

1 LATHAM & WATKINS LLP
James K. Lynch, Bar No. 178600
2 505 Montgomery Street, Suite 2000
San Francisco, CA 94111-6538
3 (415) 391-0600 / (415) 395-8095 Fax
jim.lynch@lw.com

4 Jennifer L. Barry, Bar No. 228066
5 12670 High Bluff Drive
San Diego, CA 92130
6 (858) 523-5400 / (858) 523-5450 Fax
jennifer.barry@lw.com

7 John M. Pierce, Bar No. 250443
8 355 South Grand Avenue
Los Angeles, CA 90071-1560
9 (213) 485-1234 / (213) 891-8763 Fax
john.pierce@lw.com

10 Attorneys for Plaintiff
11 LYFT, INC.

12 SUPERIOR COURT OF THE STATE OF CALIFORNIA
13 COUNTY OF SAN FRANCISCO
14

15 LYFT, INC.,

16 Plaintiff,

17 v.

18 TRAVIS VANDERZANDEN and DOES 1-
19 10,

20 Defendants.
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28

CASE NO.

COMPLAINT FOR:

**(1) BREACH OF WRITTEN CONTRACT --
CONFIDENTIALITY AGREEMENT; and**

(2) BREACH OF FIDUCIARY DUTY

1 Plaintiff Lyft, Inc., for its Complaint against Defendant Travis VanderZanden and Does
2 1-10, alleges as follows:

3 **INTRODUCTION**

4 1. Headquartered in San Francisco, California, Lyft, Inc. (“Lyft” or “the Company”)
5 is an online and mobile application-based technology company offering an innovative peer-to-
6 peer ridesharing platform in more than 60 cities in the United States. Since its inception in 2007,
7 the Company has grown quickly to become a leader in the mobile application-based peer-to-peer
8 ridesharing industry, facilitating millions of rides per month. Lyft has earned this rapid growth
9 and success in large part because of its significant investment in developing confidential and
10 proprietary technology and generating confidential and proprietary data that drives the
11 Company’s expanding service offerings. This confidential and proprietary information—
12 including strategic marketing plans, strategic product plans, business strategies, financial
13 information, forecasts, personnel information, growth data, and customer lists and data—is
14 valuable because it is non-public, and unavailable to Lyft’s competitors. This secrecy is
15 maintained by Lyft’s business policies and practices, and enforced by written contracts including
16 confidentiality restrictions binding on Lyft’s current and former employees and non-employee
17 service providers.

18 2. In March 2013, as part of its continued expansion, Lyft purchased Pinstripes
19 Technologies, Inc., dba Cherry (“Cherry”), a previously shutdown mobile car-washing company
20 started by VanderZanden, in an “acqui-hire” placing VanderZanden as Lyft’s new Chief
21 Operating Officer. “Acqui-hire” describes an acquisition transaction, where a company is
22 purchased primarily for its team.

23 3. When he joined the Company, VanderZanden signed both a written Employment
24 Agreement dated March 6, 2013 (the “Employment Agreement”) and an Employee Invention
25 Assignment and Confidentiality Agreement dated March 6, 2013 (the “Confidentiality
26 Agreement”) committing him to protect and maintain as confidential—during and after his
27 employment—Lyft’s confidential information. As COO, VanderZanden had access to Lyft’s
28 most confidential and sensitive corporate information—including financial data and forecasts,

1 strategic plans, and planned product offerings—covered by the Confidentiality Agreement, and
2 protected by Lyft’s policies and practices.

3 4. On August 12, 2014, VanderZanden informed Lyft’s co-founders, Logan Green
4 and John Zimmer, that he was planning to resign. Over the next two days VanderZanden, Green,
5 and Zimmer discussed VanderZanden’s future with the company. They all agreed to meet on
6 August 15, 2014 to try and reach an agreement.

7 5. On August 15, 2014, VanderZanden did not show up to work. In an early
8 morning email, VanderZanden cancelled his meeting with Green and Zimmer, suggesting that
9 they speak Monday and to take the weekend to think over their negotiations. In the meantime,
10 VanderZanden conducted back-ups of his Lyft emails and contacts to his mobile phone and his
11 personal home computer. VanderZanden also separately informed a Lyft board member that he
12 was talking to Uber Technologies, Inc. (“Uber”). August 15, 2014 was VanderZanden’s last day
13 of employment at Lyft.

14 6. On August 18, 2014, Lyft reached out to VanderZanden multiple times attempting
15 to retrieve his Lyft laptop computer. VanderZanden never responded. The next day, Lyft sent
16 an employee to VanderZanden’s house to retrieve the laptop computer. VanderZanden handed
17 over the computer to the Lyft employee. On August 23, 2014, however, VanderZanden emailed
18 Lyft slamming the Company for “stalking” its laptop computer and accusing Lyft of trying to
19 pick a fight with him.

20 7. On October 6, 2014, Uber—one of Lyft’s chief competitors—publicly announced
21 that it hired VanderZanden in a senior executive position, Vice President of International
22 Growth.

23 8. Computer forensic evidence establishes that in the months and days before he
24 announced his resignation and departed Lyft, VanderZanden synchronized his personal Dropbox
25 account to his Lyft laptop, revealing that his personal Dropbox account contained more than
26 98,000 artifacts (files and folders), including a significant number of Lyft’s most sensitive
27 documents. At all times during his employment, VanderZanden had access to a Lyft Dropbox
28 account, which was available for all of his work-related needs, so there would be no legitimate

1 business reason for him to place these sensitive documents in his personal account. The
2 documents found in his personal Dropbox account included Lyft's historic and future financial
3 information, strategic planning materials like marketing plans and product plans, customer lists
4 and data, international growth documents, and private personnel information. Forensic evidence
5 also establishes that VanderZanden systematically uploaded confidential and proprietary Lyft
6 documents to his personal Dropbox account, and backed up his work emails and contacts to, on
7 information and belief, his personal computer and his iPhone. VanderZanden possessed these
8 documents post-employment on at least his personal Dropbox account, and on information and
9 belief, his personal computer and iPhone. VanderZanden, notably, can still access his personal
10 Dropbox account, and the proprietary and confidential documents therein, from any computer in
11 the world simply by providing his login credentials. VanderZanden's Lyft Dropbox account was
12 shut down by the Company promptly after his resignation.

