

# **EXHIBIT 1**

**IN THE UNITED STATES DISTRICT COURT  
FOR THE NORTHERN DISTRICT OF ILLINOIS  
EASTERN DIVISION**

AMERICAN AUDIO VISUAL CO. d/b/a  
ABSOLUTE PRODUCTION SERVICES,

Plaintiff,

v.

PAULA A. ROUILLARD and MARKETING  
GROUP WEST,

Defendants.

No. 07 C 4948

Judge Coar  
Magistrate Judge Keys

**FIRST AMENDED COMPLAINT**

Plaintiff AMERICAN AUDIO VISUAL CO. d/b/a ABSOLUTE PRODUCTION SERVICES, CO. ("APS"), by undersigned counsel, complains of Defendants PAULA A. ROUILLARD ("Rouillard") and MARKETING GROUP WEST ("MGW") as follows:

**PARTIES**

1. Plaintiff APS is an Illinois corporation organized and existing under the laws of Illinois with its principal place of business at 9827 West Farragut Street in Rosemont, Illinois. APS is engaged in the business of providing coordination and audio/visual production services for major corporate events such as corporate meetings, trade shows, and brand roll-outs.

2. Defendant Rouillard is a natural person and former employee of Plaintiff APS with her primary residence at 4010 West Carol Avenue, Phoenix, Arizona 85051.

3. Defendant MGW is a California corporation with its principal place of business at 3223 Crow Canyon Road, San Ramon, California 94583.

**JURISDICTION**

4. This court has subject matter jurisdiction over this action pursuant to 28 U.S.C. § 1332 based upon the complete diversity of citizenship between Plaintiff and Defendants and because the amount in controversy, exclusive of interest and costs, exceeds \$75,000.00.

5. Venue is proper in this case because a substantial part of the events or omissions giving rise to the claim occurred in Cook County, Illinois. 28 U.S.C. §1391.

**STATEMENT OF FACTS AS TO ALL COUNTS**

6. In April, 2005, Defendant Rouillard began working as a full-time employee of Plaintiff APS with full benefits in the position of Account Executive.

7. Defendant Rouillard was responsible for promoting Plaintiff APS's business and obtaining clients for Plaintiff APS.

8. Defendant Rouillard received salary, plus commissions and a full benefit package.

9. As part of her employment agreement with Plaintiff APS, Defendant Rouillard executed a "Work Made-For-Hire and Proprietary Information Agreement" ("Agreement," a true and correct copy of which is attached hereto as Exhibit 1).

10. According to the Agreement, Defendant Rouillard agreed that for a period of one year following termination of her employment she would not "solicit, divert or initiate any contact with (or attempt to solicit, divert or initiate any contact with) any customer, client, independent contractor or employee of Plaintiff APS for any commercial or business reason whatsoever." (See Ex. 1 at 5).

11. As part of her sales efforts, Defendant Rouillard obtained Ventana Medical Systems, Inc. ("Ventana") as a new client to Plaintiff APS.

12. In 2005, Ventana hired Plaintiff APS to provide audio/visual services for Ventana's 2006 Annual Corporate Meeting held on January 16-18, 2006.

13. It takes Ventana approximately one year to plan its Annual Corporate Meeting.

14. During its negotiations, Ventana informed Defendant Rouillard that it was looking for an event planner to coordinate its meeting so Defendant Rouillard introduced Ventana to Premier Events who stepped in to act as the contractor.

15. Although Plaintiff APS was hired directly by Ventana and paid Plaintiff APS a deposit, Plaintiff APS was technically a subcontractor to Premier for Ventana's 2006 Annual Corporate Meeting.

16. Ventana was satisfied with the work of Premier and Plaintiff APS.

17. Following Ventana's January 2006 Annual Meeting, Ventana, Premier and Defendant Rouillard, as a representative of Plaintiff APS, began planning for Ventana's 2007 Annual Corporate Meeting.

18. Ventana's Annual Meeting for 2007 was scheduled for January 11-15, 2007.

19. On December 11 and 19, 2006, Plaintiff APS prepared and submitted its proposals to provide audio/visual services for the 2007 Meeting.

20. One month prior to Ventana's event, on or around December 11, 2006, Defendant Rouillard tendered her resignation to Plaintiff APS and accepted employment with Defendant MGW, a competitor of Plaintiff APS.

21. Defendant Rouillard's last day of employment with Plaintiff APS was December 22, 2006.

22. Defendant Rouillard contacted Ventana and informed them that she was quitting Plaintiff APS to work for Defendant MGW.

23. Rouillard then diverted Ventana's business to her new employer, Defendant MGW.

24. Ventana hired MGW (through Premier Events), and not Plaintiff APS, for the audio/visual portion of its 2007 Meeting.

25. Defendant MGW knew Defendant Rouillard was under a non-compete agreement with Plaintiff APS and also knew that APS was finalizing its contract with Ventana (through Premier Events) to provide audio/visual services for Ventana's 2007 Meeting.

