

**IN THE UNITED STATES DISTRICT COURT  
FOR THE NORTHERN DISTRICT OF ILLINOIS**

<b>CARAMELCRISP LLC,</b>	)	
	)	
<b>Plaintiff,</b>	)	<b>Case No. _____</b>
	)	
<b>v.</b>	)	
	)	
<b>AISHA PUTNAM,</b>	)	
	)	
<b>Defendant.</b>	)	

**VERIFIED COMPLAINT FOR INJUNCTION AND OTHER RELIEF**

Plaintiff CaramelCrisp LLC (“CaramelCrisp”), by its undersigned attorneys, complains against Defendant Aisha Putnam (“Putnam”) as follows:

**The Parties**

1. CaramelCrisp is a Delaware limited liability company with its principal place of business in Chicago, Illinois. CaramelCrisp does business under the name Garrett Popcorn Shops and sells gourmet popcorn at numerous locations both in the United States and internationally.

2. Putnam is a citizen of Illinois. Putnam formerly worked for CaramelCrisp from March 2014 until March 2019 as its Director of Research and Development. In this capacity, Putnam had access to CaramelCrisp’s trade secrets and most highly confidential and proprietary information, including its secret popcorn recipes.

**Jurisdiction and Venue**

3. This Court has subject matter jurisdiction over CaramelCrisp’s federal trade secret claims pursuant to 18 U.S.C. §§ 1836-39 *et seq.* and 28 U.S.C. §§ 1331 and 1343. This Court has supplemental jurisdiction over the state law claims alleged in this Complaint pursuant to 28 U.S.C. § 1367.

4. This Court has personal jurisdiction over Putnam because she is an Illinois citizen and resides in Cook County, Illinois. Putnam also expressly consented to the jurisdiction of this Court as part of the 2015 Agreement (defined below).

5. Venue in the United States District Court for the Northern District of Illinois is appropriate under 28 U.S.C. § 1391 because Putnam resides within the district and CaramelCrisp's corporate headquarters is located in Chicago, Illinois. Venue is also proper in this District because a substantial part of the actions giving rise to the claims occurred in this District.

### **Factual Background**

6. In March 2014, CaramelCrisp hired Putnam as its Assistant Director of Research and Development and she was later promoted in February 2015 to its Director of Research and Development.

7. In her role as Director of Research and Development at CaramelCrisp, Putnam routinely had access to the company's most confidential information and trade secrets. Accordingly, on or about March 31, 2014, Putnam and CaramelCrisp entered into a Confidentiality Agreement (the "2014 Agreement"). A true and correct copy of the 2014 Agreement is attached hereto as Exhibit 1.

8. The 2014 Agreement required Putnam to keep certain "Information" confidential. It precluded disclosure in any manner and required Putnam to "not use any Information other than in connection with" her employment.

9. Additionally, on or about October 22, 2015, Putnam and CaramelCrisp entered into a Confidentiality and Non-Compete Agreement (the "2015 Agreement"). A true and correct copy of the 2015 Agreement is attached hereto as Exhibit 2.

10. Under the 2015 Agreement, “Information” is defined to include:

All analyses, financial statements, growth strategies, marketing strategies, promotional works or ideas formulated for the Company or any other documents or materials used for the Company prepared by Putnam or any information procured regarding the Company in connection with Putnam providing services to the Company [and]...

All information and materials, in any medium, used by the Company for store design and merchandising; for the production, cooking, packaging or shipping of its gourmet popcorn or any other product the Company produces or may produce, sell, package or ship, prior or subsequent to the date hereof; technical information; ingredients; raw materials; know-how; recipes; designs, plans, blueprints, data, formulae, methods, and any other oral, written, drawn or printed information and materials; models, parts, samples and any other physical materials; sales projections and commercial information, operational, marketing, training, promotional, strategic and financial information; and notes, observations, analyses, studies and any other information and materials prepared by Putnam or the Company or the Company’s Representatives based on or reflecting any of the foregoing.

11. Putnam expressly agreed that:

She (i) will keep the Information confidential and will not (except as required by applicable law, regulation or legal process...), without the Company’s prior written consent, disclose except in connection with performing her job duties any Information in any manner whatsoever and (ii) will not now or anytime in the future use any Information other than in connection with providing services to the Company.

12. The 2015 Agreement is designed to protect CaramelCrisp’s confidential information and trade secrets. Protecting CaramelCrisp’s confidential information and trade secrets is vital to its ability to operate successfully by providing unique products to its customers.

13. The 2015 Agreement is one of the several reasonable steps that CaramelCrisp takes to protect its confidential information and trade secrets from disclosure.

