
By Sue Reisinger, Corporate Counsel

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Texas IP Counsel Accused of Trade Secret Theft

Schlumberger Ltd. has filed a legal action against its former deputy general counsel for intellectual property, who went to work for another company that recently filed a patent infringement suit against Schlumberger.

Schlumberger on Friday [filed for and was granted an ex parte temporary restraining order](http://www.law360.com/articles/518908/schlumberger-targets-former-counsel-in-trade-secrets-spat-) (<http://www.law360.com/articles/518908/schlumberger-targets-former-counsel-in-trade-secrets-spat->) in Texas state court against Charlotte Rutherford, whom it accused of trade secret theft.

Since June 2013 Rutherford has been senior vice president of Acacia Research Group, a patent licensing company. Both Schlumberger, an oil-industry services provider, and Acacia are based in Houston.

"As a result of litigation filed recently against Schlumberger by a third party, Schlumberger began an investigation regarding Ms. Rutherford's departure ... [and] discovered at that point that certain Schlumberger assets were not returned by Ms. Rutherford upon her departure," the filing states.

Among the assets Schlumberger said were missing were an external hard drive Rutherford allegedly copied confidential files onto, at least six flash drives which allegedly contained Schlumberger internal confidential documents also copied from her laptop, and confidential hard copy documents previously stored in her office.

One has to wonder what, exactly, Schlumberger thinks Rutherford took with her. Schlumberger spokesman Joao Felix told CorpCounsel.com that the company does not comment on pending litigation.

Matthew Vella, Acacia's chief executive, issued this statement: "The filing against Acacia Research senior vice president, Charlotte Rutherford, by her former employer, Schlumberger Ltd., is without merit and is a bullying tactic in response to a patent infringement action brought against Schlumberger. Schlumberger's allegations are unfounded and we will vigorously defend this baseless action."

Besides Schlumberger, Rutherford managed global IP departments as associate general counsel at Colgate-Palmolive Inc. and as chief intellectual property counsel for Conoco Inc.

Houston attorney Herrick Sovany, who is not involved in the suit, told CorpCounsel.com that the case points out how [protecting confidential information is a problem for companies](http://www.corpcounsel.com/id=1202646717604) (<http://www.corpcounsel.com/id=1202646717604>), especially when that info is in digital form.

"We know many companies have restrictions in place with regard to managing data, including the ability to download it on portable data storage devices like flash drives," said Sovany, of McConnell & Sovany. "And I think this event will cause other large companies to revisit their policies and procedures

regarding data and sensitive information.” (Sovany’s partner, Ryan McConnell, is a regular columnist for CorpCounsel.com.)

In the legal action, several Schlumberger colleagues of Rutherford signed affidavits, including her replacement as deputy GC, Robin Nava.

Nava’s affidavit said Rutherford had entered into a “patent and confidential information agreement” with the company, and she had signed various other confidentiality and ethics policy statements.

An information technology employee at Schlumberger stated that “in the days leading up to Rutherford’s departure,” he had helped connect an external hard drive to her company-issued laptop computer so she could copy files. He also said, based on a review of her laptop, she had connected at least nine flash drives to her computer and downloaded emails on at least one.

Janet Lennon, who served as Rutherford’s administrative assistant at Schlumberger, stated she gave Rutherford 10 flash drives in February, a month before the lawyer left. One was found still in its packaging on the desk, and Rutherford provided one with files on it to her successor, Nava, the affidavit added.

Lennon also said Rutherford “cleaned up” and organized hard copy documents in the office, but none was there when she left.

Schlumberger said it suspected Rutherford of providing an unnamed third party with access to her company laptop for the purpose of copying information.

Schlumberger cited a breach of fiduciary duty as an attorney and senior management employee, misappropriation of trade secrets, conversion, breach of contract and a violation of the Texas Theft Liability Act.

The temporary restraining order prohibits Rutherford from disclosing or using the information and materials she took from Schlumberger, and orders her to preserve all of the confidential information in whatever form it exists.

The company also seeks a permanent injunction, unspecified damages exceeding \$100,000, and an order to return all Schlumberger property, including confidential information, to the company.

The Harris County District Court in Houston has scheduled a March 28 hearing on the matter.

Gregg Laswell of the Houston litigation boutique Hicks Thomas is representing Schlumberger. Rutherford is represented by counsel Joe Ahmad of Ahmad, Zavitsanos, Anaipakos, Alavi & Mensing and by private practitioner Ashish Mahendru.

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