

UNITED STATES DISTRICT COURT FOR THE CENTRAL DISTRICT OF  
CALIFORNIA

Paramount Tariff Services, Inc. v. Ace Tariff Solutions, Inc.

Paramount Tariff · No. 2:25-cv-03242-ODW (Ex) · Decided December 9, 2025

SUMMARY

The United States District Court for the Central District of California granted in part and denied in part Defendants’ motion to dismiss claims arising from alleged misappropriation of trade secrets. The court held that the complaint adequately identified at least one trade secret—the bond lists—with sufficient particularity to support the DTSA and CUTSA claims. The court dismissed claims for intentional interference with contractual relations, UCL violations, and breach of the duty of loyalty as preempted by CUTSA, with leave to amend.

CASE DETAILS

|                       |                                                                                                                                                                                                                                                                                                                                                                                             |
|-----------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| COURT                 | United States District Court for the Central District of California                                                                                                                                                                                                                                                                                                                         |
| WRITING FOR THE COURT | Otis D. Wright, II                                                                                                                                                                                                                                                                                                                                                                          |
| JURISDICTION          | United States District Court for the Central District of California                                                                                                                                                                                                                                                                                                                         |
| DECIDED               | December 9, 2025                                                                                                                                                                                                                                                                                                                                                                            |
| DOCKET                | 2:25-cv-03242-ODW (Ex)                                                                                                                                                                                                                                                                                                                                                                      |
| DISPOSITION           | other                                                                                                                                                                                                                                                                                                                                                                                       |
| PROCEDURAL POSTURE    | Defendants moved under Federal Rule of Civil Procedure 12(b)(6) to dismiss claims for intentional interference with contractual relations, trade secret misappropriation under the Defend Trade Secrets Act and California Uniform Trade Secrets Act, violation of California's Unfair Competition Law, and breach of the duty of loyalty.                                                  |
| STANDARD OF REVIEW    | On a Rule 12(b)(6) motion, the court determines whether the complaint alleges a cognizable legal theory and sufficient facts to state a plausible claim for relief. Well-pleaded factual allegations are accepted as true and construed in the light most favorable to the plaintiff, but conclusory allegations, unwarranted deductions, and unreasonable inferences need not be accepted. |
| PRECEDENTIAL VALUE    | Unpublished district court order; persuasive value only                                                                                                                                                                                                                                                                                                                                     |

TOPICS

misappropriation of trade secrets

trade secrets

motions to dismiss

civil procedure

commercial litigation

## PRACTICE AREAS

trade secrets

intellectual property

civil procedure

commercial litigation

## QUESTIONS PRESENTED

1. Whether Paramount Tariff sufficiently identified at least one alleged trade secret to state claims under the DTSA and CUTSA.
2. Whether CUTSA preempted Paramount Tariff's claims for intentional interference with contractual relations, violation of the UCL, and breach of the duty of loyalty because they arose from the same nucleus of facts as the alleged trade-secret misappropriation.
3. Whether the dismissed claims should be dismissed with leave to amend.

## HOLDINGS

1. A plaintiff need not disclose every detail of a trade secret at the pleading stage, but must describe its subject matter with enough particularity to distinguish it from matters of general knowledge and to allow the court and defendant to ascertain the boundaries of the secret. Paramount Tariff sufficiently identified its bond lists by alleging that they contained customer bonds, costs, profit margins, and due dates; because at least one trade secret was adequately identified, the DTSA and CUTSA claims survived dismissal.
2. CUTSA preempts common-law and related claims when they arise from the same nucleus of facts and have the same gravamen as the alleged trade-secret misappropriation. Paramount Tariff's claims for intentional interference with contractual relations, violation of the UCL, and breach of the duty of loyalty were preempted because each was based on the alleged taking and use of the same proprietary information.
3. Dismissal of the intentional-interference, UCL, and duty-of-loyalty claims was granted with leave to amend because the court could not conclude that amendment would be futile.

