existing under the laws of the State of Ohio, having a principal place of business at 15015 Lancaster Highway, Charlotte, North Carolina 28277.

3. Upon information and belief, Defendant Langhong Technology USA Inc. is a corporation organized and existing under the laws of the State of California, having a principal place of business at 3875 Hopyard Rd., Ste. 165, Pleasanton, California 94588.

4. Upon information and belief, Defendant Hangzhou Langhong Technology Co., Ltd. is a foreign corporation organized and existing under the laws of China and having a principal place of business at 2# Building, No. 99, Xinting Rd., Binjiang District, Hangzhou, China.

JURISDICTION AND VENUE

5. This Court has jurisdiction over Plaintiff's state law claims pursuant to 28 U.S.C. § 1332(a).

6. Upon information and belief, this Court has personal jurisdiction over Defendants under the principles underlying the U.S. Constitution, and under N.C. Gen. Stat. § 1-75.4 because Defendants transact business within the State of North Carolina, solicit and/or contract to supply goods in the State of North Carolina, and have engaged in acts both inside and outside the State of North Carolina causing injury or damage within the State of North Carolina, including in this district.

7. Venue is proper in this Court pursuant to 28 U.S.C. § 1391(b).

BACKGROUND

8. On or around September 15, 2010, John Harden and Paul Stangeland, in consideration for their employment with Plaintiff, entered into Confidentiality and Non-Disclosure Agreements with Plaintiff, which are each governed by the laws of the State of North Carolina.

9. The Confidentiality and Non-Disclosure Agreements prohibit the unauthorized disclosure of Plaintiff's confidential information, including but not limited to, technical or non-technical data, software codes, formulas, patterns, compilations, programs, devices, inventions, products, methods, techniques, trade secrets, drawings, processes, financial information, customer, manufacturer and supplier information, and any other information that qualifies as a trade secret under the laws of the State of North Carolina.

10. During the period from the later months of 2012 to the beginning of 2013, Defendants hired both John Harden and Paul Stangeland.

11. Upon information and belief, both John Harden and Paul Stangeland were responsible, in part, for facilitating and supporting Defendants' sales efforts in the United States.

12. Upon information and belief, Defendants, with knowledge of the Confidentiality and Non-Disclosure Agreements, and without justification, encouraged both John Harden and Paul Stangeland to divulge and utilize certain of the confidential information each had obtained during employment with Plaintiff, including at least confidential pricing and other financial information, as well as confidential customer information.

13. Upon information and belief, Defendants have utilized that information to the detriment of Plaintiff.

COUNT I

TORTIOUS INTERFERENCE OF CONTRACT (John Harden)

14. Plaintiff incorporates herein and realleges, as if fully set forth in this Paragraph, the allegations of the foregoing Paragraphs 1 through 13.

15. An executed Confidentiality and Non-Disclosure Agreement exists between Plaintiff and an employee of Defendants, John Harden.

16. Upon information and belief, Defendants are, and at all pertinent times were, aware of the Confidentiality and Non-Disclosure Agreement between Plaintiff and John Harden.

17. Upon information and belief, Defendants encouraged John Harden to breach, at a minimum, the provisions of the Confidentiality and Non-Disclosure Agreement prohibiting the unauthorized disclosure of Plaintiff's confidential information.

18. Upon information and belief, Defendants performed said encouraging conduct with the intention of gaining an unfair economic advantage over Plaintiff by using Plaintiff's confidential information to Plaintiff's detriment.

19. As a result of Defendants' conduct, Plaintiff has suffered and continues to suffer actual economic and competitive harm.

COUNT II

TORTIOUS INTERFERENCE OF CONTRACT (Paul Stangeland)

20. Plaintiff incorporates herein and realleges, as if fully set forth in this Paragraph, the allegations of the foregoing Paragraphs 1 through 19.

21. An executed Confidentiality and Non-Disclosure Agreement exists between Plaintiff and a former employee of Defendants, Paul Stangeland.

22. Upon information and belief, Defendants are, and at all pertinent times were, aware of the Confidentiality and Non-Disclosure Agreement between Plaintiff and Paul Stangeland.

23. Upon information and belief, Defendants encouraged Paul Stangeland to breach, at a minimum, the provisions of the Confidentiality and Non-Disclosure Agreement prohibiting the unauthorized disclosure of Plaintiff's confidential information.

24. Upon information and belief, Defendants performed said encouraging conduct with the intention of gaining an unfair economic advantage over Plaintiff by using Plaintiff's confidential information to Plaintiff's detriment.

25. As a result of Defendants' conduct, Plaintiff has suffered and continues to suffer actual economic and competitive harm.

COUNT III

UNFAIR OR DECEPTIVE TRADE PRACTICES (John Harden)

26. Plaintiff incorporates herein and realleges, as if fully set forth in this Paragraph, the allegations of the foregoing Paragraphs 1 through 25.

27. The conduct of Defendants, as described above, in interfering with Plaintiff's Confidentiality and Non-Disclosure Agreement with John Harden constitutes unfair or deceptive trade practices in or affecting commerce.

28. As a result of Defendants' conduct, Plaintiff has suffered and continues to suffer actual economic and competitive harm, for which Plaintiff is entitled to receive monetary damages, injunctive relief, and other appropriate remedies.

29. Pursuant to Chapter 75, N.C. Gen. Stat., Plaintiff is entitled to treble damages and attorneys' fees for Defendants' unfair and deceptive trade practices.

COUNT IV

UNFAIR OR DECEPTIVE TRADE PRACTICES (Paul Stangeland)

30. Plaintiff incorporates herein and realleges, as if fully set forth in this Paragraph, the allegations of the foregoing Paragraphs 1 through 29.

31. The conduct of Defendants, as described above, in interfering with Plaintiff's Confidentiality and Non-Disclosure Agreement with Paul Stangeland constitutes unfair or deceptive trade practices in or affecting commerce.

32. As a result of Defendants conduct, Plaintiff has suffered and continues to suffer actual economic and competitive harm, for which Plaintiff is entitled to receive monetary damages, injunctive relief, and other appropriate remedies.

33. Pursuant to Chapter 75, N.C. Gen. Stat., Plaintiff is entitled to treble damages and attorneys' fees for Defendants' unfair and deceptive trade practices.

JURY DEMAND

Plaintiff demands a trial by jury of all issues so triable.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff respectfully requests that the Court enter judgment against Defendants and their subsidiaries, successors, parents, affiliates, officers, directors, agents, servants, employees, and all persons in active concert or participation, granting the following relief:

A. Award Plaintiff compensatory damages in a fair amount as proved by evidence at trial to remedy the damages caused by Defendants;

B. Award Plaintiff treble damages and attorneys' fees as authorized by N.C. Gen Stat. §§ 75-16 and 75-16.1;

C. Award Plaintiff punitive damages to deter Defendants from repeating the accused wrongful conduct under N.C. Gen. Stat. § 1D-15;

D. Permanently enjoin Defendants from further use of Plaintiff's confidential information and from any further acts of unfair and deceptive trade practices; and

E. Grant such other, different, and additional relief as the Court deems just and proper.

Dated: June 26, 2015

Respectfully submitted,

/s/ Bruce J. Rose

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