**COUNT I: TORTIOUS INTERFERENCE WITH BUSINESS EXPECTANCY**  
**(DEFENDANT PAULA ROUILLARD)**

1-25. Plaintiff adopts and realleges paragraphs 1 - 25 as paragraphs 1 - 25 of Count I as though fully set forth herein.

26. At all relevant times and for an entire year, Plaintiff APS, through Defendant Rouillard, negotiated and fully expected that Ventana would hire Plaintiff APS for the production of its 2007 Meeting.

27. Defendant Rouillard had knowledge that Ventana intended to utilize Plaintiff APS for its services and that APS had expected to provide services to Ventana.

28. Defendant Rouillard also knew that Ventana's annual corporate event took almost an entire year to plan and she had personal knowledge she was leaving Plaintiff APS prior to Ventana's annual corporate event.

29. As part of her plan to divert Ventana's business for the benefit of her soon to be employer, Defendant MGW, Defendant Rouillard informed Ventana that she would be joining Defendant MGW in an effort to solicit that business for her new employer.

30. Accordingly, Ventana hired Defendant MGW (through Premier Events), and not Plaintiff APS, for the audio/visual portion of the 2007 Meeting.

31. Defendant Rouillard's interference with Plaintiff APS's business expectancy was willful, wanton and knowing.

32. As a result of Defendant Rouillard's interference with Plaintiff APS's business expectancy, Plaintiff APS suffered damages.

**COUNT II: BREACH OF EMPLOYMENT CONTRACT**  
**(DEFENDANT PAULA ROUILLARD)**

1-32. Plaintiff adopts and realleges paragraphs 1 – 32 of Count I as paragraphs 1 - 32 of Count II as though fully set forth herein.

33. Pursuant to the Agreement executed by Defendant Rouillard and Plaintiff APS, Rouillard promised that she would “not solicit, divert or initiate any contact with (or attempt to solicit, divert or initiate any contact with) any customer, client independent contractor or employee of Plaintiff APS for any commercial or business reason whatsoever” for a period of one year following termination of her employment at Plaintiff APS.

34. Defendant Rouillard had a duty to Plaintiff APS to comply with the terms of her employment.

35. In breach of the Agreement, Defendant Rouillard contacted, solicited and/or diverted Ventana's business and customer relationship away from Plaintiff APS in favor of her new employer, Defendant MGW.

36. As a result of Defendant Rouillard's breach of the Agreement, Plaintiff APS suffered damages.

**COUNT III: BREACH OF FIDUCIARY DUTY**  
**(DEFENDANT PAULA ROUILLARD)**

1-36. Plaintiff adopts and realleges paragraphs 1 - 36 of its Counts I and II as paragraphs 1 - 36 of Count III as though fully set forth herein.

37. At all times during her employment at Plaintiff APS, Defendant Rouillard had a fiduciary duty to Plaintiff APS in that she would not contact its customers, solicit business away from, and/or otherwise divert business from Plaintiff APS for her own personal gain.

38. Defendant Rouillard owed a certain fiduciary duty to Plaintiff APS as a result of her position.

39. In breach of her fiduciary duty, prior to leaving employment at Plaintiff APS and one month prior to Ventana's 2007 Annual Meeting, Defendant Rouillard contacted Ventana and explained that she was leaving Plaintiff APS to work for Defendant MGW.

40. Accordingly, Ventana hired Defendant MGW (through Premier Events), and not Plaintiff APS, for the audio/visual portion of the 2007 Meeting.

41. Defendant Rouillard's breach of her fiduciary duty was willful, wanton and knowing, and proximately caused the injury to which Plaintiff APS complains.

42. As a result of Defendant Rouillard's breach, Plaintiff APS suffered damages.

**COUNT IV: TORTIOUS INTERFERENCE WITH CONTRACT**  
**(DEFENDANT MARKETING GROUP WEST)**

1-42. Plaintiff adopts and realleges paragraphs 1 - 25 as paragraphs 1 - 42 of Count IV as though fully set forth herein.

43. On or about December 2006, Defendant MGW solicited and negotiated to hire Defendant Rouillard, who was then employed by Plaintiff APS.

44. Defendant MGW knew that Defendant Rouillard was under a valid non-compete agreement with Plaintiff APS.

45. Defendant MGW also knew that Defendant Rouillard, on behalf of Plaintiff APS, negotiated with Ventana to provide audio/visual services for Ventana's 2007 Meeting which was scheduled to take place in early January 2007.

46. Defendant MGW intentionally and unjustifiably induced Defendant Rouillard to breach her contract with Plaintiff APS.

47. Defendant Rouillard left her employ with Plaintiff APS and began working for Defendant MGW in late December 2006.

48. For the benefit of Defendant MGW, Defendant Rouillard subsequently breached her contract with Plaintiff APS causing damages to APS.

**COUNT V: TORTIOUS INTERFERENCE WITH BUSINESS EXPECTANCY**  
**(DEFENDANT MARKETING GROUP WEST)**

1-48. Plaintiff adopts and realleges paragraphs 1 - 25 and 43 - 48 as paragraphs 1 - 48 of Count V as though fully set forth herein.

