



secrets that they have used or inevitably will use, all in direct violation of their agreements and other common law and statutory obligations.

SKF brings this action seeking (1) preliminary and permanent injunctions prohibiting Defendants from calling on and soliciting business from SKF's customers, potential customers, and employees, and from disclosing or using SKF's trade secrets and confidential information; (2) an order mandating the return of all of SKF's confidential and proprietary information; and (3) money damages to compensate SKF for the harm it has suffered as a result of Defendants' violations of their legal duties.

I. The Parties

1. SKF is a Delaware corporation with its principal place of business at 1111 Adams Avenue, Norristown, Pennsylvania 19403. SKF is engaged in, among other things, the business of manufacturing and selling ball and roller bearings, bearing housings, seals, and other related products and in performing equipment monitoring services for customers. SKF Reliability Systems, with its main office in Elk Grove Village, Illinois, operates in the SKF business areas that provide performance equipment monitoring services for customers.

2. Bjerkness is an individual residing at 11342 Sorenson Lake Lane, Merrifield, Minnesota, and is a former Director for SKF Reliability Systems.

3. Koch is an individual residing at 713 Bourgin Road, Virginia, Minnesota and is a former Reliability Engineer Manager for SKF in its Reliability Systems business.

4. Sever is an individual residing at 11751 West River Hills Drive, Apartment 215, Burnsville, Minnesota and is a former Reliability Engineer for SKF in its Reliability Systems business.

5. Remick is an individual residing at 1200 Augusta Drive NE, Bemidji, Minnesota and is a former Reliability Engineer for SKF in its Reliability Systems business.

## II. Jurisdiction and Venue

6. This Court has diversity jurisdiction over this action under 28 U.S.C. § 1332 because the defendants are citizens of a different state than is SKF and the matter in controversy exceeds \$75,000, excluding interest and costs.

7. Venue in this District is proper under 28 U.S.C. § 1391(a) because this action arises in part on the following:

a. Defendants Bjerkness and Koch performed a portion of their job duties within the state of Illinois and with individuals working for SKF in Elk Grove Village, Illinois, where SKF Reliability Systems has its main offices.

b. Defendants Bjerkness' and Koch's employment agreements that are the subject of this action provide that any disputes under the agreements shall be heard in Illinois.

c. Although they did not perform their job duties in Illinois, Defendants Remick's and Sever's employment agreements that are the subject of this action provide that any disputes under the agreements shall be heard in Illinois.

## III. Background

### A. SKF's Business in the Equipment Prevention Arena

8. In January 2007, SKF purchased 100% of the stock of Preventive Maintenance Company, Inc. ("PMCI"). Defendants worked for PMCI at the time of the stock purchase and thereafter were employed by SKF.

9. SKF paid approximately \$22 million for PMCI's stock.

10. As conditions for their employment with PMCI, Defendants each executed agreements with PMCI, as described in detail below. The agreement of each Defendant stated that his obligations “shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, executors, administrators, personal representatives, successors, and assigns.” See Exhibits A, B, C, and D, ¶ 8.

11. SKF Reliability Systems, as did its predecessor, PMCI, offers unique and highly effective methods for its customers to manage and improve the functioning of their equipment and machinery by providing equipment monitoring and problem detection services to avoid unexpected equipment shutdowns and to provide for scheduled maintenance.

12. To achieve its status and competitive position in the industry, SKF (with its predecessor PMCI) has created a strong reputation and is recognized in the U.S. market as a company that supplies high quality, innovative products and services.

13. In addition to providing high quality, innovative products and services, SKF Reliability Systems’ success is dependent upon the relationships it fosters and substantial goodwill with its long-term customers.

14. SKF Reliability Systems typically provides services to its customers pursuant to purchase orders for service, many of which are annual or multiple (three to five) year commitments and some of which renew automatically.

15. Approximately 90% of SKF Reliability Systems customers renew their agreements with SKF as they come up for renewal and, of those customers who do not renew their SKF agreements, most have plant shut downs or other facility-related issues that cause them to no longer need reliability system services.

16. In 2007, only one customer (out of \$9 million of business) in the Midwest territory did not renew its SKF Reliability Systems agreement.

17. For approximately two-thirds of its customers, SKF Reliability Systems places a full time SKF employee on the customer's site to provide continuous oversight, management, analysis, and customer service.

