

UNITED STATES DISTRICT COURT
DISTRICT OF SOUTH CAROLINA
GREENVILLE DIVISION

R. L. MLAZGAR ASSOCIATES, INC.,)	CASE NO.:
)	
Plaintiff,)	
)	
v.)	
)	COMPLAINT
HLI SOLUTIONS, INC.;)	(JURY TRIAL DEMANDED)
LITECONTROL CORPORATION;)	
and PROGRESS LIGHTING, INC.,)	
)	
Defendants.)	
)	
)	

Plaintiff R. L. Mlazgar Associates, Inc. (“Mlazgar”), hereby brings this Complaint against Defendants HLI Solutions, Inc. (“Hubbell”), Litecontrol Corporation (“Litecontrol”), and Progress Lighting, Inc. (“Progress”), alleging as follows:

I. INTRODUCTION

1. Mlazgar brings this action to recover damages for Defendants’ breaches of contract and other unlawful acts. Under several contracts and for years without issue, Mlazgar was a sales representative for Defendants and successfully marketed and solicited orders for their commercial and industrial lighting products in exchange for commissions and other compensation.

2. Beginning in October 2020, in breach of those contracts, Defendants instead began to work with Mlazgar’s direct competitor: JTH Lighting Alliance, Inc., JTH Lighting Alliance Wisconsin, LLC, JTH Holdings Inc., and/or JTH Lighting Iowa, LLC (collectively, “JTH”). Defendants also began withholding commissions and other amounts due Mlazgar and thwarted Mlazgar’s ability to perform under those contracts while simultaneously demanding that Mlazgar continue to do so. Mlazgar nevertheless complied with these unnecessary and unwarranted

demands in good faith, garnering Defendants millions of dollars in sales for which Defendants have yet to compensate Mlazgar.

3. Meanwhile, Defendants conspired with JTH to recruit Mlazgar's employees ("Mlazgar Employees"), steal Mlazgar's confidential, proprietary, and trade secret information, and interfere with Mlazgar's contracts and business relationships. Through the Mlazgar Employees that they successfully recruited from Mlazgar, Defendants obtained hundreds of thousands of Mlazgar's confidential, proprietary, and trade secret documents for their own use and for use against Mlazgar with JTH.

4. To date, and despite repeated demands, Defendants have failed and refused to pay any of the commissions or other amounts they owe Mlazgar or return any of Mlazgar's information, but instead have continued to unlawfully use that information and interfere with Mlazgar's contracts and relationships.

II. PARTIES, JURISDICTION, VENUE, CHOICE OF LAW

5. Plaintiff Mlazgar is a Minnesota corporation with its headquarters and principal place of business in Eden Prairie, Minnesota.

6. Defendant Hubbell is a Connecticut corporation with its headquarters in Shelton, Connecticut, and its principal place of business in Greenville, South Carolina. Hubbell was formerly known as Hubbell Lighting, Inc.

7. Defendant Litecontrol is a Massachusetts corporation, wholly owned by Hubbell, with its headquarters in Shelton, Connecticut, and its principal place of business in Plympton, Massachusetts.

8. Defendant Progress is a Delaware corporation, wholly owned by Hubbell. Upon information and belief, Progress' headquarters are in Shelton, Connecticut and Progress has a principal place of business in Greenville, South Carolina.

9. The Court has subject matter jurisdiction over this case pursuant to 28 U.S.C. § 1332 because the amount in controversy exceeds \$75,000 exclusive of interest and costs and complete diversity of citizenship exists between Plaintiff and Defendants.

10. The Court has personal jurisdiction over the parties because all parties agreed via mandatory forum selection clauses to litigate all claims between them and arising from their contracts in the State and Federal Courts of South Carolina.

11. The parties also agreed that their contracts and other disputes shall be governed by and interpreted in accordance with South Carolina law.

12. Venue is proper in this district because the parties agreed to litigate here, a substantial part of the events or omissions giving rise to these claims occurred here, and all Defendants do business relating to the relevant events or omissions here.

