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12 Attorneys for Plaintiffs IQVIA INC. and IQVIA AG

13  
14 **UNITED STATES DISTRICT COURT**  
15 **SOUTHERN DISTRICT OF CALIFORNIA**

16 IQVIA INC., a Delaware corporation; and  
17 IQVIA AG, a Swiss company,

18 Plaintiffs,

19 vs.

20 MEDIMPACT HEALTHCARE  
SYSTEMS, INC., a California  
21 corporation; and DALE BROWN,  
individually,

22 Defendants.  
23  
24

Case No. '21CV2081 BEN AHG

**PLAINTIFFS' COMPLAINT FOR  
(1) MISAPPROPRIATION OF  
TRADE SECRETS UNDER DTSA,  
18 U.S.C. § 1836; (2)  
MISAPPROPRIATION OF TRADE  
SECRETS UNDER CAL.  
UNIFORM TRADE SECRETS  
ACT; (3) RICO; (4) BREACH OF  
FIDUCIARY DUTY; AND (5)  
CIVIL CONSPIRACY**

**JURY TRIAL DEMANDED**

Judge:

1 **COMPLAINT**

2 IQVIA Inc. and IQVIA AG (collectively, “IQVIA” or “Plaintiffs”), by and  
3 through their counsel, for their Complaint against MedImpact Healthcare Systems, Inc.  
4 (“MedImpact U.S.”) and Dale Brown (collectively, “Defendants”), hereby allege as  
5 follows:

6 **INTRODUCTION**

7 1. Beginning in 2011, Defendants, alongside MedImpact International LLC  
8 (“MedImpact International”) and MedImpact International Hong Kong Ltd.  
9 (“MedImpact Hong Kong”), schemed to steal confidential and proprietary trade secrets  
10 from Dimensions Healthcare LLC (“Dimensions”) through a “partnership” with  
11 Dimensions in the Middle East (the “Joint Venture” or “MedImpact Arabia”).<sup>1</sup> IQVIA  
12 AG acquired Dimensions—including its intellectual property—in February 2016.  
13 IQVIA AG is wholly-owned by IQVIA Inc.

14 2. From the outset, Defendants targeted Dimensions as an ostensible  
15 “partner” for the express purpose of gaining access to Plaintiffs’ trade secrets under the  
16 façade of the Joint Venture. Defendants knew that by stealing those trade secrets,  
17 MedImpact U.S. would be able to build a better pharmacy benefits management  
18 (“PBM”) platform<sup>2</sup> that would “leapfrog[]” MedImpact U.S.’s own PBM offering.  
19 Specifically, Defendants planned to build what they called a new [REDACTED]  
20 [REDACTED]—by, among other things, unlawfully  
21 incorporating Plaintiffs’ trade secrets into the existing MedImpact U.S. PBM platform.

22 \_\_\_\_\_  
23 <sup>1</sup> The Joint Venture was entered into between MedImpact International (a wholly-  
24 owned subsidiary of MedImpact U.S.) and Dimensions on February 1, 2012. On  
25 January 1, 2014, MedImpact International transferred its interest in the Joint Venture to  
26 MedImpact Hong Kong (also a wholly owned MedImpact U.S. subsidiary). MedImpact  
27 U.S., MedImpact International, and MedImpact Hong Kong are referred to collectively  
28 herein as “MedImpact.”

29 <sup>2</sup> A PBM platform is a platform that allows patients to obtain insurance approvals for  
prescribed medicines through online, real-time insurance coverage approvals or denials  
for prescribed medicines, based upon clinical algorithms, plan design rules, and member  
eligibility.

1 The very purpose of the [REDACTED] was to develop an offering that would be  
2 deployed worldwide, including by MedImpact U.S. in the United States. In other  
3 words, by incorporating Plaintiffs' trade secrets into the MedImpact U.S. [REDACTED]  
4 [REDACTED] MedImpact would offer for sale and/or provide Plaintiffs' trade secrets all over  
5 the world.

6 3. At the center of Defendants' plot to exploit Plaintiffs' trade secrets were  
7 Plaintiffs' confidential and proprietary drug-to-diagnosis indication and  
8 contraindication edits. Drug-to-diagnosis indication edits provide a rejection alert when  
9 a patient requests to fill a prescription for a medication that is not used to treat that  
10 patient's medical diagnosis. For example, an indication edit would reject the incorrect  
11 prescription of an antibiotic—used to treat bacterial infections—for a viral infection,  
12 such as influenza. Relatedly, drug-to-diagnosis contraindication edits provide a  
13 rejection alert when a patient requests to fill a prescription for a medication that may  
14 result in an adverse drug event if the medication is taken by a patient with certain  
15 medical conditions.

