RELX, Inc. v. Morrow, 2020 NCBC Order 13.

STATE OF NORTH CAROLINA

WAKE COUNTY

RELX, INC. d/b/a LEXISNEXIS,

Plaintiff,

v.

STACEY MORROW,

Defendant.

## IN THE GENERAL COURT OF JUSTICE SUPERIOR COURT DIVISION 19 CVS 17404

## ORDER ON PLAINTIFF'S MOTION TO VACATE ORDER ON DESIGNATION

1. **THIS MATTER** is before the Court on Plaintiff RELX, Inc.'s Opposition to Designation as Mandatory Complex Business Case & Motion to Vacate Order of Designation (the "Motion") in the above-captioned case. ([hereinafter "Mot. Vacate"], ECF No. 9.) For the reasons stated below, the Court concludes, in the exercise of its discretion, that the Motion should be **DENIED**.

2. After Defendant Stacey Morrow was served with the Complaint, she timely filed a Notice of Designation on February 6, 2020, (ECF No. 3), contending that this action is properly designated as a mandatory complex business case under N.C.G.S. §§ 7A-45.4(a)(5) and (a)(8). On February 13, 2020, the Honorable Cheri Beasley, Chief Justice of the Supreme Court of North Carolina, directed the undersigned to determine whether this action was properly designated as a mandatory complex business case in accord with N.C.G.S. § 7A-45.4(a). (ECF No. 1.)

3. On February 18, 2020, this Court concluded that designation was proper under section 7A-45.4(a)(8) because Plaintiff, although not pleading a trade secret misappropriation claim, put the existence, ownership, or misuse of alleged trade secrets at issue by alleging that it disclosed trade secrets to Defendant, that those trade secrets were misappropriated by Defendant and are threatened to be disseminated to third parties by Defendant, and by seeking injunctive relief to enjoin the use, disclosure, or dissemination of those trade secrets. *RELX, Inc. v. Morrow*, 2020 NCBC LEXIS 21, at \*4–5 (N.C. Super. Ct. Feb. 18, 2020).

4. Plaintiff now argues that the Order on Designation was entered in error and that designation under section 7A-45.4(a)(8) is improper because the Complaint does not state a claim for trade secret misappropriation and neither requires the Court to assess whether certain information constitutes a trade secret, nor puts the existence, ownership, or misuse of an alleged trade secret at issue. (Mot. Vacate 2.)

5. Because Plaintiff's Motion asks the Court to reverse the Order on Designation, the Court shall treat the Motion as one for reconsideration under N.C. R. Civ. P. 54(b). Rule 54(b) subjects interlocutory orders "to revision at any time before the entry of judgment adjudicating all the claims and the rights and liabilities of all the parties."

6. A motion for reconsideration under Rule 54(b) is within the trial court's discretion. *W4 Farms, Inc. v. Tyson Farms, Inc.*, 2017 NCBC LEXIS 99, at \*5 (N.C. Super. Ct. Oct. 19, 2017) (citing *Akeva L.L.C. v. Adidas Am., Inc.*, 385 F. Supp. 2d 559, 565 (M.D.N.C. 2005)). "Although the North Carolina courts have not formulated a standard to guide trial courts in considering a motion to amend an interlocutory ruling under Rule 54(b), federal case law addressing similarly worded portions of Federal Rule 54(b) provides useful guidance." *Window World of Baton Rouge, LLC v.* 

Window World, Inc., 2019 NCBC LEXIS 7, at \*8 (N.C. Super. Ct. Jan. 25, 2019) (citation omitted).

[F]ederal courts adhere to a fairly narrow set of grounds on which to reconsider their interlocutory orders and opinions. These grounds include (1) the discovery of new evidence, (2) an intervening development or change in the controlling law, or (3) the need to correct a clear error or prevent manifest injustice. Such problems rarely arise and the motion to reconsider should be equally rare.

Id. at \*8 (internal citations and quotation marks omitted).

7. None of the grounds typically permitting reconsideration of interlocutory orders is present here. Plaintiff cites to no new evidence nor any change in the controlling law to support its Motion. Plaintiff's only argument is that the Court clearly erred in its application of the law. Setting aside that "[i]t is improper to file a motion for reconsideration simply to ask the Court to rethink what the Court had already thought through—rightly or wrongly," *Wiseman v. First Citizens Bank & Tr. Co.*, 215 F.R.D. 507, 509 (W.D.N.C. 2003), the Court is not persuaded that its Order on Designation was entered in error.

8. Although the Court assessed whether designation was proper without the assistance of briefing from the parties, the Court fully considered and rejected each of the arguments Plaintiff now makes in support of its Motion. Moreover, Plaintiff pleads that its trade secrets were disclosed to Defendant, (Compl. ¶ 10, ECF No. 2), misappropriated by Defendant, (Compl. ¶ 46), and are threatened to be disseminated to third parties by Defendant, (Compl. ¶ 50), and seeks injunctive relief to enjoin the use, disclosure or dissemination of those trade secrets, (Compl. 14). As such, Plaintiff has "put[] the existence, ownership, or misuse of alleged trade secrets at issue,"

UNOX, Inc. v. Conway, 2019 NCBC LEXIS 41, at \*7 (N.C. Super. Ct. June 28, 2019), permitting section 7A45.4(a)(8) designation. Plaintiff's Motion is therefore without merit and should be denied.

9. WHEREFORE, for the reasons stated above, the Court, in the exercise of its discretion, hereby **DENIES** the Motion.

SO ORDERED, this the 17th day of March, 2020.

<u>/s/ Louis A. Bledsoe, III</u> Louis A. Bledsoe, III Chief Business Court Judge