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(ENDORSED)
FILED

SEP 19 2003

KIRI TORRE
Chief Executive Officer
Superior Court of CA County of Santa Clara
B. CHOROFF

BY _____ DEPUTY

10 SUPERIOR COURT OF THE STATE OF CALIFORNIA

IN AND FOR THE COUNTY OF SANTA CLARA

11 SILVACO DATA SYSTEMS,

12 Plaintiff,

13 vs.

14 CIRCUIT SEMANTICS, EWALD DETJENS,
15 AND DOES 1-100, INCLUSIVE,

16 Defendants.
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Case No.

Unlimited **103** CV005469

**COMPLAINT FOR: (1) INTENTIONAL
INTERFERENCE WITH PROSPECTIVE
ECONOMIC RELATIONSHIPS,
(2) LIABILITY UNDER THE DOCTRINE
OF TORT OF ANOTHER, AND (3)
UNFAIR BUSINESS PRACTICES**

1 Plaintiff SILVACO DATA SYSTEMS (“SILVACO”) hereby alleges:

2 **THE PARTIES**

3 1. SILVACO is a corporation duly organized and existing under the laws of the
4 State of California, with its principal place of business in Santa Clara, California.

5 2. SILVACO is informed and believes, and thereon alleges, that Defendant
6 Circuit Semantics, Inc. (“CSI”) is a corporation duly organized and existing under the laws of
7 the State of California with its principal place of business in Mountain View, California,
8 within the County of Santa Clara.

9 3. SILVACO is informed and believes, and thereon alleges, that Defendant
10 Ewald Detjens (“DETJENS”), is an individual with his domicile in San Francisco, California,
11 who at times relevant to this action has had his principal place of business, and has performed
12 acts at issue in this action, in Santa Clara County. SILVACO is further informed and
13 believes, and thereon alleges, that DETJENS is and at times relevant to this action has been
14 the CEO of CSI.

15 4. SILVACO presently does not know the true names and capacities of the
16 defendants sued herein as DOES 1-100, inclusive, and therefore sues those defendants by
17 such fictitious names. SILVACO reserves the right to amend this complaint to allege such
18 defendants’ true names and capacities when they are ascertained. SILVACO is informed and
19 believes, and based thereon alleges, that each of the fictitiously designated defendants was
20 acting as the agent, partner or joint venturer of all other defendants and is joint and severally
21 responsible for the acts and omissions alleged herein.

22 5. SILVACO is informed and believes, and thereon alleges, that the defendants,
23 and each of them, were the agents, servants and employees of their co-defendants and each of
24 them, and in doing the things alleged herein were acting within the course and scope of their
25 authority as such agents, servants and employees and with the permission and consent of their
26 co-defendants, and each of them (hereinafter, collectively referred to as “Defendants”).

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1 **FACTUAL BACKGROUND**

2 **The Action & The Judgment**

3 6. In August 2003, SILVACO and Defendants CSI and DETJENS were parties
4 to civil action 790196 (and as consolidated with 790514), then pending in this Court (the
5 “Action”). In the Action, SILVACO asserted claims against CSI and DETJENS that included
6 misappropriation of Silvaco trade secrets, conversion of Silvaco property and unfair business
7 practices.

8 7. On August 5, 2003, the Action proceeded to trial, the Honorable Mary Jo
9 Levinger presiding. On August 18, 2003, the Court entered Judgment against CSI and in
10 favor of Silvaco. (A true and correct copy of the Judgment is attached hereto as Exhibit A.)

11 8. The Judgment included findings of fact that persons acting on behalf of CSI:
12 “incorporated the Silvaco Trade Secrets into certain technology developed at CSI, commonly
13 known as ‘DynaSpice’” and that, “[a]s a result of the theft of the Silvaco Trade Secrets and
14 use thereof in DynaSpice, Silvaco has suffered significant financial losses.” Based on CSI’s
15 use of the Silvaco Trade Secrets, the Judgment found, adjudged and decreed that judgment
16 should be entered against CSI and in favor of Silvaco on Silvaco’s cause of action for
17 misappropriation of trade secrets.

