

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK**

STARWOOD HOTELS & RESORTS WORLDWIDE,
INC.,

Plaintiff,

- against -

HILTON HOTELS CORPORATION, ROSS KLEIN AND
AMAR LALVANI,

Defendants.

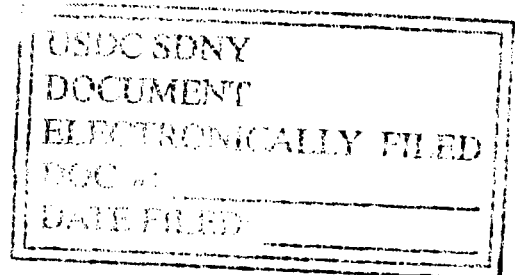
No. 09-cv-3862 (SCR) (ECF Case)

**ORDER CONTINUING PRELIMINARY INJUNCTION AND
CONTINUING CASE MANAGEMENT CONFERENCE**

WHEREAS, on April 16, 2009, plaintiff Starwood Hotels & Resorts Worldwide, Inc. (“Starwood”) filed this action, alleging, among other things, that defendants Hilton Hotels Corporation (“Hilton”), Ross Klein (“Klein”) and Amar Lalvani (“Lalvani”) improperly obtained documents and electronic information from Starwood (the “Starwood Information”), including confidential and/or trade secret information, and, among other things, used Starwood Information in the development of Hilton’s Denizen Hotels brand;

WHEREAS, on April 17, 2009, the Court entered an Order directing Hilton, Klein and Lalvani to show cause why an order should not be entered permitting Starwood to conduct expedited discovery in aid of Starwood’s bringing on a motion for a preliminary injunction;

WHEREAS, Hilton represents that, on April 20, 2009, Hilton received a grand jury subpoena from the United States Attorney’s Office for the Southern District of New York request-



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ing, among other things, documents relating to the Starwood Information (the “Grand Jury Investigation”);

WHEREAS, Hilton represents that, on April 21, 2009, Hilton placed Klein, Lalvani, and its entire luxury and lifestyle team, including, but not limited to, Leah Corradino, Jeff Darnell, Erin Green, Stephanie Heer, Christopher Kochuba, Susan Manrao, Erin Shaffer and Elie Younes, on leave of absence, and suspended all further development of the Denizen Hotels brand;

WHEREAS, on April 23, 2009, Hilton, Klein and Lalvani consented to, and the Court entered for good cause shown, a Preliminary Injunction (the “Preliminary Injunction”) that provides, among other things:

1. Defendants Hilton, Klein and Lalvani, and their respective officers, agents, servants, employees and in-house attorneys, and all other persons who are in active concert or participation with them (including without limitation designers, architects, consultants and advisors engaged by Hilton in connection the Project Global 21 or Denizen Hotels brand) who receive actual notice of this order by personal service or otherwise, are hereby preliminarily enjoined from knowingly using directly or indirectly in any way the Starwood Information, including without limitation any information contained therein or derived therefrom.

2. Within 15 days from the date of entry of this Preliminary Injunction and Order, Defendant Hilton shall return to Starwood (c/o its counsel in this action) any and all Starwood Information in its possession, custody, or control, wherever located, subject only to the need to retain such documents or copies of such documents by its counsel to comply with any lawful subpoena or for purposes of their defense of this action or any parallel action, including the grand jury investigation. In all events, Hilton shall provide to Starwood full and complete copies and a full and complete listing of any and all Starwood Information (or copies) so retained, and Hilton’s counsel shall take possession of and employ all appropriate measures to safeguard the confidentiality of any and all Starwood Information (or copies) so retained. In the event further Starwood Information is discovered after the 15 day period, then Defendant Hilton shall promptly (within five business days) return all such Starwood Information subject only to the two immediately preceding sentences.

3. Counsel for Klein and Lalvani shall immediately take possession of and shall preserve any and all Starwood Information in their client’s possession, custody and control, including electronic information and computer hardware containing Starwood Information, and said counsel shall employ all appropriate measures to safeguard the confidentiality of any and

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all such Starwood Information. In the event Klein or Lalvani produces any Starwood Information in response to lawful subpoena, said counsel shall simultaneously return the Starwood Information to Starwood in accordance with paragraph 2.

