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IN THE UNITED STATES DISTRICT COURT

FOR THE DISTRICT OF OREGON

PORTLAND DIVISION

PRECISION AIRCRAFT SOLUTIONS, LLC,

No. 3:25-cv-01927-AR

Plaintiff,

DEFENDANT'S MOTION TO DISMISS

v.

Request for Oral Argument

MAMMOTH FREIGHTERS, LLC,

Defendant.

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LR 7-1 CERTIFICATION

Under LR 7-1(a), the undersigned counsel certify that the parties made a good-faith effort through telephone conference to resolve the dispute and have been unable to do so.

MOTION

Pursuant to Rule 12(b)(1) and Rule 12(b)(6) of the Federal Rules of Civil Procedure, Mammoth Freighters, LLC respectfully requests that the Court dismiss the complaint.

MEMORANDUM OF LAW IN SUPPORT

INTRODUCTION

Plaintiff Precision Aircraft Solutions, LLC ("Precision") lacks standing and its complaint fails to plausibly plead federal and Oregon trade secret claims (Counts I, II). It also fails to plead alleged non-trade-secret claims (Counts III-VI), and, in any event, those claims are preempted. Finally, the complaint purports to plead a "claim" for an injunction (Count VII). But an injunction is a remedy, not a claim – so that count fails, too.

Precision and Defendant Mammoth Freighters, LLC ("Mammoth") convert aging passenger airliners into freighters, a process known as passenger-to-freighter, or "P2F," conversion. Precision's subsidiaries developed P2F conversion programs for two narrow-body jets – the Boeing 757 and the Airbus A321. In contrast, Mammoth is developing a P2F conversion program for a wide-body jumbo jet, the Boeing 777.

Precision accuses Mammoth of misappropriating its trade secrets but falls far short of satisfying the pleading requirements for that claim. Precision's complaint does not specify what those trade secrets are, how Mammoth acquired them, or how Mammoth used them. Precision does not even plead that it *owns* the trade secrets, instead focusing nearly the entire complaint on the activities of its *subsidiaries*. At most, Precision's complaint offers conclusory assertions that fall well short of *Iqbal*'s plausibility standard.

Precision asserts additional state-law claims for unfair competition, intentional interference, conversion, and conspiracy. But those claims simply repackage Precision's trade secret claims and are preempted under Oregon's trade secrets statute. Even if they are not, Precision fails to allege the necessary elements of those tacked-on tort claims.

Precision claims that it has had concerns about potential trade secret misappropriation for years. *See* Compl. (Dkt.1) ¶65. Yet it waited to sue, filing its Complaint just as Mammoth is about to begin fulfilling the many orders for its converted 777 freighters. Precision's timing is suspect. It smacks of an effort to harass Mammoth at a particularly important and busy time in the hope of getting a quick settlement. Precision's meritless complaint should be dismissed promptly.

FACTUAL BACKGROUND

I. PASSENGER-TO-FREIGHTER CONVERSION

P2F conversion is a difficult, time-consuming process that requires significant engineering expertise, skilled labor, and capital investment. Compl. ¶¶19-21, 23-24, 27, 42.¹ In the United States, P2F conversion also requires a supplemental type certificate ("STC") from the Federal Aviation Administration ("FAA"). *Id.* ¶¶20-24.

Obtaining an STC, like P2F conversion generally, requires rigorous engineering and design work to establish the airworthiness of the converted plane. Compl. ¶¶21-22, 24. An applicant must "creat[e] detailed designs and models of what the [applicant] will physically do to the plane, manufactur[e] and order[] plane parts for the conversion, and engag[e] in and pass[] a series of ground and flight tests." *Id.* ¶21. The details can vary significantly depending on the specific plane. For example, a large, wide-body jumbo jet like a Boeing 777 has numerous "system and structural differences" from a smaller, narrow-body aircraft like a Boeing 757 or an Airbus A321.

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¹ As it must for purposes of this Motion, Mammoth accepts the facts in the complaint as true.

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Id. ¶29; see id. ¶42. Even different production lines of the same aircraft model may have many "unique parts" and divergent specifications. Id. ¶42; see id. ¶26 (alleging that P2F conversions involve "over 11,000 parts"). As a result, companies undertaking P2F conversions typically focus their time, effort, and investment on a few specific aircraft – often one model at a time. See, e.g., id. ¶¶38-39, 51-52.

II. THE PARTIES' HISTORY IN THE CONVERSION INDUSTRY

Mammoth is a Texas-based company founded in 2020 by two veterans of the P2F industry, Bill Wagner and Bill Tarpley. Compl. ¶¶5, 15, 51. It is developing a conversion program for the Boeing 777, a wide-body aircraft. *Id.* ¶¶5, 7, 51. Precision is an Oregon-based holding company that also operates in the aviation industry. *Id.* ¶¶14, 35-36. One of Precision's subsidiaries, nonparty Precision Conversions, LLC ("Precision Conversions"), holds an STC for converting Boeing 757s, while another nonparty subsidiary, 321 Precision Conversions, LLC ("321 Precision"), holds an STC for converting Airbus A321s. *Id.* ¶¶2, 35, 37. Both the 757 and the A321 are narrow-body aircraft. *Id.* ¶29. Precision neither holds nor is pursuing an STC for the conversion of any wide-body aircraft, like the Boeing 777 Mammoth will be converting. *See id.* ¶34.

A. The 757 Conversion Program

In the early 2000s, Mammoth co-founder Bill Wagner served as the lead engineer on Precision Conversions' 757 conversion program. Compl. ¶¶38, 43. He also held a minority ownership interest in Precision Conversions. *Id.* ¶43. Based on Wagner's work, Precision Conversions obtained an STC for converting 757s in 2005. *Id.* ¶38. When Wagner departed Precision in 2006, he and Precision signed an agreement memorializing their respective rights to the 757 conversion program and related intellectual property. *Id.* ¶¶4, 44, 49. Those rights were initially established in a 2001 development agreement ("Wagner Development Agreement"). *Id.* ¶44.

Precision alleges that, in those agreements, Wagner conveyed to Precision Conversions his rights over certain information created during the 757 conversion program. Compl. ¶¶43-49. However, the agreements themselves show that Wagner retained his rights over, among other things, "Wagner Know-How," which included "all intangible methods, processes, improvements, concepts, ideas, and information necessary for the obtainment of, or necessary in the operation under, the 757 STC or the Conversion *that are not unique to the 757 STC or the Conversion.*" Ex. A, § 1(a) (emphasis added); *see id.* § (1)(f) (confirming that Wagner would continue to license "Wagner Know-How" to Precision).² Wagner also received a license to "Precision Know-How," which includes "all intangible methods, processes, improvements, concepts, ideas, and information developed by or for Wagner in the course of, necessary for the obtainment of, or necessary in the operation under the 757 STC or the Conversion unique to the 757 STC or the Conversion." Ex. A, § 1(a); Compl. ¶¶44, 49. "Know-How," the agreement continued, "includes all patents, patent applications, copyrights, *trade secrets* or other proprietary rights." Ex. A, § 1(a) (emphasis added); Compl. ¶46.