## KEY QUOTATIONS

*"To sufficiently allege a trade secret, "a plaintiff need not spell out the details of the trade secret," but must "describe the subject matter of the trade secret with sufficient particularity to separate it from matters of general knowledge in the trade.""* (at 3)

*"As Paramount Tariff sufficiently identifies "at least one trade secret with sufficient particularity," its misappropriation claims survive, and the Court need not determine whether Paramount Tariff sufficiently identifies any other trade secret."* (at 5)

*"Thus, CUTSA preempts Paramount Tariff's fourth, seventh, and eighth causes of action."* (at 6)

## FACTUAL BACKGROUND

Paramount Tariff operated a confidential system for publishing tariff rates and maintained proprietary customer, financial, marketing, and bond-related data on its servers. Ray Nam, a former director of operations with access to that system, allegedly downloaded and copied company data from January 2023 through December 2024 and continued accessing the system after leaving the company. Nam allegedly used the information to form Ace Tariff Solutions and solicit at least eleven Paramount Tariff customers.

## PROCEDURAL HISTORY

Paramount Tariff Services filed this action on April 11, 2025, asserting eight federal and state causes of action arising from alleged misappropriation of trade secrets. Defendants moved to dismiss the fourth through eighth causes of action under Rule 12(b)(6). The district court granted the motion as to the intentional-interference, UCL, and duty-of-loyalty claims, with leave to amend, and denied it as to the DTSA and CUTSA claims.

## DISPOSITION

other

## CASES CITED

- Ashcroft v. Iqbal, 556 U.S. 662, 678-79 (2009)
- Balistreri v. Pacifica Police Dep't, 901 F.2d 696, 699 (9th Cir. 1990)
- Porter v. Jones, 319 F.3d 483, 494 (9th Cir. 2003)
- Bell Atl. Corp. v. Twombly, 550 U.S. 544, 555 (2007)
- Lee v. City of Los Angeles, 250 F.3d 668, 679 (9th Cir. 2001)
- Sprewell v. Golden State Warriors, 266 F.3d 979, 988 (9th Cir. 2001)
- Alta Devices, Inc. v. LG Elecs., Inc., 343 F. Supp. 3d 868, 877, 880-81 (N.D. Cal. 2018)
- IntelliClear, LLC v. ETC Glob. Holdings, Inc., 978 F.3d 653, 657-59 (9th Cir. 2020)
- WeRide Corp. v. Kun Huang, 379 F. Supp. 3d 834, 846 (N.D. Cal. 2019)
- Novation Sols., Inc. v. Issuance Inc., No. 2:23-cv-00696-WLH (KSx), 2023 WL 5505908, at \*7 (C.D. Cal. June 27, 2023)
- National Specialty Pharmacy, LLC v. Padhye, 734 F. Supp. 3d 922, 929 (N.D. Cal. 2024)
- Genasys Inc. v. Vector Acoustics, LLC, 638 F. Supp. 3d 1135, 1151 (S.D. Cal. 2022)
- Nifty Techs., Inc. v. Mango Techs., Inc., No. 24-cv-194 JLS (AHG), 2025 WL 1826430, at \*7 (S.D. Cal. July 1, 2025)
- MedImpact Healthcare Sys., Inc. v. IQVIA Inc., No. 19-cv-01865-GPC (LL), 2020 WL 5064253, at \*16 (S.D. Cal. Aug. 27, 2020)
- Teva Pharm. USA, Inc. v. Health IQ, LLC, No. 8:13-cv-00308-CJC (RNBx), 2013 WL 12132029, at \*5 (C.D. Cal. Apr. 29, 2013)
- K.C. Multimedia, Inc. v. Bank of Am. Tech. & Ops., Inc., 171 Cal. App. 4th 939, 961-62 (2009)
- Zayo Grp. LLC v. Hisa, No. 8:13-cv-00732-JST (JPRx), 2013 WL 12201401, at \*2-6 (C.D. Cal. Sept. 17, 2013)

- Neuman v. B2 Brands, Inc., No. 5:07-cv-01025-MLG, 2010 WL 11596467, at \*8 (C.D. Cal. Feb. 17, 2010)
- Manzarek v. St. Paul Fire & Marine Ins. Co., 519 F.3d 1025, 1031 (9th Cir. 2008)
- Schreiber Distrib. Co. v. Serv-Well Furniture Co., 806 F.2d 1393, 1401 (9th Cir. 1986)
- Carrico v. City & County of San Francisco, 656 F.3d 1002, 1008 (9th Cir. 2011)
- Zamani v. Carnes, 491 F.3d 990, 997 (9th Cir. 2007)

## OPINION

Paramount Tariff Services, Inc. v. Ace Tariff Solutions, Inc. et al

PER CURIAM.