4. Defendants Hilton, Klein and Lalvani, and their respective officers, agents, servants, employees and attorneys, and all other persons who are in active concert or participation with them who receive actual notice of this order by personal service or otherwise, shall preserve all documents and information of any kind or description relating in any way to (i) the efforts to collect and return Starwood Information to Starwood, (ii) the recruiting and hiring by Hilton of Klein, Lalvani, Leah Corradino, Jeff Darnell, Erin Green, Stephanie Heer, Christopher Kochuba, Susan Manrao, Erin Shaffer and Elie Younes, and (iii) the claims alleged in Starwood's Complaint, including without limitation all electronic information and computer hardware containing Starwood information.

5. Defendants Hilton, Klein and Lalvani, and their respective officers, agents, servants, employees and attorneys, and all other persons who are in active concert or participation with them who receive actual notice of this order by personal service or otherwise, shall preserve all documents and information of any kind or description derived in any way directly or indirectly, in whole or in part, from any Starwood Information, including without limitation all documents and materials relating in any way to Denizen Hotels brand, including without limitation the design, branding, development, promotion, programming, staffing and marketing thereof.

6. Defendants Hilton, Klein and Lalvani, and their respective officers, agents, servants, employees and attorneys, and all other persons who are in active concert or participation with them who receive actual notice of this order by personal service or otherwise, are hereby preliminarily enjoined and shall cease all further development of the Denizen Hotels brand (formerly known as Project Global21), including without limitation all internal and external design, branding, development, promotion, programming, staffing and marketing of the Denizen Hotels brand, including without limitation any discussions or negotiations with prospective owners, developers and/or franchisees relating thereto.

7. Defendant Hilton is ordered forthwith to serve a true and complete copy of this Preliminary Injunction on (i) Leah Corradino, Jeff Darnell, Erin Green, Stephanie Heer, Christopher Kochuba, Susan Manrao, Erin Shaffer and Elie Younes, and (ii) all designers, architects, consultants and other advisors working with Hilton on Project Global21 or the Denizen Hotels brand, who upon such actual notice shall be bound hereby.

WHEREAS, the Preliminary Injunction in its entirety remains in full force and effect;

WHEREAS, Hilton represents that it has been conducting an investigation, among other things, to collect and return to Starwood all Starwood Information;

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WHEREAS, all parties have asked the Court to continue the case management conference previously set for July 29, 2009 to a date at the convenience of the Court no earlier than October 1, 2009;

WHEREAS, Starwood has informed Defendants that, if this matter is not otherwise resolved at or prior to the continued case management conference, Starwood intends to file an Amended Complaint adding additional claims, and Defendants agree that in the procedural posture of this case Starwood may do so of right;

WHEREAS, nothing herein shall be deemed an admission by Hilton, Klein or Lalvani of the truth of any of Starwood's allegations, nor a waiver of their constitutional rights; and

WHEREAS, Hilton, Klein and Lalvani each, being represented by and having had the opportunity to consult with counsel, expressly consents to the entry of this Order, including the continuation of the Preliminary Injunction and to its remaining in full force and effect throughout this litigation.

NOW THEREFORE, IT IS HEREBY STIPULATED, AGREED, AND GOOD CAUSE HAVING BEEN SHOWN, IT IS HEREBY ORDERED:

1. The Preliminary Injunction shall, in its entirety, remain in full force and effect throughout this litigation. ✓

2. All proceedings in this action are stayed, and the time to do all manner of things under the Federal Rules of Civil Procedure and the Local Rules of this Court is adjourned without date pending further order of this Court.

