IN THE SUPERIOR COURT OF THE STATE OF WASHINGTON

FOR THE COUNTY OF KING

LYFT, INC., a Delaware corporation, Plaintiff, v. PORT OF SEATTLE, a Washington municipality, and PAUL OSBORN, an individual, Defendants.	Case No. 18-2-24275-4 SEA COMPLAINT FOR INJUNCTIVE RELIEF

INTRODUCTION

Defendant Port of Seattle ("Port") intends to disclose the confidential, proprietary trade secrets of plaintiff Lyft, Inc. ("Lyft") as well as private information of Lyft users in response to a Public Records Act ("PRA") request by defendant Paul Osborn ("Osborn"). The requested data is generated exclusively from use of Lyft's proprietary software system by Lyft users, and contains detailed information on the thousands of passenger rides beginning or ending at the Seattle-Tacoma International Airport ("Sea-Tac"). Disclosure of this information would provide competitors with a roadmap to Lyft's business strategy and reveal intimate personal information about Lyft's users.

Lyft seeks to enjoin the disclosure of Lyft's trade secrets and the personal information of Lyft's users to Osborn. If the Port discloses the information in response to Osborn's request,

HOLLAND & KNIGHT LLP
2300 US Bancorp Tower
111 SW Fifth Avenue
Portland, OR 97204
Telephone: 503.243.2300

Lyft and its users will suffer substantial and irreparable harm, and such disclosure is clearly not in the public interest. Lyft therefore seeks an injunction prohibiting disclosure of the subject information to Osborn. Lyft alleges as follows:

PARTIES

1. Plaintiff Lyft is a Delaware corporation with its principal place of business in San Francisco, California. Lyft is a Transportation Network Company ("TNC") that provides a peer-to-peer ride service through its mobile application platform. Lyft operates in Seattle, Washington.

2. Defendant Port is a municipal corporation of the State of Washington with its principal place of business in Seattle, Washington. The Port owns and operates Sea-Tac and does business in King County, Washington. The Port entered into a Pilot Program Operating Agreement with Lyft to facilitate the pickup and delivery of passengers at Sea-Tac.

3. Defendant Osborn resides in Washington and is the individual who submitted the public records request at issue to the Port.

JURISDICTION AND VENUE

4. Jurisdiction and venue are proper in this Court pursuant to RCW 2.08.010, 4.12.025, and 42.56.540 because the Port is located in King County.

5. Jurisdiction and venue are also proper in this Court pursuant to paragraph 21 of the Agreement.

FACTS

6. Lyft is a private technology company that has developed a mobile application platform (the Lyft "App") that enables independent third-party transportation providers to receive and respond to requests for prearranged transportation from interested riders.

7. As part of its business, Lyft maintains and protects raw data regarding all trips at Sea-Tac, including: (1) the number of trips marked at pick-up in trip data, the number of duplicate pick-up trips, the number of unique pick-ups, and the monthly payment (calculated by

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2300 US Bancorp Tower
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Portland, OR 97204
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multiplying the number of unique pick-ups by the per-trip fee) (collectively, "Trip Number Data"); (2) detailed information for each event (pick-up, drop-off, entry, or exit) at Sea-Tac, including the timestamp, driver ID, vehicle ID, latitude and longitude, matched ride correlation ID, license plate number for the driver, as well as the vehicle make, model, and year ("Detailed Events Data"); (3) the same Detailed Events Data for distinct rides ("Distinct Rides Data"); and (4) the vehicle ID, license plate number, and make, model, and year for each vehicle that picked up Lyft trips that month ("Monthly Vehicle Data") (collectively, "Sea-Tac Data").

8. Lyft's software system captures the Sea-Tac Data for Lyft's analytical purposes. Lyft has invested substantial time, resources, and money building its software system that enables it to compile and store data, including the Sea-Tac Data. It has also invested substantial time, resources, and money building up its user base through marketing and promotional activity. The Sea-Tac Data only exists because of those efforts. Specifically, it is derived directly from use of the Lyft App by Lyft users. It cannot be obtained from any other source.

9. Lyft operates at Sea-Tac under a "Pilot Program Operating Agreement" ("Agreement") between Lyft and the Port. Under the Agreement, Lyft agreed to pay a specific fee for each pickup or "trip" at Sea-Tac as well as an activation fee. Lyft also agreed to provide monthly reports containing the Sea-Tac Data ("Monthly Reports").