III. FACTUAL BACKGROUND

13. On August 1, 2016, Mlazgar entered a sales representative contract with Progress and began soliciting orders for Progress from lighting contractors and distributors in exchange for commissions on those orders based upon a percentage of the net invoice price of products sold by Mlazgar's efforts and for other compensation.

14. On January 1, 2019, Mlazgar entered a sales representative contract with Hubbell and Litecontrol and began soliciting orders for Hubbell and Litecontrol from lighting contractors and distributors in exchange for commissions on those orders based upon a percentage of the net invoice price of products sold by Mlazgar's efforts and for other compensation.

15. In October 2020, alleging a breach of contract, Defendants began withholding commissions and other amounts due Mlazgar, revoked Mlazgar's access to Defendants' sales resources, and broadcast to the lighting industry that Mlazgar no longer represented Defendants, thereby thwarting Mlazgar's ability to sell Defendants' products and imposing significant, undue costs on Mlazgar. Simultaneously, Defendants demanded that Mlazgar somehow continue to sell their products and represented to Mlazgar that the parties' contracts remained in effect and that Defendants would honor them.

16. By letter dated October 20, 2020, Hubbell's Vice President/General Manager of Commercial and Industrial Lighting, Tom Benton, told Mlazgar's CEO, Mark Mlazgar, that Hubbell's contract with Mlazgar "is in effect until at least December 31, 2023, and may be terminated only by Hubbell Lighting, for cause, or by mutual agreement of the parties. There has been no such agreement." Then, by letter dated November 17, 2020, Hubbell's Vice President/General Manager Commercial, Jim Farrell, told Mark Mlazgar that Hubbell's contract with Mlazgar would "terminate for good cause effective at the close of business on February 16, 2021 ('Termination Date'), unless, no later than January 17, 2021 ('Cure Deadline'), Mlazgar has cured" certain alleged defects, including an alleged failure by Mlazgar to "use its best efforts to solicit orders for and otherwise promote [Hubbell's] Products and to increase the sale of Products within the Territory." Mr. Farrell also stated in the November 17, 2020, letter that the contract "requires Mlazgar to exercise your 'best efforts to solicit orders for and otherwise promote the [Hubbell's] Products and to increase the sale of Products within the Territory.' We expect that you will comply with your obligation."

17. Mlazgar believed and relied on Defendants' representations in Paragraph 16 and, between October 2020 and February 2021, used its best efforts to promote, sell, and increase the

sales of Defendants' products, obtaining millions of dollars in sales for Defendants and earning hundreds of thousands of dollars in commissions and other amounts for which Defendants have yet to compensate Mlazgar.

18. Meanwhile, and during this purported "cure period," Defendants engaged Mlazgar's direct competitor, JTH, to represent them in the same territories that Mlazgar represented them, including in Eastern Wisconsin, even though JTH had no sales presence there. To staff and jumpstart JTH's new Eastern Wisconsin office, Defendants and JTH approached and recruited seven Mlazgar Employees to work for Defendants and JTH and, before leaving Mlazgar, to misappropriate Mlazgar's confidential, proprietary, and trade secret documents. Defendants also worked with the Mlazgar Employees and JTH to poach Mlazgar's other contracts and business relationships to support their new venture.

19. As a result of their employment with Mlazgar, the Mlazgar Employees that Defendants and JTH recruited had access to confidential, proprietary, and trade secret information stored on Mlazgar's secure, password-protected systems. The information on Mlazgar's systems derives independent economic value, actual and potential, from not being generally known to, and not being readily ascertainable by proper means by the public or any other person who can obtain economic value from its disclosure or use, and includes highly confidential and competitively valuable documents such as price lists, commission summaries, account ledgers, contact lists, customer lists and histories, market strategies, product specifications, project quotes and bids, internal memoranda, financial data, contract terms and conditions, organizational charts, emails, and many other documents. The information makes a substantial difference individually and collectively in the efficiency of Mlazgar's processes, forms the basis of Mlazgar's marketing and commercial strategy, and relates to products used in and intended for use in interstate commerce.

