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UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF CALIFORNIA

STRAYFIELD LIMITED,  
Plaintiff,

NO. CIV. S-11-2631 LKK/GGH

v.

O R D E R

RF BIOCIDICS, INC., and  
ALLIED MINDS, INC.,  
Defendants.

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This case arises out of the alleged theft, by defendants Allied Minds, Inc. and RF Biocidics, Inc., of plaintiff Strayfield Limited's trade secrets, and of plaintiff's confidential and proprietary information. Plaintiff sues pursuant to: (i) the California Uniform Trade Secrets Act ("CUTSA"), Cal. Civ. Code §§ 3426 et seq.; (ii) common law misappropriation; and (iii) California's Unfair Competition Law ("UCL"), Cal. Civ. Code §§ 17200 et seq. Defendants' dismissal motions came on for hearing on January 17, 2012. For the reasons set forth below, the motions

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1 will be denied.<sup>1</sup>

2 **I.**

3 Defendant Allied moves to dismiss the complaint, asserting  
4 that plaintiff lacks Article III standing. In fact, plaintiff  
5 alleges that it suffered concrete economic injury as the result of  
6 the conduct of defendant Allied (as well as defendant RF  
7 Biocidics), and it seeks relief capable of redressing that injury.  
8 No more is required to allege standing. See Lujan v. Defenders of  
9 Wildlife, 504 U.S. 555, 560-61 (1992) (standing elements are injury  
10 in fact, causality and likelihood of redress). Allied's Fed. R.  
11 Civ. P. 12(b)(1) motion to dismiss for lack of Article III standing  
12 is therefore **DENIED**.

13 **II.**

14 Defendants Allied and RF Biocidics move to dismiss plaintiff's  
15 state claims, for misappropriation and unfair competition, for  
16 failure to state a claim, on the grounds that they are preempted  
17 by the CUTSA. Even assuming that defendants are correct that the  
18 California Uniform Trade Secrets Act (CUTSA) fully occupies the  
19 area of state trade secrets law, they have not shown that CUTSA  
20 preempts common law misappropriation claims and unfair competition  
21 law claims that pertain to intellectual property other than trade  
22 secrets. See United States Golf Assn. v. Arroyo Software Corp.,  
23 69 Cal. App.4th 607, 618 (3rd Dist. 1999) (discussing

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25 <sup>1</sup> Plaintiff does not oppose defendants' motions to dismiss its  
26 claims for Constructive Trust and for an Accounting. Those motions  
will be granted.

1 misappropriation as a claim separate and apart from trade secret  
2 claim) (citations omitted); City Solutions, Inc. v. Clear Channel  
3 Communications, 365 F.3d 835, 842 (9th Cir. 2004) (treating unfair  
4 competition claim as a claim separate and apart from trade secret  
5 claim). At this stage, the court cannot disregard plaintiff's  
6 allegations that defendants misappropriated non-trade secret  
7 intellectual property, as that is a factual matter inappropriate  
8 for resolution at this stage.<sup>2</sup> Defendants' Rule 12(b)(6) motions  
9 are therefore **DENIED**.

### 10 III.

11 Defendants Allied and RF Biocidics move to dismiss the CUTSA  
12 and UCL claims on the grounds that the complaint does not specify  
13 what conduct each defendant is alleged to have engaged in, thus  
14 violating Fed. R. Civ. P. 8(a). Defendants complain they they do  
15 not know which allegations apply to which defendant, and that they  
16 do not know what plaintiff means by "Defendant" and what it means  
17 by "Defendants." Defendants' confusion is difficult to understand.  
18 The Complaint is a short and plain statement setting forth in  
19 detail what conduct each defendant allegedly engaged in, and the  
20 first paragraph of the complaint defines the terms "Defendant" and  
21 "Defendants." Defendants' motions to dismiss for failure to comply  
22 with Rule 8(a) are therefore **DENIED**.

### 23 CONCLUSION

24 Defendants' dismissal motions (Dkt. No. 25) are resolved as

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26 <sup>2</sup> Plaintiff has specifically excluded from these claims, any  
allegations that defendants stole their trade secrets.

1 follows:

2 1. Defendants' motions to dismiss the causes of action for  
3 Constructive Trust and Accounting are **GRANTED**.

4 2. Plaintiff shall file an amended complaint without the  
5 dismissed causes of action, no later than fourteen (14) days from  
6 the date of this order.

7 3. Defendants' remaining motions to dismiss are **DENIED**.

8 IT IS SO ORDERED.

9 DATED: January 18, 2012.

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LAWRENCE K. KARLTON  
SENIOR JUDGE  
UNITED STATES DISTRICT COURT