

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF DELAWARE**

BASF CORPORATION,

Plaintiff,

v.

DURACELL U.S. OPERATIONS, INC.,

Defendant.

C.A. No.:

JURY TRIAL DEMANDED

REDACTED

COMPLAINT

Plaintiff BASF Corporation (“Plaintiff” or “BASF”) brings this Complaint for trade secret misappropriation and breach of contract against Defendant Duracell U.S. Operations, Inc. (“Defendant” or “Duracell”) and alleges as follows:

NATURE OF THE ACTION

1. By this Complaint, BASF seeks redress, including injunctive relief and damages, for Duracell’s flagrant misappropriation of BASF’s trade secrets and related breach of the parties’ Collaboration Agreement. As set out below, Duracell misappropriated BASF’s confidential and trade secret information under the guise of collaboration, and then shared it with a third-party, thereby cutting BASF out of its role as developer and supplier, undercutting the financial benefit to BASF for its development efforts, and causing BASF substantial and irreparable injury.

2. BASF is a chemical company providing products and services in nearly all industry sectors to customers located around the world. As a member of BASF Battery Materials, BASF’s innovative work includes developing advanced materials for lithium-ion batteries, which are used in various applications, such as electric vehicles, consumer electronics, and energy

storage. This work enables customers to optimize their battery cells in terms of cost, stability, sustainability, and safety.

3. BASF has invested substantial resources and efforts in creating and refining a proprietary and trade secret process for producing a high-performance cathode material—[REDACTED], which is a crucial battery component.

4. [REDACTED]
[REDACTED]
[REDACTED]

5. [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

6. Pursuant to its obligations under the Collaboration Agreement, BASF developed a process for making [REDACTED] on a commercial scale. The research and development extended over several years and produced a process for manufacturing high quality material (for batteries with higher capacity and power), at a much lower cost of production (“BASF [REDACTED] Process”).

7. [REDACTED]
[REDACTED]
[REDACTED]

[REDACTED]

[REDACTED]

Duracell disclosed BASF's proprietary information and know-how regarding the production of [REDACTED] to its business partner, [REDACTED]. Duracell then engaged [REDACTED] to manufacture and supply [REDACTED] using BASF's proprietary and trade secret process—under the false pretense that the process was Duracell's.

8. Duracell's misappropriation of BASF's trade secrets and its breach of the Collaboration Agreement has caused and will continue to cause BASF irreparable harm and damages. BASF therefore brings this suit to recover actual and exemplary damages, attorney's fees and costs, and to obtain a permanent injunction preventing Duracell's further use and disclosure of BASF's proprietary and confidential information, including BASF's trade secrets.

THE PARTIES

9. BASF is a corporation organized and existing under the laws of the State of Delaware, having a principal place of business at 100 Park Avenue, Florham Park, New Jersey 07932.

10. On information and belief, Duracell is a Delaware corporation having an office and place of business at 135 S. LaSalle Street, Suite 2250, Chicago, IL 60603.

JURISDICTION AND VENUE

11. This Court has subject matter jurisdiction of this action pursuant to the Defend Trade Secrets Act ("DTSA"), 18 U.S.C. § 1836(c), and 28 U.S.C. § 1331. This Court has supplemental jurisdiction over the other claims asserted in this matter pursuant to 28 U.S.C. § 1367 because they are so related to the federal misappropriation of trade secret claims that they form part of the same case or controversy under Article III of the United States Constitution.

12. This Court has personal jurisdiction over Duracell because it is a corporation organized under the laws of the State of Delaware.

13. Venue is proper in this District pursuant to 28 U.S.C. § 1391(c).

FACTUAL BACKGROUND

BASF's [REDACTED] Process

14. BASF is a world leader in the research, development, and production of advanced materials for lithium-ion batteries, which are rechargeable batteries that store and deliver electrical energy.

15. One of the key components of a lithium-ion battery is the cathode, which is the positive electrode that determines the battery's capacity, voltage, and performance.

16. BASF has developed a proprietary and trade secret manufacturing process for producing a high-performance cathode material, [REDACTED] in a commercially viable way.

17. The [REDACTED] material produced using the BASF [REDACTED] Process offers higher capacity and power compared to conventional primary battery cathode materials at a competitive cost.