10. Lyft provided the Monthly Reports to the Port with the express understanding that they would not be made publicly available. Under the Agreement, the Port is obligated to refrain from publicly disclosing information provided by Lyft to the Port absent written permission unless required to do so by law. In the event that the Port believes that it is required by law to disclose Lyft's data, the Agreement requires that the Port provide Lyft with notice prior to disclosure so that Lyft can seek a protective order or other appropriate remedy.

11. On July 10, 2018, Osborn submitted a request under the PRA to the Port seeking copies of Lyft's monthly reports to the Port showing "detailed pick-up and drop-off data showing date and time of each event for the last 12 months."

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Portland, OR 97204
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12. In response to Osborn's request, the Port initially provided Lyft with an opportunity to raise objections to disclosure of Lyft's data. After receiving Lyft's objections, the Port informed Lyft that it planned to release the entirety of Lyft's Monthly Reports from July 1, 2017 to the present, which contains Lyft's confidential Sea-Tac Data, unless Lyft obtained a temporary restraining order by September 28, 2018.

13. On September 27, 2018, the parties executed a stipulated temporary restraining order to be filed at King County Superior Court pending a preliminary injunction hearing on Lyft's claims.

14. The Sea-Tac Data at issue, and which the Port intends to disclose, is confidential, proprietary trade secret information under the Uniform Trade Secrets Act.

15. The Sea-Tac Data is information or a compilation of information.

16. The Sea-Tac Data derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by, competitors.

17. The Sea-Tac Data includes sensitive information that informs every aspect of Lyft's business, from marketing, to supply positioning, to product development. This data is essential for Lyft to understand the distribution of pickups and drop offs at Sea-Tac, the effectiveness of different marketing and promotional activities at Sea-Tac, areas of opportunity for growth, and pricing strategies.

18. A major aim of Lyft's business model is to optimize the balance between demand for rides and supply of vehicles in order to compete with Uber, other TNCs, and other types of transportation providers. On the demand side, Lyft constantly tries to stimulate demand from passengers at Sea-Tac by using competitive pricing and promotions, such as credits and discounts. On the supply side, Lyft tries to improve its supply of vehicles at Sea-Tac by offering incentives to its third-party drivers.

19. Lyft's ability to collect and analyze the Sea-Tac Data is central to Lyft's process of balancing supply and demand.

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20. The public disclosure of the Sea-Tac Data would result in substantial and irreparable competitive harm to Lyft. Lyft's competitors would have access to key information on Lyft's pricing decisions, market share, and areas of opportunity at Sea-Tac, which is a highly competitive market for TNCs. For example, a competitor could cross-reference Lyft's Sea-Tac Data with publicly available passenger and driver promotions to determine whether Lyft's promotions or discounts (or lack thereof) for a period of time succeeded or failed and could act on that knowledge without having to make the same investments as Lyft. Lyft's competitors could use Lyft's Sea-Tac Data to take over Lyft's market share and cause reduced revenues and a poor return on Lyft's significant investment at Sea-Tac. Lyft's competitors would not need to invest the significant resources that Lyft has invested to gather and analyze data to understand the market and optimize revenue generation. Competitors could enter the market, or increase their market share, by "free-riding" on Lyft's data. The injuries to Lyft would be irreparable and could potentially drive Lyft out of business at Sea-Tac.

21. The Monthly Vehicle Data also contains detailed information that could be used to determine the identity of Lyft's drivers, which implicates both trade secret information of Lyft and privacy interests of Lyft's drivers. Lyft's success depends to a great extent on the ability to successfully recruit and retain drivers, particularly at an important high-volume location like Sea-Tac. Lyft has invested substantial time, resources, and money building up its driver base through marketing and promotional activity. A list identifying Lyft's drivers on the Lyft platform exists solely because of those efforts. If information which would allow a person to identify Lyft's drivers became public, Uber and other competitors could and would use such information to recruit Lyft's drivers to drive on the competitor's platform instead of, or in addition to, Lyft's platform.

22. Due to its confidentiality and competitive value, Lyft has undertaken specific and reasonable efforts to maintain the secrecy of the Sea-Tac Data. Lyft disclosed its confidential,

HOLLAND & KNIGHT LLP
2300 US Bancorp Tower
111 SW Fifth Avenue
Portland, OR 97204
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proprietary trade secret information to the Port only with the assurance of confidentiality, marked the data as confidential, and transmitted the information through a secure channel.

23. Access to the Sea-Tac Data is limited to Lyft's employees who need the data to perform their job functions, such as the general manager in charge of the Sea-Tac market. Lyft's proprietary Sea-Tac Data is not shared with its drivers, customers, or any other third party.