18. The average annual purchase order for SKF Reliability Systems services is approximately \$175,000 to \$200,000, with some purchase orders in excess of \$1 million per year.

19. SKF's customer relationships and goodwill are of paramount importance to SKF in that many of its customers have been customers for many years and are near permanent.

B. Defendants' Employment with SKF

(1) Bjerkness' Employment

20. On or about March 12, 2001, Bjerkness began working for PMCI as a Sales Engineer for the Minnesota Region, with responsibility for technical assistance and account management. He later was promoted to Regional Manager and also served as Vice President. The last position he held with SKF Reliability Systems before resigning was Director, SKF Reliability Systems.

21. As Director, SKF Reliability Systems, Bjerkness held a leadership role and was responsible for developing and growing the sales, resources, and customer relationships in the Midwest territory, which included Minnesota, most of Wisconsin, Iowa, North Dakota, and South Dakota.

22. Bjerknness also had responsibility for SKF Reliability Systems' Stevens Point, Wisconsin location, customer scheduling, reporting and technical support center for all of Bjerknness' geographic territory and for most of SKF Reliability Systems at large. In this capacity, Bjerknness oversaw all of SKF Reliability Systems' customer relationships, concerns, problems, and scheduling.

23. Bjerknness' primary responsibilities with SKF were to manage and develop regional key accounts, manage account profitability, and manage and sell SKF Reliability Systems products and services. In addition to establishing new business, Bjerknness also was responsible for maintaining current business, managing all SKF Reliability Systems employees in his territory, contributing to the development of SKF Reliability Systems strategic plan, and developing regional budgets.

24. To perform his job, Bjerknness regularly traveled to SKF's office in Elk Grove Village, Illinois and communicated regularly with PMCI, and later SKF, personnel there.

25. As recently as April 2008, Bjerknness attended meetings with other SKF leaders where confidential business strategies, hiring strategies, sales strategies, specific needs of prospective customers, and current and future business were discussed. In February 2008, Bjerknness attended a week-long SKF Reliability Champions Meeting in Malaga, Spain, at which 250 SKF Reliability high-level employees from around the world came together to discuss new products and global strategies and plans. All participants at the meeting, including Bjerknness, were given CDs of the meeting presentations.

26. While employed by SKF, Bjerknness was responsible for approximately 30 to 40 existing customer relationships and for more than \$5 million in revenue.

27. Many of the customers for whom Bjerkness had responsibility are on multi-year service purchase orders with SKF. Some of these are scheduled to renew automatically, unless cancelled or changed.

(2). Koch's, Sever's, and Remick's Employment and Resignations

28. Koch began his employment with PMCI on June 10, 1998. He became an employee of SKF when SKF purchased the stock of PMCI. Koch's last position before resigning from SKF was Reliability Engineer Manager.

29. As a Reliability Engineer Manager, Koch's responsibilities included overseeing mechanical services for customers, supervising engineers who worked at customer sites, visiting customer sites, learning about customers' safety requirements, equipments needs, and guidelines, ensuring efficient operation of customer accounts (including setting up new accounts), preparing reports and reviews of customer accounts for management and the sales teams, and identifying opportunities to expand SKF business.

30. As part of his job duties, Koch traveled to SKF's Illinois offices at least several times per year. Koch also communicated regularly with PMCI and, later SKF, personnel in Illinois.

31. On June 16, 2008, Koch notified SKF that he was resigning effective June 27, 2008.

32. Remick began his employment with PMCI on January 16, 2006. He became an employee of SKF when SKF purchased the stock of PMCI. Remick's last position before resigning was Reliability Engineer.

33. On June 24, 2008, Remick notified SKF that he was resigning effective July 7, 2008.

34. Sever began his employment with PMCI on April 7, 2003. He became an employee of SKF when SKF purchased the stock of PMCI. Sever's last position before resigning was Reliability Engineer.

35. As Reliability Engineers, Remick and Sever worked at customer sites and were responsible for learning customer expectations, equipment needs, equipment reliability, and safety requirements. They also provided customer technical support and monitored customer applications and needs.

36. On July 1, 2008, Sever notified SKF that he was resigning from SKF effective July 15, 2008.

C. Defendants' Confidentiality, Non-Solicitation, and Non-Competition Agreements

37. On March 12, 2001, as a condition for employment by PMCI, Bjerckness executed the Agreement attached hereto as Exhibit A.