13 9. The forensic evidence collected from VanderZanden's Lyft-issued computer
14 following his resignation also makes clear that he took a number of these steps to transfer Lyft
15 information to his personal files in anticipation of his resignation. In any case, regardless of his
16 intent, VanderZanden's possession of Lyft confidential information post-employment breached
17 his Confidentiality Agreement. That agreement bars him from possessing, post-employment,
18 any Lyft confidential and proprietary information, and prohibits him from using or disclosing
19 such information to anyone.

20 10. VanderZanden's Confidentiality Agreement also required him to certify, by a
21 Termination Certification, that he honored and would continue to honor his responsibilities under
22 the Confidentiality Agreement. VanderZanden has ignored Lyft's repeated requests that he sign
23 the Termination Certification verifying that he no longer possesses, and will not use, Lyft
24 confidential information. VanderZanden and Uber have steadfastly ignored repeated requests to
25 return confidential and proprietary Lyft information VanderZanden possessed post-employment.
26 Uber's counsel maintained that VanderZanden "has no Lyft proprietary information in his
27 possession – not now, not when he started at Uber, and not since he left Lyft."

28 11. Rather than turn his phone over to Lyft to ensure the return of all confidential

information, VanderZanden purportedly sold his iPhone on www.gazelle.com soon after his resignation. Uber’s counsel claimed that VanderZanden “has no reason to believe there was any Lyft proprietary data on the phone at any time,” a claim which is contradicted by the allegations herein and the fact that, as a high-ranking Lyft employee, he certainly would have had Lyft proprietary information on his iPhone during the term of his employment. Neither VanderZanden nor Uber explained why VanderZanden chose to sell his phone in the first instance. An odd thing for a high-net worth individual to do, it was likely to cover his tracks and dispose of evidence of his misdeeds.

12. VanderZanden breached the Confidentiality Agreement in numerous other ways as well, including by soliciting and attempting to solicit numerous Lyft employees to leave Lyft. VanderZanden successfully solicited at least one fellow Lyft executive, Stephen Schnell, Vice President of Operations at Lyft, by promising to enable a stock sale for Schnell and investing in Schnell's future business venture. Indeed, on October 31, 2014, Uber and Schnell confirmed that Schnell is now working with VanderZanden at Uber. Moreover, Ryan Fujiu, another Lyft employee that VanderZanden encouraged to resign around the same time VanderZanden resigned, has since left Lyft, and on information and belief, joined Uber as well.

13. VanderZanden's conduct not only breaches the Confidentiality Agreement, but also breaches fiduciary duties of loyalty and confidence he owed to Lyft as an officer and employee.

PARTIES

14. Lyft is, and at all times mentioned was, a corporation organized and existing under the laws of the State of Delaware, that has its principal place of business in San Francisco, California.

15. On information and belief, Defendant Travis VanderZanden is, and at all times mentioned was, a resident of Contra Costa County, California. VanderZanden currently is the Vice President of International Growth at Uber, one of Lyft's primary competitors.

16. Lyft is not aware of the true names and capacities of Defendants sued herein as Does 1 through 10, inclusive, and therefore sues these Defendants by fictitious names. Lyft will

1 amend this Complaint to allege the true names and capacities when ascertained. Lyft is informed
2 and believes and thereon alleges that each fictitiously named Defendant is responsible in some
3 manner for the occurrences herein alleged, and that Lyft's damages as herein alleged were
4 proximately caused by these Defendants.

5 17. Lyft is informed and believes and thereon alleges that at all times material to this
6 Complaint, each of the Defendants, in addition to acting for himself or herself individually, is
7 and was acting as the agent, servant, employee and representative of, and with the knowledge,
8 consent and permission of, and in conspiracy with, each and all of the Defendants and within the
9 course, scope and authority of that agency, service, employment, representation, and conspiracy.
10 Lyft further alleges on information and belief that the acts of each of the Defendants were fully
11 ratified by each and all of the Defendants. Specifically, and without limitation, Lyft alleges on
12 information and belief that the actions, failures to act, breaches, conspiracy, and
13 misrepresentations alleged herein and attributed to one or more of the specific Defendants were
14 approved, ratified, and done with the cooperation and knowledge of each and all of the
15 Defendants.

16 **JURISDICTION AND VENUE**

17 18. This action is within the jurisdiction of this Court under the California
18 Constitution, Article VI, Section 10 because the amount in controversy exceeds \$25,000 and
19 jurisdiction has not been given by statute to a different court.

20 19. Venue is proper in this judicial district pursuant to California Code of Civil
21 Procedure § 395(a), as this is an action, in part, for breach of contract, and San Francisco County
22 is the county "where the contract in fact was entered into," and where the contractual "obligation
23 [was] to be performed."

24 20. The underlying claims are brought, in part, pursuant to the Employment
25 Agreement and Confidentiality Agreement, both dated March 6, 2013, both of which
26 VanderZanden executed. The Confidentiality Agreement provides that "in the event of a breach
27 or threatened breach of this Agreement by [VanderZanden] the Company may suffer irreparable
28 harm and will therefore be entitled to injunctive relief to enforcement this Agreement."

1
2 **FACTUAL BACKGROUND**

3 **Lyft Origins**

4 21. Lyft is an online and mobile application-based peer-to-peer ridesharing company
5 headquartered in San Francisco, California. The Company offers its services in more than 60
6 cities nationwide. Lyft, formerly known as Zimride, Inc. and Bouncer Web, Inc., was launched
7 by co-founders Logan Green and John Zimmer in 2007.

8 22. Lyft developed its mobile peer-to-peer ridesharing application (the "Lyft App") in
9 Spring 2012.

10 23. Lyft currently has over 350 employees in several locations throughout the United
11 States, and through the Lyft App, facilitates millions of rides per month.

