

# HP sues ex-CEO Hurd over new job at rival Oracle

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In this Oct. 24, 2006 file photo shows then, Hewlett Packard CEO Mark Hurd gestures during a keynote address at the Oracle Open World conference in San Francisco. Oracle Corp. has hired former Hewlett-Packard Co. CEO Mark Hurd to help lead the database software maker in a pivotal moment in Oracle's 33-year history as it tries to muscle in on more of HP's turf Monday, Sept. 6, 2010.(AP Photo/Paul Sakuma, file)

(AP) -- Hewlett-Packard Co. is suing the chief executive it ousted last month, Mark Hurd, to stop him from taking a top job at rival Oracle Corp.

The lawsuit, filed Tuesday in a California state court, came a day after Oracle hired Hurd as co-president to help lead the database software maker as it tries to steal business from HP. It centers on HP's claim that

Hurd won't be able to perform his job at Oracle without spilling HP's trade secrets and violating a confidentiality agreement.

This type of complaint isn't unusual in the technology world, nor is the confidentiality agreement Hurd had signed as part of a severance package from HP that could top \$40 million.

Technology companies often require such agreements because workers walk out the door with valuable technical information.

But the stakes are higher with Hurd than a rank-and-file employee.

As HP's CEO for five years, Hurd was responsible for preparing HP's strategic plans and has intimate details about HP's profit margins and special deals it has offered customers, according to the lawsuit. HP also insisted that Hurd was privy to a "highly confidential" analysis of Oracle's competitiveness against HP.

"Hurd's actions are a serious threat to HP's business," HP lawyers wrote in the lawsuit, which was filed in California Superior Court for Santa Clara County.

Unless stopped, HP said, Hurd would diminish the value of HP's trade secrets, hurt customer relationships and "give Oracle a strategic advantage as to where to allocate or not allocate resources and exploit the knowledge of HP's strengths and weaknesses."

Hurd and Oracle declined to comment.

The lawsuit shows the growing rancor between the two companies, which are longtime partners that are now competing in the market for computer servers.

HP itself was on the other end of this type of case last year, after it hired David Donatelli, a veteran of the data-storage industry, from EMC Corp. HP was temporarily prohibited from letting Donatelli start work as an executive vice president because of a lawsuit by EMC. A court later ruled that Donatelli could work for HP, but under certain restrictions that split up some of his responsibilities.

Shares of HP, which is based on Palo Alto, fell 36 cents, or 0.9 percent, to \$39.98 in afternoon trading Tuesday. Shares of Oracle, based in Redwood City, increased \$1.43, or 6 percent, to \$24.35.

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