14. In addition, CaramelCrisp limits access to its confidential information through, among other things, enhanced computer network security. Access to files containing CaramelCrisp’s confidential information must be specifically requested, and is granted on a need to know basis. Every computer terminal containing confidential information has user specific

credentials to prevent others from accessing those computers. File cabinets containing confidential information are physically locked. Attendance at management meetings where such confidential information is discussed is physically limited to those with a need to know. Independent contractors and other third parties who have confidential information disclosed to them are required to sign non-disclosure agreements.

15. All computers, servers and other file storage solutions at Garrett Brands are protected behind user specific credentials, file and folder level permissions, as well as policies that define each level of access a user has. For more critical data that can only be given to a specific individual, CaramelCrisp also utilizes biometrics by means of either their personal computer device or via USB storage with bio metrics built in. In the case of the biometrics there are typically only two individuals capable of access this data, CaramelCrisp's CEO and the direct individual the USB is assigned to. The highly confidential trade secret recipes for CaramelCrisp's various formulas, processes and popcorn products are stored on a secure drive that requires a biometrics thumbprint to access. Only three individuals had access to the information on this drive: CaramelCrisp's CEO, its Vice President, Lead Chef-Global Innovation and Putnam.

16. In addition to having access to CaramelCrisp's existing recipes, Putnam was involved in product research and development and therefore had knowledge of new flavors, concepts and other proprietary product ideas that CaramelCrisp was routinely evaluating. Putnam also had access to other highly confidential CaramelCrisp information including product weights, cooking instructions and variations on cooking methods, supplier formula development, vendor contact information, product pricing, customer service feedback reports, measurements

for making popcorn at the retail facilities and the corporate production facility, international recipes, internal training documents and market research.

17. Putnam also participated in senior management meetings where CaramelCrisp's proprietary research and development issues regarding its products were discussed and also attended key supplier meetings.

18. On March 7, 2019, CaramelCrisp terminated Putnam's employment.

19. In the 2015 Agreement provides that if "Putnam's employment with the Company is terminated" Putnam would:

**Promptly deliver to the Company all copies of the written Information in Putnam's possession, this includes electronic files of any kind, including but not limited to, computer files (whether stored on the Company's computer or another computer), disks, disk drives, zip drives, magnetic tape drives, internal hard drives, external hard drives, optical media storage, CD/DVD recordable drives, USB flash drives, any online storage (including but not limited to remote backup, cloud storage, or with any hosted solutions) or any other such storage or device which may come into use in the future. All Information, including that portion of the Information that may be found in any documents or depictions prepared by Putnam, any visual or oral Information and the Information returned to the Company will continue to be subject to the terms of this Agreement and shall survive termination. In addition, Putnam agrees not to delete or otherwise dispose of any Information, including but not limited to, Information contained in electronic mail or documents, whether hard copy or in electronic format.**

(Emphasis added.)

20. The 2015 Agreement further provides that it will "be governed by and construed in accordance with the laws of the State of Illinois."

21. Putnam was aware of her pending termination several days prior to formally being terminated on March 7, 2019, and as CaramelCrisp later discovered, she began to surreptitiously download virtually all of CaramelCrisp's trade secrets and confidential information in her possession to a personal USB drive which she took home, as well as sending herself emails with

attachments containing vast amount of CaramelCrisp's confidential information and trade secrets.

22. After Putnam's termination, CaramelCrisp's IT team conducted a diagnostic analysis of Putnam's computer. CaramelCrisp discovered that starting on or about March 5, 2019, Putnam improperly also began deleting all the data on her computer in clear violation of the terms of the 2015 Agreement. Not only did she delete substantially all of the data on her computer, she also deleted the trash folder and recovery folder. These actions by Putnam made it impossible for CaramelCrisp to recover the data that had been on Putnam's computer.

23. In addition, CaramelCrisp discovered that on or about March 5, 2019, without notice or authority to do so, Putnam improperly sent five emails to her personal (non-work) email account with the subject heading "documents Garrett." The five emails contained forty three attachments containing CaramelCrisp's confidential information and trade secrets. The attachments included a vast amount of documents including recipes, batch pricing, product weights, production processes, development and distribution agreements, supplier information, customer service reports and market research, among other things.

24. Kara Nickels, CaramelCrisp's Vice President of Human Resources, contacted Putnam via email on March 22, 2019 upon the discovery of Putnam's deletion of company data from her computer and inappropriately taking CaramelCrisp's confidential information by sending emails to her personal email account containing highly proprietary company information. Putnam responded by email the same day saying her "goal is to stay with the rules aligned and respect the companies [sic] policy." However, as CaramelCrisp soon learned, Putnam had, in fact, misappropriated a vast amount of additional company trade secrets and confidential information that she had not disclosed to the company.