20. Mlazgar undertook reasonable and significant efforts to maintain the secrecy of the information in Paragraph 19, which included the use of passwords and employee confidentiality agreements and handbook provisions requiring employees never to divulge the information outside the company and never to use the information for their personal benefit or for the benefit of others.

21. Defendants, JTH, and the Mlazgar Employees together stole hundreds of thousands of Mlazgar's confidential, proprietary, and trade secret documents and induced numerous vendors and customers to breach their contracts and end relationships with Mlazgar—all while the Mlazgar Employees remained employed by Mlazgar. After the Mlazgar Employees resigned, Defendants helped the Mlazgar Employees and JTH establish the new JTH office in Eastern Wisconsin to represent Defendants and capitalize on the information and relationships they stole from Mlazgar. They also continued to work with JTH to interfere with Mlazgar's contracts and relationships. To ensure JTH's success in this venture, Defendants provided JTH with advance bridge funding and Mlazgar's historic sales data with Defendants.

22. On February 16, 2021, after Defendants had helped establish JTH in Eastern Wisconsin, Hubbell and Litecontrol terminated their contract with Mlazgar, alleging Mlazgar had failed to cure alleged breaches despite Mlazgar's success in soliciting sales for them during the purported cure period and despite Defendants' efforts to thwart that success. Progress similarly terminated its contract with Mlazgar on May 11, 2021.

23. On March 16, 2021, Mlazgar sent Defendants a letter demanding that they pay all money due Mlazgar by March 31, 2020; return all of Mlazgar's confidential, proprietary, and trade secret information in their possession; and cease and desist from any further illegal acts.

24. To date, Defendants have failed and refused to pay Mlazgar any of those unpaid monies or return any of Mlazgar's information but have instead continued to unlawfully use

Mlazgar's information against Mlazgar and to interfere with Mlazgar's contracts and business relationships to Mlazgar's detriment.

IV. CLAIMS FOR RELIEF

COUNT I

(Breach of Contract against Hubbell and Litecontrol)

25. Mlazgar realleges and incorporates by reference the preceding paragraphs as if fully set forth herein.

26. Mlazgar, Hubbell, and Litecontrol entered a valid, enforceable, and binding contract.

27. Mlazgar dutifully and fully performed its obligations thereunder at all times.

28. Hubbell and Litecontrol breached, or otherwise failed to perform, the contract and the implied covenant of good faith and fair dealing therein by, among other acts, failing to pay Mlazgar commissions and other amounts due and imposing on Mlazgar an illusory and fraudulent cure period.

29. Hubbell's and Litecontrol's breaches are without justification or privilege.

30. As a direct and proximate result of Hubbell's and Litecontrol's unlawful and improper actions, Mlazgar has suffered, and will continue to suffer, actual damages.

COUNT II

(Breach of Contract against Progress)

31. Mlazgar realleges and incorporates by reference the preceding paragraphs as if fully set forth herein.

32. Mlazgar and Progress entered a valid, enforceable, and binding contract.

33. Mlazgar dutifully and fully performed its obligations thereunder at all times.

34. Progress breached, or otherwise failed to perform, the contract and the implied covenant of good faith and fair dealing therein by, among other acts, attempting to terminate the contract for an improper purpose and/or failing to pay Mlazgar commissions and other amounts due.

35. As a direct and proximate result of Progress' unlawful and improper actions, Mlazgar has suffered, and will continue to suffer, actual damages.

COUNT III

(Breach of Contract Accompanied by a Fraudulent Act against all Defendants)

36. Mlazgar realleges and incorporates by reference the preceding paragraphs as if fully set forth herein.

37. Defendants breached their contracts with Mlazgar.

38. Defendants possessed fraudulent intent relating to their breaches. Defendants intended Mlazgar to believe that Defendants would honor their contracts going forward and allow Mlazgar a genuine opportunity to cure Mlazgar's alleged breaches of those contracts when in fact they did not so intend.

39. Defendants committed fraudulent acts accompanying their breaches of contract. Specifically, as alleged above, Defendants' Vice Presidents Tom Benton and Jim Farrell communicated to Mlazgar's CEO Mark Mlazgar on October 20, 2020 and November 17, 2020 that Mlazgar's contracts with Defendants would remain in effect until terminated pursuant thereto and that Defendants would allow Mlazgar a genuine opportunity to cure alleged breaches, including the alleged failure by Mlazgar to use its best efforts to promote and sell Defendants' products.