18. [REDACTED]
[REDACTED]
[REDACTED]

The process includes, but is not limited to, the precise process steps and parameters that BASF developed as part of the Collaboration Agreement and also which drew upon its proprietary manufacturing process expertise.

19. [REDACTED]
[REDACTED]

20. The BASF [REDACTED] Process is the result of years of research and development, and substantial investments in equipment, facilities, and personnel. Additionally, the process and development techniques also incorporate chemical processing, methods, equipment, trade secrets and expertise that only an experienced chemical/material manufacturer could contribute.

21. The BASF [REDACTED] Process is a valuable and confidential asset that gives BASF a competitive edge in the battery market, and that BASF has taken reasonable measures to protect from unauthorized disclosure or use.

22. To protect the BASF [REDACTED] Process, BASF has, *inter alia*, limited its disclosure to authorized employees and business partners who are bound by confidentiality obligations.

23. At the office level, employees need a badge to enter the corporate offices. Visitors must sign in with a receptionist and be escorted to meet the BASF employee they are visiting.

24. At the individual computer level, employees need a username and password or PIN, which was created using the username and password, to access BASF computers. Even with a username and password or PIN, users cannot access all the materials in the network. Instead, users are restricted to certain locations based on, *inter alia*, who they are and their position.

25. BASF stored information concerning the BASF [REDACTED] Process in a location with limited access.

26. In addition to technology-based measures to protect confidentiality, BASF also has developed and requires that all relevant employees abide by policies governing the non-disclosure of confidential information and trade secrets.

27. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

28. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

29. For example, recognizing the highly sensitive nature of certain of the information regarding the BASF [REDACTED] Process that BASF would be sharing with Duracell, Duracell set up a SharePoint in which documents, including BASF technical reports and data, could be shared between the companies with a high level of security and limited access. Only select employees from each company could access the SharePoint.

30. The BASF [REDACTED] Process is economically valuable for several reasons, including, but not limited to the fact that it lowered the cost of producing [REDACTED] and improved the yield of [REDACTED]. [REDACTED]

[REDACTED]

Collaboration Agreement

31. [REDACTED]

[REDACTED]

[REDACTED]

32. [REDACTED]

[REDACTED]

33. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

34. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

35. [REDACTED]

[REDACTED]

36. [REDACTED]

[REDACTED]

[REDACTED]

37. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

38. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

39. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

40. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

41. [REDACTED]

42. [REDACTED]

[REDACTED]

[REDACTED]

43. The BASF [REDACTED] Process was developed for production of battery material to be used by Duracell, pursuant to the Collaboration Agreement.

Interim Agreement

44. [REDACTED]

[REDACTED]

[REDACTED]

45. [REDACTED]

[REDACTED]

46. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

47. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Duracell's Misappropriation of BASF's [REDACTED] Process and Breach of the Collaboration Agreement

48. As part of the work that BASF performed pursuant to the Collaboration Agreement, BASF shared with Duracell confidential information regarding the BASF [REDACTED] Process.

49. For example, BASF and Duracell had regular steering committee meetings during the collaboration. As part of those meetings, BASF and Duracell reviewed confidential data generated by BASF regarding the BASF [REDACTED] Process under development.

50. In parallel with these meetings, there were regular communications and bi-weekly meetings between the technical members of both companies through which BASF transmitted documents containing confidential information regarding the BASF [REDACTED] Process.

51. Additionally, BASF provided to Duracell detailed summary reports marked confidential, which covered all technical topics [REDACTED]
[REDACTED] investigated under the Collaboration Agreement to develop the BASF [REDACTED] Process.

52. [REDACTED]
[REDACTED]
[REDACTED] In light of this agreement, Duracell no longer engaged BASF to supply it with [REDACTED], despite BASF having specifically developed the BASF [REDACTED] Process for the production of [REDACTED] to be used in Duracell batteries.

53. [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

54. [REDACTED]
[REDACTED]
[REDACTED]

55. [REDACTED]

Through its role in BASF Battery Materials, BASF came to learn that its confidential and trade secret information relating to the BASF [REDACTED] Process had been disclosed by Duracell to [REDACTED]

56. The misappropriation was concealed from [REDACTED], as well as from BASF, as Duracell passed the BASF [REDACTED] Process off as its own intellectual property. It was not until BASF discovered certain documents in [REDACTED] files that contained BASF's confidential and trade secret information, in the form of verbatim copies of BASF's confidential and trade secret information, that it became aware of the disclosure by Duracell to [REDACTED]

57. Duracell misappropriated the BASF [REDACTED] Process and breached the Collaboration Agreement by disclosing to [REDACTED] without BASF's permission, confidential documents and information containing the BASF [REDACTED] Process.