18 9. The Judgment further issued a permanent injunction, restraining “CSI, as well
19 as all persons acting under the direction, control, permission or authority of CSI, or any of
20 them, and all persons acting in concert therewith” from (a) using, possessing, offering for
21 sale, selling, licensing or distributing the Silvaco Trade Secrets or any “product that contains
22 or incorporates” the Silvaco Trade Secrets, and (b) “assisting or providing maintenance to
23 anyone with respect” to the Silvaco Trade Secrets.

24 10. Additionally, the Judgment required “CSI shall immediately transfer to
25 Silvaco all source code and executable code for DynaSpice (including all copies thereof, and
26 any developer notebooks, papers and other materials that contain any DynaSpice source
27 code), and shall not retain a copy thereof for any purpose.”

1 **FIRST CAUSE OF ACTION**

2 **INTENTIONAL INTERFERENCE**
3 **WITH PROSPECTIVE ECONOMIC RELATIONSHIP**
4 **[Against all Defendants]**

5 11. SILVACO incorporates by reference the above paragraphs as though set forth
6 fully herein.

7 12. Commencing around or shortly after the entry of the Judgment, Defendants
8 began to contact CSI customers to whom CSI had sold licenses of software that
9 misappropriates, and embodies, the Silvaco Trade Secrets (hereinafter, the "CSI Customers").
10 These same CSI Customers are existing and/or are potential customers of SILVACO, with
11 whom SILVACO enjoyed existing economic relationships with the probability of future
12 economic benefit to SILVACO.

13 13. Defendants knew of SILVACO's prospective economic relationships with the
14 CSI Customers.

15 14. Defendants engaged in wrongful acts that were intended to, and which did,
16 disrupt SILVACO's economic relationships with the CSI Customers. Among other things,
17 SILVACO is informed and believes, and thereon alleges, that Defendants contacted the CSI
18 Customers worldwide for the purpose of advising the CSI Customers that they were entitled
19 to continue using software that misappropriates and embodies the SILVACO Trade Secrets.
20 Upon information and belief, SILVACO attaches hereto as Exhibit B is a true and correct
21 copy of the letter defendants distributed to the CSI Customers via e-mail and hardcopy on a
22 worldwide basis (the "Letters"). In addition to sending the Letters, SILVACO is informed
23 and believes that defendants, and specifically including Does 1-50, orally informed the CSI
24 Customers, *inter alia*, that the Judgment was not a formally entered judicial document, but
25 merely was an "agreement" between the parties, that there was no finding of
26 misappropriation of the Silvaco Trade Secrets in the Action, that the CSI Customers were
27 authorized to continuing using software licensed to the CSI Customers by CSI that
28 misappropriates and embodies the Silvaco Trade Secrets, and that the CSI Customers could
29 continue using the Silvaco Trade Secrets. Defendants conduct and false representations to

1 the CSI Customers as alleged herein was wrongful and further constituted an unfair trade
2 practice in violation of Business and Professions Code Section 17200 et seq. and the common
3 law.

4 15. In engaging in these wrongful acts, Defendants intended to disrupt
5 SILVACO's prospective economic relationships with the CSI Customers or at a minimum
6 knew that the interference was certain or substantially certain to occur as a result of their
7 actions.

8 16. Defendants' conduct did disrupt and interfere with SILVACO's economic
9 relationships and caused economic harm to SILVACO, including but not limited to the loss of
10 purchase orders for license of SILVACO software and maintenance contracts by the CSI
11 Customers.

12 17. In their contact with the CSI Customers, the Defendants have further induced
13 certain of the CSI Customers to continue to possess and use the Silvaco Trade Secrets, in
14 violation of SILVACO's property rights and in violation of Uniform Trade Secret Act, for
15 which Defendants are liable under the doctrine of the tort of another.

16 18. As a proximate result of Defendants' interference, Silvaco has suffered injury
17 and damages in a sum of \$50,000,000 (fifty million dollars).

18 19. The aforementioned acts of Defendants, and each of them, were willful,
19 fraudulent and malicious. SILVACO is therefore entitled to punitive damages in an amount
20 to be proven at the trial of this matter.