B. The A321 Conversion Program

In 2015, 321 Precision began developing a conversion program for Airbus A321s. Compl. ¶40. 321 Precision successfully obtained an STC for converting A321s in 2021. *Id.* ¶41. According to Precision, it "t[ook] advantage of the hard-earned process and procedure for obtaining an STC" that Precision Conversions and Wagner had developed for the 757. *Id.* ¶40; *see also id.* ¶30. Precision alludes to the "difficult, multistep process" of obtaining an STC, but it offers no details about what its proprietary process and procedure entail. *Id.* ¶40.

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² Because the complaint relies on the agreements, Mammoth can rely on the full agreements without converting the motion into a motion for summary judgment. *United States v. Corinthian Colls.*, 655 F.3d 984, 993 n.4 (9th Cir. 2011).

C. Mammoth's 777 Conversion Program

In 2020, Wagner and Tarpley launched Mammoth to develop a conversion program for Boeing 777s – a newer and more technologically advanced aircraft than the 757. Compl. ¶¶5, 7, 15, 51. Precision alleges that Mammoth employs "around 200 engineers" and has spent "hundreds of millions of dollars." *Id.* ¶52. Converting 777s is "more expensive and more labor-intensive" than converting 757s or A321s because the 777 is a "wide-body aircraft" with many "system and structural differences" from the smaller planes. *Id.* ¶29.

In 2024, Mammoth and Precision entered a consulting agreement under which Precision would provide "engineering support" for Mammoth's 777 conversion program. Compl. ¶53. As Precision explains, it agreed to this arrangement because it had "excess engineering capacity" and lacked "enough internal engineering work" to otherwise "keep its engineers on staff." *Id.* ¶54.

III. PRECISION'S ALLEGATIONS AGAINST MAMMOTH

Precision sued Mammoth in October 2025, asserting claims for misappropriation of trade secrets under the federal Defend Trade Secrets Act, or "DTSA" (Count I); misappropriation of trade secrets under the Oregon Uniform Trade Secrets Act, or "OUTSA" (Count II); unfair competition under Oregon's Unlawful Trade Practices Act (Count III); common-law intentional interference with economic relations (Count IV); common-law civil conspiracy (Count V); common-law conversion (Count VI); and injunctive relief (Count VII). Compl. ¶¶73-112.

According to the complaint, Precision "considers its developed process, procedure, and work product (data and design) by which it obtains an STC to be proprietary and made up of Precision's hard-earned, well-guarded, and costly trade secrets," which the complaint sometimes refers to, collectively, as "Precision Data." Compl. ¶3; *id.* ¶10 (defining Precision's trade secrets as its "proprietary processes and know-how for how to obtain an STC"). However, the complaint fails to provide details of the Precision Data and how it was well-guarded.

Precision's core factual allegations concern Mammoth's supposed recruitment of Precision employees and Mammoth's supposed possession of Precision's proprietary information. Compl. ¶¶57-72. Specifically, Precision alleges that, since forming in 2020, Mammoth has "actively recruited Precision employees that are vital to Precision's passenger-to-cargo conversion programs." Id. ¶59. According to Precision, Mammoth has "specifically target[ed] engineering expertise," id. ¶6, and the recruited employees "have deep knowledge of Precision's trade secrets relating to obtaining an STC," id. ¶59; see id. ¶62 (identifying specific employees). Precision does not allege that its former employees were subject to non-compete clauses or other restrictions on employment mobility. Nor does it identify when, where, by what means, or through what incentives Mammoth conducted its alleged recruitment. See id. ¶¶ 57-64. Precision alleges that Mammoth "lur[ed]" Precision employees to Mammoth "under false pretenses" by "misrepresenting" that "Mammoth owned or had license to use Precision's data and know-how," and that Mammoth "coerc[ed]" those employees to disclose Precision Data to Mammoth. Id. ¶92. But Precision pleads no facts supporting those aspects of its claims.

Precision alleges that the "757 and A321 Conversion Programs, and all that went into them, are Precision's trade secrets." Compl. ¶79. Without providing any meaningful description, Precision claims that "Mammoth has Precision's data and other documents that contain an enormous number of trade secrets related to the 757 Conversion Program and the A321 Conversion Program" and that those trade secrets provide Mammoth with "significant know-how to achieve a passenger-to-freighter plane STC." Id. ¶70; see also id. ¶¶8-10 (similar). Precision also alleges that Mammoth "expressly is using data from" the 757 and A321 conversion programs. *Id.* ¶71.

Precision claims it first discovered the alleged misappropriation in 2023, when it "learned that Mammoth used Precision's proprietary Finite Element Model ("FEM") developed during the 757 STC and attempted to scale it up to the 777." Compl. ¶65. Precision does not describe how it learned that information. Nor does Precision explain whether it told Mammoth to cease that use or otherwise explain what steps Precision took in response to this discovery. *Id.* Precision also alleges that, in August 2025, a Precision employee consulting for Mammoth found on Mammoth's system two documents from the 757 conversion program "detailing the use of a particular shutoff valve," id. ¶66, and a 2024 email thread in which one Mammoth employee "misrepresented" to a colleague Mammoth's right to use Precision's valve reports, id. ¶67. Significantly, Precision does not explain how Mammoth could or did use those 757 reports in its 777 conversion program. *Id.*

LEGAL STANDARD

To survive a motion to dismiss, a plaintiff must allege "enough facts to state a claim to relief that is plausible on its face." Bell Atl. Corp. v. Twombly, 550 U.S. 544, 570 (2007). "[T]he court need not accept conclusory allegations as truthful." CollegeNet, Inc. v. Common Application, Inc., 355 F. Supp. 3d 926, 944 (D. Or. 2018). A pleading is thus insufficient if it offers mere "labels and conclusions" or "a formulaic recitation of the elements of a cause of action." Twombly, 550 U.S. at 555; see also Ashcroft v. Igbal, 556 U.S. 662, 678 (2009) ("Threadbare recitals of the elements of a cause of action, supported by mere conclusory statements, do not suffice."); e.g., Soil Retention Prods., Inc. v. Brentwood Indus., Inc., 521 F. Supp. 3d 929, 965 (S.D. Cal. 2021) (dismissing DTSA claim under Rule 12(b)(6) for failure to "plead sufficient facts to support a plausible claim" regarding either the "existence" or "misappropriation" of a trade secret).

ARGUMENT

I. PRECISION LACKS STANDING TO SUE ON BEHALF OF ITS SUBSIDIARIES (ALL CLAIMS)

Precision Aircraft Solutions, LLC – the sole plaintiff – lacks standing because it does not own the trade secrets at issue and is merely a "holding company" that owns 100% of Precision Conversions and 51% of 321 Precision. Compl. ¶35. Those subsidiaries "developed and own[]"

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the 757 STC and the A321 STC, respectively. Id.; see also id. ¶44 (explaining that "Precision Conversions, LLC, Precision Aeronautical, LLC (both subsidiaries of Precision Aircraft Solutions)" entered the "Development Agreement" with Wagner concerning the "rights, title, and interest in and to the 757 STC and 757 Conversion Program"). Because the "gravamen" of the claims is "injury to [the subsidiaries'] property," any right to sue lies with the subsidiaries themselves – Precision Conversions and 321 Precision, *not* Precision Aircraft Solutions. *Kenney* v. Wells Fargo Bank, N.A., 791 F. Supp. 3d 1163, 1167 (C.D. Cal. 2025) (quotation marks omitted).