O 1 2 3 4 5 6 7 8 United States District Court 9 Central District of California 10 11  
PARAMOUNT TARIFF SERVICES, Case No 2:25-cv-03242-ODW (Ex)  
INC.,

12 Plaintiff, ORDER GRANTING IN PART 13

v. DEFENDANTS' MOTION TO

14 DISMISS [12]

ACE TARIFF SOLUTIONS, INC. et al, 15 Defendants. 16 17

## I. INTRODUCTION

18 Plaintiff Paramount Tariff Services, Inc. brings this suit against Defendants Ace 19 Tariff  
Solutions, Inc. and Ray Nam, asserting claims arising from Defendants' alleged 20  
misappropriation of Paramount Tariff's trade secrets. (Compl., Dkt. No. 1.) 21 Defendants now  
move to dismiss Paramount Tariff's claims for misappropriation of 22 trade secrets under federal  
and state law, intentional interference with contractual 23 relations, violation of California's Unfair  
Competition Law ("UCL"), and breach of 24 the duty of loyalty. (Mot. Dismiss ("Motion" or  
"Mot.") 1–2, Dkt. No. 12.) For the 25 reasons discussed below, the Court GRANTS IN PART  
Defendants' Motion.1 26 27 28 1 Having carefully considered the papers filed in connection with  
the Motion, the Court deemed the matter appropriate for decision without oral argument. Fed. R.  
Civ. P. 78; C.D. Cal. L.R. 7-15.

## 1 II. BACKGROUND2

2 Paramount Tariff developed a confidential and proprietary system to publish 3 tariff rates for its  
freight-forwarding and common-carrier customers. (Compl. ¶¶ 2–3.) 4 Its customers can access  
their tariff rates by logging into this system. (Id. ¶ 16.) 5 Paramount Tariff also maintains a  
backend server system where it stores confidential 6 and proprietary data, including the trade  
secrets at issue here. (Id. ¶ 17.)

7 In 2004, Paramount Tariff hired Nam. (Id. ¶ 19.) Nam eventually rose to the

8 position of Director of Operations, a role that gave him access to Paramount Tariff's 9  
proprietary and confidential system and data. (Id. ¶¶ 4, 19.) From January 2023 10 through  
December 2024, Nam downloaded and copied Paramount Tariff's data, 11 without authorization,  
onto external drives. (Id. ¶ 20.) After Nam left Paramount 12 Tariff in December 2024, he

continued to access Paramount Tariff’s proprietary 13 online system to obtain customer information. (Id. ¶¶ 20, 22–23.) Using this 14 ill-gotten information, Nam formed a competing venture, Ace Tariff Solutions, and 15 poached at least eleven Paramount Tariff customers. (Id. ¶¶ 4–5.) 16 On April 11, 2025, Paramount Tariff brought this action against Defendants, 17 alleging (1) violation of the federal Computer Fraud and Abuse Act; (2) violation of 18 California’s Comprehensive Computer Data Access and Fraud Act; (3) violation of 19 the federal Stored Communications Act; (4) intentional interference with contractual 20 relations; (5) trade secret misappropriation under the federal Defend Trade Secrets Act 21 (“DTSA”); (6) trade secret misappropriation under the California Uniform Trade 22 Secrets Act (“CUTSA”); (7) unfair business practices under California’s UCL; and 23 (8) breach of the duty of loyalty. (Id. ¶¶ 27–96.) Defendants now move to dismiss the 24 fourth, fifth, sixth, seventh, and eighth causes of action pursuant to Federal Rule of 25 Civil Procedure (“Rule”) 12(b)(6). (Mot. 4–13.) 26 27 2 All factual references derive from Paramount Tariff’s Complaint, unless otherwise noted, and 28 well-pleaded factual allegations are accepted as true for purposes of this Motion. See *Ashcroft v. Iqbal*, 556 U.S. 662, 678 (2009).