12 24. As a technology-based company offering a fast-growing, innovative service in an
13 increasingly competitive market, Lyft invested millions of dollars in developing and protecting
14 proprietary and sensitive information related to its strategy, product and service offerings, and
15 financial status and projections. This proprietary information includes documents detailing its
16 business strategies, product plans, marketing plans, historical and current financial information,
17 forecasts, customer data, and personnel information.

18 25. Lyft protects its investment in this proprietary information with numerous
19 commercially reasonable policies and practices, including requiring: all employees to sign Lyft's
20 employee handbook (which describes in detail each employee's obligations regarding conflicts
21 of interest, technology use and security, and protection of Lyft's confidential and proprietary
22 information); all employees to sign confidentiality agreements as a condition of employment;
23 everyone who enters the Lyft office to acknowledge a non-disclosure agreement before
24 proceeding past the reception desk; all employees to enable a two-step verification for Google
25 apps; and employees when ending employment with Lyft to sign Termination Certifications that
26 they will honor the terms of the Confidentiality Agreement, if requested by Lyft. Furthermore,
27 Lyft limits access to Lyft's corporate Dropbox account to Lyft employees and consultants.

28 **Lyft Continues Growing, and Hires VanderZanden**

26. Lyft's rapid growth reflects its pioneering strategy and product offerings. From May 2007 to the present, the Company grew a non-existent customer base into one comprised of millions of customers and expanded from servicing one market in a single state to over 60 markets throughout the United States.

27. As part of that growth, in March 2013, the Company purchased Cherry, VanderZanden’s previously shutdown mobile car-washing company, in an acqui-hire providing Lyft with Cherry’s intellectual property and its two remaining employees, VanderZanden and Schnell. Lyft made VanderZanden its Chief Operating Officer.

28. VanderZanden signed both his Employment Agreement and his Confidentiality Agreement effective March 6, 2013.

29. VanderZanden would not have been, and could not have been, hired without signing the Confidentiality Agreement. Every employee of the Company executes a Confidentiality Agreement substantially similar to that required of VanderZanden. The Employment Agreement states that VanderZanden's "acceptance of this offer and commencement of employment with the Company is contingent upon the execution, and delivery to an officer of the Company, of the Company's [Confidentiality Agreement]." The Employment Agreement stated that "[t]his Agreement, the Confidentiality Agreement and the Non-Competition Agreement contain the entire understanding of the parties with respect to the subject matter hereof."

Confidentiality Agreement

30. Under the Confidentiality Agreement, VanderZanden confirmed that his “employment by the Company creates a relationship of confidence and trust with respect to any information of a confidential or secret nature that may be disclosed to [him] by the Company or a third party that relates to the business of the Company or to the business of any parent, subsidiary, affiliate, customer or supplier of the Company or any other party with whom the Company agrees to hold information of such part in confidence (the ‘Proprietary Information’).”

31. The Confidentiality Agreement provides that “Proprietary Information includes, but is not limited to, Assigned Inventions, marketing plans, product plans, business strategies,

1 financial information, forecasts, personnel information, customer lists and data, and domain
2 names.”

3 32. VanderZanden confirmed that “[a]t all times, both during [his] employment and
4 after its termination, [he would] keep and hold all such Proprietary information in strict
5 confidence and trust until such Proprietary Information becomes publicly and widely known and
6 made generally available through no wrong act of [VanderZanden].”

7 33. VanderZanden also promised that he would “not disclose any Proprietary
8 Information without the prior written consent of the Company until such Proprietary Information
9 becomes publicly and widely known and made generally available through no wrongful act of
10 [VanderZanden], except as may be necessary to perform [his] duties as an employee of the
11 Company for the benefit of the Company.”

12 34. Post termination of his Lyft employment, VanderZanden remains obligated to
13 “promptly deliver to the Company all documents and materials of any nature pertaining to [his]
14 work with the Company.” VanderZanden, “upon [Lyft’s] request,” also must “execute a
15 document confirming [his] agreement to honor [his] responsibilities contained in [the
16 Confidentiality Agreement].”

17 35. The Confidentiality Agreement forbids VanderZanden from “tak[ing] with [him]
18 or retain[ing] any documents or materials or copies thereof containing any Proprietary
19 Information.”

20 36. Beyond the protection of proprietary information, the Confidentiality Agreement
21 also specifies that VanderZanden could “not, without the company’s express written consent,
22 engage in any other employment or business that (i) directly competes with the current or future
23 business of the Company; (ii) uses any Company information, equipment, supplies, facilities or
24 materials; or (iii) otherwise conflicts with the Company’s business interest and causes a
25 disruption of its operations.”

26 37. The Confidentiality Agreement also prohibits VanderZanden “[d]uring [his]
27 employment with the Company and for a period of one (1) year thereafter” from “directly or
28 indirectly solicit[ing] away employees or consultants of the Company for [his] own benefit or for

1 the benefit of any other person or entity.”

2 38. VanderZanden also is prohibited “[d]uring [his] employment with the Company
3 and for a period of one (1) year thereafter” from “directly or indirectly solicit[ing] or otherwise
4 tak[ing] away customers or suppliers of the Company if, in so doing, [he] use[d] or disclose[d]
5 any trade secrets or proprietary or confidential information of the Company.” In that context,
6 “non-public names and addresses of the Company’s customers and suppliers, and all other
7 confidential information related to them, including their buying and selling habits and special
8 needs, created or obtained by [him] during [his] employment constitute[d] trade secrets or
9 proprietary or confidential information of the Company.”

10 **VanderZanden Planned and Executed His Misappropriation**
11 **of Lyft’s Confidential and Proprietary Information**

12 39. On August 12, 2014, VanderZanden met with Logan Green and later John
13 Zimmer (Lyft’s co-founders) in person, and informed them that he was planning to resign. Over
14 the next two days VanderZanden, Green, and Zimmer discussed VanderZanden’s future with
15 Lyft. The three agreed to meet on August 15, 2014 to try and reach an agreement.

16 40. At 7:54 a.m. on August 15, 2014, VanderZanden emailed the co-founders,
17 explaining that there was no reason to meet, and that they should “think this through . . . before
18 we finalize.” VanderZanden concluded by saying “I love you guys like brothers. . . I still bleed
19 pink . . . [l]et’s sleep on it over the weekend.”

