

# COMPANY NEWS; 2 Executives Indicted In Trade-Secret Theft

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A trade-secret dispute between two well-known Silicon Valley companies led to a rare criminal indictment today.

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Gordon Eubanks, the chief executive and co-founder of the Symantec Corporation, and Eugene Wang, a former Borland International executive, were indicted by a grand jury and accused of stealing trade secrets from a rival, the District Attorney for Santa Cruz County, Calif., announced today. Mr. Eubanks, 46, was charged with 11 counts of receipt of stolen property and conspiracy; Mr. Wang, 35, was charged with 21 counts of trade-secret law violations and conspiracy.

The dispute began last September, when Symantec, a Cupertino, Calif., software publisher, hired Mr. Wang from Borland International, a Scotts Valley, Calif., competitor. The two companies compete in software languages, which are programs that are the basic tools for software design.

On Sept. 3, Borland sued Symantec, Mr. Wang and Mr. Eubanks in Santa Cruz Superior Court, charging trade-secret theft. The company obtained a temporary restraining order compelling Symantec to return any confidential Borland information it had obtained from Mr. Wang. Electronic Messages Searched

The lawsuit and the criminal case hinge on electronic mail messages sent between Mr. Wang and Mr. Eubanks while Mr. Wang was still an employee of Borland. Borland officials have said that the two exchanged confidential information that could have had competitive value for Symantec.

The Santa Cruz District Attorney, Arthur Danner 3d, said today that his office had spent hundreds of hours going through a roomful of material seized after Mr. Wang joined Symantec.

"We believe that based on the evidence, Borland is a crime victim like any other victim, and that the criminal courts are the appropriate place to decide the case," Mr. Danner said in a statement.

But Mr. Danner also noted that there were legal questions in defining what is a trade secret under California law and that they must be resolved.

Mr. Eubanks, who is well-known in the personal computer industry, said today in an interview that he was the victim of a vendetta by a competitor. 'We're Innocent'

"Emphatically, loudly, passionately, we're innocent," he said. "We've committed no crime." He said that he would continue to run the company during his trial and that there would be no changes in the company's management. "We're not going to back away from a fight."

Mr. Wang and Mr. Eubanks will be arraigned Friday.

Several lawyers said yesterday that the case raised significant questions on whether rights to privacy were violated in the search of electronic mail and over the extent of trade-secret protection under California law.

"This case involves searches of electronic mail messages," said Jeffrey Kingston, a lawyer for Brobeck, Phleger & Harrison in San Francisco. "There is a real serious question of whether the search invaded the executives' privacy."

Another significant issue in the trial may be whether California trade-secret law covers the material in question. The law covers only scientific and technical information.