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8 Attorneys for Plaintiff and Cross-defendant
9 **HAVIV GAVRIELI**

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11 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
12 **FOR THE COUNTY OF LOS ANGELES – NORTH CENTRAL DISTRICT (GLENDALE)**

13 **HAVIV GAVRIELI, an individual,**) **Case No. EC 043799**
14 **Plaintiff,**)
15 **vs.**) **PLAINTIFF AND CROSS-DEFENDANT**
16 **MOTI DAVIDI, an individual; ABRAHAM**) **HAVIV GAVRIELI’s TRIAL BRIEF.**
17 **DAVIDI, an individual, WEST COAST**)
18 **PLASTICS SUPPLY, INC., and DOES 1 – 50,**) **TRIAL DATE: March 17, 2008**
19 **inclusive,**) **TIME: 9:00 a.m.**
20 **Defendants.**) **DEPARTMENT: NCG E**
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23) **Hon. Judge: Laura A. Matz, Judge**
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29 Plaintiff and Cross-defendant HAVIV GAVRIELI submits his Trial Brief as follows:

30 **I. INTRODUCTION.**

31 This is a commercial dispute between Plaintiff HAVIV GAVRIELI, on the one hand, and a
32 former employee (MOTI DAVIDI) and that employee’s brother and the competing business they
33 operate, on the other hand. The Plaintiff is HAVIV GAVRIELI, an individual who, for more than

1 two decades, has owned and operated GAVRIELI PLASTICS, a company that distributes,
2 manufactures, and sells plastic signs and sign supplies to industry. It is one of the oldest and
3 largest of such companies, manufacturing and purchasing components from throughout the world.
4 It maintains a Los Angeles warehouse with more than 100,000 square feet. Essentially, the
5 Plaintiff alleges that the defendants stole confidential and proprietary business information,
6 customer lists, supplier lists, and related material, to unlawfully compete with the Plaintiff.
7

8 Defendant MOTI DAVIDI is an individual who, for a very short period of time, worked for
9 the Plaintiff as an \$8.00 per hour customer service representative. In this capacity, Defendant
10 MOTI DAVIDI had actual access to the Plaintiff's confidential and proprietary business
11 information and documentation, including but not limited to Plaintiff's customer lists, supplier lists,
12 pricing data, and associated business information developed by Plaintiff over the decades. By his
13 own admission, Defendant MOTI DAVIDI had no prior experience in the plastics industry.
14

15 Defendant MOTI DAVIDI worked for Plaintiff HAVIV GAVRIELI for only three and a
16 half (3 ½) months, from October 17, 2005 until February 6, 2006, when MOTI DAVIDI abruptly
17 quit his employment, almost immediately joining his brother in a newly-formed plastics business.

18 Defendant ABRAHAM DAVIDI is the brother of Defendant MOTI DAVIDI. According to
19 his discovery responses, ABRAHAM DAVIDI, also with no background or experience in the
20 plastics business, formed WEST COAST SIGN on January 6, 2006, directly competing with
21 Plaintiff. As alleged in the Plaintiff's complaint, "Defendants have caused and continue to cause
22 substantial interference with his business relationships and reputation by forming West Coast
23 Plastics Supply Inc. and wrongfully utilizing confidential trade secret information obtained during
24 David Moti's [*sic*] employ with Gavrieli to unfairly compete in the plastics marketplace which
25 Defendants, and each of them, know or should have known to be in violation of California Law.
26 [Complaint.]
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II. FACTUAL BACKGROUND OF THE PARTIES' CLAIMS.

A. PLAINTIFF'S COMPLAINT.

Defendant "Moti Davidi (hereafter "Defendant," or "Cross-complainant" or "MOTI") began his employment with Gavrieli on or about 10/17/05. [Complaint ¶ 14.] He was compensated and received employee benefits consistent with others employed by GAVRIELI. [Complaint ¶ 14.] Plaintiff alleges that "Moti Davidi and Abraham Davidi devised a scheme to divert corporate opportunities from Moti's employer, Gavrieli, to West Coast, a new entity that the Davidis formed to buy from Gavrieli's plastic suppliers, and sell to his customers." [Complaint ¶ 15.] (Defendant Abraham Davidi admits to forming and owning West Coast; they deny that MOTI is an owner or employee of West Coast.)

Specifically GAVRIELI alleges that "while employed by Gavrieli and continuing to this day, Moti Davidi stole Gavrieli's confidential information and crucial proprietary information concerning Gavrieli's operations, including but not limited to Gavrieli's business strategies, policies and procedures, sales data and guidelines, customer lists, supplier lists, and other proprietary business information regarding its present and future business and business strategies. The Davidi defendants wrongfully used such confidential and proprietary information for their own benefit and for the benefit of West Coast to the egregious detriment of Gavrieli." [Complaint ¶ 19.]

