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Attorneys for Plaintiff Syncsort Incorporated

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF NEW JERSEY

SYNCSORT INCORPORATED,)	
)	
)	Civil Action No. _____
Plaintiff,)	
)	
vs.)	
)	
INNOVATIVE ROUTINES)	
INTERNATIONAL, INC.,)	COMPLAINT AND DEMAND
)	FOR JURY TRIAL
)	
Defendant.)	
_____)	

Plaintiff Syncsort Incorporated alleges as follows for its complaint against Defendant:

A. The Parties

1. The plaintiff is Syncsort Incorporated (“Syncsort”), a New Jersey corporation with its principal place of business at 50 Tice Boulevard, Woodcliff Lake, Bergen County, New Jersey, 07677.

2. The defendant is Innovative Routines International, Inc. (“IRI”), a Florida corporation with its principal place of business at 2194 Highway A1A, Suite 303, Melbourne, Brevard County, Florida, 32937.

B. Jurisdiction and Venue

3. This Court has subject matter jurisdiction pursuant to 28 U.S.C. § 1332(a), because this action is between citizens of different States and the matter in controversy exceeds the sum or value of \$75,000, exclusive of interest and costs. Venue is properly laid in this district pursuant to 28 U.S.C. §§ 1391(a) and (c).

C. The Prior Lawsuit Against IRI

4. In July 2004, Syncsort commenced suit against IRI based on a similar pattern of trade secret misappropriation and other violations of state law as those alleged herein (“*Syncsort I*”).

5. On April 30, 2008, the United States District Court for the District of New Jersey denied IRI’s motion for summary judgment seeking dismissal of Syncsort’s trade secret and unfair competition claims, but granted summary judgment dismissing Syncsort’s claim for damages for the period up to the end of document discovery in 2007. The Court also granted summary judgment dismissing all of IRI’s counterclaims in the action, including federal antitrust counterclaims.

6. The instant action seeks damages and other relief only for the period of time subsequent to that covered by the Court’s summary judgment ruling in *Syncsort I*. This action asserts claims for trade secret misappropriation, unfair competition and tortious interference with prospective advantage, in each case involving harm suffered by Syncsort and including conduct by IRI occurring after the period of time addressed in the summary judgment motion in *Syncsort I*.

D. The Relevant Products

7. Syncsort is a developer and vendor of high-performance software for corporate data processing customers. Syncsort provides its products to users under the trademark

SyncSort^{®1} in versions for many computer operating systems.

8. One market segment in which Syncsort offers products concerns the category of software known as data transformation software. Data transformation is the process of taking data in one form and changing it into another form. This may involve, for example, editing the data, re-ordering the data, or aggregating portions of the data.

9. Commercial success in the data transformation sector is driven by high performance and reliability. Syncsort is a pioneer and market leader in the data transformation field.

10. One of Syncsort's product lines in the data transformation market segment is known as SyncSort. The version of SyncSort adapted to operate on a computer running a UNIX operating system is known as SyncSort UNIX, which was developed in 1991, 1992 and 1993, and introduced in 1993.

11. SyncSort UNIX is used by thousands of customers to perform data transformation tasks of extraordinary complexity with extraordinary speed.

12. Syncsort relies in part on trade secret protection to maintain the proprietary nature of its software products, including SyncSort UNIX. Firms throughout the software industry have relied on trade secret protection as a major, often primary, form of protection for their products for decades.

13. IRI is a software company that competes with Syncsort in the data transformation software field. IRI markets a software product known as CoSORT, among others. CoSORT

1. The software product name, SyncSort, has two capital "S"s; the company name, Syncsort, has a single capital "S."

competes directly with SyncSort UNIX.

E. The SyncSort UNIX Command Language

14. Syncsort seeks to enforce the trade secret status of its command language for SyncSort UNIX.

15. The SyncSort UNIX command language is an extensive symbolic system by which a user instructs the SyncSort UNIX program to perform specific data processing and data transformation jobs. The language is comprised of: (i) “lexical elements,” that is, words and symbols that have particular meaning within the language (e.g., “options” and “keywords”); (ii) the specific rules or “syntax” for forming valid program expressions out of those lexical elements; as well as (iii) the functional meaning (“semantics”) of the expressions so constructed.

