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**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SANTA CLARA**

APPLE INC., a California corporation,

Plaintiff,

v.

DI LIU, an individual,

Defendant.

Case No. 25CV468940

COMPLAINT

(1) Breach Of Contract (IPA)

DEMAND FOR JURY TRIAL

Amount demanded exceeds \$35,000

1 **INTRODUCTION**

2 1. This is a serious but straightforward case. Defendant Di Liu breached his
3 contractual obligations to Apple Inc. (“Apple”)—and the trust Apple placed in Mr. Liu for the
4 seven years it employed him—when he stole Apple’s valuable proprietary information.

5 2. Mr. Liu worked at Apple from September 11, 2017 to November 15, 2024. As a
6 condition of his employment, Mr. Liu signed a Confidentiality and Intellectual Property
7 Agreement (the “IPA”). A true and correct copy of the IPA Mr. Liu executed is attached hereto
8 as Exhibit A. The IPA prohibited Mr. Liu from taking any action against Apple’s interests while
9 employed at Apple. Pursuant to the IPA, Mr. Liu also agreed to guard the secrecy of Apple’s
10 “Proprietary Information,” as defined in the IPA, which includes “trade secrets, R&D records,
11 reports, samples, manuals, plans, specifications, inventions, ideas, designs, prototypes, software,
12 source code, or any other materials or information relating to past, existing, and future products
13 and services.”

14 3. By the time Mr. Liu left Apple, he was a senior System Product Design Engineer
15 in Apple’s Vision Products Group and participated in the research and development of Apple
16 Vision Pro—a wearable device and revolutionary spatial computer that enables users to interact
17 with content in a fully three-dimensional interface, controlled by the user’s eyes, hands, and voice.
18 As part of his job responsibilities, Apple trusted Mr. Liu with access to Apple’s Proprietary
19 Information covering research and development in the spatial computing space, including for
20 unreleased and unannounced products and features.

21 4. Mr. Liu gave his resignation from Apple at the end of October 2024. At the time,
22 he told his colleagues he wanted to spend more time with his family and take care of his health.
23 As a result, Apple allowed him to keep working—and maintain access to Apple’s Proprietary
24 Information—for two more weeks.

25 5. A review of Mr. Liu’s Apple-issued work laptop showed that he was not honest
26 about his stated reason for leaving Apple. Weeks before his departure, he negotiated a position
27 with Snap Inc. (“Snap”), a maker of augmented reality (AR) glasses. He received an offer of
28 employment on October 18, which means he waited nearly two weeks until October 30 to notify

Apple that he was resigning from his position with Apple. And even then, he did not disclose he was leaving for Snap. Apple would not have allowed Mr. Liu continued access had he told the truth.

6. Worse still, the review of Mr. Liu's Apple-issued work laptop also shows that while maintaining access to Apple's Proprietary Information under false pretenses, he used his Apple credentials to exfiltrate thousands of documents containing Proprietary Information from Apple's secure file storage systems. On his final days as an Apple employee, he used his Apple-issued work laptop to copy more than a dozen folders containing thousands of files from a folder used for Apple work to his personal cloud storage account in a folder named "Personal" and a sub-folder within named "Knowledge." These folders and files contain Apple's Proprietary Information and have filenames containing confidential Apple product code names and are marked as Apple confidential, reflecting the confidential nature of the documents' contents. Mr. Liu did not disclose that he took, or was keeping, any of this Proprietary Information. Nor did he have permission from Apple to take and retain these files; to the contrary, his IPA obligated him to protect all Apple Proprietary Information and to return such information when he left.

7. Apple therefore brings this lawsuit to recover its Proprietary Information, prevent Mr. Liu from further violating his contractual obligations to Apple, and recover damages arising from his misconduct.

THE PARTIES

8. Plaintiff Apple is a corporation organized and existing under the laws of the State of California. Apple's headquarters and principal place of business is located at One Apple Park Way, Cupertino, California 95014.

9. Defendant Di Liu is citizen of China who resides in San Jose, California.

JURISDICTION AND VENUE

10. The amount in controversy in this matter exceeds the sum of \$35,000.00, exclusive of penalties, interest, and costs.

11. This Court has personal jurisdiction over Mr. Liu because he resides in the State of California. Further, Mr. Liu's IPA with Apple provides Mr. Liu's consent to personal jurisdiction

1 in Santa Clara County, California.