### 1 III. LEGAL STANDARD

2 A court may dismiss a complaint under Rule 12(b)(6) for lack of a cognizable 3 legal theory or insufficient facts pleaded to support an otherwise cognizable legal 4 theory. *Balistreri v. Pacifica Police Dep’t*, 901 F.2d 696, 699 (9th Cir. 1988). To 5 survive a dismissal motion, a complaint need only satisfy the minimal notice pleading 6 requirements of Rule 8(a)(2)—a short and plain statement of the claim. *Porter v. 7 Jones*, 319 F.3d 483, 494 (9th Cir. 2003). The factual “allegations must be enough to 8 raise a right to relief above the speculative level.” *Bell Atl. Corp. v. Twombly*, 9 550 U.S. 544, 555 (2007). That is, the complaint must “contain sufficient factual 10 matter, accepted as true, to state a claim to relief that is plausible on its face.” *Iqbal*, 11 556 U.S. at 678 (2009) (citation modified). 12 The determination of whether a complaint satisfies the plausibility standard is a 13 “context-specific task that requires the reviewing court to draw on its judicial 14 experience and common sense.” *Id.* at 679. A court is generally limited to the 15 pleadings and must construe all “factual allegations set forth in the complaint . . . as 16 true and . . . in the light most favorable” to the plaintiff. *Lee v. City of Los Angeles*, 17 250 F.3d 668, 679 (9th Cir. 2001). However, a court need not blindly accept 18 conclusory allegations, unwarranted deductions of fact, and unreasonable inferences. 19 *Sprewell v. Golden State Warriors*, 266 F.3d 979, 988 (9th Cir. 2001). 20 Where a district court grants a motion to dismiss, it should generally provide 21 leave to amend, unless it is clear the complaint could not be saved by any amendment. 22 See Fed. R. Civ. P. 15(a); *Manzarek v. St. Paul Fire & Marine Ins. Co.*, 519 F.3d 23 1025, 1031 (9th Cir. 2008). Leave to amend may be denied when “the court 24 determines that the allegation of other facts consistent with the challenged pleading 25 could not possibly cure the deficiency.” *Schreiber Distrib. Co. v. Serv-Well Furniture 26 Co.*, 806 F.2d 1393, 1401 (9th Cir. 1986). Thus, leave to amend “is properly 27 denied . . . if amendment would be futile.” *Carrico v. City &*

County of San Francisco, 656 F.3d 1002, 1008 (9th Cir. 2011).