40. Mlazgar relied on these promises and representations to its detriment. Defendants thereby induced Mlazgar's continued performance under the contracts, benefiting therefrom by

receiving millions of dollars in sales for which they did not pay Mlazgar any commissions and other amounts owed.

41. When Defendants made these promises and representations, Defendants had no intention of honoring their contracts or of providing Mlazgar a genuine opportunity to cure alleged breaches, and in fact Defendants did not honor their contracts or provide Mlazgar a genuine opportunity to cure alleged breaches.

42. As a direct and proximate result of Defendants' unlawful and improper actions, Mlazgar has suffered, and will continue to suffer, actual damages.

COUNT IV
(Common Law Fraud against all Defendants)

43. Mlazgar realleges and incorporates by reference the preceding paragraphs as if fully set forth herein.

44. As alleged above, Defendants' Vice Presidents Tom Benton and Jim Farrell communicated to Mlazgar's CEO Mark Mlazgar on October 20, 2020 and November 17, 2020 that Mlazgar's contracts with Defendants would remain in effect until terminated pursuant thereto and that Defendants would allow Mlazgar a genuine opportunity to cure any alleged breaches, including the alleged failure by Mlazgar to use its best efforts to promote and sell Defendants' products.

45. Defendants' representations were false. When Defendants made them, Defendants had no intention of honoring their contracts or of providing Mlazgar a genuine opportunity to cure alleged breaches, and in fact Defendants did not honor their contracts or provide Mlazgar a genuine opportunity to cure alleged breaches.

46. Defendants' representations were material.

47. Defendants knew the representations were false or recklessly disregarded the representations truth or falsity.

48. Defendants intended Mlazgar to act on the representations and continue to perform under their contracts to solicit and win additional sales for Defendants.

49. Mlazgar did not know Defendants' representation were false.

50. Mlazgar relied on the truth of Defendants' representations to its detriment. Mlazgar continued to perform under the contracts, to use its best efforts to promote Defendants' products, and to generate substantial sales for Defendants.

51. Mlazgar was entitled to rely on Defendants' representations.

52. As a direct and proximate result of Defendants' unlawful and improper actions, Mlazgar has suffered, and will continue to suffer, actual damages.

COUNT V

(Negligent Misrepresentation against Defendants)

53. Mlazgar realleges and incorporates by reference the preceding paragraphs as if fully set forth herein.

54. As alleged above, Defendants' Vice Presidents Tom Benton and Jim Farrell communicated to Mlazgar's CEO Mark Mlazgar on October 20, 2020 and November 17, 2020 that Mlazgar's contracts with Defendants would remain in effect until terminated pursuant thereto and that Defendants would allow Mlazgar a genuine opportunity to cure any alleged breaches, including the alleged failure by Mlazgar to use its best efforts to promote and sell Defendants' products.

55. Defendants' representations were false. When Defendants made the representations, Defendants had no intention of honoring the contracts or of providing Mlazgar a

genuine opportunity to cure alleged breaches, and in fact Defendants did not honor their contracts or provide Mlazgar a genuine opportunity to cure alleged breaches.

56. Defendants had a pecuniary interest in making the representations.

57. Defendants owed a duty of care to communicate truthful information to Mlazgar.

58. Defendants breached that duty by failing to exercise due care.

59. Mlazgar justifiably relied on Defendants' representations to its detriment.

60. Mlazgar suffered a pecuniary loss as a proximate result of that reliance.

61. As a direct and proximate result of Defendants' unlawful and improper actions, Mlazgar has suffered, and will continue to suffer, actual damages.

COUNT VI

(Violations of South Carolina Trade Secrets Act, S.C. Code §§ 39-8-20, *et seq.*,
against all Defendants)

62. Mlazgar realleges and incorporates by reference the preceding paragraphs as if fully set forth herein.

63. As more fully set forth above, Mlazgar's confidential information, including, but not limited to, the information set forth in Paragraph 19 above, constitutes trade secrets that derive independent economic value from not being generally known to, or readily ascertainable by proper means by, another person who can obtain an economic value from the disclosure or use of the information.