2 12. Venue is proper under Cal. Code of Civil Procedure § 395(a) because a substantial
3 part of the events or omissions giving rise to the claims occurred in this county, including because
4 the contract was entered into, and performance was expected, in Santa Clara County, California.
5 Furthermore, Mr. Liu is a resident for venue purposes, and he consented to exclusive venue in
6 Santa Clara County, California for judicial actions arising from a breach of his IPA.

7 **GENERAL ALLEGATIONS**

8 13. Apple was founded in 1976 and is a world-renowned technology company and
9 global leader in consumer electronics, mobile communications, and computing. Apple's success
10 and competitiveness depend heavily upon its ability to deliver new and exciting products, services,
11 and technologies to the marketplace. Apple's research and development related to new and
12 existing products and their planned features are closely guarded secrets constituting Proprietary
13 Information that is not publicly revealed, if at all, until Apple releases those products or issues
14 official statements about them.

15 **Apple Vision Pro**

16 14. Apple Vision Pro is a revolutionary mobile, wearable spatial computer that is the
17 culmination of a massive investment of human and financial resources. The breakthrough
18 technologies incorporated in Apple Vision Pro are built on Apple's Proprietary Information and
19 underlie its design, materials, manufacturing, software, and distribution.

20 15. Apple continues to devote substantial resources to research and development,
21 product design, software development, and business strategies to enhance Apple Vision Pro and
22 similar spatial computers with novel technologies designed to delight customers. Apple Vision
23 Pro's competitiveness depends on Apple's ability to maintain the secrecy of these product designs,
24 technologies, and business plans.

25 **Apple Protects Its Proprietary Information**

26 16. Apple Vision Pro is emblematic of Apple's substantial investments in developing
27 proprietary technologies in support of its products. Apple protects, including through contract, its
28 product designs and technologies—including schematics, software code, project plans, algorithms,

1 testing data, and hardware—from disclosure to the public and to Apple’s competitors, including
2 to persons who can obtain economic value from the use or disclosure of this Proprietary
3 Information.

4 17. Apple’s ability to protect its Proprietary Information from unwanted and
5 unauthorized disclosure is essential to its ability to compete in the computer hardware and software
6 markets. These fields are characterized by rapid technological advances and intense competition.
7 If Apple’s competitors were to obtain these sensitive, confidential details about Apple’s business
8 and technology, they could significantly harm Apple by using its own technology, know-how, and
9 business plans to compete directly with Apple without having to spend the capital and/or time that
10 Apple invested in development.

11 **Apple Employees Agree to Protect Apple’s Proprietary Information**

12 18. Apple emphasizes to its employees the importance of protecting Apple’s
13 Proprietary Information. As a condition of employment, Apple employees are required to sign an
14 IPA, which obligates Apple employees to, among other responsibilities, protect Apple’s
15 Proprietary Information and not to disclose it to third parties. This obligation continues after an
16 employee leaves Apple.

17 19. Apple ensures its employees understand their obligations by providing trainings
18 addressing their confidentiality obligations. For instance, Apple requires all its employees to take
19 a “Business Conduct” course annually. In the Business Conduct course, Apple informs its
20 employees that they must keep Apple’s Proprietary Information strictly confidential. Mr. Liu took
21 this Business Conduct course multiple times.

22 20. Apple also takes particular care regarding employee departures. For example,
23 Apple protects its Proprietary Information by requiring the return of Apple-assigned laptops,
24 mobile devices, and other equipment and the removal of Apple and third-party confidential files,
25 documents, and software from terminated and departing employees’ possession. Departing
26 employees are also provided a “checklist” that emphasizes the importance of returning or
27 destroying all documents containing Apple’s Proprietary Information to ensure that employees
28 fulfill their obligation to return all Proprietary Information prior to their departure.

1 **Mr. Liu Promised to Safeguard Apple's Proprietary Information**

2 21. On or around July 26, 2017, Mr. Liu accepted an offer to join Apple as a Module
3 Prototyping Engineer with a start date of September 11, 2017.

4 22. As part of accepting his employment offer from Apple, Mr. Liu signed an IPA on
5 or about July 26, 2017. In signing the IPA, Mr. Liu agreed that his "employment by Apple creates
6 a relationship of confidence and trust with respect to any confidential, proprietary, or non-public
7 information that may be disclosed to [him] or otherwise learned by [him] in the course of
8 employment at Apple."