20 41. Later on August 15, 2014, VanderZanden apprised a Lyft board member that he
21 was talking to Uber and explaining that he did not prompt Schnell to resign with him.

22 42. On August 18, 2014, per Lyft’s Confidentiality Agreement, Lyft called and
23 emailed VanderZanden a total of six times asking him to return his Lyft laptop computer.
24 VanderZanden ignored every attempt to be contacted.

25 43. The next day, August 19, 2014, after every call and email went unanswered, Lyft
26 sent a Lyft employee to VanderZanden’s house to retrieve the laptop computer. Eventually,
27 VanderZanden arrived back home and gave his laptop to the employee.

28 44. On August 23, 2014, VanderZanden emailed Lyft’s CEO, President, and General

1 Counsel slamming Lyft for “stalking” its laptop computer and accusing Lyft of trying to pick a
2 fight with him.

3 45. Anticipating his departure and planning for his new job at Uber, VanderZanden
4 began taking affirmative steps to misappropriate Lyft’s confidential and proprietary information
5 and solicit Lyft’s employees to leave the Company with him in the days and weeks before he
6 left the company. According to forensic evidence obtained from his computer following his
7 resignation, VanderZanden performed multiple searches on various search engines from his
8 Lyft-issued computer to research how to execute his unlawful actions. Many of
9 VanderZanden’s searches concerned how to back up Google related services and products, such
10 as Lyft’s Google-based email content provided through Gmail for business (“Lyft Email”).

11 46. On August 12, 2014, VanderZanden searched “how to archive in google apps,”
12 “how to backup google apps email” and “http://www.googleapps--backup.com.” And on August
13 13, 2014, he searched “http://gmailkeeper.com/” and “http://www.gmail-backup.com/.”

14 47. VanderZanden also used a cloud-based note taking application called “Evernote.”
15 VanderZanden’s notes saved in this program evidence his breaches of contract and fiduciary
16 duties.

17 48. On August 12, 2014, VanderZanden wrote a note to himself that mapped out his
18 resignation speech: “It’s ben [sic] a great ride, but the time has come for me to resign.”

19 49. On August 14, 2014, VanderZanden wrote another note on Evernote and listed
20 tasks he needed to complete. Among the tasks was “Backup Lyft Email and Contacts.”
21 VanderZanden followed through on this, as he downloaded his work emails and contacts to his
22 personal computer the next day—*after* asking to delay the meeting with Messrs. Green and
23 Zimmer so he could execute this plan—as alleged below.

24 **VanderZanden Resigns and Refuses to Sign the Termination Certification**

25 50. As alleged above, VanderZanden informed the Company that he was resigning
26 on August 12, 2014.

27 51. Immediately following his resignation, Lyft asked VanderZanden to sign the
28 Termination Certification he contractually is obligated to provide, verifying that he has honored

1 and will continue to honor his Confidentiality Agreement responsibilities. VanderZanden
2 refused. VanderZanden repeatedly has refused Lyft's subsequent and repeated requests to sign
3 the Termination Certification. VanderZanden also ignored Lyft's repeated and concerted
4 attempts to retrieve his Lyft-issued laptop computer, while at the same time quickly selling his
5 iPhone. VanderZanden's mere refusals are contract breaches, and his refusals and actions also
6 reflect his consciousness of guilt. Computer forensic evidence establishes that he possessed Lyft
7 confidential information post-employment. If he no longer possesses that information, and/or no
8 longer intends to use the information to benefit Uber and harm Lyft, why expose himself to
9 personal liability for contract breaches?

10 **VanderZanden's Misappropriation**
11 **of Lyft's Confidential and Proprietary Information**

12 52. Dropbox is a cloud-based storage program allowing users to store and access
13 documents from anywhere with an Internet connection. Lyft uses Dropbox as a means to store
14 and retrieve company documents. Lyft provided VanderZanden with a Dropbox account for
15 work purposes—"Dropbox (Lyft)." VanderZanden also linked his personal Dropbox account—
16 "Dropbox (Personal)" —to his Lyft computer. Dropbox (Lyft) was VanderZanden's Company
17 account over which Lyft had ownership and control of its contents. Dropbox (Personal) is
18 VanderZanden's personal Dropbox account over which he—and not Lyft—has ownership and
19 control of its contents. Only VanderZanden can access the Dropbox (Personal) account, and he
20 can do so from any computer, anywhere in the world.

21 53. VanderZanden synchronized both of these Dropbox accounts to his Lyft computer
22 on June 23, 2014.

23 54. Before resigning, VanderZanden transferred thousands of documents containing
24 confidential and proprietary information into his Dropbox (Personal) folder. Forensic evidence
25 establishes that VanderZanden's personal Dropbox account contained four folders with the word
26 "Lyft" in the title—"Lyft," "Lyft Decks," "Lyft Accounting Data," and "Lyft PnL." Lyft's
27 documents could be in numerous other folders with different names. Lyft is not able to search
28 the nearly 100,000 documents in the Dropbox account to verify. With a Lyft Dropbox account

1 available and able to be accessed from *any* computer with an Internet connection, VanderZanden
2 had no legitimate reason to ever transfer confidential and proprietary work documents into his
3 personal Dropbox account.

4 55. On August 15, 2014, VanderZanden's last day, Lyft changed the password to
5 VanderZanden's Company Dropbox account to prevent him from subsequently accessing the
6 account, and to ensure that the proprietary information contained therein remained confidential
7 and within Lyft's ownership and control.

8 56. After VanderZanden's departure on August 15, 2014, he continued and continues
9 to this day as an Uber employee, to have exclusive possession and control over his personal
10 Dropbox account containing all of the aforementioned Lyft proprietary and confidential
11 information.

12 57. As alleged above, "Proprietary Information" as defined in the Confidentiality
13 Agreement included "marketing plans, product plans, business strategies, financial information,
14 forecasts, personnel information, customer lists and data, and domain names."

15 58. The Lyft documents VanderZanden transferred to his personal Dropbox account
16 represented many of the aforementioned categories of confidential and proprietary information
17 subject to the Confidentiality Agreement.