A parent company can sue on behalf of its subsidiary only if the parent suffers "direct" and "individual" harm. Shell Petroleum, N.V. v. Graves, 709 F.2d 593, 595-96 (9th Cir. 1983) (emphasis added); see 9 Fletcher Cyc. Corp. §4227 ("[I]njury arising solely out of harm to a subsidiary corporation is generally insufficient to confer standing on a parent corporation."). That requires more than "personal economic injury resulting from a wrong" allegedly done to the subsidiary. Shell Petroleum, N.V., 709 F.2d at 595. Because Precision's complaint pleads no facts showing that Mammoth's alleged misappropriation of the subsidiaries' trade secrets directly and independently injured the parent holding company, the complaint should be dismissed. See Pollara v. Radiant Logistics Inc., No. 12-cv-344 GAF (SPX), 2012 WL 12887095, at *5 (C.D. Cal. Sept. 13, 2012) (concluding that corporate parent lacked standing to bring trade secrets claim on behalf of subsidiary); Boston Sci. Corp. v. BioCardia, Inc., 524 F. Supp. 3d 914, 918-19 (N.D. Cal. 2021) (similar).

PRECISION FAILS TO PLAUSIBLY PLEAD TRADE SECRET MISAPPROPRIATION UNDER II. OREGON AND FEDERAL LAW (COUNTS I & II)

A complaint for trade secret misappropriation under both the DTSA and OUTSA must allege facts showing that (1) the plaintiff possessed a trade secret, (2) the defendant misappropriated the trade secret; and (3) the misappropriation caused or threatened damage to the plaintiff. *InteliClear, LLC v. ETC Glob. Holdings, Inc.*, 978 F.3d 653, 657-58 (9th Cir. 2020) (citing 18 U.S.C. § 1839(5)).³ Precision's complaint fails on all three fronts.

A. The Complaint Fails To Allege Protectable Trade Secrets

The complaint must "identify [the] alleged trade secrets with sufficient particularity . . . to permit the defendant to ascertain at least the boundaries within which the secret lies." *Com. Fire Prot., LLC v. Pigg*, No. 3:24-cv-922, 2025 WL 593574, at *3 (D. Or. Feb. 21, 2025). The complaint must also allege that the trade secrets meet the statutory definition of "trade secret." *Id.*; *see also* 18 U.S.C. § 1839(3); Or. Rev. Stat. § 646.461(4). A "'[p]laintiff's failure to describe its trade secrets with sufficient particularity is *fatal* to its trade secret misappropriation claims.'" *Pigg*, 2025 WL 593574, at *3 (emphasis added); *see also, e.g., Perimeter Sols. L.P. v. Fortress N. Am., L.L.C.*, No. 2:24-cv-01276, 2025 WL 553288, at *4-5 (E.D. Cal. Feb. 19, 2025) (finding alleged trade secrets insufficiently pled and dismissing claim).⁴

Here, Precision utterly fails to describe its alleged trade secrets with sufficient particularity. First, the complaint never specifically identifies the alleged trade secrets, offering instead only

³ Because the DTSA and OUTSA are almost identical, courts evaluate DTSA and OUTSA claims together. *See Columbia Sportswear Co. v. Ferreira*, No. 3:23-cv-594, 2025 WL 1520299, at *6 (D. Or. May 28, 2025). The court may also consider cases interpreting other States' trade secrets statutes where those statutes are, like Oregon's, based on the Uniform Trade Secrets Act. *See Double Eagle Alloys, Inc. v. Hooper*, 134 F.4th 1078, 1088 n.7 (10th Cir. 2025); *Webster v. Woodford*, 369 F.3d 1062, 1070 (9th Cir. 2004) ("[A] court may examine the trend of judicial constructions of similar statutes by other States."); *Com. Fire Prot., LLC v. Pigg*, No. 3:24-cv-922, 2025 WL 593574, at *3 (D. Or. Feb. 21, 2025) (citing Washington state case "analyzing the

⁴ See also, e.g., Baden Sports, Inc. v. Wilson Sporting Goods Co., No. 11-cv-603, 2011 WL 3158607, at *2 (W.D. Wash. July 26, 2011) (dismissing complaint for failure to plead trade secrets with sufficient particularity); Bladeroom Grp. Ltd. v. Facebook, Inc., No. 5:15-cv-1370, 2015 WL 8028294, at *3 (N.D. Cal. Dec. 7, 2015) (same); Acrisure of Cal., LLC v. SoCal Com. Ins. Servs., Inc., No. 18-cv-10187, 2019 WL 4137618, at *3 (C.D. Cal. Mar. 27, 2019) (same); Keco Cap., LLC v. Wong, No. 24-cv-313, 2025 WL 589028, at *10 (D. Haw. Feb. 24, 2025) (same).

Washington Uniform Trade Secrets Act ('WUTSA'), which is similar to the OUTSA").

conclusory assertions about Precision's "data," "know-how," and "processes." complaint's allegations do not plausibly show that the allegedly confidential information meets the statutory definition of a trade secret.

> The Complaint's Allegations Do Not Give Mammoth Notice of the 1. Allegedly Misappropriated Trade Secrets

A well-pled complaint must provide "notice" regarding the "nature" and "boundaries" of the alleged trade secrets. Shita v. Taylor, No. 3:25-cv-51, 2025 WL 507306, at *3 (D. Or. Feb. 14, 2025); CleanFish, LLC v. Sims, No. 19-cv-3663, 2020 WL 1274991, at *9 (N.D. Cal. Mar. 17, 2020). This requires "'clear[] refer[ence] to tangible trade secret material[,]' as opposed to 'refer[ence] to [information] which *potentially* qualifies for trade secret protection.'" Pigg, 2025 WL 593574, at *3 (quoting *Imax Corp. v. Cinema Techs., Inc.*, 152 F.3d 1161, 1167 (9th Cir. 1998)). Such specificity "give[s] both the court and the defendant reasonable notice of the issues which must be met at the time of trial" and "provide[s] reasonable guidance in ascertaining the scope of appropriate discovery." Soil Retention Prods., Inc. v. Brentwood Indus., Inc., 521 F. Supp. 3d 929, 965 (S.D. Cal. 2021) (dismissing claims under DTSA and California Uniform Trade Secrets Act). "[V]ague descriptions" and "high-level" allegations fall short. Pigg, 2025 WL 593574, at *3-4.

Precision's complaint does not even provide minimal "notice of the boundaries of this case." Space Data Corp. v. X, No. 16-cv-3260, 2017 WL 5013363, at *2 (N.D. Cal. Feb. 16, 2017) (dismissing DTSA claim). It broadly asserts that "Precision's 757 and A321 Conversion Programs, and all that went into them are Precision's trade secrets." Compl. ¶79 (emphasis added). The complaint mentions the "process, procedure, and work product (data and design) by

which [Precision] obtains an STC." *Id.* ¶3.⁵ But "broad, categorical terms" like "process," "procedure," "design," and "know-how" merely describe the "*type[]* of information" that "*potentially* qualifies for trade secret protection," not "*particular* trade secrets" that Precision claims to be misappropriated here. *Vendavo, Inc. v. Price f(x) AG*, No. 17-cv-6930, 2018 WL 1456697, at *4 (N.D. Cal. Mar. 23, 2018) (emphasis added); *see also Pigg*, 2025 WL 593574, at *3; 18 U.S.C. § 1839(3) (referencing "designs," "processes," and "procedures"); Or. Rev. Stat. § 646.461(4) (same). Such categorical descriptions are "vague, conclusory, and insufficient to allege a trade secret." *Rescue 1 Fin., LLC v. Complete Debt Relief, LLC*, No. 23-cv-982, 2023 WL 6373884, at *4 (C.D. Cal. Aug. 24, 2023).

