

UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF
CALIFORNIA

3D Systems, Inc. v. Wynne

3D Systems · No. 21-cv-1141-AGS-DDL · Decided March 20, 2025

SUMMARY

The United States District Court for the Southern District of California addresses competing summary-judgment motions, motions to strike, and motions to exclude experts in a trade-secret dispute involving 3D Systems, Inc., Intrepid Automation, and former employees. The court grants summary judgment for Intrepid on 3D Systems’ trade-secret claims based on inadequate identification of the alleged secrets, while finding that Intrepid’s misappropriation claim presents sufficient evidence to proceed.

CASE DETAILS

COURT	United States District Court for the Southern District of California
WRITING FOR THE COURT	Andrew G. Schopler
JURISDICTION	United States District Court for the Southern District of California
DECIDED	March 20, 2025
DOCKET	21-cv-1141-AGS-DDL
DISPOSITION	other
PROCEDURAL POSTURE	The district court decided multiple pretrial motions, including cross-motions for summary judgment, motions to exclude expert testimony, and motions to strike pleadings and evidence, in a trade-secret and breach-of-contract action involving claims under the federal Defend Trade Secrets Act, the California Uniform Trade Secrets Act, and California contract law.
STANDARD OF REVIEW	Summary judgment is appropriate when the record shows no genuine dispute of material fact and the movant is entitled to judgment as a matter of law. The court views the nonmovant's evidence as true and draws justifiable inferences in the nonmovant's favor. Expert admissibility is governed by Federal Rule of Evidence 702 and a flexible inquiry favoring admission; weaknesses generally affect weight rather than admissibility. Motions to strike are disfavored and generally require prejudice or a showing that the challenged matter could have no possible bearing on the litigation.

TOPICS

misappropriation of trade secrets

trade secrets

summary judgment

breach of contract

civil procedure

PRACTICE AREAS

trade secrets

intellectual property

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QUESTIONS PRESENTED

1. Whether 3D Systems identified its alleged trade secrets with sufficient particularity to support its federal and California trade-secret-misappropriation claims.
2. Whether sufficient evidence existed for a reasonable jury to find that 3D Systems and Kuester misappropriated Intrepid's trade secrets.
3. Whether sufficient evidence existed for a reasonable jury to find damages from the alleged misappropriation of Intrepid's trade secrets.
4. Whether portions of 3D Systems' employee confidentiality agreements unlawfully restrained former employees from engaging in their profession under California Business and Professions Code section 16600.
5. Whether 3D Systems could prevail on its breach-of-contract claims despite the agreements' severability provisions.
6. Whether the challenged expert testimony satisfied Federal Rule of Evidence 702.
7. Whether 3D Systems' and Kuester's late answer to Intrepid's counterclaim and third-party claim should be stricken.

HOLDINGS

1. A trade-secret plaintiff must identify the alleged secrets with sufficient particularity to distinguish them from generally known information and other information incorporated into the relevant technology. After the parties have completed dialectic discovery, the required specificity is more stringent; generic references to technologies, systems, lists, information, or broad categories are insufficient.
2. Summary judgment was improper on Intrepid's trade-secret-misappropriation claim because evidence that Kuester acquired Intrepid's trade secrets, followed by the development of a closely similar device and additional circumstantial evidence of disclosure or use, created triable issues concerning misappropriation.
3. Intrepid presented sufficient evidence of actual loss, unjust enrichment, or the possible need for a reasonable royalty to create a triable issue on damages.
4. Confidentiality provisions that broadly prohibit former employees from using confidential information beyond trade secrets and that cover ordinary materials, suppliers, resellers, and publicly available or

publicly publishable information unlawfully restrain the employees' ability to practice their profession under California Business and Professions Code section 16600.

5. Even if the invalid portions of 3D Systems' employment agreements were severed, 3D Systems could not obtain summary judgment on its breach-of-contract claim because it failed to properly identify the alleged trade secrets.
6. The challenged expert testimony was admissible because the experts were qualified in their fields, their opinions were sufficiently reliable and relevant, and the asserted weaknesses generally went to weight rather than admissibility.
7. A thirteen-day delay in answering did not warrant striking 3D Systems' and Kuester's answer because Intrepid showed no significant prejudice and striking the pleading would be a drastic remedy inconsistent with resolving cases on the merits.

KEY QUOTATIONS

“A plaintiff alleging trade-secret misappropriation must describe its trade secrets with the requisite particularity. Intrepid did so. 3D Systems did not.” (at 21)

“Because a person cannot work in the 3D Printing industry without running afoul of this agreement, it is at least partially void.” (at 45)

“Thus, summary judgment is GRANTED for defendants on these 3D Systems claims” (at 62)

FACTUAL BACKGROUND

3D Systems alleged that five former employees stole its 3D-printing trade secrets and used them to build Intrepid Automation. Intrepid counterclaimed that 3D Systems and its employee Evan Kuester misappropriated Intrepid's trade secrets after Kuester toured Intrepid's facilities while seeking employment and signed a nondisclosure agreement. The court focused on 3D Systems' failure to identify its alleged trade secrets with sufficient particularity, and on evidence that Kuester acquired Intrepid's confidential information and that 3D Systems later developed a printer using downward-facing projectors similar to Intrepid's technology. The court also examined confidentiality provisions in 3D Systems' employment agreements and challenges to expert testimony.

