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RICHARD W. WIEKING
CLERK, U.S. DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

PSG

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF CALIFORNIA

SUNPOWER CORPORATION, a
Delaware corporation,

Plaintiff,

v.

SOLARCITY CORPORATION, a
Delaware corporation; TOM LEYDEN, an
individual; MATT GIANNINI, an
individual; DAN LEARY, an individual;
FELIX AGUAYO, an individual; ALICE
CATHCART, an individual,

Defendants.

Cas No. **CV 12-00694**
**DECLARATION OF MARK BRONEZ
IN SUPPORT OF PLAINTIFF'S
MOTION FOR TEMPORARY
RESTRAINING ORDER**

1 I, Mark Broncz, declare and state as follows:

2 1. I am the head of North American sales to Commercial customers at SunPower
3 Corporation ("SunPower"), Plaintiff in this action. I submit this Declaration in Support of
4 SunPower's Motion for Temporary Restraining Order. The following statements are based
5 on my personal knowledge unless otherwise indicated.

6 2. SunPower was founded more than a quarter-century ago to deliver sustainable
7 energy to homes, businesses, utilities, and government agencies around the world. Today,
8 SunPower designs, manufactures, and delivers the highest efficiency and highest reliability
9 solar panels and systems available. SunPower solar panels and systems are used around the
10 world in diverse locations including individual homes, corporations, and large solar power
11 plants. Headquartered in San Jose, Calif., SunPower has offices in North America, Europe,
12 Australia and Asia.

13 3. SunPower maintains a database to manage sales contacts and data on
14 www.salesforce.com. Tom Leyden, Matt Giannini, Dan Leary, Felix Aguayo, and Alice
15 Cathcart regularly accessed this database as a part of their employment duties. This database
16 includes information regarding past sales activity and potential leads on new sales. The
17 database contains contact information, previously sold products, potential interest in new
18 products, prior sales, potential new sales, status, pricing, direct profit margins of projects, and
19 other highly confidential information. This information is vital to the success of any
20 employee involved in sales.

21 4. SunPower has invested a large amount of resources and employee hours
22 developing the commercial solar industry. As a result, SunPower is one of the leading
23 manufacturers and distributors of solar panels in the world. Much of this success is related to
24 our research and analysis of the solar market, resulting in significant amounts of trade-secret
25 and proprietary information of incredible value. This information includes market and
26 business forecasts detailing potential target customers, regions and industries. SunPower has
27 also developed countless tools and models for financial planning and quote generation. This
28 information is invaluable to the success of a commercial solar sales department.

1 5. SolarCity is a distributor of solar panels and systems. Until recently, SolarCity
2 primarily sold solar panels in the residential market and has not had a significant presence in
3 the commercial solar market. As a result, it is my understanding that SolarCity's commercial
4 sales department is much less mature than SunPower's and lacks the information and know-
5 how that SunPower has developed over time. This information would take years to
6 independently develop.

7 6. I reviewed keyword searches of files that appear to have been stolen from
8 SunPower by Tom Leyden. These files appear to include hundreds of quotes, proposals, and
9 contracts, as well as files containing market analysis, forecast analysis, business analysis and
10 Solar Renewable Energy Credits (SRECs) incentives analysis. Several of these files appear
11 to be critical market summaries and business plans containing the details of targeted potential
12 customers, forecasts, incentives, and overall sales. These files also include quote generation
13 tools that contain specific SunPower customer data, costs, and analysis. Several of these files
14 are related to areas of SunPower's business that Mr. Leyden was not involved in and would
15 have no reason to access. This information is extremely valuable to SunPower, any sales
16 person in the solar industry, and SunPower's competitors.

17 7. I reviewed information provided by www.salesforce.com, indicating that Mr.
18 Leyden downloaded data from www.salesforce.com on August 17, 2011. This data included
19 information about major SunPower customers accounting for over \$100 million of sales
20 throughout 2011. The data also contained the name of the SunPower employee that was
21 responsible for these sales. Those SunPower employees included Mr. Aguayo, Mr. Leary,
22 and Ms. Cathcart.

23 8. I reviewed keyword searches of files that appear to have been stolen from
24 SunPower by Felix Aguayo. These files appear to include thousands of proposals, contracts,
25 and quotes, as well as hundreds of files containing cash flow analysis, market analysis,
26 business analysis, forecast analysis, SREC analysis, and selling strategies. Several of these
27 files appear to be critical business plans containing the details of targeted potential customers,
28 forecasts, incentives, and overall sales. These files also include a proposal generation matrix

1 that provides forecasts of SunPower's solar panel manufacturing costs for the next four years.
2 This information is extremely valuable to SunPower, any sales person in the solar industry,
3 and SunPower's competitors.

