

**IN THE UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF PENNSYLVANIA**

KBS Pharmacy, Inc.  
d/b/a Bensalem Pharmacy  
2112 Street Road  
Bensalem, Pennsylvania 19020

Plaintiff,

vs.

Jigar Patel  
1316 Cheltenham Drive  
Bensalem, Pennsylvania 19020

Sima Patel  
1316 Cheltenham Drive  
Bensalem, Pennsylvania 19020

Christine Crager  
3517 Oakmont Street  
Philadelphia, Pennsylvania 19136

And

Smart Choice Pharmacy  
1941 Street Road  
Bensalem, Pennsylvania 19020

Defendants

CIVIL ACTION

**COMPLAINT AND DEMAND  
FOR JURY TRIAL**

KBS Pharmacy, Inc. d/b/a Bensalem Pharmacy by and through its Complaint against the Defendants, Jigar Patel, Sima Patel, Christine Crager and Smart Choice Pharmacy (collectively the “**Defendants**”) states:

### Introduction

1. This case is initiated by KBS Pharmacy, Inc. (hereinafter “**KBS**” or “**Plaintiff**”) against its former employees Jigar Patel, Christine Crager, as well as Sima Patel (Jigar Patel’s wife), and Smart Choice Pharmacy for *inter alia*:

- (a) Violations of the Computer Fraud and Abuse Act 18 U.S.C. §1030 (the “**CFAA**”).
- (b) Breach of contract.
- (c) Breach of fiduciary duty.
- (d) Theft and misappropriation of confidential and trade secret information;
- (d) Breach of the duty of loyalty.
- (e) Intentional interference with contract, business relations and prospective economic advantage; and
- (f) Unfair trade practices.

2. For almost a decade, Jigar Patel (“**Jigar**”) and Christine Crager (“**Crager**”) were employed by the Plaintiff. Jigar was employed by the Plaintiff as the lead pharmacist while Crager was employed as a pharmacy technician. Jigar and Crager were, for all intents and purposes, charged with overseeing the pharmacy’s day-to-day operation.

3. In their capacity as employees of the Plaintiff, these two defendants had access to confidential and proprietary information of the Plaintiff, including patient and customer information. As a result, both Jigar and Crager executed comprehensive Confidentiality Agreements and acknowledged as a condition of employment the terms of an Employee Handbook, which expressly prohibited their misuse of such material.

4. In 2018, Jigar Patel expressed an interest in purchasing the pharmacy from the Plaintiff. See Exhibits A & B. However, while Jigar and Plaintiff's owner, Kaushal Patel, discussed "purchase" terms the Defendants were actually conspiring to:

(i) Access Plaintiff's computer system and download protected and confidential information concerning patients and their medication requirements.

(ii) Recruit patients to leave the Plaintiff's pharmacy.

(iii) Negotiate, lease, and fit-out leased space less than 100 yards from Plaintiff's location.

(iv) Negotiate vendor and supplier contracts based on the confidential information they misappropriated from the Plaintiff's business; and

(v) Exit the business in such a manner to maximize disruption to the Plaintiff's business operation and leave it unable to support customer immediate needs.

5. After opening Smart Choice Pharmacy less than 100 yards from Plaintiff's operation, the Defendants used the confidential and trade secret information they had stolen from Plaintiff's business to recruit Plaintiff's customers.

6. Due to the Defendants' theft of confidential and trade secret information almost 70% of the Plaintiff's customers transferred their business to Smart Choice Pharmacy within weeks of the defendant's opening. Based on the Defendants' illegal and intentional misconduct, Plaintiff seeks compensatory and punitive damages, equitable and injunctive relief. In support, Plaintiff avers as follows:

#### **The Parties**

7. Plaintiff is a corporation organized under the laws of the Commonwealth of Pennsylvania with its offices located at 2112 Street Road Bensalem, Pennsylvania 19020.

8. Defendant Jigar Patel is a citizen of the Commonwealth of Pennsylvania with his primary residence being located at 1316 Cheltenham Drive, Bensalem, Pennsylvania 19020.

9. Defendant Sima Patel is a citizen of the Commonwealth of Pennsylvania, with his primary residence being located at 1316 Cheltenham Drive, Bensalem, Pennsylvania 19020.

10. Defendant Christine Crager is a citizen of the Commonwealth of Pennsylvania residing at 3517 Oakmont Street, Philadelphia, Pennsylvania 19020.

11. Smart Choice Pharmacy (“**Smart Choice**”) is, based on information and belief, a Pennsylvania limited liability company, with its principal office being located at 1941 Street Road Bensalem Pennsylvania 19020.

### **Jurisdiction and Venue**

12. This Court has jurisdiction over this action pursuant to 28 U.S.C. §1331 as the claims arise, in part, under the Computer Fraud and Abuse Act, 18 U.S.C. §1030. This Court has jurisdiction over the common law counts predicated upon the doctrine of ancillary jurisdiction as they arise out of the same nucleus of operative facts upon which the federal claims are based.

13. Venue is appropriate in this judicial district as the actions, omissions, events, and transactions giving rise to the claims asserted herein transpired in this judicial district and all Defendants have engaged in business within this district.

### **Statement of Material Facts**

#### **A. Employment History, Agreements, and Confidential Information**

14. Jigar is a licensed pharmacist under the laws of the Commonwealth of Pennsylvania.

15. Jigar earned his doctorate in pharmacy from the University of Sciences located in Philadelphia, Pennsylvania. Prior to his being employed by the Plaintiff, Jigar had worked at Saint

Agnes Medical Center in Philadelphia, Pennsylvania, and Walgreens Pharmacy in Palm Harbor, Florida.

16. As a consequence, at the time that he joined the Plaintiff's pharmacy, Jigar had no independent local pharmacy experience.

17. Jigar joined the Plaintiff's business on or about August 7, 2010, as a lead pharmacist. To protect the Plaintiff's interest in its business and confidential information, Jigar was obligated to execute a Confidentiality Agreement and Employee Handbook. See Exhibits C & D.

18. Commensurate with his employment, Jigar Patel executed a Confidentiality Agreement. This agreement provided as follows:

The undersigned, as a current or proposed employee of Bensalem Pharmacy or an affiliate company, in consideration of employment and/or continued employment, does hereby agree that he/she has or will have *access to patient information and records* together with other information and documentation which would *not be made available to the public* or any other person or entities; and *further agrees not to disclose or to divulge information whatsoever regarding patients, patient information, records, referring sources, physicians, or other information or documentation regarding the corporation or its patients or customers.*

See Exhibit C.

19. Jigar further acknowledged that a breach of this confidentiality agreement would entitle the Plaintiff to initiate a suit for both damages and/or injunctive relief. See Exhibit C.

20. In addition to the Confidentiality Agreement, Jigar received and acknowledged an Employee Handbook, which set forth the professional standards governing employee conduct. See Exhibit D.

21. Among the standards Jigar agreed to adhere to were the following:

- No employee will knowingly engage in deceptive, misleading, or fraudulent acts.



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