21 20. Defendants threaten to and unless restrained will continue to disrupt
22 SILVACO's existing and prospective business relationships, to SILVACO's great and
23 irreparable injury, for which damages would not afford adequate relief, including, *inter alia*,
24 that they would not compensate SILVACO for the lost goodwill and follow on business
25 opportunities.

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1 **SECOND CAUSE OF ACTION**

2 **LIABILITY UNDER THE DOCTRINE OF TORT OF ANOTHER**
3 **[Against all Defendants]**

4 21. SILVACO incorporates by reference the above paragraphs as though set forth
5 fully herein.

6 22. As a result of Defendants' misconduct, SILVACO has been required to
7 instigate legal proceedings against TVIA, Inc., and will be required to instigate additional
8 legal proceedings against some or all of the CSI Customers, for the purpose of enjoining
9 further unauthorized use of the Silvaco Trade Secrets, as well as seeking damages for prior
10 unauthorized use.

11 23. As a direct, proximate and foreseeable result thereof, SILVACO has and will
12 continue to incur unnecessary losses of time, attorneys' fees and other expenditures, for
13 which SILVACO is entitled to recover from Defendants.

14 **THIRD CAUSE OF ACTION**

15 **UNFAIR BUSINESS PRACTICES**
16 **[Against all Defendants]**

17 24. SILVACO incorporates by reference the above paragraphs as though set forth
18 fully herein.

19 25. In the course of the wrongful conduct alleged herein, the Defendants, and each
20 of them, engaged in unfair and unlawful business practices in violation of the common law
21 and Sections 17200 and 17203 of the California Business and Professions Code including,
22 but not limited to, the interference with SILVACO's economic relationships and conducting
23 giving rise to liability for the misappropriation of trade secrets and conversion by the CSI
24 Customers, for which Defendants are responsible under the doctrine of the tort of another.

25 26. By reasons of Defendants' wrongful conduct, SILVACO has been harmed and
26 Defendants enriched by, an amount to be proven at the time of trial, and which Defendants
27 are required to disgorge, and make restitution, to SILVACO.

1 27. Injunctive relief is necessary to prevent further irreparable injury to
2 SILVACO, and to put an immediate halt to Defendants' on-going pattern and practice of
3 wrongful conduct.

4 28. As a proximate result of the foregoing, Defendants will be unjustly enriched in
5 an amount to be proven at trial and SILVACO is entitled to restitution therefore.

6 **PRAYER**

7 WHEREFORE, SILVACO prays for judgment against all Defendants as follows:

8 1. An award to SILVACO of compensatory damages in an amount of
9 \$50,000,000 (fifty million dollars) or such further sum according to proof at trial;

10 2. An award to SILVACO of exemplary damages in an amount according to
11 proof at trial;

12 3. An award to SILVACO of the amount the Defendants have been unjustly
13 enriched;

14 4. An award to SILVACO of the costs incurred in this action and reasonable
15 attorneys' fees;

16 5. An award to SILVACO for the losses of time, attorneys' fees and other
17 expenditures incurred by SILVACO in pursuing legal actions against third parties
18 necessitated by Defendants' conduct, and for which Defendants are liable under the doctrine
19 of the tort of another;

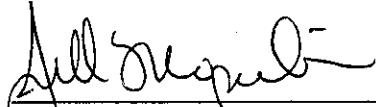
20 6. A preliminary and permanent injunction enjoining Defendants, and each of
21 them, and those in active concert or participation with them, from any further or acts of
22 interference with SILVACO's existing or prospective economic business relationships;
23 including but not limited to restraining and enjoining them from representing to any party that
24 the Judgment was not a formally entered judicial document, but was merely an "agreement"
25 between the parties, that any party other than SILVACO, or such party specifically authorized
26 and only to the extent specifically authorized by SILVACO, is authorized or has any legal
27 right to use, license or distribute the Silvaco Trade Secrets, as defined in the Judgment, or any
28 software embodying or making use of the Silvaco Trade Secrets.

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7. Such other and further relief as the Court may deem just and proper.

DATED: September 19, 2003

DECHERT LLP

By: 
Attorneys for Plaintiff
SILVACO DATA SYSTEMS