25. Subsequent to this exchange, CaramelCrisp learned that Putnam had also surreptitiously copied and misappropriated more than 5,400 files containing 3 gigabytes of its data onto a personal USB drive and taken that USB with her after termination of her employment. The personal USB drive was labeled “TWINS.”

26. The data copied to the TWINS drive included substantially all of the overwhelmingly vast amount of data that had ever been stored on Putnam’s work computer, or on external drives provided to Putnam, in connection with her work for CaramelCrisp during her entire tenure at the company. Further, Putnam also misappropriated and copied to the TWINS drive email files belonging to two former colleagues’ CaramelCrisp email accounts. The misappropriated data included the highly confidential trade secret popcorn recipes that had been stored on a separate drive, which only three people had access to by using a fingerprint security system.

27. In response to Putnam’s wrongful actions, CaramelCrisp’s counsel sent Putnam an email on March 28, 2019 setting forth CaramelCrisp’s demands.

28. CaramelCrisp specifically demanded that Putnam “make available to a third party forensic expert all electronic devices that have had any of the Company’s confidential or trade secret information on them during [her] employment as well as those used since [her] date of termination.” In addition to examining the electronic devices, the forensic expert would permanently delete any confidential or trade secret information that was on the devices.

29. CaramelCrisp additionally demanded that Putnam provide an affidavit affirming that she had not disclosed the Company’s confidential information and trade secrets to anyone and that she would not do so in the future.

30. Putnam engaged counsel to respond to the demands from CaramelCrisp. Her counsel offered and ultimately did provide a limited affidavit from Putnam in which Putnam represents that she has deleted the information in her possession that is protected by the 2015 Agreement.

31. Putnam however refused to allow any forensic review of her electronic devices, email and cloud accounts, without which CaramelCrisp has no way of knowing whether its trade secrets and confidential information have been wrongfully disseminated or retained by Putnam. CaramelCrisp's counsel reiterated this demand on April 2, 2019, but Putnam has continued to refuse any forensic expert review.

32. Given Putnam's intentionally wrongful and deceptive acts of: (a) copying several gigabytes of data from both her own computer and colleagues' email accounts onto a personal USB drive and misappropriating that information for her personal use, (b) copying and misappropriating proprietary recipes off of a drive that only three people have access to and is secured by fingerprint which action constitutes willful conversion of the company's trade secrets, (c) sending emails containing highly proprietary company information to her personal email account and (d) permanently deleting all CaramelCrisp data from her computer prior to her termination in direct violation of company policy, CaramelCrisp reasonably doubts that Putnam is now suddenly telling the truth about her actions.

33. The release of confidential and trade secret information, especially CaramelCrisp's proprietary popcorn formulas, processes and recipes, would be severely detrimental to CaramelCrisp's business. Any dissemination of such information would cause irreparable harm to CaramelCrisp because once it has been shared there is no way to "undo" the disclosure.



**COUNT I – VIOLATION OF DEFEND TRADE SECRETS ACT**

34. CaramelCrisp incorporates by reference and re-alleges paragraphs 1-33 as paragraph 34.

35. As alleged above, CaramelCrisp owns and possesses certain confidential, proprietary, and trade secret information that is protected by the Defend Trade Secrets Act, 18 U.S.C §1836.

36. CaramelCrisp's trade secret information relates to products and services used, sold, shipped, and/or ordered in, or intended to be used, sold, shipped, and/or ordered in, interstate or foreign commerce.

37. CaramelCrisp has taken reasonable measures to keep such information secret and confidential.

38. At all times CaramelCrisp maintained stringent security measures to preserve the secrecy of its trade secrets.

39. Due to these security measures, CaramelCrisp's confidential and proprietary trade secret information is not available for others in the popcorn industry – or any other industry – to use through any legitimate means.

40. CaramelCrisp's confidential, proprietary, and trade secret information derives independent economic value from not being generally known to, and not being readily ascertainable through proper means by, another person who could obtain economic value from the disclosure or use of the information.

41. In violation of CaramelCrisp's rights, Putnam misappropriated CaramelCrisp's confidential, proprietary and trade secret information in the improper and unlawful manner alleged herein.

42. Putnam's misappropriation was intentional, knowing, willful, malicious, fraudulent, and oppressive. Putnam has attempted to and continues to attempt to conceal her misappropriation.