16. SyncSort UNIX users are able to create and save sequences of instructions for their particular data transformation jobs in text files that are known as job-control scripts. These scripts consist of a series of (at least one and usually more) statements that include lexical elements such as options, keywords and user-supplied names and data, all arranged in accordance with the syntax and semantics of the language. The scripts save users the labor of physically entering the text of their desired commands line by line for each of their jobs (thus providing reusability), and eliminate associated typing errors. A job-control script for SyncSort UNIX is typically on the order of a page of text, and can be considerably longer for more complex jobs. These scripts are often run repetitively, day after day, and it is not unusual for hundreds of different scripts to be run, each day, in a commercial data processing department. It is a practical necessity, therefore, in many data processing sites, to have the specifications for SyncSort UNIX data transformation jobs stored in the form of scripts. SyncSort UNIX job-control scripts are originally developed by a licensee, often in collaboration with Syncsort technical support personnel, from business specifications of the jobs to be accomplished (*i.e.*,

functional descriptions in business terms), which are then reduced to expression in the form of scripts written in the SyncSort UNIX command language.

17. The SyncSort UNIX Reference Guide (the “Reference Guide”) -- a one-inch-thick book -- defines the syntax of the SyncSort UNIX command language. The Reference Guide in its entirety comprises nearly 400 pages.

18. The lexical elements, syntax and semantics of the SyncSort UNIX command language are unique to it in numerous material respects.

19. The Reference Guide describes the lexical elements, syntax and semantics of the SyncSort UNIX command language in a comprehensive series of precise, formal definitions which, together, are known as a grammar. The Reference Guide also explains the conventions that the Guide itself employs to set forth the grammar.

20. The SyncSort UNIX Reference Guide defines the SyncSort UNIX command language’s syntax on a command-by-command basis (these commands are referred to in the Reference Guide as “options” or “statements”).

21. The Reference Guide sets out the rules for each “option” or “statement” in the language in a detailed manner in an alphabetically-arranged sequence of sections, each comprising from one to about a dozen pages, depending on the complexity of the option or statement.

22. Syncsort invested tens of millions of dollars in developing SyncSort UNIX, the SyncSort UNIX command language and its associated documentation between 1991 and the present. Approximately ten programmers worked full-time for three years to complete the first version of the software, the command language and its associated documentation.

23. Syncsort based the syntax of its SyncSort UNIX command language in part on

elements from the command language used in SyncSort VMS, a data transformation software program which ran on “minicomputers” operating under the VMS operating system provided by Digital Equipment Corporation (“DEC”). The SyncSort VMS language, in turn, drew on some stylistic conventions from a native VMS data transformation language created by DEC; these DEC conventions were not a secret. The SyncSort VMS language was substantially different from the SyncSort UNIX command language, such that a full knowledge of the former would not permit one to write useful instructions in the latter. In addition, the syntax of the SyncSort UNIX command language was completely different from the syntax of the languages that Syncsort created for use with its mainframe-based software.

24. In 1990, 1991 and 1992, IRI developed a command language for CoSORT known as SortCL. IRI intentionally drew on the syntax style of SyncSort VMS in creating SortCL because, in the words of IRI’s President, IRI “really wanted to capture Sync[S]ort [VMS] users, [IRI] wanted to capture their attention and have them use [its] product.” The SortCL command language has always been incompatible with SyncSort, just as the SyncSort UNIX command language is incompatible with CoSORT.

25. The SyncSort UNIX command language and IRI’s SortCL each require that instructions be provided to them in precisely-defined structures, in accordance with the definitions of their respective lexical elements (including permitted “data types” that the languages will accept for various terms) and syntax. Neither program has “artificial intelligence” capabilities to try to guess what a user intends. If the desired instructions are not stated in the exactly correct form, the program will either fail or provide incorrect results. The proper “form” for these instructions is the form specified by the command language for the program.

26. Due to the specificity of the formal language requirements of SyncSort UNIX and

the arbitrary nature of many of the lexical elements, syntax and semantics chosen for the SyncSort UNIX commands, it would be extraordinarily difficult, and as a practical matter, impossible, for a computer programming company in the same industry as Syncsort to recreate the grammar of SyncSort UNIX from general knowledge of the industry without having access to the SyncSort UNIX Reference Guide.

F. The Secrecy of the SyncSort UNIX Command Language

27. Since creating its SyncSort UNIX command language in the early 1990s, Syncsort has protected that command language as a trade secret, taking at least commercially-reasonable precautions under the applicable facts and circumstances to prevent its elements and workings from becoming publicly known, and consistently invoking trade secret protection for the command language.