9 23. Mr. Liu also agreed that:

10 You understand and agree that your employment by Apple
11 prohibits you, during or after employment, from using or
12 disclosing, or permitting any other person or entity to use or
13 disclose, any Proprietary Information without the written
14 consent of Apple, except as necessary to perform your duties as
15 an employee of Apple. You understand and agree to strictly
16 comply with all of Apple's rules and policies regarding
17 Proprietary Information and use best efforts to safeguard such
Proprietary Information and protect it against disclosure,
misuse, loss, or theft. Upon termination of employment with
Apple, ... you agree that you will not take with you any
documents, materials, or copies thereof, whether on paper or any
other medium, containing any Proprietary Information.

18 24. During his approximately seven years at Apple, Mr. Liu worked on a variety of
19 sensitive research and development projects that required him to be disclosed on numerous
20 technologies and business plans. In April 2022, Mr. Liu joined the Vision Products Group,
21 working in a product design group on research and development for Apple's next generation
22 spatial, wearable computer. This role required Mr. Liu to have access to various novel Apple
23 technologies that are embodied in Apple Vision Pro or not yet released.

24 **Mr. Liu Kept Apple's Proprietary Information After Departing from Apple, in Violation of**
25 **His IPA**

26 25. On October 30, 2024, Mr. Liu tendered his resignation notice to Apple. Mr. Liu
27 expressed to Apple that he wanted to spend more time with his family and take care of his health.
28 He concealed from Apple that Snap had extended him a job offer nearly two weeks prior, and that

1 he would soon start working in a product design role at Snap substantially similar to the role he
2 held at Apple. Because Mr. Liu did not inform Apple that he was departing to work on another
3 company's product, Mr. Liu was permitted to stay on at Apple for the standard two-week departure
4 period rather than immediately losing access to Apple's Proprietary Information.

5 26. Mr. Liu knew his retention of Apple's Proprietary Information violated his IPA and
6 Apple policies. During his final days at Apple—while Apple believed he was simply leaving to
7 spend time with family and take care of his health—Mr. Liu repeatedly visited the Apple internal
8 webpage containing Apple's instructions for departing employees, including the instruction
9 reminding departing employees of their obligation under their IPA to return Apple's Proprietary
10 Information. Nonetheless, Mr. Liu proceeded to use his Apple-issued work laptop to access
11 Apple's network and cloud-based file systems to copy to his personal cloud storage account a
12 massive volume of Apple's Proprietary Information. On November 12, 2024, three days before
13 Mr. Liu left Apple, he used his Apple credentials to intentionally exfiltrate thousands of Apple
14 documents containing Proprietary Information. He moved these files from a folder that stored
15 Apple's proprietary files (and to which he would lose access after departing Apple) to a personal
16 folder Mr. Liu labeled "Personal" that was connected to his Apple-issued work laptop. The folder
17 from which Mr. Liu accessed and copied these documents was used to store Apple-generated
18 materials, including work files and outputs of Apple's technological research, product design, and
19 supply chain management work. The Proprietary Information contained in the documents and data
20 Mr. Liu copied to his personal cloud storage connected to his Apple-issued work laptop was neither
21 personal nor public. Thousands of these file names contain code names for specific, confidential
22 Apple projects—information about which is proprietary and disclosed to employees on a need-to-
23 know basis. And Mr. Liu's actions were deliberate; logs on his Apple-issued work laptop show
24 that Mr. Liu individually selected the folders he copied and, in some cases, renamed and
25 reorganized them after moving them to his personal cloud storage account. Further, Mr. Liu took
26 actions to conceal movement of the files, intentionally deleting files from his Apple-issued work
27 laptop.

28 27. The data that Mr. Liu copied into his personal cloud storage account comprised

Apple Proprietary Information related to product design and future development, proprietary technologies and research, and production information, such as quality control, cost, and supply chain data and related strategies. Following Mr. Liu's departure from Apple, he retained access to his personal cloud storage account.

28. Mr. Liu's transfer of this Proprietary Information is prohibited by his IPA, Apple's information security policies, and the departing employee checklist he accessed several times between tendering his resignation and leaving Apple.

29. Apple's Proprietary Information that Mr. Liu transferred to his personal cloud storage account would provide a significant, unfair advantage to Mr. Liu and/or other companies engaged in the design, production, or sale of spatial computing hardware and related hardware and software.

Mr. Liu Took a Job at Snap

30. According to his LinkedIn profile, Mr. Liu commenced his employment with Snap shortly after his departure from Apple and is presently employed as a "product design engineer" with Snap.