64. As more fully set forth above, Mlazgar has invested significant time, money, and other resources in developing its trade secrets.

65. As more fully set forth above, Mlazgar has taken reasonable efforts to maintain the secrecy of its trade secrets.

66. Defendants acquired Mlazgar's trade secrets by improper means.

67. Defendants acquired Mlazgar's trade secrets and knew or had reason to know Mlazgar's trade secrets were acquired by improper means.

68. Defendants disclosed and/or used Mlazgar's trade secrets without Mlazgar's consent. When Defendants did so, Defendants knew or had reason to know the trade secrets were derived from or through persons who utilized improper means to acquire them, were acquired under circumstances giving rise to a duty to maintain their secrecy or limit their use, and were derived from persons who owed a duty to Mlazgar to maintain their secrecy and limit their use.

69. As a direct and proximate result of Defendants' unlawful and improper actions, each of Defendants have been unjustly enriched.

70. As a direct and proximate result of Defendants' unlawful and improper actions, Mlazgar has suffered, and will continue to suffer, actual damages.

71. Because Defendants' misappropriation was willful, Mlazgar requests an award of its attorney's fees pursuant to S.C. Code § 39-8-80 or otherwise.

72. Because Defendants exhibited willful, wanton, and reckless disregard for Mlazgar's rights, Mlazgar requests exemplary damages pursuant to S.C. Code § 39-8-40(C) or otherwise.

COUNT VII

(Violations of Defend Trade Secrets Act, 18 U.S.C. §§ 1836, *et seq.*, against all Defendants)

73. Mlazgar realleges and incorporates by reference the preceding paragraphs as if fully set forth herein.

74. As more fully set forth above, Mlazgar's confidential information, including, but not limited to, the information set forth in Paragraph 19 above, constitutes trades secrets that derive independent economic value from not being generally known to, or readily ascertainable by proper

means by, another person who can obtain an economic value from the disclosure or use of the information.

75. As more fully set forth above, Mlazgar has invested significant time, money, and other resources in developing its trade secrets.

76. As more fully set forth above, Mlazgar has taken reasonable efforts to maintain the secrecy of its trade secrets.

77. Defendants acquired Mlazgar's trade secrets and knew or had reason to know the trade secrets were acquired by improper means.

78. Defendants used improper means to acquire knowledge of Mlazgar's trade secrets.

79. Defendants disclosed and/or used Mlazgar's trade secrets without Mlazgar's consent.

80. When Defendants disclosed and/or used Mlazgar's trade secrets, Defendants knew or had reason to know their knowledge of the trade secrets was derived from or through a person who used improper means to acquire the trade secrets, were acquired under circumstances giving rise to a duty to maintain the secrecy or limit the use of the trade secret, and were derived from or through a person who owed a duty to Mlazgar to maintain the secrecy and limit the use of the trade secrets.

81. As a direct and proximate result of Defendants' unlawful and improper actions, each of Defendants have been unjustly enriched.

82. As a direct and proximate result of Defendants' unlawful and improper actions, Mlazgar has suffered, and will continue to suffer, actual damages.

83. Because Defendants' misappropriation was willful and malicious, Mlazgar requests an award of exemplary damages pursuant to 18 U.S.C. § 1836(b)(3)(C) or otherwise.

84. Because Defendants' misappropriation was willful and malicious, Mlazgar requests an award of its attorney's fees pursuant to 18 U.S.C. § 1836(b)(3)(D) or otherwise.

COUNT VIII

(Conversion against all Defendants)

85. Mlazgar realleges and incorporates by reference the preceding paragraphs as if fully set forth herein.

86. Mlazgar holds an interest in and to its confidential and proprietary documents, including, but not limited to, the documents set forth in Paragraph 19 above.

87. Defendants converted Mlazgar's proprietary and confidential documents to Defendants' own use.

88. Defendants exercised a right and ownership over Mlazgar's proprietary and confidential documents without Mlazgar's permission and to the alteration of the condition and the exclusion of Mlazgar's rights thereto.