43. Through Putnam's actions described above, she has improperly converted and poses an ongoing threat to use and/or disclose trade secrets of CaramelCrisp.

44. On information and belief, if Putnam is not enjoined, she will continue to misappropriate and use CaramelCrisp's trade secret information for her own benefit and to the detriment of CaramelCrisp.

45. As the direct and proximate result of Putnam's conduct, CaramelCrisp's trade secrets are at risk of being disseminated. To the extent any such dissemination has already occurred, CaramelCrisp will have suffered severe competitive harm and significant damages. If Putnam is not enjoined, CaramelCrisp risks additional competitive harm, irreparable injury and damages.

46. Because CaramelCrisp's remedies at law are inadequate, it seeks, in addition to damages, temporary, preliminary, and permanent injunctive relief to recover and protect its confidential, proprietary, and trade secret information and to protect other legitimate business interests.

47. CaramelCrisp operates in an extremely competitive market and will continue suffering irreparable harm absent injunctive relief.

48. As a result of Putnam's improper misappropriation and use of CaramelCrisp's trade secrets, Putnam has violated the Defend Trade Secrets Act.

49. CaramelCrisp has been damaged by all of the foregoing and is entitled to an award of exemplary damages and attorney's fees.

WHEREFORE, CaramelCrisp respectfully requests that the Court:

- A. Enter a temporary restraining order, and preliminary and permanent injunction against Putnam prohibiting her from misappropriating, using, possessing, or deriving benefit from CaramelCrisp's confidential, proprietary, and trade secret information;
- B. Award CaramelCrisp all damages it has suffered by Putnam's misappropriation in an amount to be proven at trial;
- C. Order expedited discovery, including an examination of Putnam's electronic devices, email and cloud accounts by a forensic expert to determine if she has retained or disseminated any Information and to permanently delete any remaining CaramelCrisp information on her possession;
- D. Order Putnam to pay all costs associated with the forensic expert;
- E. Award CaramelCrisp punitive damages in an amount sufficient to punish Putnam for her willful, wanton and malicious conduct;
- F. Award CaramelCrisp its attorneys' fees and costs; and
- G. Grant such other relief as this Court deems just and proper.

## **COUNT II – VIOLATION OF ILLINOIS TRADE SECRETS ACT**

50. CaramelCrisp incorporates by reference and re-alleges paragraphs 1-33 as paragraph 50.

51. As alleged above, CaramelCrisp owns and possesses certain confidential, proprietary, and trade secret information, as that term is defined under the Illinois Trade Secrets Act, 735 ILCS 1065.

52. CaramelCrisp's trade secret information relates to products and services used, sold, shipped, and/or ordered in, or intended to be used, sold, shipped, and/or ordered in, interstate or foreign commerce.

53. CaramelCrisp has taken reasonable measures to keep such information secret and confidential.

54. At all times CaramelCrisp maintained stringent security measures to preserve the secrecy of their trade secrets.

55. Due to these security measures, CaramelCrisp's confidential and proprietary trade secret information is not available for others in the popcorn industry – or any other industry – to use through any legitimate means.

56. CaramelCrisp's confidential, proprietary, and trade secret information derives independent economic value from not being generally known to, and not being readily ascertainable through proper means by, another person who could obtain economic value from the disclosure or use of the information.

57. In violation of CaramelCrisp's rights, Putnam misappropriated CaramelCrisp's confidential, proprietary and trade secret information in the improper and unlawful manner alleged herein.

58. Putnam's misappropriation was intentional, knowing, willful, malicious, fraudulent, and oppressive. Putnam has attempted to and continues to attempt to conceal her misappropriation.

59. Through Putnam's actions described above, she has improperly used and poses an ongoing threat to use and/or disclose trade secrets of CaramelCrisp.

60. On information and belief, if Putnam is not enjoined, she will continue to misappropriate and use CaramelCrisp's trade secret information for her own benefit and to the detriment of CaramelCrisp.

61. As the direct and proximate result of Putnam's conduct, CaramelCrisp's trade secrets are at risk of being disseminated. To the extent any such dissemination has already occurred, CaramelCrisp will have suffered severe competitive harm and significant damages. If

Putnam is not enjoined, CaramelCrisp risks additional competitive harm, irreparable injury and damages.

62. Because CaramelCrisp's remedies at law are inadequate, it seeks, in addition to damages, temporary, preliminary, and permanent injunctive relief to recover and protect its confidential, proprietary, and trade secret information and to protect other legitimate business interests.