4 9. Mr. Aguayo also appears to have copied a large amount of information related
5 to at least one large account he had worked on at SunPower. This information contained vital
6 details of SunPower's prior and forecasted dealings with this customer that would allow
7 Aguayo to unfairly compete against SunPower. It is my understanding that SolarCity tried to
8 win a solar project from SunPower with this company in December..

9 10. I reviewed keyword searches of files that appear to have been stolen from
10 SunPower by Dan Leary. These files appear to include over 40,000 quotes, contracts,
11 proposals, and deals, as well as hundreds of files containing cash flow analysis, market
12 analysis, business analysis, and forecast analysis. Several of these files appear to be critical
13 forecasts, agreements, and several different models used for financial planning. These files
14 include thousands of engineering procurement and construction contracts, performance
15 guarantee contracts, operations and maintenance contracts, SREC contracts, power purchase
16 agreements, SunPower guarantees for projects, sub-contractor contracts, and customer-
17 executed contracts. These contracts contain extremely sensitive customer information and
18 will allow Mr. Leary and SolarCity to target our major accounts and sell more successfully to
19 other customers. Several of these files are related to areas of SunPower's business that Mr.
20 Leary was not involved in and would have no reason to access.

21 11. Mr. Leary also appears to have copied a large amount of information related to
22 at least one large account he had worked on at SunPower. In addition to Mr. Leary's
23 copying, Mr. Leyden also appears to have copied a significant number of files related to this
24 same customer. This information contained vital details of SunPower's prior and forecasted
25 dealings with this customer that would allow Mr. Leary to unfairly compete against
26 SunPower.

27 12. We recently submitted a proposal for a multi-million dollar project for that
28 large customer. As part of the proposal, SunPower employees met the customer at their

1 location. While there, they encountered Mr. Leary, who appeared to also be walking the
2 location in preparation to submit a competing proposal. The information Mr. Leary and Mr.
3 Leyden appear to have copied may allow SolarCity to predict and counter SunPower's bid.

4 13. I reviewed keyword searches of files that appear to have been stolen from
5 SunPower by Alice Cathcart. These files appear to include proposals, contracts, quotes, and
6 deals, as well as files containing cash flow analysis, project economics, and market analysis.
7 Several of these files appear to be critical pricing lists, talking points, and at least one file that
8 provides forecasts of SunPower's solar panel costs for the next four years. Several of these
9 files are related to areas of SunPower's business that Ms. Cathcart was not involved in and
10 would have no reason to access. This information is extremely valuable to SunPower, any
11 sales person in the solar industry, and SunPower's competitors.

12 14. I reviewed information provided by www.salesforce.com, indicating that Ms.
13 Cathcart downloaded data from www.salesforce.com on November 4, 2011. It appears that
14 Ms. Cathcart downloaded three separate reports from www.salesforce.com. It appears that
15 this data included confidential sales and contact information for SunPower customers.

16 15. I reviewed keyword searches of files that appear to have been stolen from
17 SunPower by Matt Giannini. These files appear to include hundreds of quotes, deals,
18 proposals and contracts, as well as files containing forecast analysis, market analysis, and
19 business analysis. Several of these files appear to be critical agreements, contracts,
20 termsheets, and business plans containing the details of targeted potential customers,
21 forecasts, incentives, and overall sales. This information is extremely valuable to SunPower,
22 any sales person in the solar industry, and SunPower's competitors.

23 16. It also appears that Mr. Giannini copied critical strategic market forecasts for
24 two strategic markets that Mr. Giannini was involved in during his employment at SunPower.
25 I am informed that SolarCity has now begun competing in these markets.

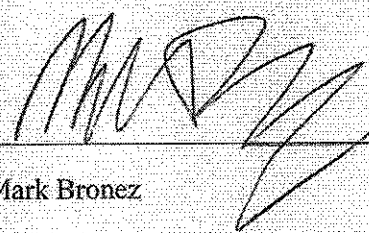
26 17. The information that appears to have been stolen by Mr. Leyden, Mr. Aguayo,
27 Mr. Leary, Ms. Cathcart, and Mr. Giannini is incredibly valuable to individual sales persons
28 and our corporate competitors alike. This information is valuable because it provides

1 competitive advantage in selecting which markets to pursue, selecting the best market
2 strategies, knowing SunPower's strengths to mitigate and weaknesses to exploit in attacking
3 markets, and competing to win new customer projects. Because SolarCity's large
4 commercial sales group was much less mature than SunPower's, the information also gives
5 SolarCity tools, templates, and knowledge to gain large commercial sales expertise faster than
6 they would without it.

7 I declare under penalty of perjury under the laws of the United States of America that
8 the foregoing is true and correct.

9 Executed on February 11, 2012 in San Francisco, California.

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Mark Bronez

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