89. As a direct and proximate result of Defendants' unlawful and improper actions, Mlazgar has suffered, and will continue to suffer, actual damages.

COUNT IX

(Tortious Interference with Contractual Relations against all Defendants)

90. Mlazgar realleges and incorporates by reference the preceding paragraphs as if fully set forth herein.

91. Mlazgar had several valid, enforceable, and binding contracts with lighting manufacturers other than Defendants of which Defendants were aware.

92. Defendants intentionally procured breaches of those contracts.

93. Defendants were not justified in doing so.

94. As a direct and proximate result of Defendants' unlawful and improper actions, Mlazgar has suffered, and will continue to suffer, actual damages.

COUNT X

(Tortious Interference with Prospective Contractual Relations against all Defendants)

95. Mlazgar realleges and incorporates by reference the preceding paragraphs as if fully set forth herein.

96. Mlazgar had prospective contractual relations with several entities, including but not limited to, lighting manufacturers and customers.

97. Defendants intentionally interfered with those prospective contractual relations for an improper purpose and/or by improper methods.

98. As a direct and proximate result of Defendants' unlawful and improper actions, Mlazgar has suffered, and will continue to suffer, actual damages.

COUNT XI

(Aiding and Abetting Breaches of Fiduciary Duties against all Defendants)

99. Mlazgar realleges and incorporates by reference the preceding paragraphs as if fully set forth herein.

100. Mlazgar's former employees owed fiduciary duties to Mlazgar.

101. Mlazgar's former employees breached such fiduciary duties.

102. Defendants knowingly participated in such breaches by aiding and abetting the former employees to download, retain, and disclose Mlazgar's confidential information and interfere with Mlazgar's contracts and prospective relations while still employed with Mlazgar.

103. As a direct and proximate result of Defendants' unlawful and improper actions, Mlazgar has suffered, and will continue to suffer, actual damages.

COUNT XII

(Common Law Unfair Competition against all Defendants)

104. Mlazgar realleges and incorporates by reference the preceding paragraphs as if fully set forth herein.

105. Defendants engaged in unfair competition against Mlazgar.

106. Defendants engaged in market control tactics by, among other acts, fraudulently inducing Mlazgar's efforts to comply with the parties' contracts while also undermining Mlazgar's ability to do so, and by working with Mlazgar's direct competitor to steal Mlazgar's employees, confidential, proprietary, and trade secret information, interfere with Mlazgar's contracts and business relationships, and use Mlazgar's information against Mlazgar.

107. To the extent that the information Defendants misappropriated from Mlazgar is not a trade secret pursuant to S.C. Code §§ 39-8-20, *et seq.*, Defendants misappropriated confidential and proprietary information to which Mlazgar had a legally cognizable but non-statutorily sheltered interest and competed directly with Mlazgar using that information.

108. As a direct and proximate result of Defendants' unlawful and improper actions, Mlazgar has suffered, and will continue to suffer, actual damages.

COUNT XIII

(Violations of the Unfair Trade Practices Act, S.C. Code §§ 39-5-10, *et seq.*,
against all Defendants)

109. Mlazgar realleges and incorporates by reference the preceding paragraphs as if fully set forth herein.

110. Defendants engaged in unfair methods of competition and unfair and deceptive acts and practices in the conduct of trade or commerce as described above and otherwise.

111. Defendants engaged in those acts several times and will continue engaging in such acts absent deterrence. Defendants' acts had, have, and will continue to have an adverse impact on the public interest.

112. As a direct and proximate result of Defendants' actions, Mlazgar has suffered, and will continue to suffer, actual damages.

113. Defendants engaged in such acts willfully and knowingly. Mlazgar requests the Court award Mlazgar three times the actual damages Mlazgar sustained and provide such other relief as the Court deems necessary or proper pursuant to S.C. Code § 39-5-140(a) or otherwise.