In *Pigg*, for example, the court dismissed a complaint alleging misappropriation of "pricing structures, client lists, marketing approaches, checklists, and other forms." 2025 WL 593574, at *4-5. Similarly, in *Vendavo*, the court dismissed a complaint describing the trade secrets as "source code," "customer lists," "negative knowhow," and other information concerning price-optimization software. 2018 WL 1456697, at *3-4. And in *AlterG, Inc. v. Boost Treadmills LLC*, 388 F. Supp. 3d 1133 (N.D. Cal. 2019), allegations of trade secret "cost strategies," "material selection and fabrication techniques," "knowledge of vendors with appropriate, specialized skills," and other information concerning "anti-gravity rehabilitation and training units" fell short. *Id.* at 1145-46. The plaintiffs in those cases provided more specificity than Precision here, but the allegations were still deficient.⁶

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⁵ See also Compl. ¶10 (referencing "proprietary processes and know-how"), ¶59 (referencing "trade secrets relating to obtaining an STC"), ¶76 (referencing, without elaboration, "secret and proprietary information").

⁶ Other examples abound. *See, e.g., Rescue 1 Fin.*, 2023 WL 6373884, at *4 (dismissing claim describing trade secrets as "pricing data," "marketing strategies," "sales agent scripts," and other categories of information); *ESHA Rsch., LLC v. RLH Assets, LLC*, No. 3:25-cv-880, 2025 WL 2697107, at *6 (D. Or. Sept. 22, 2025) (dismissing DTSA claim where the plaintiff defined its

Precision baldly asserts that Mammoth possesses an "enormous number" of its trade secrets. Compl. ¶70 (emphasis added). But its generic description of that material – the "process," "procedure," "work product," "data," "design," and "know-how" for obtaining an STC – makes it "hard to imagine what components of [Precision] are not alleged to be trade secrets." Gopher Media LLC v. Mod. Doc Media, No. 3:22-cv-131, 2023 WL 350531, at *9 (S.D. Cal. Jan. 20, 2023) (emphasis added) (dismissing DTSA claim). And the complaint's failure to identify the specific processes, procedures, data, and designs at issue requires dismissal of its trade secret claim.

2. The Complaint Does Not Plead Facts Establishing That the Information Qualifies as a Trade Secret

Precision does not plausibly allege the information qualifies as a trade secret. To do so, Precision must allege the information was *maintained as a secret* and not generally known or readily ascertainable through appropriate means. 18 U.S.C. § 1839(3)(A)-(B); Or. Rev. Stat. § 646.461(4)(a)-(b); *see*, *e.g.*, *Pigg*, 2025 WL 593574, at *3. Vague allegations consisting of "'broad categories of information . . . applicable to any business' and which are 'indistinguishable from matters of general knowledge within the parties' industry'" are insufficient. *Pigg*, 2025 WL 593574, at *4. Precision must also allege that the information derives "*independent economic value*" through *secrecy*. 18 U.S.C. § 1839(3)(B) (emphasis added); Or. Rev. Stat. § 646.461(4)(a).

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trade secrets as "proprietary, confidential, and trade secret software system and related database"); *Zabit v. Brandometry, LLC*, 540 F. Supp. 3d 412, 422 (S.D.N.Y. 2021) (same as to "algorithms, proprietary formulas, patterns, methodology, technical information, processes, programs, codes and compilation of information used to develop, and which continue to underlie" the plaintiff's fund and market index); *Am. Biocarbon, LLC v. Keating*, No. 20-cv-259, 2020 WL 7264459, at *4 (M.D. La. Dec. 10, 2020) (same as to "studies; know how; scientific research; product research; product testing and results; product development research" related to certain pellets); *Space Data Corp.*, 2017 WL 5013363, at *2 (same as to "data on the environment in the stratosphere" and "data on the propagation of radio signals from stratospheric balloon-based transceivers" developed by weather balloon company).

Precision's complaint pleads no facts that distinguish its alleged trade secrets from matters of general knowledge in the industry. According to the complaint, the trade secrets concern Precision's processes for "obtain[ing] an STC." Compl. ¶¶3, 79. Obtaining an STC, however, is a core requirement for developing and marketing a conversion. *See id.* ¶¶20, 24, 28. *Every* conversion company must therefore "creat[e] detailed designs and models of what the company will physically do to the plane, manufactur[e] and order[] plane parts for the conversion, and engag[e] in and pass[] a series of ground and flight tests." *Id.* ¶21. Precision provides no detail about how its purported trade secret processes and procedures vary from those generally known in the industry or readily ascertainable through appropriate means. *See Pigg*, 2025 WL 593574, at *4 (allegations deficient where trade secrets "indistinguishable from matters of general knowledge within the parties' industry"); *WalkMe Ltd. v. Whatfix, Inc.*, No. 23-cv-3991, 2024 WL 1221960, at *2-3 (N.D. Cal. Mar. 21, 2024) (allegations concerning "capabilities, layout, [and] workflow" insufficient to separate protected information from "general knowledge" in the industry).

Precision's passing references to its 757 FEM and two shutoff valve reports, *see* Compl. ¶¶65-66, do not cure the deficient allegations of trade secret misappropriation. While Precision asserts the FEM is "proprietary," and it claims the valve reports include "specific information about how Precision was able to obtain FAA approval for use of this particular shutoff valve," *id.*, the complaint does not explain how the 757 FEM or the shutoff-valve approval information were unique, and neither "generally known" nor "readily ascertainable through proper means." The complaint also offers no facts showing those specific documents derive "independent economic value" by remaining a secret. *Id.*

To the extent Precision pleads independent economic value, it offers only conclusory assertions about its supposed trade secrets in the aggregate. *See, e.g.*, Compl. ¶¶71-72 (allegations

regarding "Precision Data" and "STC-related trade secrets"). Because those allegations of value lack any discernable connection to the FEM or valve reports specifically, they are insufficient. *Cisco Sys., Inc. v. Chung*, 462 F. Supp. 3d 1024, 1053 (N.D. Cal. 2020) (dismissing claim where allegations of independent economic value concerned only "umbrella" description of information, not the subset of materials that were defined with "sufficient particularity"); *see Chung v. Intellectsoft Grp. Corp.*, No. 21-cv-3074, 2024 WL 813445, at *8 (N.D. Cal. Feb. 12, 2024) (similar).