38. On June 10, 1998, as a condition for employment by PMCI, Koch executed an Agreement virtually identical to Bjerckness' Agreement. Koch's Agreement is attached hereto as Exhibit B.

39. On April 7, 2003, as a condition for employment by PMCI, Sever executed an Agreement virtually identical to Bjerckness' Agreement. Sever's Agreement is attached hereto as Exhibit C.

40. On January 16, 2006, as a condition for employment by PMCI, Remick executed an Agreement virtually identical to Bjerckness' Agreement. Remick's Agreement is attached hereto as Exhibit D.

41. Each of Defendant's Agreements prohibits Defendants from using or disclosing, among other things, PMCI's confidential information, including PMCI's methods of



doing business, valuation methods, business ideas, pricing and commission data, and client names, lists, needs and requirements, at any time.

42. As to PMIC's property, each Defendant agreed that:

All tangible items furnished to or created by Employee from time to time in connection with the performance of Employee's duties, including but not limited to client lists, procedures manuals, proposal materials, prospective client lists, client reports, and work papers, shall at all times remain the sole property of PMCI. Employee acknowledges that the information contained in the tangible property is a valuable asset of PMCI's business and is highly confidential. Employee shall not duplicate tangible items. They are provided to Employee for the limited purpose of enabling the Employee to perform duties of employment, and Employee hereby consents not to use or permit any of the same to be used for any other purpose . . . Upon the demand of PMCI, at any time or upon the termination of employment under any circumstances, Employee shall promptly tender all such items to PMCI. Employee consents that he/she will not provide PMCI's tangible property to any competitor of PMCI nor use PMCI's tangible property or the information contained therein in furtherance of the business of any competitor of PMCI. (Exhibits A, B, C and D, ¶ 1).

43. As to PMCI's Confidential and Proprietary Information, each Defendant agreed that

a. All information imparted to Employee by PMCI, or otherwise obtained by Employee, at any time, relating to PMCI's methods of doing business; valuation methods, computer programs, business ideas; billing procedures; pricing and commission data; client names and lists; clients needs and requirements; client servicing methods; prospective client lists; and any other client data, is revealed and entrusted to Employee in confidence, solely in connection with and for the purpose of employment on behalf of PMCI. Employee shall not, at any time, either during or after employment with PMCI, divulge any of this information to any other person, firm, or entity, nor use or permit the use of any of it, other than pursuant to Employee's employment on behalf of PMCI. Without limiting the generality of foregoing, upon termination of employment, under any circumstances, Employee shall promptly tender to PMCI all lists, records, work papers, reports and other documents in Employee's possession or

control relating to any clients, prospective clients or the business of PMCI.

b. Further, Employee promises to maintain as confidential all information Employee may obtain, learn or be entrusted with as an Employee of PMCI, regarding any proprietary information belonging to any of PMCI's clients, including but not limited to any client's methods or processes of production, pricing, marketing, servicing of research and development. Employee shall not, at any time, either during or after the term of employment, divulge any of this information to any other person, firm, or entity, nor use or permit the use of any of it, other than pursuant to Employee's employment on behalf of PMCI. (Exhibits A, B, C and D, ¶ 2).

44. Each Defendant also agreed that, for two years after the termination of his employment, he would not

under any circumstances, as proprietor, partner, joint venture, stockholder, director, officer, trustee, principal, agent, servant, employee or in any other capacity whatsoever, directly or indirectly, solicit business or sell or render services of the sort provided by PMCI to any client for which PMCI or its Employee has rendered services of the sort provided by PMCI or about whom Employee has learned confidential information during the twelve (12) months preceding Employee's separation from PMCI; nor shall Employee, directly or indirectly, aid or assist any other person, firm or corporation to do any of the aforesaid acts. (Exhibits A, B, C and D, ¶ 3).

45. Each Defendant further agreed that after termination of his employment with PMCI, he would not solicit or induce PMCI employees to leave PMCI for a competitor. (Exhibits A, B, C and D, ¶ 3).

46. Specifically, each Defendant agreed that "due to the confidential nature of the proprietary information and considerable amount of money, time and effort expended to develop such proprietary information" and "due to PMCI's considerable investment in training employees and allowing them access to confidential and proprietary information," for a period of two years following termination of their employment, he would not "directly or indirectly, solicit

or induce any employee of PMCI to leave PMCI's employ for any employment in a line of business similar to that conducted by PMCI in locations where PMCI services clients, or locations where PMCI has solicited clients" within one year preceding each Defendant's termination of employment. (Exhibits A, B, C and D, ¶ 3).

