

Toshiba sues South Korean rival for corporate spying

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Japan's Toshiba has slapped South Korean rival SK Hynix with a lawsuit seeking damages claiming that it received sensitive trade secrets from a Japanese engineer.

The civil suit, which Toshiba announced late Thursday, came as Japanese police took 52-year-old Yoshitaka Sugita into custody for allegedly copying sensitive research data for Toshiba's NAND-type flash memory and then handing it to its rival.

Sugita had formerly worked for Toshiba partner SanDisk which helps make the key technology—used in smartphones and digital cameras—and later passed it to his new employer Hynix.

He no longer works for the South Korean firm.

"Toshiba filed the suit on learning that a former employee of SK Hynix has been arrested in Japan for alleged criminal infringement of the Unfair Competition Prevention Act," it said in a statement.

Toshiba did not specify how much it was seeking in damages.

"The employee is alleged to have illegally taken Toshiba's proprietary technical information in 2008, and to have subsequently provided it to SK Hynix."

The Japanese company added that it is a business partner of the South

Korean firm.

"However, the companies are also competitors in NAND [flash memory](#), one of Toshiba's core technologies, and given the scope and importance of the misappropriated technical data involved, Toshiba has no reasonable option other than to seek legal redress," it said.

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