18 59. VanderZanden possesses numerous documents regarding Lyft's confidential and
19 proprietary marketing and product plans, which are critical to Lyft's business, including "Lyft
20 Product Roadmap 2014," a confidential document outlining Lyft's 2014 per-quarter product
21 roadmap, naming specific new and important products and ventures Lyft intends to roll-out over
22 2014. This document was shared with high-level executives within Lyft and investors subject to
23 non-disclosure agreements.

24 60. Another example of Lyft's confidential and proprietary marketing and product
25 plans in VanderZanden's possession is "Lyft BOD (12.17.2013)," a confidential presentation for
26 Lyft's Board of Directors, summarizing Lyft's growth through 2013, key metrics including
27 Lyft's per-city revenue, ride, and performance analysis, product updates and plans, and detailed
28 financial information. This document was shared with high-level executives within Lyft and

1 Lyft's Board of Directors.

2 61. Another example of Lyft's confidential and proprietary marketing and product
3 plans in VanderZanden's possession is "Coatue¹ Lyft Model," a confidential spreadsheet
4 extensively outlining and analyzing historical and projecting future marketing data with tabs on
5 "Company Projection," City Ride Analysis," City Contribution Analysis," and "Penetration."
6 Among other metrics, Lyft's per-city revenue, ride, and performance analysis, as well as Lyft's
7 own growth projections are highly sensitive and confidential. This document was shared with
8 high-level executives within Lyft and investors subject to non-disclosure agreements.

9 62. VanderZanden also transferred to his Dropbox (Personal) account numerous
10 Excel spreadsheets containing detailed financial information for Lyft. These documents included
11 historical and current financial data, as well as future financial forecasts and projections, all of
12 which is confidential, proprietary, and critical to Lyft's business.

13 63. An example of the proprietary and confidential financial information in
14 VanderZanden's possession is "Lyft _PnLv9.7 4.9.2014," a highly confidential spreadsheet
15 outlining Lyft's finances through 2016, including detailed tabs entitled "charts_n_graphs,"
16 "income_and_cash," "large_city_pnl," and "long_tail_pnl." For example, "income_and_cash"
17 forecasts Lyft's financials through December 2016, including gross revenue, gross margin,
18 marketing, fixed costs, and EBITDA numbers. This document was shared with high-level
19 executives within Lyft and key members of Lyft's legal team, human resources team, and
20 finance team.

21 64. Another example of Lyft's confidential and proprietary financial information in
22 VanderZanden's possession is "Lyft - (2014-01-23) Capitalization Table Equity Schedule," a
23 highly confidential spreadsheet detailing the ownership of the Company across each class of
24 securities, while also providing contact information of each of the Company's individual
25 shareholders. This extremely sensitive document was shared with high-level executives within
26 Lyft and investors subject to non-disclosure agreements.

27 ¹ Coatue is Lyft's lead Series D investor. This particular report was generated specifically by
28 Coatue in its role as a major investor of the company.

1 65. Another example of Lyft's confidential and proprietary financial information in
2 VanderZanden's possession is "Lyft – Proforma – v2," a confidential spreadsheet containing
3 financial models outlining the impact of a potential new product. This document was shared
4 with high-level executives within Lyft.

5 66. Another example of Lyft's confidential and proprietary financial information in
6 VanderZanden's possession is "Lyft Financials (12.17.13)," a confidential spreadsheet
7 comprised of numerous tabs with highly sensitive financial metrics like "Lyft P&L," "YTD by
8 Department," "Revenue Trend," and "Expense Variance." For example, this document includes
9 charts comparing Lyft's forecasts versus actual performance, and revenue and cost trends by
10 city. This document was shared with high-level executives within Lyft and Lyft's Board of
11 Directors.

12 67. Another example of Lyft's confidential and proprietary financial information in
13 VanderZanden's possession is "Coupon_Spend_2014_08_01," a highly confidential spreadsheet
14 containing sensitive financial information regarding where Lyft invests its capital within its
15 business and the results of those investments, organized by market. This document was shared
16 with high-level executives within Lyft and key members of Lyft's legal team, human resources
17 team, and finance team.

18 68. Another example of Lyft's confidential and proprietary financial information in
19 VanderZanden's possession is "Coupon_Spend_2014_07_02," a highly confidential spreadsheet
20 containing sensitive financial information regarding where Lyft invests its capital within its
21 business and the results of those investments, organized by market. This document was shared
22 with high-level executives within Lyft and key members of Lyft's legal team, human resources
23 team, and finance team.

24 69. Another example of Lyft's confidential and proprietary financial information in
25 VanderZanden's possession is "Coupon_Spend_2014_05_01_2," a highly confidential
26 spreadsheet containing sensitive financial information regarding where Lyft invests its capital
27 within its business and the results of those investments, organized by market. This document
28 was shared with high-level executives within Lyft and key members of Lyft's legal team, human

resources team, and finance team.

70. Another example of Lyft's confidential and proprietary financial information in VanderZanden's possession is "Lyft Dashboard (6.10.2013)," a confidential spreadsheet containing sensitive financial metrics on many cities where Lyft operates. One tab, "LAX_weekly," details total rides, gross revenues, gross per ride, active passengers, and active drivers weekly from January 2013 through June 2013 for the Los Angeles market. This document was shared with high-level executives within Lyft and key members of Lyft's product team, data analytics team, operations team, legal team, human resources team, and finance team.

71. VanderZanden possesses numerous documents pertaining to Lyft's business strategies, which are proprietary, confidential, and critical to Lyft's business.

72. An example of the proprietary and confidential business strategy documents in VanderZanden's possession is "Int'l City Rollout Data_v1.1," a spreadsheet containing highly sensitive and confidential information regarding Lyft's international expansion plans, including analysis of potential international markets and the criteria used to prioritize those new markets. This document was shared only with high-level executives within Lyft and key members of Lyft's product team, data analytics team, operations team, growth team, and finance team.