B. The Complaint Does Not Plead Facts That Plausibly Allege Misappropriation

Misappropriation requires the improper use or acquisition of the trade secret. *Robillard v. Opal Labs, Inc.*, 428 F. Supp. 3d 412, 451-52 (D. Or. 2019) (citing 18 U.S.C. § 1839(5)); *see* Or. Rev. Stat. § 646.461(2). Precision fails to state a claim under either theory.⁷

1. Precision Fails To Allege Improper Use

Misappropriation by improper use occurs through "use of a trade secret of another without express or implied consent by a person who" – as pled here – "knew or had reason to know" that the trade secret was "derived from or through a person who owed a duty to maintain the secrecy of the trade secret or to limit the use of the trade secret." 18 U.S.C. § 1839(5)(B)(ii)(III); see Or. Rev. Stat. § 646.461(2)(d)(C); see Compl. ¶¶77-78, 86-87. Precision's allegations do not explain how Mammoth "used" the alleged trade secrets. Nor do the allegations show that Mammoth acted without Precision's express or implied consent.

⁷ Improper disclosure of a trade secret also constitutes misappropriation, *see Opal Labs*, 428 F. Supp. 3d at 451-52, but Precision does not allege improper disclosure here, *see* Compl. ¶¶76-77, 85-86.

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a. Precision Does Not Plead the Details Concerning Mammoth's Alleged Use of the Trade Secrets

Precision does not plausibly allege that Mammoth "used" its trade secrets. Misappropriation through improper use requires allegations "provid[ing] insight into which trade secrets were used and how [d]efendant used" them. *Perimeter Sols. L.P.*, 2025 WL 553288, at *6. Additionally, the defendant's actions must "reduce[] the value of the trade secret to the trade secret owner." *JustMed, Inc. v. Byce*, 600 F.3d 1118, 1130 (9th Cir. 2010). Alleging "mere possession" of trade secrets is thus insufficient. *Soil Retention Prods.*, 521 F. Supp. 3d at 966 (dismissing claim).

Precision asserts that Mammoth "possessed Precision's proprietary documents relating to Precision's 757 Conversion Program, which Mammoth was utilizing . . . to assist Mammoth in achieving its first ever STC," Compl. ¶8; that Mammoth "improperly acquired and used Precision Data in an effort to procure its own STC for the 777 and develop the 777 Conversion Program," id. ¶9; that Mammoth "has essentially copied Precision's proprietary processes and know-how for how to obtain an STC," id. ¶10; and that Mammoth "expressly is using data from" Precision's 757 and A321 conversion programs, id. ¶71; see also, e.g., id. ¶¶77, 86, 91, 103, 107. But none of those allegations explains "which" of Precision's "enormous number" of trade secrets Mammoth has used. Vox Network Sols., Inc. v. Gage Techs., Inc., No. 22-cv-9135, 2024 WL 1260573, at *4 (N.D. Cal. Mar. 25, 2024) (emphasis added) (dismissing claim where complaint did not explain "which, if any," trade secrets the defendants used "from the broad category of trade secrets" the plaintiff had defined). Nor does Mammoth explain "how" Mammoth has used its secrets. Perimeter Sols., 2025 WL 553288, at *6 (emphasis added); see Pigg, 2025 WL 593574, at *6 (dismissing DTSA and OUTSA claims where plaintiff did not "specifically connect allegations of misappropriation to specific [d]efendants' actions").

At most, Precision's allegations amount to a threadbare and legally defective assertion that Mammoth "engaged in other business activity based on" Precision's trade secrets. *See Space Data*, 2017 WL 5013363, at *2 (dismissing DTSA claim because plaintiff "failed to allege facts providing a reasonable basis for th[e] Court to infer that [defendant] improperly used [plaintiff's] trade secrets"). In *Gopher Media*, for example, the Court dismissed a trade secret claim where the plaintiff alleged that "Defendants, through unnamed agents, stole Plaintiff's trade secrets and . . . used them to modify its business strategy, lure away employees and customers from Plaintiff, and unfairly take away Plaintiff's business." *Gopher Media LLC*, 2023 WL 350531, at *10. And in *Perimeter Solutions*, the complaint "assume[d] that because defendant purportedly took some unspecified shortcut when developing its phosphate-based fire retardant, defendant must have made use of plaintiff's laundry list of trade secrets." 2025 WL 553288, at *6. That "everything-but-the-kitchen-sink'" approach was rejected as "too conclusory." *Id*.

Here, as in *Perimeter Solutions*, Precision's allegation that Mammoth "used" the FEM is too conclusory. Compl. ¶65. While Precision claims Mammoth "attempted to scale [the FEM] up to the 777," *id.*, it provides no meaningful detail about *how* attempting to scale-up the FEM advanced Mammoth's own progress towards a 777 STC. *Perimeter Sols.*, 2025 WL 553288, at *6. Nor does that attempt plausibly show Mammoth received a "competitive advantage" or otherwise reduced the value of Precision's trade secrets. *JustMed*, 600 F.3d at 1130. After all, Precision's own allegations show the 757 FEM has little use to Mammoth: A large, wide-body aircraft like a Boeing 777 has numerous "system and structural differences" from a smaller, narrow-body aircraft like a Boeing 757 or an Airbus A321. Compl. ¶29; *see id.* ¶42. Precision's allegation regarding the shutoff-valve reports similarly alleges (at best) "mere possession," not use. *Soil Retention Prods.*, 521 F. Supp. 3d at 966.

b. Precision Does Not Plead Mammoth Acted Without Express or Implied Consent

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Precision alleges Mammoth acted without consent because "neither Wagner nor Mammoth had any ownership of or license to use Precision Data." Compl. ¶¶78, 87; see also id. ¶¶4, 43-49. It further alleges that former Precision employees had a duty to limit use of the trade secrets under their agreements with Precision, including the Wagner Development Agreement. Compl. ¶¶78, 87. Precision's allegations, however, do not account for the license Wagner received under the Wagner Development Agreement.

Under that agreement, Wagner retained his rights to "Wagner Know-How" and received a license to use "Precision Know-How." *See* pp. 3-4, *supra*. The licensed Know-How included, among other things, "methods, processes, improvements, concepts, ideas, and information" – exactly the information Precision alleges to be among the misappropriated trade secrets. *Compare* Compl. ¶¶45-46; p. 4, *supra* (describing Wagner Know-How), *with* Compl. ¶3 (describing trade secrets as including "process" and "procedure" for obtaining an STC).

"[A]n allegation is not plausible where there is an 'obvious alternative explanation' for alleged misconduct." *Capp v. County of San Diego*, 940 F.3d 1046, 1055 (9th Cir. 2019); *see also Twombly*, 550 U.S. at 567. Here, the allegations "do not eliminate [the] obvious alternative explanation" that the information at issue fell within the scope of the license in the Wagner Development Agreement. *Integra Med Analytics LLC v. Providence Health & Servs.*, 854 F. App'x 840, 841 (9th Cir. 2021). Indeed, Precision nowhere pleads facts showing that the supposed trade secrets were *not* Wagner Know-How (to which Wagner retained ownership) or that they fell outside the scope of Wagner's license to Precision Know-How. For that reason, too,

the complaint does not plausibly plead misappropriation. *See id.* at 841-42 (dismissing complaint).⁸

2. Precision Fails To Allege Improper Acquisition

Misappropriation by improper acquisition occurs through "acquisition of a trade secret . . . by a person who knows or has reason to know that the trade secret was acquired by improper means." 18 U.S.C. § 1839(5)(A); Or. Rev. Stat. § 646.461(2)(a).