47. Each Defendant also agreed "not to solicit, sell or render services of the sort provided by PMCI to any individual or entity that has a business location in the locations serviced or solicited by PMCI within the twelve (12) months preceding Employee's termination nor will Employee, directly or indirectly, aid or assist any other person, firm or corporation" to do so. (Exhibits A, B, C and D, ¶ 3).

48. Each Defendant agreed that the PMCI Agreement would be "governed in all respects by the substantive laws of the State of Illinois without reference to the choice of law provisions of Illinois or any other state." Defendants also agreed that "any disputes arising under this Agreement shall be tried in the Courts sitting within the State of Illinois, and Employee hereby consents and submits his or her person to the jurisdiction of any such Court for such purpose." (Exhibits A, B, C and D, ¶ 10).

D. Defendants' SKF Secrecy Agreements

49. In early January 2007, at the time that SKF purchased the stock of PMCI, Bjerkness and Koch executed SKF's "Employee Invention, Patent and Secrecy Agreement" ("Secrecy Agreement"). Sever and Remick executed identical Agreements in March 2008. Copies of each Defendant's Secrecy Agreements are attached hereto as Exhibits E, F, G and H.

50. In the Secrecy Agreements, Defendants acknowledged, among other things, "the vital importance of maintaining the secrecy of SKF's trade secrets and confidential business matters." Defendants each agreed in Paragraph 3:

that he will not in any way during his employment and at any time thereafter, without SKF's written approval, disclose or publish to any unauthorized person, firm or corporation any technical or proprietary information, trade secrets and confidential business matters, including but not limited to secret processes, formulae, sequences, equipment, research items and results, drawing, prints, customers lists, costs, technical sales and marketing programs.

E. Defendants' Access to Confidential Information

51. SKF has developed a substantial amount of confidential and proprietary information ("Confidential Information"), including but not limited to methods of its doing business, valuation methods, computer programs, business ideas, billing procedures, pricing and commission data, client names and lists, clients needs and requirements, client servicing methods, prospective clients lists, and client data.

52. SKF's products, services and business operations incorporate and are based on the Confidential Information.

53. SKF has expended a great deal of time, effort and money to develop and acquire the Confidential Information. It uses the Confidential Information to develop its products and services, to retain and service customers, to secure new customers, to train and test its employees, and to establish a competitive edge in its business. Thus, the Confidential Information is of substantial value to SKF in its business.

54. When SKF purchased PMCI, it purchased the Confidential Information that was developed by PMCI.

55. The Confidential Information is not available to the general public or to SKF's competitors through legitimate means.

56. It would be difficult for competitors to know SKF's customers and the locations of the customers for whom SKF provides services but for inside knowledge of SKF.

57. SKF takes reasonable steps to protect the secrecy of its Confidential Information, including requiring employees in sensitive positions to sign a Secrecy Agreement similar to the agreements signed by Defendants.

58. In performing his jobs responsibilities with SKF, Bjerkness participated in the development of and used SKF Confidential Information.

59. During their employment at SKF Reliability Systems, each Defendant was introduced to customers and potential customers of SKF and PMCI in the Midwest region.

60. While employed by SKF and PMCI, each Defendant developed knowledge of SKF's business, personnel, products, services, employee certification and testing procedures, know-how, and customers.

61. Using SKF's Confidential Information and its financial, managerial and information resources, Bjerkness participated in marketing, selling, and serving SKF's customers and prospective customers in the Midwest region.

62. Using SKF's Confidential Information, Sever, Remick, and Koch participated in serving SKF's customers and prospective customers in the Midwest region and in training and testing SKF employees to perform their jobs.

E. Bjerkness' Resignation and Competitive Activities

63. On May 12, 2008, Bjerkness resigned from SKF effective May 23, 2008.

64. At least a few days before he resigned from SKF, Bjerkness established his own company, Equipment Reliability Services, Inc.

65. Equipment Reliability Services, Inc. competes directly with SKF and is in the same line of business engaged in by PMCI before it was purchased by SKF.

66. On or about May 20, 2008, while still employed by SKF, Bjerkness registered Equipment Reliability Services, Inc. with the Minnesota Secretary of State under §302a of the Minnesota Business Corporation Act. Equipment Reliability Services, Inc.'s registered office address is listed as Bjerkness' last known home address, 11342 Sorenson Lake lanes, Merrifield, Minnesota 56465.

