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MaxLite sues ATG and former employee

Seeks immediate temporary restraining order to prevent them from using MaxLite's confidential and proprietary information and trade secrets to engage in illegal business practices

WEST CALDWELL, N.J. (July 8, 2020) – MaxLite announced today it has brought suit, and filed an *ex parte* application for the issuance of an immediate temporary restraining order ("TRO"), against ATG Electronics, a California-based LED lighting company, and David Wyatt, a former employee of MaxLite, to prevent them from using MaxLite's confidential, proprietary, and trade secret information, to unfairly compete against MaxLite.

The TRO was filed in the context of the lawsuit against ATG and Wyatt, which is currently pending in the U.S. District Court for the Central District of California. The lawsuit is based on efforts by ATG, together with Wyatt, to steal MaxLite's confidential and proprietary information, trade secrets, and hard-won industry know-how in an effort to copy MaxLite's successful business strategy and enviable track record.

In its lawsuit, MaxLite alleges that ATG conspired with Wyatt to gain an unfair competitive advantage over it and improperly divert millions of dollars of business from MaxLite to ATG. Defendants apparently targeted several major MaxLite projects and customers, including a California unified school district project, a large California utility lighting program, and key national accounts and national distributors. MaxLite seeks judicial intervention to halt Defendants' improper and illegal targeting of MaxLite in an effort to replace MaxLite as the supplier for these projects and customers. The complaint details the conspiracy aimed at improperly copying the proprietary sales and marketing strategy, pricing policy and supply chain information MaxLite developed and implemented over decades of excellence in the lighting industry.

As a result of their conduct, it is alleged that ATG and/or Wyatt have: (a) solicited, suborned and/or conspired in violation of a separation agreement between MaxLite and Wyatt; (b) tortiously interfered with MaxLite's contractual rights under the separation agreement; (c) tortiously interfered with MaxLite's prospective economic advantages, and business relations with its suppliers, customers, distributors, contractors and representatives; and (d) engaged in theft of trade secrets, civil conspiracy and unfair competition through the use of MaxLite's confidential, proprietary information entrusted to Wyatt during his tenure with MaxLite.

"We consistently monitor the market for potential violations of our proprietary rights, intellectual property and trade secrets, and will continue to take a strong stance against violators by taking all steps necessary to protect MaxLite's rights," said MaxLite President and CEO Spencer Bolgard. "While imitation may be the best form of flattery, we will not tolerate the illegal and unethical use of our protected information and know-how. After learning that ATG has failed to mend its ways and was continuing to improperly target our company and teammates, we brought this additional lawsuit against it and against our former employee who is working with ATG to steal MaxLite's business and harass our current and former teammates."

This is not the first time that ATG has unfairly targeted key MaxLite personnel in an effort to exploit the confidential and proprietary MaxLite customer, product and channel information in their possession. MaxLite previously sued ATG and three former MaxLite employees who were recruited to work for ATG in violation of the employees' non-competition agreements with MaxLite. In connection with that case, MaxLite has settled with two of the former employees (the "Settling Employees") and obtained a default judgment against the third.

The former employees have themselves sued ATG in an effort to compel it to honor its alleged agreement to cover their legal fees in connection with this matter. As described by the Settling Employees, "ATG not only failed to protect and defend [us as promised], they fired [us]."

MaxLite is committed to the vigorous protection of its intellectual property and enforcement of its proprietary rights. Over the past 27 years, MaxLite has distinguished itself from the competition and emerged as a clear market leader in the LED lighting business in the United States and globally - a position it has achieved as a result of its cutting-edge product research and development activities, and significant investment in its teammates, representatives, the channel, and solutions for its customers.

About MaxLite (www.maxlite.com)

MaxLite has been committed to providing energy-efficient lighting products since 1993. One of the first movers into LED technology in the industry, MaxLite offers an extensive line of quality, certified indoor and outdoor LED lamps and luminaires. A five-time recipient of the ENERGY STAR Partner of the Year Award for its industry leadership, MaxLite continues to be at the forefront of energy-efficient technologies through the innovative research and development capabilities of its teams and facilities in New Jersey, Indiana and California. MaxLite is a nationally certified Minority Business Enterprise (MBE) by the National Minority Supplier Diversity Council. For more information, call 800-555-5629, email info@maxlite.com, or follow us on LinkedIn, Facebook, Twitter and Instagram.