16 4. More specifically, Plaintiffs' drug-to-diagnosis indication and  
17 contraindication edits trade secrets are comprised of the custom logic and methods  
18 behind building and maintaining the logic that links between content and relational lists  
19 connecting drugs to diagnoses and conditions, including how an edit adjudicating  
20 engine works and the populated content within it, and validation of the edits.

21 5. MedImpact did not have the ability to offer such drug-to-diagnosis  
22 indication and contraindication edits before “partnering” with Dimensions. Rather than  
23 invest the necessary resources, including time, talent, and money, to independently  
24 develop the requisite expertise to provide drug-to-diagnosis indication and  
25 contraindication edits, MedImpact decided to take a shortcut and steal the trade secrets  
26 instead.

27

28

1           6.     In an October 2011 presentation to the MedImpact U.S. Senior Leadership  
2 Team and Board, Defendant Dale Brown specifically identified the [REDACTED]

3 [REDACTED]  
4 [REDACTED]  
5 [REDACTED]  
6 [REDACTED]  
7 [REDACTED]  
8 [REDACTED]  
9 [REDACTED]

10           7.     Unaware of Defendants’ ulterior motives to misappropriate Plaintiffs’  
11 trade secrets, such trade secrets were transparently shared with MedImpact through the  
12 Joint Venture, including Plaintiffs’ confidential and proprietary drug-to-diagnosis  
13 indication and contraindication edits trade secrets, subject to governing non-disclosure  
14 and confidentiality agreements. Plaintiffs’ closely held trade secret information was  
15 shared with MedImpact primarily via electronic means (*e.g.*, via email) as well as  
16 telephone calls and in person meetings.

17           8.     Defendants thereafter wrongfully exploited Plaintiffs’ closely held trade  
18 secrets for MedImpact’s own gain. Defendants misused the “partnership” with  
19 Dimensions to gain access to the drug-to-diagnosis indication and contraindication edits  
20 trade secrets; engaged in years-long theft of those trade secrets; and exploited that theft  
21 by offering and/or providing these edits for sale in the United States, Australia, South  
22 Africa, Canada, Turkey, [REDACTED] (and very likely many other  
23 places, including, without limitation, China, Germany, Ghana, India, Indonesia, New  
24 Zealand, Taiwan, Sweden, and/or the United Kingdom); all the while concealing the  
25 theft and misappropriation.

26           9.     Defendants’ theft continued after IQVIA AG acquired Dimensions,  
27 including its drug-to-diagnosis indication and contraindication edits trade secrets, in  
28 2016. Both before and after the termination of the Joint Venture in 2017, Defendants

1 offered these trade secrets to clients and health agencies all over the world. Plaintiffs  
2 have every reason to believe this misappropriation is ongoing today.

3 10. Through their theft, Defendants bypassed years of research and  
4 development time, and avoided tens of millions of dollars in investment. At no point  
5 did Defendants disclose that they had been stealing Plaintiffs' trade secrets and offering  
6 them for sale in the United States, Australia, South Africa, Canada, Turkey, [REDACTED]  
7 [REDACTED] among other locations. In fact, Defendants actively concealed  
8 these facts.

9 11. In addition, Defendant Dale Brown engaged in the unlawful conduct  
10 detailed herein while serving on the Board of and as General Manager of the Joint  
11 Venture. Brown, for his part, siphoned trade secrets from Plaintiffs, and turned around  
12 and offered such trade secrets for sale in the United States, Australia, South Africa,  
13 Canada, Turkey, [REDACTED] Brown was a direct participant in  
14 the theft from and unlawful competition with Plaintiffs. Again, at no time did Brown  
15 disclose that MedImpact was pillaging Plaintiffs' trade secrets.

16 12. Plaintiffs seek damages for their injuries resulting from Defendants'  
17 unlawful conduct, and a permanent injunction enjoining Defendants from possessing,  
18 misappropriating and using Plaintiffs' trade secrets, among other relief.

19 **PARTIES**

20 13. Plaintiff IQVIA Inc. is organized and existing under the laws of the State  
21 of Delaware with a principal place of business in Plymouth Meeting, Pennsylvania.  
22 IQVIA, directly and through various subsidiaries around the world, provides, among  
23 other things, market research, analytics, technology and services to the life sciences,  
24 medical device, and diagnostics and healthcare industries, to clients in over 100  
25 countries. IQVIA's global reach allows IQVIA's life sciences clients to improve their  
26 understanding of, and interaction with, the global healthcare environment and, in turn,  
27 improve patient outcomes and save lives. Since its founding more than sixty years ago,  
28

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