58. [REDACTED]
[REDACTED]
[REDACTED]

59. [REDACTED]
[REDACTED]

60. [REDACTED]
[REDACTED]

61. Duracell took steps to conceal from BASF the fact that the process information shared with [REDACTED] was developed by BASF. [REDACTED]
[REDACTED]

[REDACTED]

62. [REDACTED]

[REDACTED]

[REDACTED]

63. [REDACTED] has used the BASF confidential information it received from Duracell to manufacture [REDACTED] for Duracell.

64. [REDACTED]

[REDACTED]

65. Duracell's unauthorized disclosure and use of the BASF [REDACTED] Process enabled [REDACTED] and, subsequently, [REDACTED] to produce and sell [REDACTED] in direct competition with BASF, and to undercut BASF's prices.

66. Duracell's misappropriation of the BASF [REDACTED] Process and breach of the Collaboration Agreement has caused and will continue to cause BASF irreparable harm and damages, unless enjoined by this Court.

COUNT 1

Misappropriation of Trade Secrets (18 U.S.C. § 1836 et seq.)

67. BASF repeats and realleges paragraphs 1-66 above as if set forth herein.

68. Various aspects of the BASF [REDACTED] Process, including the examples provided in this complaint, are trade secrets within the meaning of the DTSA, as they are information that derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, another person who can obtain economic value from the disclosure or use of the information, and as they are the subject of efforts that are reasonable under the circumstances to maintain its secrecy.

69. Duracell misappropriated the BASF [REDACTED] Process and its various parameters and components by disclosing them to [REDACTED] without authorization for the purpose of enabling [REDACTED] to produce and sell [REDACTED] in direct competition with BASF, and to undercut BASF's prices.

70. Duracell's misappropriation of the BASF [REDACTED] Process and its various parameters and components was willful and malicious, as it was done intentionally, knowingly, and in bad faith, and as it was done to harm BASF and to benefit Duracell and [REDACTED].

71. Duracell's misappropriation of the BASF [REDACTED] Process and its various parameters and components occurred in interstate and foreign commerce, as it involved the transfer and use of the BASF [REDACTED] Process across state and national borders based upon BASF's development of those trade secrets in the United States.

72. Duracell's misappropriation of the BASF [REDACTED] Process and its various parameters and components has caused and will continue to cause BASF irreparable harm and damages, including but not limited to loss of profits, reasonable royalties, loss of goodwill, loss of reputation, and loss of competitive advantage.

73. BASF is entitled to injunctive relief under the DTSA, to prevent any actual or threatened misappropriation of the BASF [REDACTED] Process and its various parameters and components by Duracell or any third party.

74. BASF is also entitled to damages under the DTSA, to compensate for its actual loss and any unjust enrichment caused by Duracell's misappropriation of the BASF [REDACTED] Process and its various parameters and components, including actual damages, and a reasonable royalty for Duracell's unauthorized disclosure and use of the BASF [REDACTED] Process and its various parameters and components along with any unjust enrichment to Duracell.

75. BASF is further entitled to exemplary damages under the DTSA, up to twice the amount of damages awarded, because of Duracell's willful and malicious misappropriation of the BASF [REDACTED] Process and its various parameters and components.

76. BASF is also entitled to recover its reasonable attorney's fees and costs under the DTSA, because Duracell's misappropriation of the BASF [REDACTED] Process and its various parameters and components was willful and malicious, and because Duracell has acted in bad faith in this action.

COUNT 2

Misappropriation of Trade Secrets (NY Common Law)

77. BASF repeats and realleges paragraphs 1-66 above as if set forth herein.

78. The elements of a cause of action for trade secret misappropriation under New York law are: (1) possession of a trade secret; and (2) use of that trade secret by the defendant in breach of an agreement, confidential relationship or duty, or as a result of discovery by improper means.

79. The BASF [REDACTED] Process is a trade secret within the meaning of New York law, as it is information that is used in BASF's business, and that gives BASF an opportunity to obtain an advantage over competitors who do not know or use it.