28. There is a well-established practice in the software industry to protect as trade secrets software, source code and related materials. This custom is evident in the widespread use of confidentiality legends on software manuals and agreements with employees, end users and other parties restricting the sharing of information related to such software.

29. There are no publicly-available references that document the SyncSort UNIX command language. One cannot obtain information sufficient to write a SyncSort UNIX script of general application from any publicly-accessible website, search engine or library.

30. Information sufficient to write a script of general application is exclusively available from Syncsort, and Syncsort only makes the information available to licensees of SyncSort UNIX who have accepted Syncsort's license agreement, and agreed, in accordance therewith, to keep the information confidential. Syncsort has never permitted anyone to access the SyncSort UNIX software or related materials unless that person first agrees to keep both the software and all related materials secret.

31. From the time before it created SyncSort UNIX until the present, Syncsort has required all of its employees to sign confidentiality agreements which prevent the employees from disclosing any information concerning Syncsort's programs to third parties or using such information for the benefit of themselves or third parties.

32. Apart from formal agreements, Syncsort has also made clear to employees in its technical support group who assist customers with the SyncSort UNIX command language that that language, in its entirety, is considered confidential.

33. In addition, Syncsort distributes the SyncSort UNIX software by license rather than sale, and has required all licensees to sign agreements that require them to keep the Software, as well as "any information related to the Software" in confidence. Licensees are also prohibited from translating the Software or reverse engineering the Software.

34. Section 4 of Syncsort's standard form of license agreement provides in pertinent part:

You shall not . . . (d) translate . . . the Software; (e) disclose ***any information related to the Software*** . . . to any third party without Syncsort's prior written approval; [or] (f) use the Software as an aid to develop or market a competing product. . . . You also agree not to cause or permit the Software to be . . . reverse engineered except [in cases not applicable here]

35. The Syncsort license agreements generally define the "Software" as the "computer software contained in the packages or files to which [the agreement] is annexed, the associated media, any printed documentation and materials, and any 'on-line' or electronic documentation provided by Syncsort related to such software." Every licensee of SyncSort UNIX since 2003 has agreed to be bound by a license agreement substantially in this form, as have all other licensees of which Syncsort is aware (with one exception in which the issue was resolved after litigation in a manner that protected Syncsort's trade secrets).

36. Thus, all of Syncsort's licensees are bound to secrecy concerning all information

relating to the SyncSort UNIX command language, including information in the Reference Guide and in users' job-control scripts.

37. Syncsort similarly requires all companies to whom it provides SyncSort UNIX on a trial basis to sign non-disclosure agreements that prohibit them from disclosing "the PRODUCT(s)," here, SyncSort UNIX, and any "PRODUCT(s) related information," which necessarily includes the SyncSort UNIX command language, "to any person other than employees of [the company] who have a need to have such knowledge for use of the normal commercial use of the PRODUCT(s)." Syncsort requires Syncsort's distributors and resellers to execute agreements containing similar confidentiality provisions.

38. Syncsort maintains tight access controls on all computers on which SyncSort UNIX is installed for development, testing or support purposes; it keeps its supply of copies of the Reference Guide under lock and key; it maintains records of everyone who receives a copy; and it only makes copies of the Reference Guide available to persons who have agreed to keep the information that it contains confidential.

39. Furthermore, the Reference Guide contains a legend incorporating the following statement:

This document contains proprietary and confidential material, and is only for use by lessees of the SyncSort proprietary software system.

This legend also appears on the cover page for a 1995 version of the Reference Guide and the 1996 version of the Reference Guide that was in IRI's possession.

40. Syncsort places such confidentiality legends on all of its confidential materials, it periodically searches the Internet for infractions, and it promptly and effectively acts against any discovered misappropriations of trade secrets or lapses of security.

41. Due to the consistency of Syncsort's use of confidentiality agreements and

legends, there are no means by which a person could disclose the information contained in the Reference Guide for any version of SyncSort UNIX to a third party not licensed by Syncsort without violating an agreement with Syncsort.

42. The information contained in the Reference Guide concerning the SyncSort UNIX command language was communicated in confidence by Syncsort to a party that, directly or indirectly, and in breach of that confidence, disclosed the information to IRI.

