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## Court Rejects Medidata Lawsuit Against Veeva for Lack of Evidence, Blocks Medidata's Moves to Limit Competition and Employee Rights

*Major win for employee rights and the life sciences industry as court ends Medidata's moves to stifle innovation and free flow of talent*

**NEW YORK and PLEASANTON, CA — July 18, 2022** — The United States District Court for the Southern District of New York has dismissed the trade secret misappropriation lawsuit filed by Medidata, a Dassault Systèmes company, against **Veeva Systems** (NYSE: VEEV). Midway through the jury trial, the judge ended the proceedings and rejected the suit, finding that Medidata was unable to substantiate its claims against Veeva. The ruling is an important move in the protection of employee and customer rights as the case represented an attempt to limit competition and the free flow of talent with unfounded trade secret claims.

The Honorable Jed Rakoff, federal district judge since 1996 and adjunct professor at Columbia Law School and NYU Law School, noted in his July 15 ruling:

“...to the extent that [Medidata's] case rests on allegations regarding specific trade secrets that were misappropriated, they have failed to make their case.” He went on to state, “I think a more general problem with [Medidata's] case is they seem to think that just about anything in the world can be a trade secret. And that, of course, would mean that you could never hire away an employee from another company because anything they said — one word out of their mouth — would indirectly reveal something they had learned at their prior employment...and both the statutes here involved, and also legislative history make clear that that was not the intent of the legislators...”

Despite a lack of evidence to support a case, Medidata filed the trade secret suit in 2017 against Veeva and five former Medidata employees in an attempt to block Veeva from innovating in the clinical data management market and intimidate Medidata employees to prevent them from joining Veeva, the emerging leader.

Medidata had many opportunities to drop the baseless suit over the past five years – including after the 2019 acquisition by Dassault Systèmes – but chose not to, causing needless harm to many. The case caused confusion to mutual customers, harmed employees on both sides, and cost the two sides combined an estimated \$40 million.

“We are pleased the court dismissed Medidata's suit and stood up for the rights of employees and customers in the face of an abuse of the legal system, intimidation of employees, and an attempt to limit companies' access to innovation,” said Peter Gassner, Veeva CEO. “Baseless lawsuits like Medidata's harm individuals, customers, and the industry overall. I hope this ruling encourages others to focus their energy on innovation and employee success rather than unnecessary and harmful litigation.”

Veeva has been a long-standing supporter of employee rights and the movement to ban the use of **non-compete** agreements. Medidata's abusive lawsuit further underscores the need for greater protection of worker rights to freely change employers, which promotes fair competition and economic growth.

### Additional Information

To learn more about Veeva's position on non-compete agreements, visit [veeva.com/noncompetes](https://veeva.com/noncompetes).

For more on Veeva's Public Benefit Corporation (PBC) status, visit [veeva.com/pbc](https://veeva.com/pbc).

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**Contact:**

Maria Scurry  
Veeva Systems Inc.  
781-366-7617  
[pr@veeva.com](mailto:pr@veeva.com)