

Private Company Loss Scenarios from Chubb



Theft of Trade Secrets

COVERAGE SECTION	Directors & Officers Liability
Cause of action	Theft of Trade Secrets
Type of organization	Private
Number of employees	325
Annual revenue	\$80 million

DESCRIPTION OF EVENT

ABC Company sued directors and officers of competitor XYZ Inc. after three employees of ABC left to join XYZ. ABC alleged that the three were still employed by ABC when they began sharing proprietary information with XYZ. In its suit, ABC charged theft of trade secrets. After more than a year of legal wrangling, the case settled.

RESOLUTION

XYZ agreed to pay ABC \$160,000 as a settlement, but not before incurring \$355,000 in defense costs.



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Could this happen to your organization? Contact your trusted Chubb agent or broker.

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