67. After announcing his resignation from SKF, Bjerkness told his supervisor, Bart Bartholomew, and others that he was going to spend the Summer fishing.

68. Following Bjerkness' resignation and possibly before, he actively has sought SKF employees to work with his company.

69. SKF likely will have evidentiary support after a reasonable opportunity for further investigation or discovery that Bjerkness, in violation of his PMCI Agreement, induced Koch, Remick, and Sever to terminate their employment with SKF and to work for Bjerkness in a business that competes with SKF's Reliability Service business and that is similar to that conducted by PMCI and in locations where PMCI and SKF serviced clients, or locations where PMCI and SKF solicited clients.

70. SKF invests significant resources, including time and money in training its employees. For example, SKF puts its Reliability Engineers through an intensive six-month training, which includes mentoring by managers and extensive SKF methodology and safety training. Reliability Engineers do not begin to service clients independently until they have been with the company for at least 18 months and are fully conversant with SKF Reliability Systems methodology.

71. SKF likely will have evidentiary support after a reasonable opportunity for further investigation or discovery that the job functions that Koch, Remick and Sever perform for Equipment Reliability Services, Inc. are nearly identical to those they performed for SKF.

72. In the past few weeks, Bjerkness has continued to contact current employees of SKF.

73. SKF Reliability Systems has learned that Bjerkness has solicited business from current and long-standing SKF customers, including Wausau Paper; Case Corporation; Liberty Paper; White Earth; and Cleveland Cliffs.

74. SKF has been informed by two long-term customers, Liberty Paper and Kraft, that each is placing its contract on hold while, upon information and belief, it considers contracting with Bjerkness and Equipment Reliability Services, Inc.

75. SKF Reliability Systems also has learned that a long-term SKF customer, Ainsworth Lumber Company, has canceled its contract (valued at approximately \$85,000) with SKF and has given its business to Bjerkness and Equipment Reliability Services, Inc.

76. Remick spent several years on-site at Ainsworth while employed by PMCI and SKF.

77. Bjerkness became known to the customers referenced in paragraphs 72 through 76 through his employment with PMCI and SKF.

78. Defendants are engaged in the marketing and sales of competitive products and services in the same geographic territory for which they were responsible at SKF Reliability Systems.

79. In their new business, Defendants have used or inevitably will use SKF's customer information, reporting criteria, database setup, pricing information, and SKF strategies and business plans.

SKF's Communications with Defendants about their Contractual and Other Violations

80. On July 1 and July 2, 2008, SKF Reliability Services, through its counsel, wrote to Bjerckness and Koch reminding them of their obligations under their Agreements with SKF. Copies of those letters are attached hereto as Exhibits I and J.

81. Bjerckness and Koch, through counsel, responded by letter on July 10, 2008. A copy of that letter is attached hereto as Exhibit K. Neither Bjerckness nor Koch denied that they were engaged in competitive activity.

82. On July 17, 2008 and July 23, 2008, SKF, through its counsel, sent letters to Remick and Sever reminding them of their obligations under their Agreements with SKF. Copies of those letters are attached hereto as Exhibits L and M.

83. Remick and Sever, through counsel, responded by letters on July 23 and July 30, 2008. Copies of those letters are attached hereto as Exhibits N and O. Neither Remick nor Sever deny that they are engaged in competitive activity.

84. SKF likely will have evidentiary support after a reasonable opportunity for further investigation or discovery that Bjerckness and Koch still possesses SKF property, including the CD of the Reliability Champions Meeting presentations, an index card file, business cards relating to SKF customers, outstanding customer proposals, customer drawings, customer files and two vibration poles (serial numbers 511 and 542).

85. SKF likely will have evidentiary support after a reasonable opportunity for further investigation or discovery that Koch possesses CD's, jump drives and external computer



drives, to which it is believed that SKF's confidential and proprietary information and property was transferred for use in the new business.

86. On July 16, 2008, SKF, through its counsel, wrote to Bjerkness' counsel requesting that Bjerkness immediately return SKF's property. Bjerkness' counsel responded on July 24, 2008, denying that Bjerkness retained any customer proposals, customer drawing, customer files or vibration poles, but acknowledging that Bjerkness possessed business cards and an index card file. In the letter, Bjerkness' counsel denied that these items are SKF property, and refused to return them to SKF, but instead states that the items are being held by his counsel. Copies of both letters are attached hereto as Exhibits P and Q.