80. BASF and Duracell entered into a valid and enforceable Collaboration Agreement, [REDACTED]

81. [REDACTED]
[REDACTED]
[REDACTED]

82. [REDACTED]
[REDACTED]

83. [REDACTED]

[REDACTED]

84. [REDACTED]

[REDACTED] Duracell misappropriated the BASF [REDACTED] Process and its various parameters and components by disclosing it to [REDACTED] without authorization for the purpose of enabling [REDACTED] to produce and sell [REDACTED] in direct competition with BASF, and to undercut BASF's prices.

85. Duracell's misappropriation of the BASF [REDACTED] Process and its various parameters and components was willful and malicious, as it was done intentionally, knowingly, and in bad faith, and as it was done to harm BASF and to benefit Duracell and [REDACTED].

86. Duracell's misappropriation of the BASF [REDACTED] Process and its various parameters and components has caused and will continue to cause BASF irreparable harm and damages, including but not limited to loss of profits, loss of goodwill, loss of reputation, and loss of competitive advantage.

87. BASF is entitled to injunctive relief under New York law, to prevent any actual or threatened misappropriation of the BASF [REDACTED] Process and its various parameters and components by Duracell or any third party.

88. BASF is also entitled to damages under New York law, including compensatory damages and lost profits.

89. BASF is also entitled to recover its reasonable attorney's fees and costs under New York law, because Duracell's misappropriation of the BASF [REDACTED] Process was willful and malicious, and because Duracell has acted in bad faith in this action.

COUNT 3
Breach of Contract (NY Common Law)

90. BASF repeats and realleges paragraphs 1-66 above as if set forth herein.

91. BASF and Duracell entered into a valid and enforceable Collaboration Agreement, [REDACTED]

92. [REDACTED]

[REDACTED]

[REDACTED]

93. [REDACTED]

[REDACTED]

94. [REDACTED]

[REDACTED]

95. Duracell breached the Collaboration Agreement by disclosing the BASF [REDACTED] Process and its various parameters and components to [REDACTED] without authorization for the purpose of enabling [REDACTED] to produce and sell [REDACTED] in direct competition with BASF, and to undercut BASF's prices.

96. Duracell's breach of the Collaboration Agreement was willful and malicious, as it was done intentionally, knowingly, and in bad faith, and as it was done to harm BASF and to benefit Duracell and [REDACTED].

97. BASF is entitled to damages under New York law, to compensate for its losses and damages caused by Duracell's breach of the Collaboration Agreement, including consequential damages and lost profits.

98. BASF is also entitled to specific performance under New York law, to prevent any actual or threatened disclosure of the BASF [REDACTED] Process and its various parameters and components by Duracell.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff respectfully requests the following relief:

- (a) That the Court declare that Duracell misappropriated one or more of BASF's trade secrets in violation of 18 U.S.C. § 1836 et seq.;
- (b) That the Court declare that Duracell misappropriated one or more of BASF's trade secrets in violation of New York law;
- (c) That the Court declare that BASF's trade secrets, misappropriated by Duracell, are the exclusive property of BASF and that neither Duracell nor any third parties are entitled to use these trade secrets without BASF's authorization;
- (d) That the Court enjoin Duracell and any third parties associated with Duracell from accessing or using BASF's trade secrets for any commercial purpose without BASF's authorization;
- (e) That the Court find Duracell liable for all damages caused by its misappropriation of BASF's trade secrets and order Duracell to pay such damages, including BASF's actual losses, Duracell's unjust enrichment, and other compensation and exemplary damages for the willful and malicious nature of the misappropriation, with pre- and post-judgment on all such damages;
- (f) That the Court order Duracell to destroy all documents and things that discuss, reference, mention, or use the misappropriated trade secrets;
- (g) That the Court declare that Duracell breached the Collaboration Agreement;

(h) That the Court award BASF damages as a result of Duracell's breach of the Collaboration Agreement;

(i) That the Court enjoin Duracell from using BASF's confidential information in breach of the Collaboration Agreement;

(j) That the Court award BASF its attorneys' fees, costs, and expenses of the litigation; and

(k) That the Court grant BASF such other and further relief, in law or equity, as the Court deems just and proper.

DEMAND FOR JURY TRIAL

Plaintiff demands trial by jury on all claims and issues so triable.

April 1, 2025

Respectfully submitted,

/s/ Paul A. Bradley
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