

Foster Swift wins Federal Court Jury Verdict for Internationally Recognized Manufacturer of Custom Hockey Equipment

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A Foster Swift trial team that included lawyers Brian Renaud, Bruce Vande Vusse and Mike Blum, won a ten-day jury trial in Detroit federal court in favor of Mike Vaughn Custom Sports, Inc. ("Vaughn"), an internationally recognized manufacturer of custom ice hockey goalie equipment.

The complaint alleged that Vaughn's former production manager, Dennis Dombrowski, and its former outside sales agent, Chris Piku, while both were still engaged by Vaughn and using Vaughn's confidential business information, established a directly competing goalie product manufacturing and sales business. The complaint further alleged that both individuals and their defendant companies, Factory Modification and Design, LLC and Piku Management Co., d/b/a World Pro Goaltending USA, had manufactured and marketed confusingly similar goalie products to professional, collegiate and amateur level players.

After hearing the evidence at trial, the jury unanimously found that the defendants had falsely designated the origin of their products, that they had breached fiduciary duties and duties of loyalty, and that they had engaged in unfair competition and civil conspiracy. The jury awarded Vaughn monetary damages of several hundred thousand dollars.

The defendants' plan first came to light in September 2011, ten months after they had parted ways with Vaughn. Piku was quoted in an online hockey goalie enthusiast magazine article. The article showed an NHL goalie who had recently won the Stanley Cup, the Vezina Trophy and the Conn-Smythe Trophy in a single play season wearing unbranded goalie leg pads that Piku claimed that he had made for the goalie's use in the upcoming play season. The pads resembled pads manufactured by Vaughn. Piku claimed in the article that the pads were the same pads that the goalie had worn during his preceding, award winning season. Those pads had been manufactured by Vaughn and bore the

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PRACTICE AREAS

Business & Commercial Litigation Commercial Litigation Trade Secrets & Non-Compete Contracts Vaughn name.

Evidence presented to the jury included this information, as well as the fact that Dombrowski, while still employed by Vaughn, had begun purchasing expensive hockey product manufacturing equipment. There was also evidence presented that he later purchased raw materials for use in producing the defendants' competing products, under different, unregistered business aliases, and that certain of Vaughn's proprietary, specially sourced raw materials and manufacturing patterns had been used in producing their products. The jury also heard that the defendants had been operating a competing goalie product modification business while engaged by Vaughn, and that they had been sending orders and goalie products to one another in the name of an individual who had been dead for over 15 years.