31. In addition to its social media application, Snapchat, a visual messaging application that offers, among other things, AR features, Snap also sells wearable devices, called AR Spectacles, which can capture photos and videos overlaid with AR lenses. The overlap between Apple's Proprietary Information that Mr. Liu retained and Snap's AR products (for which Mr. Liu is a "product design engineer") suggests that Mr. Liu intends to use Apple's Proprietary Information at Snap.

FIRST CAUSE OF ACTION

Breach of Contract

32. Mr. Liu's IPA was a valid and existing contract at all times during and after Mr. Liu's employment by Apple, and his IPA imposed binding contractual obligations on Mr. Liu at all relevant times.

33. Apple performed all of its obligations under its contract with Mr. Liu and at no time were there any outstanding conditions precedent to the required performance of Mr. Liu of his

1 contractual obligations to Apple.

2 34. Pursuant to the terms of his IPA, Mr. Liu was obligated to: (1) comply with Apple
3 policies regarding Proprietary Information and “not use or disclose Proprietary Information
4 without the written consent of Apple”; (2) refrain during his employment with Apple from
5 activities “competitive with or directly related to Apple’s business or products, or to its actual or
6 demonstrably anticipated research or development” and “activities that conflict with any
7 employment obligations to Apple;” (3) “not ... enter into any ... conflicting agreement during the
8 tenure of employment by Apple”; and (4) “not take ... any documents, materials or copies
9 thereof ... containing any Proprietary Information” upon the termination of his employment with
10 Apple.

11 35. As a general matter, Apple’s policies regarding its Proprietary Information, as
12 communicated to Mr. Liu during the information security trainings he participated in, require
13 Apple employees to store and transmit Apple’s Proprietary Information using only secure
14 mechanisms Apple authorizes. Apple’s policies also require Apple employees to ensure that no
15 Apple Proprietary Information is maintained on their personal devices or on their cloud storage
16 accounts outside of the Apple Work folder, particularly when they leave Apple.

17 36. In violation of his IPA, upon his departure from Apple, Mr. Liu failed to return all
18 the Apple files, documents, and data containing Apple’s Proprietary Information that were within
19 his possession, custody, or control.

20 37. Mr. Liu breached his obligations set forth in his IPA, including by transferring
21 Apple Proprietary Information to a folder labeled “Personal” within his personal cloud storage
22 account, to which he maintained access following his separation from Apple.

23 38. Mr. Liu knew that his actions were unauthorized because he was a party to the IPA
24 and participated in multiple information security trainings that unequivocally stated that work
25 product and information regarding specific projects was to remain Proprietary Information, to be
26 used only as necessary to perform his role at Apple, and to be returned upon the termination of his
27 employment. Mr. Liu additionally took actions to conceal his theft, including deceiving Apple
28 about his job at Snap, and deleting files from his Apple-issued computer that might have let Apple

1 determine what data Mr. Liu stole.

2 39. Mr. Liu continues to possess Apple Proprietary Information in further breach of his
3 IPA, despite the termination of his employment with Apple on November 14, 2024.

4 40. Apple's Proprietary Information derives independent economic value, actual and
5 potential, from not being known to the public and to competitors, who can obtain economic value
6 from the disclosure or use of that information. Mr. Liu's breach of his obligations to Apple have
7 damaged Apple, both in the loss of its Proprietary Information, and in the continuing threat posed
8 by Mr. Liu's retention of that information.

9 **PRAYER FOR RELIEF**

10 Wherefore, Apple respectfully prays for judgement against Defendant Di Liu on the cause
11 of action alleged herein and an order providing the following relief:

- 12 i. An award of damages in an amount to be determined at trial;
13 ii. Prejudgment and post-judgment interest at the maximum rate allowed by law;
14 iii. Injunctive relief, requiring Mr. Liu to return all Apple Proprietary Information in
15 his possession and to subject his electronic devices and cloud
16 storage/communication accounts to inspection by a forensic examiner of Apple's
17 choosing to confirm the absence of any Apple Proprietary Information;
18 iv. Apple's actual costs, expenses, attorneys' fees incurred in this suit; and
19 v. Such other and further relief the Court deems just and proper.

20 **DEMAND FOR JURY TRIAL**

21 Apple demands a trial by jury for all causes of action, claims, or issues in this action that
22 are triable as a matter of right to a jury.
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1 Dated: June 24, 2025

Respectfully Submitted,

2 By: /s/ Joshua H. Lerner

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