63. CaramelCrisp operates in a competitive market and will continue suffering irreparable harm absent injunctive relief.

64. As a result of Putnam's improper misappropriation and use of CaramelCrisp's trade secrets, Putnam has violated the Illinois Trade Secrets Act.

65. CaramelCrisp has been damaged by all of the foregoing and is entitled to an award of exemplary damages and attorney's fees.

WHEREFORE, CaramelCrisp respectfully requests that the Court:

- A. Enter a temporary restraining order, and preliminary and permanent injunction against Putnam prohibiting her from misappropriating, using, possessing, or deriving benefit from CaramelCrisp's confidential, proprietary, and trade secret information;
- B. Award CaramelCrisp all damages it has suffered by Putnam's misappropriation in an amount to be proven at trial;
- C. Order expedited discovery, including an examination of Putnam's electronic devices, email and cloud accounts by a forensic expert to determine if she has retained or disseminated any Information and to permanently delete any remaining CaramelCrisp information on her possession;
- D. Order Putnam to pay all costs associated with the forensic expert;
- E. Award CaramelCrisp punitive damages in an amount sufficient to punish Putnam for her willful, wanton and malicious conduct;
- F. Award CaramelCrisp its attorneys' fees and costs; and
- G. Grant such other relief as this Court deems just and proper.

### COUNT III – BREACH OF CONTRACT

66. CaramelCrisp incorporates by reference and re-alleges paragraphs 1-33 as paragraph 66.

67. In consideration for her continued employment and access to confidential and trade secret information, Putnam executed and agreed to the terms in the 2015 Agreement.

68. In Section 6 of the 2015 Agreement, Putnam agreed that “remedies at law may be inadequate to protect the Company against any actual or threatened breach of this Agreement by Putnam, and, without prejudice to any other rights and remedies otherwise available to the Company, Putnam agrees to the granting of injunctive relief...without proof of actual damages.”

69. Putnam has received adequate and sufficient consideration for entering into the 2015 Agreement.

70. CaramelCrisp has fulfilled all of its obligations under the 2015 Agreement.

71. Putnam has materially breached the 2015 Agreement by (a) deleting Information from her computer; (b) failing to turn over all copies of Information to the Company at the time of her termination; and (c) wrongfully taking Information from the Company by surreptitiously sending it to her personal email and copying it onto her personal USB drive.

72. Even after acknowledging these express violations of the 2015 Agreement, Putnam has unreasonably refused to allow the necessary forensic examination of her electronic devices, email and cloud accounts to confirm that all confidential and trade secret information belonging to CaramelCrisp has been deleted and that no such information has been improperly disseminated or retained by Putnam.

73. As a direct and proximate result of Putnam's willful breaches of the 2015 Agreement, CaramelCrisp will sustain severe and irreparable injury to the value of its trade secrets, confidential information, customer goodwill, customer loyalty, and competitive advantage, all of which CaramelCrisp has expended significant time, money, and effort to secure.

74. Unless Putnam is restrained and enjoined from further breaches of the 2015 Agreement, CaramelCrisp will continue to suffer severe and irreparable injury for which it has no adequate remedy at law.

75. Further, in order to ensure that that none of the confidential or trade secret information has been disseminated or retained by Putnam, CaramelCrisp is entitled to expedited forensic discovery on Putnam's electronic devices, email and cloud accounts.

WHEREFORE, CaramelCrisp respectfully requests that the Court:

- A. Enter a temporary restraining order, and preliminary and permanent injunction against Putnam, enforcing the 2015 Agreement and prohibiting Putnam from accessing, retaining or disseminating any Information covered by the 2015 Agreement;
- B. Order expedited discovery, including an examination of Putnam's electronic devices by a forensic expert to determine if she has retained or disseminated any Information;
- C. Direct the forensic expert to permanently delete any Information found on Putnam's electronic devices, email and cloud accounts;
- D. Order Putnam to pay all costs associated with the forensic expert;
- E. Award CaramelCrisp any and all damages resulting from Putnam's breaches of the 2015 Agreement in an amount to be proven at trial;
- F. Award CaramelCrisp its costs; and
- G. Grant such other relief as this Court deems just and proper.

**CAMELCRISP LLC**

By:    /s/ Martin B. Carroll  
          One of its Attorneys

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**VERIFICATION**

Kara Nickels, Vice President of Human Resources for CaramelCrisp LLC, verifies under penalty of perjury, that she is authorized to make this Verification on behalf of CaramelCrisp LLC, she has knowledge of the matters set forth in this Verified Complaint for Injunctive and Other Relief, and believes the statements set forth therein are true and correct.



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Kara Nickels