G. The SyncSort UNIX Command Language Is Highly Valuable.

43. Syncsort derives economic advantage from the SyncSort UNIX command language. The language gives Syncsort a competitive advantage in that it is powerful and easy for users to understand and use. In addition, Syncsort invests a significant amount of money in its sales process, and the secrecy of the language makes it more difficult for competitors to free ride on the language's capabilities.

44. In general, customers license SyncSort UNIX for five-year terms. The purchase of a five-year license for use of SyncSort UNIX constitutes a substantial financial investment, amounting to hundreds of thousands of dollars for those customers who can use it on a large scale. Besides investing in the SyncSort UNIX software itself, customers often invest significant additional sums in integrating the use of the SyncSort UNIX command language deeply in their systems, across many different operational activities, and in making those systems work together efficiently and seamlessly. The revision of users' scripts, often in collaboration with Syncsort technical support personnel, is frequently part of this optimization process.

45. After Syncsort customers complete their initial five-year license terms, a significant barrier to their opting to license competing software products is that they must expend considerable time and effort to create new scripts that are compatible with competing software, as SyncSort UNIX job-control scripts are not compatible with any other software, and their

scripts and systems may require substantial additional refinement and alteration in order to work efficiently together. When SyncSort UNIX customers complete their initial five-year license terms, a significant barrier to their opting to license competing software products is that they must expend considerable time and effort to create new scripts that are compatible with competing software. Where a customer has hundreds of scripts that must be made compatible with a competing software product, the cost of script conversion may greatly exceed the cost of purchasing the new software itself.

46. The trade-secret status of the SyncSort UNIX command language is of great value to Syncsort because it prevents competitors from using that language to lure away SyncSort UNIX customers. Specifically, it prevents Syncsort's competitors from converting scripts created and tested while a customer's Syncsort software was under license and making them compatible with Syncsort's competitors' products for use after their Syncsort license expires. In addition, it prevents Syncsort's current customers from using the threat of taking their scripts elsewhere as a bargaining chip in license renewal negotiations.

47. Likewise, eliminating the trade-secret status of the SyncSort UNIX command language would be a boon to Syncsort's competitors because it would allow them to reverse engineer, translate and otherwise incorporate that language into their competing products, thereby free-riding on Syncsort's work in creating the language and helping customers to refine their scripts using the language as well as substantially lowering some of the financial barriers to SyncSort UNIX customers' switching to other products.

H. IRI Used Proprietary Syncsort Materials -- and No Public Materials -- to Learn the SyncSort UNIX Command Language.

48. IRI has admitted that it has provided what its President characterizes as the "useful" service of "convert[ing] [Syncsort customers' scripts] in an accurate way and in a timely

way” before their SyncSort UNIX license periods ended.

49. In 2000, IRI used the SyncSort UNIX command language to develop a computer program capable of translating scripts written in the SyncSort UNIX command language into scripts in the SortCL command language. That computer program is known as SSU2SCL. IRI also developed a computer program known as RESCRIPT that would automatically run CoSORT and SortCL on a translated SyncSort UNIX script. IRI distributes SSU2SCL and RESCRIPT as parts of its CoSORT product.

50. Rick Haines, the IRI programmer who wrote SSU2SCL and RESCRIPT, relied on only two sources of information to learn the SyncSort UNIX command language: the SyncSort UNIX Reference Guide and SyncSort UNIX scripts.

I. IRI Used Syncsort’s Secret Reference Guide to Create Its Translator Software.

51. It is not possible for IRI to have developed SSU2SCL without access to confidential SyncSort UNIX programming interface information, such as that contained in the Reference Guide.

52. Until almost two years into the pretrial discovery phase of *Syncsort I*, IRI explicitly denied, and attempted to conceal, its use of the Reference Guide in developing SSU2SCL. It was not until Rick Haines was presented at his deposition on April 20, 2006 with the word-for-word correspondence between the SSU2SCL source code (produced by IRI in discovery in *Syncsort I* in September 2005) and information in the Reference Guide that any IRI officer, employee or agent expressed any view on the subject other than an outright denial of IRI’s use of the Reference Guide to develop SSU2SCL. On November 13, 2006, IRI for the first time acknowledged that it “might have referred to the SyncSort Manual” in designing SSU2SCL. Yet, even as of the date of this complaint, IRI continues to refuse to acknowledge that it did in

fact use the Reference Guide to develop SSU2SCL.