G. The Need for an Injunction

87. Defendants have violated, and continue to violate, the terms of their agreements by soliciting and calling on SKF current employees, customers and potential customers, and by retaining and using SKF's confidential information for their own and Equipment Reliability Services' benefit.

88. In their agreements, Defendants acknowledged that in the event of a breach, SKF could not adequately be compensated for any such breach by money damages and that any such breach would cause irreparable harm.

89. Unless they are enjoined by this Court, Defendants will continue to violate the agreements.

90. SKF invested substantial resources in purchasing PMCI. The value of that investment has been jeopardized because of Defendants' actions.

91. SKF invested substantial resources in the development of its confidential information. The value of that investment has been compromised because of Defendants' actions.

92. An injunction is necessary to prevent immediate and irreparable harm to SKF that cannot be fully compensated by damages. Defendants will suffer less harm if an injunction is granted than SKF will suffer if an injunction is not granted. The injunction sought will restore the parties to the status quo as it existed immediately before Defendants' wrongful and actionable conduct. Further, the injunction sought is reasonably suited to abate Defendants' wrongful and actionable conduct and to protect SKF's clear legal rights.

**COUNT I  
BREACH OF CONTRACT BY ALL DEFENDANTS**

93. SKF incorporates the preceding paragraphs of this Verified Complaint as if fully set forth herein.

94. Defendants' agreements, including the non-compete, non-solicitation of customers and employees and confidentiality provisions therein, are valid and enforceable contracts.

95. The restrictive covenants in Defendants' agreements are necessary to protect SKF's legitimate protectable business interests, and are reasonable in scope and duration.

96. SKF has performed all of its obligations to Defendants under the agreements.

97. Bjerckness, in violation of his agreements, solicited and induced Defendants Koch, Sever, and Remick to leave their employment with SKF to work for Bjerckness in a line of business similar to, and that competes with, SKF.

98. Defendants have breached their agreements by seeking and obtaining employment with Equipment Reliability Services, a competitor of SKF.

99. Defendants' activities on behalf of Equipment Reliability Services will require Defendants to use, base judgments upon, and disclose SKF's trade secrets and confidential information.

100. Defendants have retained and, it is believed, are using SKF's confidential information in violation of Defendants' agreements.

101. Defendants' activities on behalf of Equipment Reliability Services jeopardize substantial and valuable goodwill that SKF has developed with its customers as well as provide Equipment Reliability Services with an unfair competitive advantage.

102. As a direct and proximate result of Defendants' breaches of the agreements, SKF has suffered damages, including harm to its customer relationships and other business interests that are not fully compensable by monetary damages.

103. Unless Defendants are enjoined by this Court, SKF will continue to suffer irreparable harm to its business interests, for which it has no adequate remedy at law, as a result of Defendants breaches of the Agreements.

**COUNT II**  
**TORTIOUS INTERFERENCE WITH CONTRACT BY BJERKNESS**

104. SKF incorporates the preceding paragraphs of this Verified Complaint as if fully set forth herein.

105. The agreements held between SKF and Sever, Koch, Remick, and Bjerkness are valid and enforceable contracts.

106. The non-solicitation of employees provision in those agreements is reasonably necessary to protect SKF's legitimate protectable business interests, and is reasonable in scope and duration.

107. Bjerkness has hired three employees from SKF in the last 45 days, all of whom are subject to post-employment restrictive covenants, including non-compete provisions.

108. Bjerkness knew about those agreements, including the restrictive covenants and non-compete provisions.

109. Bjerkness has intentionally and tortiously interfered with SKF's rights under the Agreements by inducing, aiding and abetting, and causing Sever, Koch, and Remick to breach their agreements with SKF.

110. Bjerkness continues to attempt to interfere with the employment of other SKF employees.

111. SKF likely will have evidentiary support after a reasonable opportunity for further investigation or discovery that Bjerkness knew that other Defendants transferred SKF's confidential information to CDs, jump drives and external hard drives for use by Bjerkness' new company.

112. Defendants' activities on behalf of Equipment Reliability Services jeopardize substantial and valuable goodwill that SKF has developed with its customers as well as provide Equipment Reliability Services with an unfair competitive advantage.

113. SKF has been harmed and likely will suffer further harm because of Bjerkness' interferences and conduct.

114. SKF has been and will continue to be injured, irreparably and otherwise in amounts that will be difficult to determine or calculate. The monetary value of the damages by SKF as a result of Bjerckness' actions will be impossible to determine with any certainty.