3. The case management conference previously set for July 29, 2009 is continued to a date to be set by the Court no earlier than October 1, 2009. ✓

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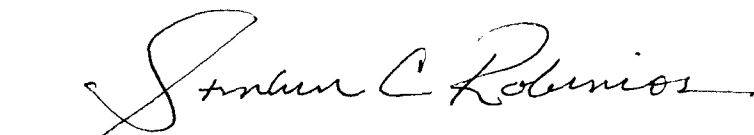
4. If this action is not otherwise resolved at or prior to the continued case management conference, Starwood will be given the opportunity to serve and file an Amended Complaint. ✓

5. This Order shall become effective immediately upon its entry.

SO ORDERED:

JULY 22, 2009

White Plains, NY



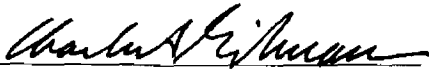
Hon. Stephen C. Robinson
UNITED STATES DISTRICT JUDGE

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CONSENTED TO AND AGREED TO IN FORM AND SUBSTANCE:

CAHILL GORDON & REINDEL LLP

KASOWITZ, BENSON, TORRES &
FRIEDMAN LLP

By: 
Charles A. Gilman

By: _____
Aaron H. Marks

80 Pine Street
New York, NY 10005
(212) 701-3000 *telephone*

1633 Broadway
New York, NY 10011
(212) 506-1700 *telephone*

Attorneys for Plaintiff Starwood Hotels & Resorts Worldwide, Inc.

Attorneys for Defendant Hilton Hotels Corporation

MORVILLO, ABRAMOWITZ, GRAND,
IASON, ANELLO & BOHRER, P.C.

BIRD, MARELLA, BOXER, WOLPERT,
NESSIM, DROOKS & LICENBERG, P.C.

By _____
Christopher J. Morvillo

By _____
Ronald J. Nessim

565 Fifth Avenue
New York, New York 10017
(212) 856-9600 *telephone*

1875 Century Park East, 23rd Floor
Los Angeles, California 90067-2561
(310) 201-2100 *telephone*

Attorneys for Defendant Amar Lalvani

Attorneys for Defendant Ross Klein

-6-

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CAHILL GORDON & REINDEL LLP

By: _____
Charles A. Gilman

80 Pine Street
New York, NY 10005
(212) 701-3000 *telephone*

Attorneys for Plaintiff Starwood Hotels & Resorts Worldwide, Inc.


KASOWITZ, BENSON, TORRES & FRIEDMAN LLP

By: 
Aaron H. Marks

1633 Broadway
New York, NY 10011
(212) 506-1700 *telephone*

Attorneys for Defendant Hilton Hotels Corporation

MORVILLO, ABRAMOWITZ, GRAND, IASON, ANELLO & BOHRER, P.C.

By: 
Christopher J. Morvillo

565 Fifth Avenue
New York, New York 10017
(212) 856-9600 *telephone*

Attorneys for Defendant Amar Lalvani

BIRD, MARELLA, BOXER, WOLPERT, NESSIM, DROOKS & LICENBERG, P.C.

By: _____
Ronald J. Nessim

1875 Century Park East, 23rd Floor
Los Angeles, California 90067-2561
(310) 201-2100 *telephone*

Attorneys for Defendant Ross Klein

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FRIEDMAN LLP

By: _____

By: _____

Charles A. Gilman

Aaron H. Marks

80 Pine Street
New York, NY 10005
(212) 701-3000 telephone

1633 Broadway
New York, NY 10011
(212) 506-1700 telephone

Attorneys for Plaintiff Starwood Hotels & Resorts Worldwide, Inc.

Attorneys for Defendant Hilton Hotels Corporation

MORVILLO, ABRAMOWITZ, GRAND,
IASON, ANELLO & BOHRER, P.C.

BIRD, MARELLA, BOXER, WOLPERT,
NESSIM, DROOKS & LICENBERG, P.C.

By _____

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Christopher J. Morvillo

Ronald J. Nessim

565 Fifth Avenue
New York, New York 10017
(212) 856-9600 telephone

1875 Century Park East, 23rd Floor
Los Angeles, California 90067-2561
(310) 201-2100 telephone

Attorneys for Defendant Amar Lalvani

Attorneys for Defendant Ross Klein