73. Another example of the proprietary and confidential business strategy documents in VanderZanden's possession is "Jan14_Acquisition_Report," a confidential spreadsheet including numerous tabs containing confidential and sensitive information regarding Lyft's marketing plans and performance. Organized by various markets and channels, the data includes highly confidential information regarding Lyft's marketing and advertising budgets, the types of marketing strategies it employs, how it acquires drivers and passengers, and the entities through which it markets and advertises its services. This document was shared with high-level executives within Lyft and key members of Lyft's product team, data analytics team, operations team, and finance team.

74. VanderZanden possesses numerous documents that contain proprietary and confidential Lyft personnel information that is sensitive in nature.

75. An example of the proprietary and confidential personnel information in

1 VanderZanden's possession is "Lyft - Series D Pro Forma," a confidential spreadsheet analyzing
2 the impact of additional fundraising on equity holdings. In addition to disclosing highly
3 sensitive and confidential financial investment information, this document also provides the
4 home addresses, phone numbers, and email addresses of Lyft's investors. This extremely
5 sensitive document was shared with high-level executives within Lyft and investors subject to
6 non-disclosure agreements.

7 76. Another example of the proprietary and confidential personnel information in
8 VanderZanden's possession is "Lyft - Pending Grants Table - Capitalization Table & Equity
9 Schedule (2013.09.16)," a confidential spreadsheet detailing the ownership of the Company
10 across each class of securities. In addition to disclosing highly sensitive and confidential
11 financial investment information, this document also provides the home addresses, phone
12 numbers, and email addresses of Lyft's investors. This extremely sensitive document was shared
13 with high-level executives within Lyft, Lyft's Board of Directors, and investors subject to non-
14 disclosure agreements.

15 77. Lyft has expended great effort and money to gather customer lists and data
16 through user (both riders and drivers) names, email addresses, home addresses, and phone
17 numbers. That confidential and proprietary information, which VanderZanden now possesses, is
18 used for marketing plans, product plans, business strategies, user acquisition, and various pilot
19 programs for new service offerings. Therefore, the confidentiality of those user lists is paramount
20 to Lyft's current and future viability.

21 78. An example of proprietary and confidential customer lists and data in
22 VanderZanden's possession is "driverValues_031313_1914," a document containing sensitive
23 and proprietary list of the names of current Lyft drivers, as well as key metrics about each driver
24 such as each driver's ride acceptance rate, average ratings, and reliability. This document was
25 shared with high-level executives within Lyft and key members of Lyft's product team, data
26 analytics team, operations team, and growth team.

27 79. Another example of proprietary and confidential customer lists and data in
28 VanderZanden's possession is "Coatue data monthly," a confidential spreadsheet that provides

1 aggregate data on numerous customer metrics like weekly active passengers, daily average active
2 passengers, apps open, active user app opens daily, and active user app opens weekly covering
3 every city in which Lyft is active and spanning from May 2012 through January 2014. This
4 document was shared with high-level executives within Lyft and investors subject to non-
5 disclosure agreements.

6 80. Another example of proprietary and confidential customer lists and data in
7 VanderZanden's possession is "Lyft feb data," a confidential spreadsheet that provides aggregate
8 data on numerous customer metrics like weekly and monthly active passengers, active drivers,
9 completed rides, and gross revenue in every city in which Lyft is active and spanning from May
10 2012 through February 2014. This document was shared with high-level executives within Lyft
11 and investors subject to non-disclosure agreements.

12 81. Beyond the confidential and proprietary information that VanderZanden uploaded
13 to his personal Dropbox account, he also transferred confidential and proprietary information
14 contained in his Lyft Email account, on information and belief, to his personal computer and
15 iPhone.

16 82. Forensic evidence establishes that on August 15, 2014 a computer with a Comcast
17 IP address in close proximity to VanderZanden's home address using the IMAP protocol
18 downloaded emails and attachments from his Lyft Email account—on information and belief,
19 this was VanderZanden's personal computer. The IMAP protocol ensures that a copy of the
20 entire mailbox is synchronized and copied for local storage on the receiving device so that the
21 last synchronized copy of the email can be accessed on the device, even if the email account is
22 no longer accessible to the user—as it was in this case—or unavailable due to lack of network
23 connectivity. The downloaded email would also include the attachments of each email and those
24 attachments could be opened even if access to the Lyft Email system was no longer available.
25 Attachments to VanderZanden's Lyft emails would have included *thousands* of Lyft confidential
26 and proprietary documents.

27 83. Forensic evidence also establishes that on or about August 15, 2014,
28 VanderZanden downloaded a full copy of the contents of his Lyft Email account

1 (travis@lyft.com) to his iPhone, using the IMAP protocol. Again, this copy of VanderZanden's
2 Lyft Email would have included *thousands* of attachments consisting of Lyft confidential and
3 proprietary information. This is the same iPhone that VanderZanden purportedly later sold on
4 www.gazelle.com.

5 84. As of the date of this Complaint, despite multiple requests from the Company,
6 VanderZanden has not returned to Lyft any of the aforementioned confidential and proprietary
7 information.

8 85. On the contrary, VanderZanden attempted to cover his tracks and dispose of
9 evidence of his misappropriation. For example, VanderZanden refused to give back his Lyft-
10 issued computer (and in fact chastened the company for sending an employee to retrieve it from
11 him after VanderZanden ignored the company's numerous requests for its return) and he quickly
12 sold his iPhone.

13 86. On information and belief, VanderZanden has used and disclosed the
14 aforementioned confidential and proprietary information in the course of his current employment
15 with Uber and otherwise.

16 **VanderZanden Solicited Lyft Employees**

17 87. VanderZanden solicited Lyft employees away from Lyft, in direct violation of his
18 Confidentiality Agreement, and thereby harmed Lyft and benefitted himself and others.

19 88. As alleged above, the Confidentiality Agreement prohibited VanderZanden
20 "[d]uring [his] employment with the Company and for a period of one (1) year thereafter" from
21 "directly or indirectly solicit[ing] away employees or consultants of the Company for [his] own
22 benefit or for the benefit of any other person or entity."