#### 1 IV. DISCUSSION

2 Defendants move to dismiss Paramount Tariff’s fifth and sixth causes of action, 3 brought under the DTSA and the CUTSA, for failure to identify the trade secrets at 4 issue with requisite particularity. (Mot. 4–8.) Additionally, Defendants move to 5 dismiss Paramount Tariff’s fourth, seventh, and eighth causes of action as preempted 6 by the CUTSA. (Id. at 8–13.) 7 A. Trade Secret Misappropriation—DTSA and CUTSA 8 Paramount Tariff brings its trade secret misappropriation claims under both the 9 federal DTSA and the CUTSA. (Compl. ¶¶ 64–83.) These statutes “share the same 10 pleading requirements for the identification of trade secrets.” *Alta Devices, Inc. v. LG 11 Elecs., Inc.*, 343 F. Supp. 3d 868, 881 (N.D. Cal. 2018); see also *InteliClear, LLC v. 12 ETC Glob. Holdings, Inc.*, 978 F.3d 653, 657 (9th Cir. 2020) (“Courts have analyzed 13 these claims together because the elements are substantially similar.”) To assert trade 14 secret misappropriation under either statute, a plaintiff must allege that: (1) the 15 plaintiff owned a trade secret, (2) the defendant misappropriated the trade secret, and 16 (3) the defendant’s actions damaged the plaintiff. *Alta Devices*, 343 F. Supp. 3d 17 at 877. In their Motion, Defendants argue only that Paramount Tariff has failed to 18 allege the trade secrets at issue here with particularity.<sup>3</sup> (Mot. 4–8.) 19 To sufficiently allege a trade secret, “a plaintiff need not spell out the details of 20 the trade secret,” but must “describe the subject matter of the trade secret with 21 sufficient particularity to separate it from matters of general knowledge in the trade.” 22 *Alta Devices*, 343 F. Supp. 3d at 880–81 (citation modified). Consequently, a plaintiff 23 only needs to “provide sufficient identification so that the court and the defendant may 24 ascertain at least the boundaries within which the secret lies.” *WeRide Corp. v. Kun 25 26 3* In their reply brief, Defendants argue for the first time that federal regulations “require[] much of the data identified [by Paramount Tariff] as ‘trade secrets’ to be published for public consumption.” 27 (Reply, Dkt. No. 16.) Because Defendants did not raise this argument in their Motion, the Court 28 declines to consider it. See *Zamani v. Carnes*, 491 F.3d 990, 997 (9th Cir. 2007) (“The district court need not consider arguments raised for the first time in a reply brief.”). 1 *Huang*, 379 F. Supp. 3d 834, 846 (N.D. Cal. 2019) (citation modified). “Allegations 2 that set out purported trade secrets in broad, categorical terms that are merely 3 descriptive of the types of information that generally may qualify as protectable trade 4 secrets are insufficient to state a claim.” *Novation Sols., Inc. v. Issuance Inc.*,

5 No. 2:23-cv-00696-WLH (KSx), 2023 WL 5505908, at \*7 (C.D. Cal. June 27, 2023)

6 (citation modified). A plaintiff may also “not simply rely upon ‘catchall’ phrases or 7 identify categories of trade secrets they intend to pursue at trial.” *InteliClear*, 8 978 F.3d at 658. 9 In its Complaint, Paramount Tariff identifies five purported trade secrets: 10 (1) the backend system configured to operate Paramount Tariff’s online platform for tariff rates publication, (2) customer lists and customer data 11 and information stored on Paramount Tariff’s computers and servers, 12 (3) financial and accounting data revealing Paramount Tariff’s pricing, 13 services, and offering[s]

to its customers, (4) marketing data, including strategic market share data and reports, and (5) bond lists, identifying 14 customer bonds, costs, profit margin, and due dates, among other 15 information. 16 (Compl. ¶ 66.) 17 Reaching only Paramount Tariff’s description of “bond lists,” the Court finds 18 that Paramount Tariff sufficiently identifies the bond lists with particularity. In its 19 description of bond lists, Paramount Tariff does not “simply rely” on catchall phrases 20 and broad categories. *InteliClear*, 978 F.3d at 658. Rather, Paramount Tariff 21 describes precisely what the bond lists are. According to Paramount Tariff’s 22 Complaint, the bond lists that Paramount Tariff believes Nam stole “identify[] 23 customer bonds, costs, profit margin, and due dates.” (Compl. ¶ 66.) This description 24 goes well beyond a “catchall phrase” and details the type of information encompassed 25 by this trade secret. *InteliClear*, 978 F.3d at 658. The description also distinguishes 26 “bond lists” from “matters of general knowledge in the trade.” *Alta Devices*, 343 F.