114. Mlazgar requests an award of reasonable attorney's fees pursuant to S.C. Code § 39-5-140(a) or otherwise.

COUNT XIV

(Violations of Payment of Post-Termination Claims to Sales Representatives,
S.C. Code §§ 39-65-10, *et seq.*, against all Defendants)

115. Mlazgar realleges and incorporates by reference the preceding paragraphs as if fully set forth herein.

116. Mlazgar and Defendants were parties to valid contracts under which Mlazgar solicited sales for Defendants in exchange for commissions based on a percentage of the net invoice price of products sold by Mlazgar's efforts.

117. Under those contracts, Mlazgar served as a sales representative and solicited wholesale orders from contractors and distributors who ultimately delivered the products to building owners and occupants as end users. Defendants were the principals under their respective contracts with Mlazgar pursuant to S.C. Code § 39-65-10.

118. Mlazgar does not place orders or purchase for its own account or for resale and does not sell or take orders for the sale of products to the ultimate consumer or end user.

119. Pursuant to its contracts with Defendants, between roughly January 2020 and May 2021, Mlazgar obtained several million dollars in sales for Defendants and earned over \$700,000 in commissions.

120. Mlazgar has made several demands for payment of those commissions.

121. To date, Defendants have failed and refused to pay those commissions to Mlazgar.

122. Mlazgar requests the Court award Mlazgar all commissions due Mlazgar under its contracts with Defendants and punitive damages of three times that amount pursuant to S.C. Code § 39-65-20.

123. Mlazgar also requests an award of actual and reasonable attorney's fees pursuant to S.C. Code § 39-65-30(2) or otherwise.

COUNT XV

(Civil Conspiracy against All Defendants)

124. Mlazgar realleges and incorporates by reference the preceding paragraphs as if fully set forth herein.

125. Defendants combined and agreed, together and with JTH and Mlazgar's former employees, to commit unlawful acts, or lawful acts by unlawful means, for the purpose of injuring Mlazgar.

126. Defendants' combination and agreement included the commission of several overt acts in furtherance thereof, including, but not limited to, the acts described herein.

127. As a direct and proximate result of the combination, agreement, and overt acts by Defendants, as conspirators thereto, and pursuant to the common scheme, Mlazgar has suffered, and will continue to suffer, actual and special damages.

COUNT XVI

(Unjust Enrichment against All Defendants)

128. Mlazgar realleges and incorporates by reference the preceding paragraphs as if fully set forth herein.

129. Mlazgar garnered millions of dollars in sales for Defendants under a good faith and reasonable belief that Defendants would compensate Mlazgar for those sales.

130. Defendants realized the benefit therefrom.

131. Defendants obtained Mlazgar's confidential, proprietary, and trade secret information and used that information to compete with Mlazgar and unlawfully interfere with Mlazgar's contracts and other relationships.

132. Defendants realized the benefit therefrom.

133. It would be inequitable for Defendants to retain the benefits without compensating Mlazgar.

V. REQUEST FOR PERMANENT INJUNCTION

Based on the facts recited above, Plaintiff hereby requests a permanent injunction:

1. Enjoining Defendants from further misappropriating or using Mlazgar's confidential, proprietary, and trade secret information;
2. Requiring Defendants to return to Mlazgar all of Mlazgar's confidential, proprietary, and trade secret information in their possession, custody, or control; and
3. Enjoining Defendants from further unlawfully interfering with Mlazgar's contracts and other prospective business relations.

VI. PRAYER FOR RELIEF

WHEREFORE, based on the foregoing, Plaintiff Mlazgar respectfully requests judgment for Plaintiff against Defendants Hubbell, Litecontrol, and Progress for actual, treble, punitive, and

exemplary damages in an amount to be proven at trial and in accordance with law; prejudgment interest; post-judgment interest to the fullest extent permitted by law; all costs and expenses associated with this action, including attorney's fees; all equitable and injunctive relief requested by Mlazgar and available by law; and any such other relief this Court may deem just or proper.

VII. DEMAND FOR JURY TRIAL

Under Federal Rule of Civil Procedure 38, Plaintiff demands a trial by jury on all matters so triable.

Respectfully submitted,

BURR FORMAN LLP

Date: December 30, 2022

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