115. Unless an injunction is issued requiring Bjerckness to refrain from tortious interference SKF contractual relations, SKF will suffer irreparable and incalculable harm in the loss of confidential information.

**COUNT III**  
**VIOLATION OF ILLINOIS UNIFORM TRADE SECRETS ACT BY ALL**  
**DEFENDANTS**

116. SKF incorporates the preceding paragraphs of this Verified Complaint as if fully set forth herein.

117. As set forth above, Defendants were given access to and are in the possession of certain confidential and proprietary information constituting "trade secrets" as defined by the Illinois Trade Secrets Act, 765 ILCS 1065/1 *et seq.*, such as SKF Reliability Services' methods of doing business; valuation methods, computer programs, business ideas; billing procedures; pricing and commission data; client names and lists; clients needs and requirements; client servicing methods; prospective clients lists; employee training and testing documents; and confidential client data.

118. SKF has taken steps to protect the confidentiality of this information.

119. This information is sufficiently secret to derive economic value from not being generally known to other persons or entities who can obtain economic value from its disclosure or use.

120. This information is the subject of efforts that are reasonable under the circumstances to maintain its secrecy or confidentiality.

121. It is inevitable that Defendants will use or rely on the information that they obtained while working for SKF in connection with their positions with Equipment Reliability Services and SKF likely will have evidentiary support after a reasonable opportunity for further investigation or discovery that Defendants have used, disclosed, or threatened to use or disclose SKF Reliability Services' confidential, proprietary, and trade secret information.

122. Defendant' unauthorized use or disclosure of SKF trade secret information, actual or threatened, violates the Illinois Uniform Trade Secrets Act, 765 ILCS 1065/1, *et seq.*

123. Defendants' inevitable use of SKF's trade secrets gives Defendants, and Equipment Reliability Services, an unfair competitive advantage over SKF.

124. As a result of the foregoing, SKF has suffered and will continue to suffer irreparable harm.

125. SKF has been damages and will continue to be damaged by the misappropriation and use of its trade secrets by Defendants.

WHEREFORE, SKF requests that the Court grant the following relief:

a. Preliminarily and permanently enjoin Defendants, until two year from the date that they begin to comply with the Agreements, from directly or indirectly performing services for, calling on, soliciting or catering to any individuals or entities who were customers or potential customers of SKF Reliability Services within one year preceding Defendants' resignation.

b. Preliminarily and permanently enjoin Defendants, until two year from the date that they begin to comply with the Agreements, from directly or indirectly, soliciting or inducing any employee of SKF to leave SKF's employ for any employment in a line

of business similar to that conducted by SKF in locations where SKF services clients, or locations where SKF has solicited clients within one year preceding Defendants' termination of employment.

c. Preliminarily and permanently enjoin Defendants from possessing, using or disclosing any of SKF's trade secrets or confidential or proprietary business information for any purpose whatsoever.

d. Order Defendants to return all documents, and return or destroy all electronic media, that contain, reflect or constitute SKF's trade secrets and confidential information.

e. Enter judgment in favor of SKF and against Defendants on all counts of this Verified Complaint.

f. Award SKF damages, including punitive or exemplary damages where available, on each count of this Verified Complaint in an amount to be established at trial.

g. Award SKF its reasonable attorneys' fees and costs.

h. Award SKF such other relief as the Court may deem just and proper.

Dated: August 19, 2008

s/ Ernesto R. Palomo  
Terrence P. Canade (# 06196823)  
Ernesto R. Palomo (# 06278186)  
Locke Lord Bissell & Liddell LLP  
111 South Wacker  
Chicago, IL 60606  
(312) 443-1862

and

Stephen J. Sundheim  
Elizabeth S. Campbell  
PEPPER HAMILTON LLP  
3000 Two Logan Square  
Eighteenth & Arch Streets  
Philadelphia, PA 19103-2799  
(215) 981-4000


Attorneys for Plaintiff  
SKF USA Inc.



**VERIFICATION**

Pursuant to 28 U.S.C. §1746, I, Bart G. Bartholomew, Vice President Reliability Systems North America, for SKF USA Inc., declare under penalty of perjury that the allegations in the foregoing complaint are true and correct.

Dated: August 18, 2008

  
BART G. BARTHOLOMEW