24. Lyft stores its Sea-Tac Data on a private network drive protected by appropriate computer security controls. Lyft requires, as a condition of employment, that all new employees sign a confidentiality agreement. This agreement is put in place to protect Lyft's proprietary information from being disclosed by employees or former employees to outside parties. Lyft also requires all of its employees to sign an employee handbook, which describes in detail each employee's obligations regarding technology use and security and protection of Lyft's confidential and proprietary information. Lyft also requires all visitors to its headquarters to read and sign a nondisclosure agreement before proceeding past the reception desk.

25. The Sea-Tac Data thus constitutes trade secrets under RCW 19.108.010, and should be withheld from public disclosure by the Port pursuant to RCW 42.56.070(1).

26. Release of the Sea-Tac Data would also present significant privacy risks to Lyft users. The license plate data could be used to obtain address and contact information for individual drivers. The Detailed Events Data and Distinct Rides Data provide granular data about each drivers' location on a minute-by-minute basis, which threatens the privacy and safety interests of Lyft's drivers and users.

27. Disclosure of Lyft's Sea-Tac Data is clearly not in the public interest.

28. Disclosure of the Sea-Tac Data could result in driving Lyft out of Sea-Tac and harming competition in the marketplace. Competition motivates providers, including Lyft, to offer discounts and credits, and to innovate its services to earn market share. It is not in the public's interest to allow Lyft's competitors to access data reflecting how Lyft's services perform at the highly competitive Sea-Tac market.

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29. Lyft's goal is to actively seek to couple the third-party driver with the passenger who requested a ride as quickly, effectively, and efficiently as possible. Driving Lyft out of the marketplace would harm Lyft App users and the general public who benefit from all the benefits of ridesharing, including reducing congestion and greenhouse gases, assistance with drunk driving initiatives, and otherwise working to solve complex problems related to transportation, infrastructure, and the environment.

30. Disclosing the Sea-Tac Data would also be contrary to the public interest in protecting private commercial information, in furtherance of healthy and competitive markets, including for regulated businesses that are required to share large amounts of information with the government.

31. There is a significant public interest in protecting trade secrets and confidential commercial information and enforcing a public body's contractual obligations. Forced disclosure of confidential and trade secret information would reduce the willingness of private companies to contract with public entities or provide data to regulators for regulatory purposes.

32. Disclosing the Sea-Tac Data would also be contrary to the public interest because it would invade the constitutionally-protected expectation of privacy for Lyft's drivers and users.

33. Any public interest in disclosing the Sea-Tac Data is significantly outweighed by the public interest in maintaining its confidentiality.

CLAIM FOR INJUNCTIVE RELIEF

34. Lyft incorporates the allegations set forth in Paragraphs 1-33 as though fully set forth herein.

35. The Port should be enjoined from disclosing Lyft's Sea-Tac Data under the PRA pursuant to RCW 42.56.540. Lyft's Sea-Tac Data is exempt from disclosure under RCW 42.56.070(1) because it constitutes trade secrets under RCW 19.108 or RCW 42.56.270(11) and/or constitutionally-protected privacy information that if disclosed would be highly offensive

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to a reasonable person. Disclosure is not of legitimate concern to the public, and disclosure would clearly not be in the public interest and would substantially and irreparably damage any person or vital government functions.

36. Lyft will suffer permanent and irreparable harm from the disclosure of its Sea-Tac Data without temporary, preliminary, and permanent injunctive relief.

37. Lyft is without an adequate remedy at law.

PRAYER FOR RELIEF

WHEREFORE, Lyft requests relief in its favor and against Defendants, and asks that the Court order as follows:

A. A temporary restraining order, preliminary injunction, and permanent injunction preventing the Port from disclosing Lyft's Sea-Tac Data to Osborn;

B. A temporary restraining order, preliminary injunction, and permanent injunction relief enjoining the Port from releasing Lyft's Sea-Tac Data in response to any other pending or future requests under the PRA;

C. An award of attorneys' fees and costs as permitted by law; and

D. Such other and further relief as the Court deems just and proper.

Dated this 28th day of September, 2018.

HOLLAND & KNIGHT LLP

By: *s/ Dayna E. Underhill*

Dayna E. Underhill, WSB # 25677
Dayna.Underhill@hklaw.com
Kristin M. Asai, WSB # 49511
Kristin.Asai@hklaw.com
2300 US Bancorp Tower
111 SW Fifth Avenue
Portland, OR 97204
Telephone: 503.243.2300
Fax: 503.241.8014

Attorneys for Lyft, Inc.