27 Supp. 3d at 881. Specifically, the description indicates that the bond lists include 28 specific and private information regarding the bonds that Paramount Tariff’s 1 customers hold, rather than generic information about bonds. Thus, this description 2 serves as sufficient identification of the “boundaries” of Paramount Tariff’s bond lists. 3 *WeRide*, 379 F. Supp. 3d at 846. 4 The cases on which Defendants rely are inapposite and unpersuasive. (Mot. 6– 5 8.) In *National Specialty Pharmacy, LLC v. Padhye*, the court found that the trade 6 secrets alleged there —“vendor and partner information, proprietary formulas, business 7 processes, pricing strategies, pricing data, marketing methods, [and] other data”— 8 were insufficient because they were all “‘catchall’ categories of the kinds of trade 9 secrets that might be at issue.” 734 F. Supp. 3d 922, 929 (N.D. Cal. 2024) (emphasis 10 in original). Similarly, in *Genasys Inc. v. Vector Acoustics, LLC*, the court concluded 11 that descriptions such as “Army Confidential Presentation Materials and additional 12 Confidential Client Data, the Proposed Product Modifications, the Customer Network, 13 and the Pricing Information” were insufficient to allege a trade secret. 638 F. Supp. 14 3d 1135, 1151 (S.D. Cal. 2022). 15 The common defect in both cases is that the alleged trade secrets consisted only 16 of “broad, undefined categories” and “catchall phrases.” For example, in *Padhye*, 17 each identified trade secret—vendor and partner information, proprietary formulas, 18 business processes, etc.—contained no further description. 734 F. Supp. 3d at 929. 19 This left the court and defendant with no way of knowing what the phrases “vendor 20 and partner information” and “business processes” meant, and what the alleged trade 21 secret encompassed. See *id*; see also *Genasys*, 638 F. Supp. 3d at 1135. Here, in 22 contrast, Paramount Tariff specifically describes the information in the bond lists that 23 it alleges Nam stole, including bond cost, profit margin associated with each bond, 24 and when each bond is due. (Compl. ¶¶ 66.) Had Paramount Tariff only generally 25 alleged that Nam stole “bond lists” without appending a specific description, then 26 Paramount Tariff’s identification of bond lists would be deficient. *Genasys*, 638 F.

27 Supp. 3d at 1151 (finding “Customer Network” and “Pricing Information”

28 1 insufficient). However, Paramount Tariff provides sufficient detail to put Defendants 2 on notice regarding the bond lists. 3 As Paramount Tariff sufficiently identifies “at least one trade secret with 4 sufficient particularity,” its misappropriation claims survive, and the Court need not 5 determine whether Paramount Tariff sufficiently identifies any other trade secret. See 6 *Nifty Techs., Inc. v. Mango Techs., Inc.*, No. 24-cv-194 JLS (AHG), 2025 WL 7 1826430, at \*7 (S.D. Cal. July 1, 2025) (“[A]t the pre-discovery stage, a plaintiff’s 8 ‘burden is only to identify at least one trade secret with sufficient particularity to 9 create a triable issue.’” (quoting *InteliClear*, 978 F.3d at 659)). Thus, the Court 10 declines to dismiss Paramount Tariff’s misappropriation claims. 11 B. Preemption 12 Defendants next argue that the CUTSA preempts Paramount Tariff’s fourth, 13 seventh, and eighth claims because they are based on the same nucleus of facts as the 14 trade secret misappropriation claims. (Mot. 8–13.) 15 The “CUTSA was enacted with the California’s legislative intent to occupy the 16 entire field of misappropriation of trade secrets.” *MedImpact Healthcare Sys., Inc. v. 17 IQVIA Inc.*, No. 19-cv-01865-GPC (LL), 2020 WL 5064253, at \*16 (S.D. Cal.

