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Jury awards Emerson \$5.3M in trade secret case

by Heather Cole

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A federal jury awarded St. Louis-based Emerson \$5.3 million in a contract and trade secrets case against a competitor.

The U.S. District Court in St. Louis jury gave its verdict on Friday against Process Controls International Inc. Emerson had filed counterclaims against a Process Controls' subsidiary based in Earth City over the marketing and selling of reconditioned equipment originally manufactured by Fisher Controls International, an Emerson subsidiary.

Emerson claimed Process Controls reneged on a 2007 agreement that called for Process Controls to mark its products clearly as remanufactured and indicate on invoices and orders that remanufactured products originally made by Emerson aren't approved or affiliated with the company.

Emerson also claimed Process Controls violated trademark secret laws.

Emerson is very pleased with the verdict, General Counsel Frank Steeves said in a statement emailed by Jim Bennett, outside counsel for Emerson.

"We are grateful that the verdict protected our important contract and intellectual property rights in this case involving a remanufacturer of our Fisher products," Steeves said in the statement.

John Ryan, a Lathrop & Gage attorney representing Process Controls, declined to comment because some aspects of the case still are pending.

Process Control sued in 2010 because the company couldn't get certification for its reconditioned "process control" products. Process control valves and electronic devices allow a centralized control room at a plant to control the flow of liquids in piping systems throughout the plant. The products are used in plants such as oil refineries, breweries and chemical plants.

Process Control claimed that FM Approvals, an insurance company subsidiary that certifies the safety of the process control products, was in cahoots with Emerson.

FM Approvals also filed a counterclaim, claiming unauthorized use of its trademarks by Process Controls.

Only Emerson's claims were heard by the jury. Catherine Perry, U.S. District Court chief judge, dismissed some of Automation Services' claims early in the case and gave Emerson summary judgment on others about six weeks before trial.

FM Approval settled its claims against Process Controls in a consent judgment the week before trial.

Emerson, a manufacturing and technology company, had revenue of \$24.2 billion in 2011.

The case is *Process Controls International Inc. d/b/a Automation Service v. Emerson Process Management & FM Approvals v. John Rooneo*, 4:10-cv-00645.

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