49. At all relevant times and for an entire year, Plaintiff APS, through Defendant Rouillard, negotiated and fully expected that Ventana would hire Plaintiff APS for the production of its 2007 Meeting.

50. Defendant MGW had knowledge that Ventana intended to utilize Plaintiff APS for its services and that APS had expected to provide services to Ventana.

51. Defendant MGW, through the hiring of Defendant Rouillard, planned to divert Ventana's business for its own benefit.

52. Accordingly, Ventana hired Defendant MGW (through Premier Events), and not Plaintiff APS, for the audio/visual portion of the 2007 Meeting.

53. Defendant MGW's interference with Plaintiff APS's business expectancy was willful, wanton and knowing.

54. As a result of Defendant MGW's interference with Plaintiff APS's business expectancy, Plaintiff APS suffered damages.

**REQUEST FOR RELIEF**

WHEREFORE, Plaintiff American Audio Visual Co., d/b/a Absolute Production Services requests that this Court enter judgment in its favor and against the Defendants Paula A. Rouillard



and Marketing Group West, award American Audio Visual Co. compensatory and punitive damages in excess of \$75,000.00, and for any further relief this Court deems just and proper.

Respectfully submitted,

s/ Cara M. Houck

One of the attorneys for American Audio Visual  
Co. d/b/a Absolute Production Services

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**CERTIFICATE OF SERVICE**

The undersigned certifies that on March 21, 2008 a copy of the foregoing First Amended Complaint was filed electronically using the CM/ECF system. Notice of this filing will be sent by operation of the Court's electronic filing system to all parties indicated on the electronic filing receipt.

\_\_\_\_\_  
s/ Cara M. Houck

# **EXHIBIT 1**

## Work-Made-For-Hire and Proprietary Information Agreement

This Work-Made-For-Hire and Proprietary Information Agreement (the "Agreement") is made this 26th day of April, 2005, between Paula Rouillard (EMPLOYEE) and American Audio Visual Co. d/b/a Absolute Production Services (APS), who hereby agree as follows:

1. In consideration of Employees employment with APS beginning on April 26, 2005, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Employee agrees to the following terms and conditions related to their employment.
2. All work performed in the course of employment with APS is exclusively for the benefit of APS and the product of such work shall be the work of APS and all rights to such work shall be reserved to APS. APS shall have all use or nonuse of such works without further payment or obligation to the EMPLOYEE.
3. The compensation agreed upon between EMPLOYEE and APS is the sole payment for all services provided by the EMPLOYEE. The EMPLOYEE is not entitled to the payment of royalties or other forms of compensation for the works developed in the course of employment.
4. The EMPLOYEE acknowledges that he/she has been furnished or may be furnished or may otherwise have received or have had access to or will receive or have access to information that relates to APSs' past, present, or future products, software, research, development, inventions, computer processes, techniques, designs, programs and codes, or other technical information and data; the names, addresses, buying habits or practices of any of APSs' clients or customers; APSs' marketing methods, programs and related data, or other written records used in APSs' business; compensation paid to other employees and independent contractors and other terms of their employment or contractual relationships; or any other confidential information of, about, or concerning the business of APS, its manner of operations, or other data of any kind, nature or description (the "Proprietary Information"). The EMPLOYEE agrees to preserve and protect the confidentiality of the Proprietary Information and all physical forms thereof, whether disclosed to the EMPLOYEE before this Agreement is signed or afterward. In addition, the EMPLOYEE shall not disclose or disseminate the Proprietary Information to any third party and shall not use the Proprietary Information for his/her own benefit or for the benefit of any third party without prior written approval of APSs' owner. The foregoing obligations shall not apply to any information, which is publicly known. Within three days after APSs' request, the EMPLOYEE shall return to APS all copies of Proprietary Information in tangible form.
5. The EMPLOYEE hereby acknowledges and agrees that he/she will likely be exposed to a significant amount of confidential information concerning APSs' business methods, operations and customers while employed under this Agreement, that such information might be retained by the EMPLOYEE in tangible form or simply retained in the Employees' memory, and that the protection of APSs' exclusive rights to such confidential information and trade secrets can best be ensured by means of a restriction on the Employees' activities after termination of employment. Therefore, the EMPLOYEE agrees that for a one-year period following employment termination (whether voluntary or involuntary and with or without cause), he/she shall not solicit, divert or initiate any contact with (or attempt to solicit, divert or initiate any contact with) any customer, client, independent contractor or employee of APS for any commercial or business reason whatsoever.
6. This Agreement does not create any rights to employment with APS and is in addition to other agreements that may have been signed by the EMPLOYEE and APS. Except as specified herein, this agreement does not limit any rights of EMPLOYEE or APS created by any other contracts or laws.

Signatures:

Employee:

Paula Rouillard Date: 4/28/05

APS representative:

[Signature] Date: 4-26-05

Title of APS representative:

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