Plaintiff alleges that Defendant MOTI, while working for Plaintiff GAVRIELI, copied and misappropriated confidential data, such as pricing, customer, and supplier lists, and then abruptly quit on February 6, 2006. Immediately prior to that time, unbeknownst to the Plaintiff, on January 6, 2006, Defendant WEST COAST was formed (incorporated) by Defendant MOTI's brother, ABRAHAM MOTI. This newly-formed entity employed or utilized the services of MOTI, other former employees of GAVRIELI, and immediately began contacting GAVRIELI's customers and suppliers, who could not have been identified without the wrongful acts of MOTI, with the assistance of MOTI's brother.

Based on these factual allegations, ON November 6, 2006, Plaintiff HAVIV GAVRIELI filed this Superior Court action against MOTI DAVIDI, ABRAHAM DAVIDI, and WEST COAST,

1 alleging causes of action for (1) Misappropriation of Confidential and Proprietary Business
2 Information, (2) Injunctive Relief, (3) Intentional Interference with Economic Advantage, (4)
3 Negligent Interference with Economic Advantage, (5) Unfair Competition (Business and Professions
4 Code 17200, et seq., (6) Conversion, (7) Civil Conspiracy, and (8) Imposition of Construction Trust.

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CROSS-COMPLAINT OF WEST COAST

WEST COAST responded to the Plaintiff’s Complaint with a cross-complaint against HAVIV GAVRIELI alleging causes of action for (1) Intentional Interference with Prospective Economic Advantage, (2) Negligent Interference with Prospective Economic Advantage, (3) Unlawful and Unfair Business Practices in Violation of California Business & Professions Code 17200, (4) Negligent Misrepresentation, and (5) Slander Per Se.

In its cross-complaint, WEST COAST alleges that “On January 6, 2006, WEST COAST was formed for the purpose of engaging in the business of distributing plastics, metals, awning, sign and display supplies and material to customers primarily within Southern California.” [Cross-complaint 7.] Since its formation, Cross-complaint alleges that it “has developed an excellent reputation within the industry for its quality product and service.” [Cross-complaint 7.]

The gist of WEST COAST’s claims appear in paragraph 9 of its cross-complaint, in which it alleges that “GAVRIELI himself, or through his agents, representatives or employees, contacted various suppliers within the Sign Supply Industry, attempting to prevent the supplier from establishing a business relationship with WEST COAST, or otherwise attempting to interfere with and disrupt that existing business relationship.” Cross-complaint 9.] It accuses GAVRIELI of “Complaining that the supplier was selling or had been approached to sell product to WEST COAST,” of “threatening to boycott” suppliers who sold to WESTCOAST, threatening to compete with his own suppliers, “falsely stating that WEST COAST was financially irresponsible, unable to pay its vendors, and would be out of business shortly,” and “falsely accusing WEST COAST of selling at unreasonable discounted prices.” [10, 23.]

1 **III. PLAINTIFF'S DAMAGE SUMMARY**

2 Plaintiff's damages attributable to the actions of Defendants, is illustrated by the dramatic
3 decrease in Plaintiff's sales and profits, starting in 2006, when West Coast commenced operations.
4 After having a decades-long increase in business, Plaintiff's business decreased abruptly. This drop-
5 off, since 2003, as reflected in Plaintiff's tax returns appears below:

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7 **GAVRIELI TAX RETURNS**

8 Year	Gross Sales	Net Profits
9 2003	\$ 5,250,194.00	\$ 213,797.00
10 2004	\$ 6,060,068.00	\$ 314,069.00
11 2005	\$ 7,184,903.00	\$ 423,676.00
12 2006	\$ 5,875,140.00	\$ 291,998.00
13 2007	\$ 5,203,000.00	\$ 158,921.00
14		
15 TOTAL:	\$ 29,573,305.00	\$ 1,402,461.00

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17 Bar charts of this decrease appear on the following page:

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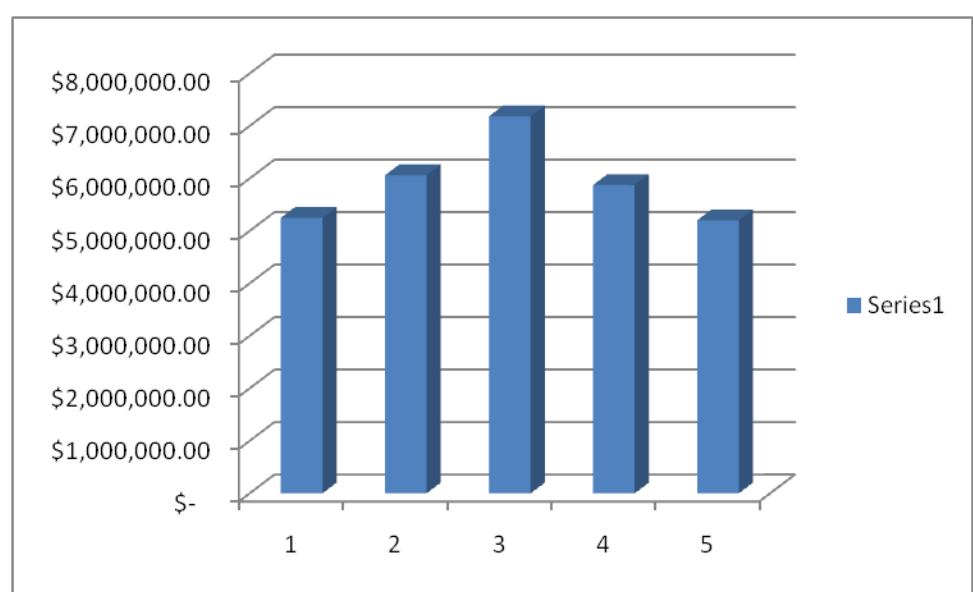
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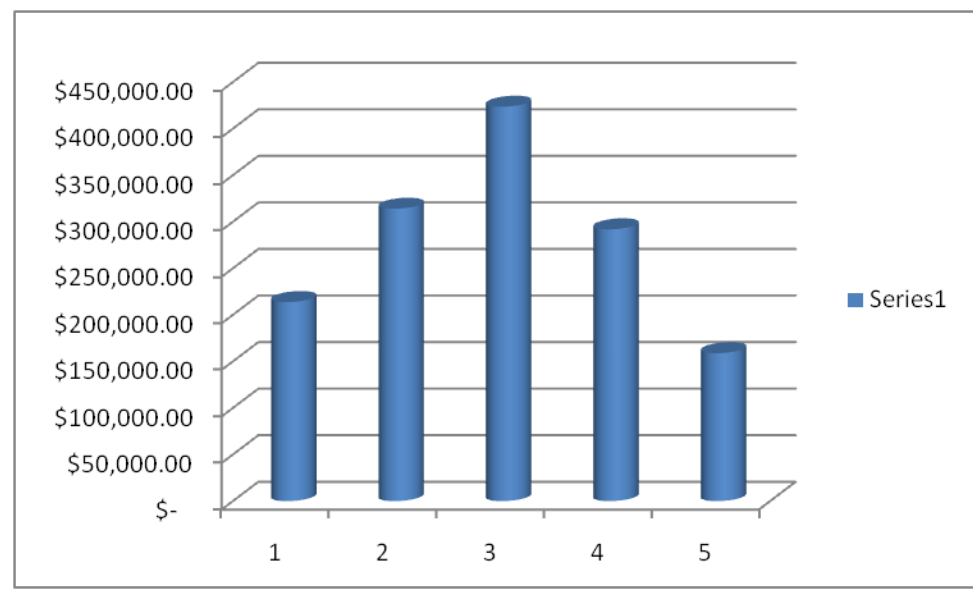
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GROSS SALES:



NET PROFITS:



Plaintiff further intends to demonstrate that these losses are continuing, and have resulted in a dramatic diminution in the value of Plaintiff's business. Punitive damages, under the circumstances, are warranted as well.

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IV.CONCLUSION.

Plaintiff GAVRIELI maintains that the claims of the Cross-complainant are wholly without foundation. Plaintiff GAVRIELI has alleged, and will prove, all of the necessary elements to set forth the causes of action contained in his complaint. Plaintiff requests judgment in his favor for his loss of business, diminution in value of his company, and exemplary damages.

DATED: March 13, 2008

LAW OFFICES OF RICHARD D. FARKAS

By: _____

RICHARD D. FARKAS
Attorneys for Plaintiff and
Cross-Defendant HAVIV GAVRIELI

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PROOF OF SERVICE

STATE OF CALIFORNIA, COUNTY OF LOS ANGELES

I am employed in the County of Los Angeles, State of California. I am over the age 18 and not a party to the within action. My business address is 15300 Ventura Blvd., Sherman Oaks, CA 91403.

On March 13, 2008, I served the foregoing document described as:

PLAINTIFF’S TRIAL BRIEF

on all interested parties in this action as follows:

I placed an envelope with postage thereon for regular mail fully prepaid in the United States Mail at Los Angeles, California and addressed as follows:

**Andrew W. Hyman, Esq.
Law Offices of Andrew W. Hyman
16000 Ventura Blvd. # 1203
Encino, CA 91436-2730**

(By Mail – State) I caused such envelope to be deposited in the mail at Los Angeles, California. The envelope was mailed with postage thereon fully prepaid for regular U.S. Mail. I am readily familiar with the practice of the Law Offices of Richard D. Farkas for the collection and processing of correspondence for mailing. It is deposited with the United States Postal Service on that same day in the ordinary course of business. I am aware that on motion of party served, service is presumed invalid if postal cancellation date of postage meter date is more that 1-day after day of deposit for mailing in the affidavit.

(Via Facsimile) to the fax number set forth below on this date before 5 p.m. Our facsimile machine reported the “send” as successful:

(By Personal Service) I had such envelope delivered by hand to the addressee(s) as follows:

(State) I declare under penalty of perjury under the laws of the State of California that the above is true and correct.

Executed March 13, 2008 at Los Angeles, California.

Richard D.
Farkas