A defendant cannot be liable for "acquisition" if it "passively receive[d]" a trade secret, Silvaco Data Sys. v. Intel Corp., 184 Cal. App. 4th 210, 223 (Cal. Ct. App. 2010), "without doing anything to facilitate receipt," Spice Jazz LLC v. Youngevity Int'l, Inc., No. 19-cv-583, 2019 WL 4573705, at *9 (S.D. Cal. Sept. 19, 2019). Precision does not allege such facilitation. It offers sweeping allegations about the scope of trade secrets that Mammoth supposedly possesses, see, e.g., Compl. ¶8-10, but provides no non-speculative details about how that acquisition occurred. A court "cannot presume the transfer of trade secret information occurs simply because Defendants possess it." Kimera Labs Inc. v. Jayashankar, No. 21-cv-2137, 2022 WL 11965058, at *9 (S.D. Cal. Oct. 20, 2022) (emphasis added). While Precision suggests Mammoth "actively recruited" former Precision employees, "lur[ed]" such employees to Mammoth "under false pretenses," and "coerc[ed]" them into bringing trade secrets to Mammoth, Compl. ¶¶59, 92 — Precision does not provide even minimal factual detail rendering those allegations plausible. Iqbal, 556 U.S. at 678.

Precision's allegations, moreover, do not show that Mammoth (or anyone else) used "improper means" to acquire the trade secrets. "Improper means" requires allegations the

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⁸ Wagner's license does not include Precision's FEM, but that allegation fails for other reasons. *See* pp. 13-14, 16, *supra*.

defendant acted through "theft, bribery, misrepresentation, breach or inducement of a breach of a duty to maintain secrecy, or espionage." 18 U.S.C. § 1839(6); Or. Rev. Stat. § 646.461(1). But here, Precision's allegations suggest the "obvious alternative explanation" that the information fell within the scope of Wagner's license. *Integra Med Analytics*, 854 F. App'x at 841; *see* pp. 17-18, *supra*. Because the allegations do not eliminate that alternative explanation, they fail. *See Twombly*, 550 U.S. at 567.

III. THE NON-TRADE-SECRET CLAIMS ARE PREEMPTED (COUNTS III-VI)

OUTSA preempts most other state law remedies and claims. Or. Rev. Stat. § 646.473(1). Where "the essence of the claim relates primarily to the alleged misappropriation of a trade secret" or is "based on the same operative facts," the claim is preempted. *Pigg*, 2025 WL 593574, at *6; *see also Opal Labs Inc. v. Sprinklr, Inc.*, No. 3:18-cv-1192, 2021 WL 3713042, at *6 (D. Or. Aug. 19, 2021); *AcryMed, Inc. v. Convatec*, 317 F. Supp. 2d 1204, 1217 (D. Or. 2004). Claims "based upon the unauthorized use of information" are preempted, "regardless of whether that information meets the statutory definition of a trade secret." *Pigg*, 2025 WL 593574, at *7. A plaintiff therefore cannot recast a trade secret claim under alternative tort theories. *AcryMed, Inc.*, 317 F. Supp. 2d at 1218. Precision does precisely that.

<u>Unfair Competition.</u> Precision's unfair competition theories rely on the "same operative facts" as its trade secret claims. *See AcryMed*, 317 F. Supp. 2d at 1217. Precision alleges Mammoth engaged in unfair competition "by *misappropriating* and using Precision's data and know-how, *including its trade secrets*, to obtain an STC for its 777 Conversion Program." Compl. ¶91 (emphasis added). Those facts mirror Precision's trade secret claim. *Id.* ¶86 (alleging that

⁹ Contract remedies, other civil remedies not based on misappropriation of a trade secret, and criminal remedies are not preempted. Or. Rev. Stat. § 646.473(2).

Mammoth "used, and continues to use, Precision Data without Precision's authorization in its attempt to secure an STC for Mammoth's 777 Conversion Program"). Precision also alleges Mammoth engaged in unfair competition by "coercing" former Precision employees "to disclose and utilize Precision's data and know-how." *Id.* ¶92. That, too, tracks Precision's trade secret claims. *See id.* ¶¶87-89. Because these claims share the same "factual predicate," the unfair competition claim is preempted. *See Aavid Thermalloy LLC v. Cooler Master Co.*, No. 17-cv-5363, 2018 WL 11348438, at *2 (N.D. Cal. June 15, 2018) (dismissing unfair competition claims under analogous California preemption provision where both claims were based on "the misappropriation of confidential information"); *Sunrich, Inc. v. Pac. Foods of Or., Inc.*, No. 01-cv-1108, 2003 WL 27382941, at *6 (D. Or. Aug. 5, 2003).

Intentional Interference. Precision's claim for intentional interference also relies on the "same operative facts" as its trade secret claims. *See AcryMed*, 317 F. Supp. 2d at 1217. Precision alleges that Mammoth "interfered with former Precision employees' fulfillment of their contracts with Precision . . . to *misappropriate* Precision's data and know-how," Compl. ¶96 (emphasis added), thereby "depriving Precision of its right to maintain their secrecy," *id.* ¶100. Those allegations mirror the trade secret claims, *see id.* ¶¶87-89, and are preempted, *see, e.g., Opal Labs*, 2021 WL 3713042, at *7; *Garfias v. Portland Spray Works, Inc.*, No. 3:20-cv-873-IM, 2021 WL 27456, at *7 (D. Or. Jan. 3, 2021).

Conspiracy. Precision's conspiracy allegations likewise rest on the "same operative facts" as its trade secret claims. *See AcryMed*, 317 F. Supp. 2d at 1217. Precision alleges Mammoth conspired "to *misappropriate* Precision's data and know-how." Compl. ¶102 (emphasis added). Such "conspiracy to misappropriate" claims are preempted. *See, e.g., VBS Distrib., Inc. v. Nutrivita Lab'ys, Inc.*, No. 16-cv-1553, 2020 WL 6259999, at *5 (C.D. Cal. Sept. 28, 2020); *cf.*

Precision Automation, Inc. v. Tech. Servs., Inc., No. 07-cv-707, 2007 WL 4480736, at *3 (D. Or. Dec. 14, 2007) (holding that unfair competition claim premised on alleged "conspiracy to use plaintiffs' trade secrets'" was preempted).

Conversion. Precision's claim for conversion fares no better. Precision alleges Mammoth "wrongfully took Precision Data and know-how," thereby "depriving Precision of its right to maintain their secrecy." Compl. ¶¶ 107, 109. That claim, too, rests on the same facts as Precision's trade secret claims, id. ¶ 87-89, and is preempted, see, e.g., Select Timber Prods. LLC v. Resch, No. 3:17-cv-541, 2017 WL 3709066, at *5 (D. Or. Aug. 27, 2017) (conversion claim preempted where plaintiffs alleged "'Defendants each exercised control over Plaintiffs' Confidential Process and Trade Secret Information"; Kante v. Nike, Inc., No. 07-cv-1407-HU, 2008 WL 5246090, at *4 (D. Or. Dec. 16, 2008) (same), aff'd, 364 F. App'x 388 (9th Cir. 2010); TMC Aerospace, Inc. v. Elbit Sys. of Am. LLC, No. 15-cv-7595, 2016 WL 3475322, at *7 (C.D. Cal. Jan. 29, 2016) (same).