53. As noted, certain translation mechanisms in the SSU2SCL source code track the Reference Guide word-for-word. This tracking is not a coincidence. The source code demonstrates that IRI misappropriated parts of its translator code wholesale from the definitions of the lexical elements, syntax and semantics of the SyncSort UNIX command language as they were specifically set out in the Reference Guide.

54. Two components (among others) comprise SSU2SCL, a lexical analyzer and parser, which reads and “understands” the lexical elements and syntax of the source language, and a code generator, which produces a script in the target language. Haines created SSU2SCL with the assistance of software tools that automatically generated the lexical analyzer and parser components of SSU2SCL. In order to generate a parser, these software tools require the programmer to input a grammar of the source language. As is evident from the source code, Haines inputted the grammar of the SyncSort UNIX command language using definitions of lexical elements, syntax and semantics from the Reference Guide, which do not appear in users’ scripts.

55. Haines used the Reference Guide in order to create the part of SSU2SCL that was able to read and understand the SyncSort UNIX command language. In addition, other IRI personnel acquired secret information regarding the SyncSort UNIX command language as a result of reading IRI’s purloined copy of the SyncSort UNIX Reference Guide.

J. IRI Used Syncsort’s Licensees’ Scripts to Gain Knowledge About the Language and to Test and Refine Its Translator Software.

56. In addition, IRI intentionally made efforts to obtain as many scripts from SyncSort customers as it could. It did this, at first, to attempt to gain familiarity with the SyncSort UNIX command language and, later, to test SSU2SCL, which, as alleged above, was

developed with direct input from Syncsort's Reference Guide. In so doing, IRI, by its own account, did not hesitate to obtain SyncSort UNIX job-control scripts from SyncSort UNIX customers. By the time that IRI began to develop SSU2SCL, it had collected between ten and 100 SyncSort UNIX scripts from customers. In the following years, IRI collected many more scripts, which it used to test and improve SSU2SCL.

57. In particular, IRI used the scripts to create a "test suite" of scripts to test the valid functioning of SSU2SCL. Each script contains information about the SyncSort UNIX command language which causes the translator to generate a proper SortCL script or to fail to do so. Thus, SyncSort UNIX scripts provide valuable trade secret information concerning whether a translator will correctly translate the script. In addition, SyncSort UNIX scripts were useful to IRI in adding to SSU2SCL the ability to translate a small number of new lexical elements that first appeared in SyncSort UNIX after Syncsort produced the version of the Reference Guide that IRI obtained.

58. These scripts contained information about the SyncSort UNIX command language that was communicated to possessors of the scripts in confidence.

59. The scripts, to the extent that they contained information about the SyncSort UNIX command language communicated in confidence, were disclosed to IRI, directly or indirectly, in breach of that confidence.

K. IRI Developed Its Translator Software in Order to Take Away SyncSort UNIX Customers.

60. IRI's manifest purpose in developing SSU2SCL and RESCRIPT was to take away Syncsort's customers by creating an artificial one-way cross-compatibility between the two programs. As Haines has admitted, the task that IRI wanted him to accomplish was to create a program that would be able to translate SyncSort scripts into SortCL scripts that would generate

the same output files. The only logical user that would want to use SyncSort scripts to create CoSORT output files would be a user that had previously been a SyncSort UNIX customer and now wanted the ability to switch to CoSORT to perform the identical tasks that it previously had accomplished with SyncSort UNIX.

61. IRI has admitted that the translator that IRI actually developed was, in fact, useful and important for converting SyncSort UNIX customers to CoSORT in precisely the way that IRI had originally envisioned, and such customers constituted a significant share of IRI's business. These IRI customers are former SyncSort UNIX licensees who developed their SyncSort UNIX scripts under license. IRI has also provided the "service" of using SSU2SCL to convert scripts on a bulk basis for prospective customers, and several of its employees also have used information gleaned from the purloined Reference Guide to translate or rewrite numerous scripts for prospective customers.

62. IRI also markets CoSORT, in combination with SSU2SCL, as a replacement for SyncSort UNIX on its website and elsewhere. For example, IRI's website description of CoSORT's capabilities has listed SyncSort UNIX among the "Direct, Drop-In (Plug'n'Play) Third Party Sort Replacements Available from CoSORT." In another instance, IRI published a "Legacy Sort Migration" "White Paper" which states that CoSORT (combined with SSU2SCL and RESCRIPT) "features drop-in replacement facilities for near-term SyncSort UNIX lease expiry situations," such that "existing sort application scripts stay in place" and "operations can continue without any migration effort."