23 89. Between August 14 and 16, 2014, VanderZanden sent numerous messages to
24 Stephen Schnell, the former Vice President of Operations at Lyft, to try to convince Schnell to
25 resign from Lyft. On October 31, 2014, Lyft learned and Uber confirmed that Schnell is now
26 working with VanderZanden at Uber.

27 90. On August 14, 2014, VanderZanden told Schnell: "You should resign tmrw if
28 you're ready to go all in." Schnell responded, seeking advice from VanderZanden on the

1 specifics: “[A]ny risk if I resign tomorrow and it goes the wrong way I’ll be unable to take
2 something with me.” VanderZanden responded: “Doesn’t it feel good ☺.” Schnell responded:
3 “It does actually” and “I’m paranoid so I’m thinking about next steps as well.”

4 91. Two minutes later, Schnell represented to another Lyft employee that he sent Lyft
5 a resignation email. Less than two minutes later, VanderZanden assured Schnell that he would
6 help sell Schnell’s Lyft stock and fund Schnell’s next venture: “Yes I’ll tee up buyer and happy
7 seed invest in whatever you do.” In terms of the sale of Lyft shares, VanderZanden informed
8 Schnell that he would “do \$900K for you which may leave you w a few shares but I don’t have
9 exact count.”

10 92. VanderZanden and Schnell also discussed encouraging other Lyft employees to
11 resign and join Schnell’s startup company. VanderZanden asked Schnell: “Did you talk to
12 [Chris] Stavlas?” Chris Stavlas is a former Director of Data Analytics at Lyft, whose last day at
13 Lyft was Friday, October 24, 2014. VanderZanden responded that “I think Stavlas should b next
14 bc he’s already prob out.” Schnell replied “agreed,” and VanderZanden advised Schnell that
15 Schnell “should grab both [Stavlas and Ryan Fujiu (Product Manager at Lyft)] for your startup.”
16 Schnell asked: “should I encourage him to resign today as well? if he wants to.” To which
17 VanderZanden responded: “Let him decide but I’m sure he will.” A little later, VanderZanden
18 messaged Schnell stating that “Stavlas and Ryan are key.” Schnell responded, “I’ll call ryan
19 now.” On information and belief, Ryan Fujiu is also now employed by Uber.

20 93. This was but one example of VanderZanden’s solicitation of Lyft employees. On
21 information and belief, VanderZanden directly or indirectly solicited at least five employees
22 away from Lyft to directly harm the Company and benefit others, including himself. Indeed,
23 Stephen Schnell and Ryan Fujiu left Lyft and currently work at Uber with VanderZanden, and
24 Art Henry and Chris Stavlas both departed from Lyft after VanderZanden’s resignation.

25 **Lyft Faces Imminent Irreparable Harm**

26 **as a Result of VanderZanden’s Unlawful Conduct**

27 94. Immediately after VanderZanden resigned, Lyft reminded VanderZanden of his
28 obligations pursuant to the Confidentiality Agreement via a letter from Lyft’s counsel. Lyft

1 requested that VanderZanden, among other things, immediately return all originals and copies of
2 Lyft information in his possession and control and sign a Termination Certificate confirming his
3 agreement to honor his obligations under the Confidentiality Agreement. VanderZanden has
4 neither returned the signed Termination Certificate nor returned Lyft's proprietary and
5 confidential information in his possession and control, and for those reasons alone, is in breach
6 of the Confidentiality Agreement.

7 95. Lyft informed VanderZanden's current employer, Uber, of VanderZanden's
8 breach of the Confidentiality Agreement, and requested that Uber initiate its own investigation
9 into VanderZanden's conduct. In an email sent by Uber's counsel on October 13, 2014, Uber
10 informed Lyft that VanderZanden "has no Lyft proprietary information in his possession – not
11 now, not when he started at Uber, and not since he left Lyft." Based on the forensic findings,
12 Uber's response is patently false.

13 96. VanderZanden's unlawful conduct threatens to permanently deprive Lyft, and to
14 give Uber, among others, the benefit of valuable competitive information about Lyft's business
15 strategies, products and services, and historical and projected financial information, in addition
16 to confidential information regarding Lyft's customer base, business model, and historical sales
17 data. VanderZanden's unlawful conduct will cause irreparable harm to Lyft for which it has no
18 adequate remedy at law.

19 97. Due to VanderZanden's unlawful conduct and willful continuing violation of the
20 Confidentiality Agreement, Lyft is forced to bring this action to protect its valuable confidential
21 and proprietary information.

22 98. Lyft's interest in protecting its confidential and proprietary information from
23 misuse and disclosure outweighs the potential harm to VanderZanden of the injunctive relief
24 sought.

25 99. VanderZanden has acknowledged, in his Confidentiality Agreement, that "in the
26 event of a breach or threatened breach of this Agreement by [VanderZanden] the Company may
27 suffer irreparable harm and will therefore be entitled to injunctive relief to enforcement this
28 Agreement."

1
2 **FIRST CAUSE OF ACTION**

3 **(Breach of Written Contract -- Confidentiality Agreement)**

4 100. Lyft incorporates by reference the factual allegations set forth above.

5 101. VanderZanden entered into the Confidentiality Agreement with Lyft in
6 consideration for, and as a condition of, his employment by Lyft. The effective date of the
7 Confidentiality Agreement is March 6, 2013.

8 102. As described above, VanderZanden materially breached the Confidentiality
9 Agreement by, among other things:

10 a. Refusing to sign a Termination Certification attesting to his honoring and
11 adherence to the Confidentiality Agreement;

12 b. Failing to promptly deliver to the Company all documents and materials of
13 any nature pertaining to his work with the Company, including the aforementioned confidential
14 and proprietary information;

15 c. Using and disclosing Lyft's confidential and proprietary information to
16 directly harm the Company; and

17 d. Directly and indirectly soliciting away Lyft employees for the benefit of
18 persons and entities other than Lyft.

19 103. Lyft has performed all conditions, covenants and promises required to be
20 performed on its part under the Confidentiality Agreement, except for those prevented by the
21 actions and conduct of VanderZanden.