Precision's unfair competition and common law claims differ little from its trade secret claims. The operative facts are the same. The essence of the claims is the same. "[S]tripped of facts supporting trade secret misappropriation," nothing remains of the non-trade-secret claims. See Alta Devices, Inc. v. LG Elecs., Inc., 343 F. Supp. 3d 868, 888 (N.D. Cal. 2018). They must be dismissed.

IV. THE NON-TRADE-SECRET CLAIMS MUST BE DISMISSED EVEN IF NOT PREEMPTED

The Unfair Competition Claim Fails (Count III) Α.

To violate Oregon's Unlawful Trade Practices Act, Or. Rev. Stat. §§ 646.605 et seg., a defendant must "willful[ly] use or employ[] a method, act or practice declared unlawful under § 646.608" in a way that causes "ascertainable loss of money or property" to a "consumer" of the

defendant's products or services. Or. Rev. Stat. § 646.638(1); *State ex rel. Rosenblum v. Living Essentials*, *LLC*, 529 P.3d 939, 943 (Or. 2023). Because Precision does not allege it is a consumer of Mammoth's conversion program and because it does not plead Mammoth engaged in any unlawful practice under § 646.608, its unfair competition claim fails.

The Unfair Trade Practices Act "protects *consumers* from unlawful trade practices," *Rosenblum*, 529 P.3d at 943 (emphasis added), not "businesses," *Graham v. Kold Kist Beverage Ice, Inc.*, 607 P.2d 759, 761 (Or. App. 1979). The law thus does not apply to "a dispute between competing businesses and their respective owners." *Meyer v. Mittal*, No. 3:21-cv-621, 2021 WL 5397472, at *5 (D. Or. Nov. 16, 2021). Precision and Mammoth both operate conversion programs (albeit for different types of planes). *See* Compl. ¶81. Precision is "not a consumer of [Mammoth's] products" and therefore cannot pursue an unfair competition claim. *Pulse Health LLC v. Akers Biosciences, Inc.*, No. 3:16-cv-1919, 2017 WL 1371272, at *8 (D. Or. Apr. 14, 2017).

Even if Precision were a Mammoth customer, the statute authorizes civil claims to vindicate only specific unfair practices "declared unlawful" under § 646.608. Or. Rev. Stat. § 646.638. Not one of those specific practices corresponds to the conduct Precision alleges here, see Compl. ¶¶91-92, and Precision makes no effort to identify one that does. See In re Dynamic Random Access Memory (Dram) Antitrust Litig., 516 F. Supp. 2d 1072, 1115 (N.D. Cal. 2007) (dismissing claim that did not correspond to any enumerated activity prohibited by Oregon's unfair-competition law).

Nor can Precision proceed under the catch-all provision in § 646.608, which applies to "other unfair or deceptive conduct." Or. Rev. Stat. § 646.608(1)(u). That provision applies only if the "Attorney General has first established a rule . . . declaring the conduct to be unfair or deceptive in trade or commerce." *Id.* § 646.608(4); *see Gosha v. Bank of N.Y. Mellon Corp.*, No.

3:19-cv-470-HZ, 2021 WL 920859, at *5 (D. Or. Mar. 10, 2021). Precision cannot point to any such rule here. See Dynamic Random Access Memory, 516 F. Supp. at 1115-16 (dismissing claim brought under § 646.608(1)(u)).

В. The Intentional Interference Claim Fails (Count IV)

Intentional interference with economic relations ("IIER") requires Precision to plead that Mammoth "intentionally interfered with economic relations," "that [the] intentional interference was accomplished through improper means or for an improper purpose," and that the interference caused "damage to economic relations." Uptown Heights Assocs. Ltd. P'ship v. Seafirst Corp., 891 P.2d 639, 646 (Or. 1995); Sanford v. Hampton Res., Inc., 447 P.3d 1192, 1197 (Or. App. 2019). Precision alleges Mammoth induced Precision employees to depart Precision and breach their confidentiality obligations. Compl. ¶96. Precision further alleges Mammoth interfered with non-solicitation provisions in Precision employment contracts by encouraging former Precision employees to leave Precision. Id. ¶98.

Those allegations fail. Nothing in the complaint meaningfully links *Mammoth* to the departure of Precision employees. To the contrary, the complaint itself provides an "obvious alternative explanation" for Precision's loss of employees. Precision "had excess engineering capacity" and "did not have enough internal engineering work." Compl. ¶54. Precision's employees thus left not because Mammoth "lure[d]" them away, but because Precision's business was dying, opportunities had collapsed, and Mammoth offered greener pastures. Failure to "eliminate [that] obvious alternative explanation" dooms the IIER claim. *Integra Med Analytics*, 854 F. App'x at 841. Regardless, bare allegations that an employer recruited employees fall short of alleging the employer *caused* the employees to breach confidentiality agreements. See Bombardier Inc. v. Mitsubishi Aircraft Corp., 383 F. Supp. 3d 1169, 1190 (W.D. Wash. 2019).

Finally, Precision's allegations do not demonstrate Mammoth acted with "improper motives" or for "improper means." Sanford, 447 P.3d at 1197 (internal citation omitted). The interference must be "wrongful by some measure beyond the fact of the interference itself" and "must violate some objective, identifiable standard." Id. But the complaint merely alleges Mammoth "encourag[ed]" former Precision employees to recruit their colleagues and "solicit[] confidential information" from them. Compl. ¶¶ 96, 98. Those allegations are "wholly consistent" with Mammoth's "pursuit of its own business purposes" of hiring qualified engineers to work on the 777 conversion project. Top Serv. Body Shop, Inc. v. Allstate Ins. Co., 582 P.2d 1365, 1372

(Or. 1978) (affirming judgment for insurer who discouraged claimants from using its non-preferred auto-body shop). 10

C. The Conversion Claim Fails (Count VI)

Conversion requires (1) "the intentional exercise of dominion or control" (2) "over a chattel" that (3) "so seriously interferes with the right of another to control it that the actor may justly be required to pay the other the full value of the chattel." *In re Martin*, 970 P.2d 638, 642 (Or. 1998). Precision's conversion claim fails because the complaint neither identifies the specific property that Mammoth allegedly converted nor alleges that Mammoth "seriously interfere[d]" with Precision's right of control.

"Any claim for conversion *must* specify the property which was converted." *In re Pickett*, No. 19-ap-3004-TMB, 2019 WL 3943666, at *2 (Bankr. D. Or. Aug. 20, 2019) (emphasis added) (citing *Becker v. Pac. Forest Indus.*, 211 P.3d 284, 287 (Or. App. 2009)); *Talk Radio Network Enters. v. Cumulus Media*, No. 1:16-cv-609-CL, 2016 WL 6693183, at *9 (D. Or. Sept. 13, 2016), *report and recommendation adopted*, 2016 WL 6699137 (D. Or. Nov. 14, 2016). The complaint here does not. Precision generally asserts that Mammoth converted "Precision Data and knowhow relating to Precision's 757 Conversion Program, its A321 Conversion Program, and the STC process more generally." Compl. ¶107. But those unbounded categories of information – likely capturing thousands of documents and gigabytes of information developed by Precision over the course of two decades – do not "tether" the claim "to understood, identifiable property." *Thomas v. Thomas*, No. 1:14-cv-131, 2015 WL 1467207, at *6 (D. Idaho Mar. 30, 2015); *see also NextWave Marine Sys., Inc. v. M/V Nelida*, 488 F. Supp. 3d 1004, 1016 (D. Or. 2020) (granting

¹⁰ To the extent Precision relies on allegations Mammoth sought to "misappropriate Precision's data and know-how," Compl. ¶96, its IIER claim is preempted. *See* pp. 19-20, *supra*.

summary judgment where the plaintiff failed to identify evidence that any specific tools were missing).