63. IRI's website currently advertises SSU2SCL's ability to make SyncSort UNIX scripts "run in CoS[ORT] instead" as well as IRI's ability to "assist [the customer] in that [script conversion] process."

L. IRI Obtained Information About the SyncSort UNIX Command Language that It Knew or Should Have Known Had Been Disclosed in a Breach of Confidence.

64. IRI obtained a copy of the SyncSort UNIX Reference Guide bearing a 1996 date from a Brazilian CoSORT distributor or reseller. IRI's purloined 1996 version of the Reference Guide, like all other versions, was clearly labeled with Syncsort's name and trademarks, and expressly stated that it was only for use by SyncSort licensees. The copy of the Reference Guide in IRI's possession contained the following legend on page two thereof:

This document contains proprietary and confidential material, and is only for use by lessees of the SyncSort proprietary software system. This publication may not be reproduced in whole or in part, in any form, except with written permission from Syncsort Incorporated.

65. Had IRI obtained the Reference Guide as a licensee or a prospective licensee, it necessarily would have entered into an agreement to keep the information confidential.

66. The Reference Guide itself was disclosed to IRI, directly or indirectly, in breach of the confidence that existed between Syncsort and the party to whom it was initially given.

67. It is well-established practice in the computer software industry to treat materials of a competitor, such as a product manual legended as proprietary and confidential, as confidential, to consult with counsel as to any prospective use or possession thereof, and to refer to the appropriate terms of any applicable legal agreements to determine the scope of the restrictions on use and disclosure of such manuals. In addition, it is standard industry practice to assume, absent proper permission or competent legal advice to the contrary, that any of a competitor's materials bearing confidentiality notices are not to be used in building or augmenting a competing software product. IRI, in contrast, immediately used the copy of the Reference Guide that it obtained, without permission or proper legal guidance, for the purpose of improving IRI's script conversion capabilities and developing what ultimately became

SSU2SCL.

68. Once IRI finally created a robust translator, IRI immediately began using SSU2SCL to convert the SyncSort UNIX scripts of SyncSort licensees to whom IRI was attempting to sell CoSORT licenses.

69. IRI obtained *all* of its substantive knowledge of the SyncSort UNIX command language through persons who only had access to that language because of their agreement to keep it confidential. IRI knew or should have known that both the SyncSort UNIX scripts and the Reference Guide in IRI's possession were disclosed to IRI in breach of a Syncsort confidentiality agreement.

M. Syncsort Faces Irreparable Injury and Hardship Due to IRI's Translator.

70. If IRI is not enjoined from the wrongful conduct described herein, Syncsort will be injured, because: (i) SSU2SCL materially reduces the costs of switching to CoSORT for SyncSort UNIX licensees; (ii) such reduction substantially increases the likelihood that those licensees will switch (or successfully pressure Syncsort into price reductions); and (iii) consequently, Syncsort will likely suffer continuing lost sales and profits, in a manner that could be difficult or burdensome to quantify.

71. Syncsort has lost numerous customers to IRI by reason of IRI's use of SSU2SCL and Syncsort has suffered damages in excess of \$1 million on account of such lost customers.

72. Syncsort has also been forced to grant substantial discounts at the time of renewal of SyncSort licenses by reason of competition from CoSORT. In many, if not most, of such situations, the existence of SSU2SCL or IRI's other translation capabilities acquired through trade secret misappropriation proximately caused Syncsort's necessity of granting discounts in order to retain certain customers' business. Syncsort has suffered damages in excess of \$5 million on account of such discounts proximately caused by IRI's trade secret misappropriation.

73. For example, in 2009, Syncsort was forced to grant an approximately 60% discount to AT&T in order to retain business in the face of competition from CoSort, in a transaction where CoSort would not have been a viable alternative to AT&T in the absence of the SSU2SCL translator. The harm to Syncsort attributable to the translator on this one transaction alone has been multiple millions of dollars.

74. In addition, also in 2009, in Korea, Syncsort lost at least one customer to IRI and was forced to give a substantial discount to another customer in order to retain that customer in the face of competition from CoSORT. These events were proximately caused by IRI's wrongful acquisition of SyncSort UNIX script translation capabilities.