18 Aug. 27, 2020) (collecting cases). The statute “serves to preempt all claims premised 19 on the wrongful taking and use of confidential business and proprietary information,” 20 regardless of whether that information is a trade secret. *Teva Pharm. USA, Inc. v. 21 Health IQ, LLC*, No. 8:13-cv-00308-CJC (RNBx), 2013 WL 12132029, at \*5 22 (C.D. Cal. Apr. 29, 2013). California courts have held that the CUTSA precludes 23 common law claims to the extent they arise from the “same nucleus of facts as trade 24 secret misappropriation.” *K.C. Multimedia, Inc. v. Bank of Am. Tech. & Ops., Inc.*, 25 171 Cal. App. 4th 939, 962 (2009). 26 Here, Paramount Tariff’s fourth, seventh, and eighth causes of action are all 27 based on the same wrongful acts that underlie Paramount Tariff’s trade secret 28 misappropriation claims. The fourth cause of action—intentional interference with 1 contractual relations—is based on the allegation that Nam obtained financial and 2 customer information while employed at Paramount Tariff, and that Defendants later 3 exploited that information to interfere with Paramount Tariff’s customer contracts. 4 (Compl. ¶¶ 57–59.) Similarly, Paramount Tariff’s seventh cause of action—violation 5 of the UCL—is based on the allegation that Defendants “wrongfully [took] Paramount 6 Tariff’s proprietary and confidential information, including its trade secrets.” (Id. 7 ¶ 86.) Finally, Paramount Tariff’s eighth cause of action—breach of the duty of 8 loyalty—is based on the allegation that “Nam knowingly took and retained files that 9 he downloaded while employed by Paramount Tariff.” (Id. ¶ 92.) Each of these 10 causes of action share the same “gravamen of the wrongful conduct” that underlies 11 Paramount Tariff’s trade secret misappropriation claims, namely, Nam 12 misappropriating Paramount Tariff’s trade secrets and using those trade secrets to 13 Defendants’ advantage. *K.C. Multimedia*, 171 Cal. App. 4th at 961; (see Compl. 14 ¶¶ 65–81.) Thus, CUTSA preempts Paramount Tariff’s fourth, seventh, and eighth 15 causes of action. 16 Paramount Tariff resists this conclusion by arguing the facts underlying the 17 three common law claims go beyond the nucleus of the trade secret claims. 18 (Opp’n 13, 15 (citing *Zayo Grp. LLC v. Hisa*, No. 8:13-

cv-00732-JST (JPRx), 19 2013 WL 12201401, at \*2–6 (C.D. Cal. Sept. 17, 2013).) In Zayo, the court declined to find CUTSA preemption because the claims “extend[ed] beyond the nucleus of 21 facts in the trade secret claim.” Zayo, 2013 WL 12201401, at \*4. However, Zayo is 22 distinguishable from the facts in this case because common law claims in Zayo could 23 stand independently even without the facts underlying in the trade secret claim. Zayo, 24 2013 WL 12201401, at \*5. Here, by contrast, Paramount Tariff’s common law claims 25 do not stand independently. For example, in the UCL claim, Paramount Tariff alleges 26 that Defendants used the “proprietary and confidential information” that Nam 27 allegedly stole “to form their own venture.” (Compl.¶ 86.) Without Nam stealing this 28 information—the fact that underlies Paramount Tariff’s trade secret claims— 1 Defendants do not “form their own venture,” and there would be no UCL claim. 2 Thus, Zayo, and the other cases Paramount Tariff cites, are distinguishable and do not 3 alter the Court’s conclusion. 4 The Court finds that the wrongful acts alleged by Paramount Tariff underlying 5 its fourth, seventh, and eighth causes of action “plainly and exclusively spell out only 6 trade secrets misappropriation.” *Neuman v. B2 Brands, Inc.*, No. 5:07-cv-01025- 7 MLG, 2010 WL 11596467, at \*8 (C.D. Cal. Feb. 17, 2010). Accordingly, the Court 8 DISMISSES these causes of action. The Court does so WITH LEAVE TO AMEND 9 as the Court cannot find leave to amend would be futile. 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28

## 1 Vv. CONCLUSION

2 For the reasons discussed above, the Court GRANTS IN PART and DENIES 3 || IN PART Defendants’ Motion to Dismiss. (Dkt. No. 12.) Specifically, the Court GRANTS the Motion and DISMISSES Paramount Tariff’s fourth, seventh, and 5 || eighth causes of action WITH LEAVE TO AMEND. The Court DENIES the 6 || Motion as to Paramount Tariff’s fifth and sixth causes of action. 7 If Paramount Tariff chooses to file a First Amended Complaint, it must do so no 8 | later than twenty-one (21) days from the date of this Order, in which case Defendants shall answer or otherwise respond within fourteen (14) days of the filing. If 10 || Paramount Tariff does not timely amend, the dismissal of the fourth, seventh, and 11 || eighth causes of action shall be deemed a dismissal with prejudice as of the lapse of 12 | the deadline to amend, and the case against Defendants will proceed as to the first, 13 second, third, fifth, and sixth causes of action. 14 15 IT IS SO ORDERED. 16

17 December 9, 2025 on

0 OTIS D. GHT, II

UNITED STATES DISTRICT JUDGE

22 23 24 25 26 27 28