Precision also does not allege "an intentional exercise of dominion or control" that "so seriously interferes" with its right that Mammoth "may justly be required to pay [Precision] the full value of the chattel." Martin, 970 P.2d at 642. When a party alleges conversion of intellectual property, interference requires disclosure or use; mere "possession" is not enough. See FMC Corp. v. Cap. Cities/ABC, Inc., 915 F.2d 300, 303 (7th Cir. 1990); cf. Restatement (Second) of Torts § 242 (1965) (recognizing the close relationship between claims for conversion of "a document in which intangible rights were merged" and claims for interference with those intangible rights); Harper & Row, Publishers, Inc. v. Nation Enters., 723 F.2d 195, 201 (2d Cir. 1983) (concluding that "removing one of a number of copies" of a document, copying it, and returning it is "far too insubstantial an interference with property rights to demonstrate conversion"), rev'd on other grounds, 471 U.S. 539 (1985); Pearson v. Dodd, 410 F.2d 701, 707 (D.C. Cir. 1969) (similar); Soil Retention Prods., 521 F. Supp. 3d at 966 (recognizing that "mere possession" of trade secrets is insufficient to show misappropriation).

Mammoth's alleged mere possession of copies of Precision's FEM and valve reports does not amount to interference. Precision maintains Mammoth interfered with its right to control its data by "using" it. Compl. ¶¶107-109. But Precision's allegations of use are either conclusory or entirely inconsequential. See pp. 14-18, supra. And while Precision asserts Mammoth "disclosed" its information, it pleads not a single factual allegation supporting that conclusion. Cf. FLSmidth Spokane, Inc. v. Emerson, No. 1:13-cv-490, 2014 WL 2711790, at *8 (D. Idaho June 16, 2014) (dismissing trade secrets claim that "fail[ed] to allege specific facts regarding . . . how, when and where any such disclosure took place").

D. The Civil Conspiracy Claim Fails (Count V)

In Oregon, civil conspiracy is not "a separate tort for which damages may be recovered." *Morasch v. Hood*, 222 P.3d 1125, 1132 (Or. App. 2009). Rather, it allows "joint[] liab[ility] for another's tortious conduct." *Granewich v. Harding*, 985 P.2d 788, 792 (Or. 1999). Civil conspiracy requires "(1) two or more persons; (2) an object to be accomplished; (3) a meeting of the minds on the object or course of action; (4) one or more unlawful overt acts; and (5) damages as a result of the overt act or acts." *Morasch*, 222 P.3d at 1131-32. Precision's conspiracy claim fails for several reasons.

First, Precision's conspiracy "claim" fails because civil conspiracy is not "a separate tort." *Morasch*, 222 P.3d at 1132. Precision's allegations concerning its other claims fail, *see* pp. 8-26, *supra*, so its conspiracy claim must fail, too.

Second, the complaint does not state the "identities" or the "role" of the persons engaged in the conspiracy. Glacier Optical, Inc. v. Optique Du Monde, Ltd., No. 91-cv-985-FR, 1992 WL 98285, at *3 (D. Or. Apr. 23, 1992). That is fatal. Smith v. U.S. Bank, N.A., No. 10-cv-3077-CL, 2011 WL 2470100, at *15 (D. Or. Apr. 22, 2011) (dismissing civil conspiracy claim where plaintiffs "fail to identify which defendants are alleged to have participated in the conspiracy or the factual basis which supports the theory"), report and recommendation adopted, 2011 WL 2469729 (D. Or. June 20, 2011). At most, the complaint suggests Mammoth conspired with "former Precision employees." Compl. ¶103. But those individuals now work for Mammoth, see id. ¶¶60, 62, 64, and a company cannot conspire with its own employees or agents. Jones v. Target Corp., No. 3:23-cv-1301-JR, 2023 WL 9065120, at *6 (D. Or. Nov. 17, 2023), report and recommendation adopted, 2023 WL 8947922 (D. Or. Dec. 28, 2023); Bliss v. S. Pac. Co., 321 P.2d 324, 328-29 (Or. 1958) ("[T]he acts of the agent are the acts of the corporation."); see also Schmitz v. Mars, Inc., 261 F. Supp. 2d 1226, 1235 (D. Or. 2003) (dismissing statutory conspiracy

claim "based only on the conduct of Defendant's employees acting in the scope of their employment").

Third, Precision does not allege a "meeting of the minds," an "essential" element of conspiracy. Lawver v. Lawvor, 740 P.2d 1220, 1223 (Or. App. 1987). A court cannot "infer" a meeting of the minds from "vague and conclusory" allegations that individuals "have conspired with and among each other." Id. Those are the only allegations Precision offers here. It pleads Mammoth "agreed with one or more former Precision employees" to misappropriate Precision's trade secrets, Compl. ¶102, but offers no *factual* allegations concerning this supposed agreement. **How** did they agree? **When** did they agree? **Who** agreed? The complaint does not say. "[V]ague" accusations like these do not "amount to facts showing a meeting of the minds or agreement among the defendants." Sehat v. Progressive Universal Ins., No. 3:14-cv-1433-PK, 2015 WL 5056130, at *8 (D. Or. Feb. 26, 2015), report and recommendation adopted as modified, 2015 WL 5056067 (D. Or. Aug. 26, 2015); see Yanney v. Koehler, 935 P.2d 1235, 1239 (Or. App. 1997) (disregarding allegation that "'there was a meeting of the minds'" between the defendants and another individual "'on the purposes and goals'" of the scheme because that is "a conclusion of law"); AssuredPartners, 2022 WL 18024957, at *6 (dismissing a complaint that failed to "allege facts illustrating a meeting of the minds").

V. AN INJUNCTION IS A REMEDY, NOT A CLAIM (COUNT VII)

Precision's claim for an "injunction" must also be dismissed. Injunctions are "remedies ... not stand-alone claims." Brown v. Transworld Sys., Inc., 73 F.4th 1030, 1038 (9th Cir. 2023); accord Pigg, 2025 WL 593574, at *3 ("[A]n injunction is a type of relief, not a separate cause of action."); Charleston v. Wells Fargo Bank, N.A., No. 3:17-cv-595-PK, 2018 WL 648364, at *2 (D. Or. Jan. 31, 2018) (collecting cases). Count VII should be dismissed. Pigg, 2025 WL 593574, at *3.

CONCLUSION

The complaint should be dismissed.

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CERTIFICATE OF COMPLIANCE

This brief complies with the applicable word-count limitation under LR 7-2(b) because it contains 8,573 words, including headings, footnotes, and quotations, but excluding the caption, table of contents, table of cases and authorities, signature block, exhibits, and any certificates of counsel.

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