75. Although it is possible to quantify a minimum amount of damages caused by IRI's trade secret misappropriation from 2007 to the present, it is not possible to quantify the actual full amount of such damages.

76. IRI continues to use the services of employees who have been tainted by prolonged exposure to SyncSort UNIX scripts and possession and use of the Reference Guide.

77. IRI continues to solicit scripts from SyncSort UNIX licensees.

78. IRI continues to attempt to take customers away from Syncsort by means of providing the script translation capabilities that IRI has acquired through trade secret misappropriation.

COUNT ONE (MISAPPROPRIATION OF TRADE SECRETS)

79. Syncsort repeats and realleges the allegations contained in paragraphs 1 through 78 as if fully set forth herein.

80. Syncsort has a trade secret interest in the SyncSort UNIX command language.

81. IRI's conduct as aforesaid constitutes misappropriation of Syncsort's trade secrets.

82. As a result of IRI's acts of misappropriation, Syncsort has been injured and has suffered damages for the period 2007 to the present, and Syncsort will continue to incur damages unless IRI ceases its wrongful conduct.

83. Syncsort has suffered and will continue to suffer irreparable injury and hardship as a result of IRI's conduct as aforesaid. Unless enjoined, IRI will continue to act in the unlawful manner complained of herein and, thus, will continue to cause irreparable injury and hardship to Syncsort.

84. Syncsort has no adequate remedy at law.

85. Syncsort has been prompt and diligent in pursuing its rights, and has not engaged in any unreasonable delay or other misconduct.

86. The balance of the equities favors issuance of injunctive relief to Syncsort.

87. The interests of others, including the public, would not be materially impacted by the issuance of the requested injunctive relief.

88. The requested injunctive relief would not be impractical.

COUNT TWO (UNFAIR COMPETITION)

89. Syncsort repeats and realleges the allegations contained in paragraphs 1 through 78 as if fully set forth herein.

90. IRI's conduct as aforesaid constitutes common law unfair competition.

91. As a result of IRI's acts of unfair competition, Syncsort has been injured and has suffered damages for the period 2007 to the present, and Syncsort will continue to incur damages unless IRI ceases its wrongful conduct.

92. Syncsort has suffered and will continue to suffer irreparable injury and hardship as a result of IRI's conduct as aforesaid. Unless enjoined, IRI will continue to act in the unlawful manner complained of herein and, thus, will continue to cause irreparable injury and

hardship to Syncsort.

93. Syncsort has no adequate remedy at law.

94. Syncsort has been prompt and diligent in pursuing its rights, and has not engaged in any unreasonable delay or other misconduct.

95. The balance of the equities favors issuance of injunctive relief to Syncsort.

96. The interests of others, including the public, would not be materially impacted by the issuance of the requested injunctive relief.

97. The requested injunctive relief would not be impractical.

COUNT THREE (TORTIOUS INTERFERENCE WITH PROSPECTIVE ECONOMIC ADVANTAGE)

98. Syncsort repeats and realleges the allegations contained in paragraphs 1 through 78 as if fully set forth herein.

99. Syncsort has had a reasonable expectation of economic advantage in licensing SyncSort UNIX at or near the full list price for that software to certain customers from the period of 2007 onwards. Syncsort has been and continues to be in pursuit of those customers' business.

100. Syncsort has had a reasonable expectation of economic advantage in renewing licenses of SyncSort UNIX at or near the price such licensees were paying for that software under licenses that were about to expire, during the period of 2007 onwards. Syncsort has been and continues to be in pursuit of those customers' renewal business.

101. IRI, by its conduct as aforesaid, interfered with that reasonable expectation intentionally and with malice by using SSU2SCL, RESCRIPT, and its other translation capabilities in an effort to convince those customers to license CoSORT as opposed to SyncSort UNIX. But for SSU2SCL, RESCRIPT and IRI's other translation capabilities -- all of which arose from IRI's wrongful conduct, including misappropriation of Syncsort's trade secrets as

aforesaid -- those customers would not have considered CoSORT a viable alternative to SyncSort UNIX.

102. IRI's use of SSU2SCL, RESCRIPT and its other translation capabilities in its effort to convince these customers to license CoSORT was intentional and without legal justification or excuse.

103. As a result of IRI's intentional interference, Syncsort was unable to sell or renew licenses to one or more of its customers and was forced to discount its price by millions of dollars to one or more of its customers, which lost sales and discounts would not have occurred, respectively, absent the intentional interference.