22 104. As a direct and proximate result of VanderZanden's breach of the Confidentiality
23 Agreement, Lyft has suffered damages and will continue to suffer damages including, but not
24 limited to, actual and compensatory damages under California Civil Code § 3300.

25 105. As acknowledged by VanderZanden in the Confidentiality Agreement, unless an
26 injunction is issued enjoining VanderZanden from retaining, making any use of, or otherwise
27 disclosing or distributing Lyft's confidential and proprietary information, including but not
28 limited to Lyft's historical financial information, financial projections and forecasts, business

1 strategies, marketing plans, product plans, personnel information, customer data, and any other
2 Company data which he transferred to his Dropbox (Personal) account, computer, and/or
3 telephone, Lyft will suffer irreparable harm for which it has no adequate remedy at law.

4 106. Under the terms of the Confidentiality Agreement, Lyft is contractually entitled to
5 injunctive relief to enforce the Confidentiality Agreement.

6 107. In addition to equitable relief, Lyft demands monetary damages, fees, and costs.

7 **SECOND CAUSE OF ACTION**

8 **(Breach of Fiduciary Duty)**

9 108. Lyft incorporates by reference the factual allegations set forth above.

10 109. As an officer of the Company, VanderZanden owed Lyft fiduciary duties,
11 including but not limited to the duties of care, loyalty and confidence. As a fiduciary of Lyft,
12 VanderZanden had the obligation to put Lyft's interests ahead of his own personal interests.

13 110. As a direct result of his position as an officer and fiduciary of Lyft,
14 VanderZanden had access to Lyft's confidential and proprietary information.

15 111. VanderZanden knew that Lyft disclosed its confidential and proprietary
16 information in confidence and trust, in accordance with the terms set forth in the Confidentiality
17 Agreement he signed at the beginning of his employment with Lyft.

18 112. VanderZanden understood that Lyft reposed trust and confidence in him and
19 rightfully expected that VanderZanden would abide by the Confidentiality Agreement, maintain
20 the confidentiality of the proprietary information, and act in the best interests of Lyft.

21 113. VanderZanden breached his fiduciary duty to Lyft by planning to and actually
22 misappropriating and using Lyft's confidential and proprietary information for the benefit of
23 Lyft's competitors and others, including himself.

24 114. VanderZanden also breached his fiduciary duty to Lyft by soliciting away the
25 Company's valuable employees to the detriment of Lyft for the benefit of Lyft's competitors and
26 others, including himself.

27 115. As acknowledged by VanderZanden in the Confidentiality Agreement, Lyft's
28 remedy at law is not sufficient to compensate Lyft for the irreparable harm caused and threatened

1 by VanderZanden. Unless an injunction is issued enjoining VanderZanden from retaining,
2 making any use of, or otherwise disclosing or distributing Lyft's confidential and proprietary
3 information, including but not limited to Lyft's historical financial information, financial
4 projections and forecasts, business strategies, marketing plans, product plans, personnel
5 information, customer data, and any other Company data which he transferred to his personal
6 Dropbox account, computer, and/or telephone, Lyft will suffer irreparable harm for which it has
7 no adequate remedy at law.

8 116. In addition to equitable relief, Lyft demands disgorgement, monetary damages,
9 fees, and costs.

10 **PRAYER FOR RELIEF**

11 NOW, therefore, Lyft respectfully requests that this Court enter judgment on its
12 claims for relief as follows:

- 13 1. For a preliminary and permanent injunction enjoining VanderZanden from:
- 14 a. Retaining Lyft's confidential and proprietary information, including but
15 not limited to Lyft's historical financial information, financial projections and forecasts, business
16 strategies, marketing plans, product plans, personnel information, customer data, and any other
17 Company data which he transferred to his Dropbox (Personal) account, computer, and/or phone;
- 18 b. Making any use of Lyft's confidential and proprietary information,
19 including but not limited to Lyft's historical financial information, financial projections and
20 forecasts, business strategies, marketing plans, personnel information, customer data, and any
21 other Company data which he transferred to his Dropbox (Personal) account, computer, and/or
22 phone;
- 23 c. Disclosing to any third party, including but not limited to Uber and any of
24 its employees, Lyft's confidential and proprietary information, including but not limited to Lyft's
25 historical financial information, financial projections and forecasts, business strategies,
26 marketing plans, product plans, personnel information, customer data, and any other Company
27 data which he transferred to his Dropbox (Personal) account, computer, and/or telephone; and
- 28 d. Otherwise distributing Lyft's confidential and proprietary information,

1 including but not limited to Lyft's historical financial information, financial projections and
2 forecasts, business strategies, marketing plans, product plans, personnel information, customer
3 data, and any other Company data which he transferred to his Dropbox (Personal) account,
4 computer, and/or telephone;

5 2. For a preliminary and permanent injunction ordering VanderZanden to return all
6 Lyft confidential and proprietary information in his possession, custody, or control to Lyft;

7 3. For a preliminary and permanent injunction ordering VanderZanden to submit to
8 the Court for forensic examination any personal computer, phone, or tablet that may contain
9 Lyft's confidential and proprietary information;

10 4. For a preliminary and permanent injunction enjoining VanderZanden from any
11 further threatened or actual misappropriation of Lyft's confidential and proprietary information;

12 5. For a preliminary and permanent injunction enjoining VanderZanden from any
13 further solicitation of Lyft employees;

14 6. For a preliminary and permanent injunction enjoining VanderZanden from any
15 further breaches of fiduciary duties;

16 7. For expedited discovery to allow Lyft to ascertain what confidential and
17 proprietary information VanderZanden has in his possession;

18 8. For damages in an amount to be determined at trial, including: actual damages,
19 compensatory damages, incidental damages, nominal damages and exemplary damages;

20 9. For an award of lost profits, VanderZanden's ill-gotten gains or profits,
21 disgorgement, restitution, and/or damages to be determined at trial;

22 10. For prejudgment interest; and

23 11. For such other relief as the Court may deem just and proper.

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Dated: November 5, 2014

LATHAM & WATKINS LLP

James K. Lynch
Jennifer L. Barry
John M. Pierce

By:

James K. Lynch
Attorneys for Plaintiff
Lyft, Inc.