PROCEDURAL HISTORY

3D Systems sued former employees and Intrepid Automation, alleging trade-secret misappropriation and breach of employee confidentiality agreements. Intrepid asserted counterclaims and a third-party claim alleging that 3D Systems and Evan Kuester misappropriated Intrepid's trade secrets. At the summary-judgment stage, the court granted defendants judgment on 3D Systems' trade-secret claims, denied summary judgment against Intrepid's trade-secret claim, granted Intrepid partial judgment concerning the invalidity of portions of 3D Systems' employment agreements, denied 3D Systems' related breach-of-contract motion, denied the motions to exclude experts, and denied the motions to strike.

DISPOSITION

CASES CITED

- Celotex Corp. v. Catrett, 477 U.S. 317, 322 (1986)
- Anderson v. Liberty Lobby, Inc., 477 U.S. 242, 255, 257 (1986)
- InteliClear, LLC v. ETC Glob. Holdings, Inc., 978 F.3d 653, 657-63 (9th Cir. 2020)
- Imax Corp. v. Cinema Techs., Inc., 152 F.3d 1161, 1167 (9th Cir. 1998)
- Forro Precision, Inc. v. International Bus. Machines, 673 F.2d 1045, 1057 (9th Cir. 1982)
- Whyte v. Schlage Lock Co., 101 Cal. App. 4th 1443, 1454 (2002)
- Perrin Bernard Supowitz, LLC v. Morales, 2024 WL 411714, at *1 (9th Cir. Feb. 5, 2024)
- Courtesy Temp. Serv., Inc. v. Camacho, 222 Cal. App. 3d 1278, 1287-88 (1990)
- CanWe Studios LLC v. Sinclair, 2013 WL 12120437, at *3 (C.D. Cal. Nov. 20, 2013)
- Droeger v. Welsh Sporting Goods Corp., 541 F.2d 790, 793 (9th Cir. 1976)
- Alta Devices, Inc. v. LG Elecs., Inc., 343 F. Supp. 3d 868, 877 (N.D. Cal. 2018)
- PMC, Inc. v. Kadisha, 78 Cal. App. 4th 1368, 1383 (2000)
- UniRAM Tech., Inc. v. Taiwan Semiconductor Mfg. Co., 617 F. Supp. 2d 938, 944 (N.D. Cal. 2007)
- M.A. Mobile Ltd. v. Indian Inst. of Tech. Kharagpur, 400 F. Supp. 3d 867, 893 (N.D. Cal. 2019)
- Ajaxo Inc. v. E*Trade Fin. Corp., 187 Cal. App. 4th 1295, 1308 (2010)
- O2 Micro Int'l Ltd. v. Monolithic Power Sys., Inc., 399 F. Supp. 2d 1064, 1077 (N.D. Cal. 2005), amended, 420 F. Supp. 2d 1070 (N.D. Cal. 2006)
- Edwards v. Arthur Andersen LLP, 44 Cal. 4th 937, 948 (2008)
- AMN Healthcare, Inc. v. Aya Healthcare Servs., Inc., 28 Cal. App. 5th 923, 940 (2018)
- Asset Mktg. Sys., Inc. v. Gagnon, 542 F.3d 748, 758 (9th Cir. 2008)
- VibrantCare Rehab., Inc. v. Deol, 2021 WL 1614692, at *5 (E.D. Cal. Apr. 26, 2021)
- Pokorny v. Quixtar, Inc., 601 F.3d 987, 1005 (9th Cir. 2010)
- United States v. 87.98 Acres of Land More or Less in the Cnty. of Merced, 530 F.3d 899, 904 (9th Cir. 2008)
- Wendell v. GlaxoSmithKline LLC, 858 F.3d 1227, 1232 (9th Cir. 2017)
- Daubert v. Merrell Dow Pharms., Inc., 43 F.3d 1311, 1315 (9th Cir. 1995)
- Primiano v. Cook, 598 F.3d 558, 564 (9th Cir. 2010)
- Alaska Rent-A-Car, Inc. v. Avis Budget Grp., Inc., 738 F.3d 960, 969 (9th Cir. 2013)
- United States v. Garcia, 7 F.3d 885, 890 (9th Cir. 1993)
- Avila v. Willits Env. Remediation Tr., 633 F.3d 828, 839 (9th Cir. 2011)
- Humetrix, Inc. v. Gemplus S.C.A., 268 F.3d 910, 919-20 (9th Cir. 2001)
- Finjan, Inc. v. Blue Coat Sys., Inc., 879 F.3d 1299, 1309 (Fed. Cir. 2018)
- Bose Corp. v. JBL, Inc., 274 F.3d 1354, 1361 (Fed. Cir. 2001)
- Management & Eng'g Techs. Int'l v. Information Sys. Support, Inc., 490 F. App'x 30, 34 (9th Cir. 2012)

- Hadley v. Kellogg Sales Co., 2018 WL 11341859, at *1 (N.D. Cal. Mar. 7, 2018)
- Innospan Corp. v. Shasta Ventures GP LLC, 582 F. App'x 755, 755 (9th Cir. 2014)

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