104. As a result of IRI's tortious conduct, Syncsort has been injured and has suffered damages for the period 2007 to the present, and Syncsort will continue to incur damages unless IRI ceases its wrongful conduct.

105. Syncsort has suffered and will continue to suffer irreparable injury and hardship as a result of IRI's conduct as aforesaid. Unless enjoined, IRI will continue to act in the unlawful manner complained of herein and, thus, will continue to cause irreparable injury and hardship to Syncsort.

106. Syncsort has no adequate remedy at law.

107. Syncsort has been prompt and diligent in pursuing its rights, and has not engaged in any unreasonable delay or other misconduct.

108. The balance of the equities favors issuance of injunctive relief to Syncsort.

109. The interests of others, including the public, would not be materially impacted by the issuance of the requested injunctive relief.

110. The requested injunctive relief would not be impractical.

DEMAND FOR RELIEF

WHEREFORE, Syncsort requests the following relief:

a) Temporary, preliminary and permanent injunctive relief prohibiting IRI, its officers, agents, servants, employees and attorneys, and those persons in active concert and participation with them who receive actual notice of the Court's order by personal service or otherwise, from

1. using, marketing, selling or distributing the software utilities known as "SSU2SCL" and "RESCRIPT" or any other software utility that includes the capabilities of interpreting, parsing or translating the SyncSort UNIX command language (hereinafter "Accused Conversion Utilities");
2. accessing or using any information derived from Syncsort's software products, including associated printed documentation and materials (including, without limitation, any version of the SyncSort UNIX Reference Guide, any "man pages" containing similar information and any job-control scripts written in the SyncSort UNIX language ("SyncSort UNIX job-control scripts"));
3. engaging in any activities with the objective of interpreting, parsing or translating (or assisting in such activities), or assisting in any other activities regarding the translation of, SyncSort UNIX job-control scripts into any other computer language, including without limitation SortCL;
4. soliciting or accepting copies of SyncSort UNIX job-control scripts from any person;
5. making any reference to the Accused Conversion Utilities in any website, advertising or marketing materials;
6. making any reference to the ability to translate SyncSort UNIX job-control scripts into any other computer language, including without limitation SortCL, in any website, advertising or marketing materials;
7. representing, in any website, marketing materials, sales calls or otherwise, that IRI's CoSORT software provides a "Direct, Drop-In (Plug 'n' Play)" or similarly-described replacement for Plaintiff's software products;

8. inducing any SyncSort customer to disclose to any of them information regarding Plaintiff's software products, including associated printed documentation and materials or any SyncSort UNIX job-control script.

b) That IRI be required to pay to Syncsort such damages (including prejudgment interest) as Syncsort has sustained in consequence of IRI's misappropriation of Syncsort's trade secrets, unfair competition, and tortious interference with prospective economic advantage, and to account for all gains, profits and advantages derived by IRI by said trade secret misappropriation, unfair competition and tortious interference with prospective economic advantage; and all gains, profits and advantages derived by IRI by its wrongful conduct or such damages as to the Court shall appear proper.

c) That IRI be required to pay punitive damages to plaintiff.

d) That IRI pay to Syncsort the costs of this action and reasonable attorneys' fees to be allowed to Syncsort by the Court.

e) That Syncsort have such other and further relief as is just.

Dated: March 4, 2010

HUGHES HUBBARD & REED LLP
A New York Limited Liability Partnership

By: /s/ Ronald Abramson
Ronald Abramson

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Attorneys for Plaintiff Syncsort Incorporated

CERTIFICATION PURSUANT TO LOCAL RULE 11.2

Certain elements of the matter in controversy are the subject of *Syncsort v. Innovative Routines International, Inc.*, Civil Action No. 04-3623 (WHW), between the same parties as are parties to the instant action. Other than the foregoing, I certify that I am not aware of the matter in controversy being the subject of any other court, arbitration or administrative proceeding pending in any court or arbitration forum. I certify that no such action or arbitration proceeding is presently contemplated.

Dated: March 4, 2010

/s/ Ronald Abramson
Ronald Abramson

CERTIFICATION PURSUANT TO LOCAL RULE 201.1

I certify that the damages recoverable in this action exceed \$150,000 exclusive of interest and costs and any claim for punitive damages.

Dated: March 4, 2010

/s/ Ronald Abramson
Ronald Abramson