

Industrial Pipe Co. Hits Rival, Ex-Exec With Trade Secrets Suit

By **Ryan Harroff**

Law360 (October 17, 2024, 4:02 PM EDT) -- Industrial pipe manufacturer Atkore International Inc. took one of its former senior-level executives and the rival company he went to work for to North Carolina state court, alleging the former employee sabotaged operations on his way out the door and took valuable trade secrets with him.

Keith Dinkheller, whom the complaint states worked at Atkore for 10 years and was its director of technical program management when he left to go work at CHR Americas Inc. unit National Pipe & Plastics, is allegedly helping his new employer unfairly compete in the industrial pipe market by using Atkore's trade secrets against it, according to the Tuesday complaint. Additionally, the suit says Dinkheller "disrupted Atkore's resin formulas at the closest plant to National Pipe" just before leaving.

"After spending the month of July causing a disruption of operations at Atkore's Fort Mill plant, Dinkheller notified Atkore on Aug. 8, 2024, that he was resigning his employment," the complaint states. "However, he tried to conceal from Atkore that he was planning to work for a competitor, and even when his supervisor pressed him for this critical information, he was reluctant to respond."

In its complaint, Atkore included a screenshot of a text conversation Dinkheller allegedly had with his supervisor about his departure. The screenshot showed the supervisor asking Dinkheller if he intended to work for a competitor, with Dinkheller saying, "This is something that I am doing that's personal to me," then not answering a second time until his manager pressed further, at which point Dinkheller replied, "Yes."

Dinkheller knows all the raw materials and unique "blend configurations" used by Atkore in its electrical pipes as well as the full details of how the company has worked to expand into the PVC water pipe market, the suit says. He also was allegedly a "key technical architect" of Atkore's 2025 water pipe strategy and is therefore uniquely able to compete against it on National Pipe's behalf, according to the complaint.

National Pipe hiring Dinkheller away and allegedly having him start working against Atkore before he actually left the company is unfair, unlawful and a breach of Dinkheller's contract, the complaint states.

The suit lays out claims alleging breach of contract, tortious interference with contract, breach of fiduciary duties, constructive fraud, unfair and deceptive practices and misappropriation of trade secrets. Atkore seeks damages, attorney fees and injunctive relief barring Dinkheller's employment and preventing National Pipe from using its trade secrets.

Donald Schroeder, counsel for Atkore, told Law360 on Thursday that Dinkheller had "unicorn-like knowledge and information and responsibilities" that make him uniquely able to harm the company. The alleged "cloak-and-dagger" in his departure, which Schroeder said Dinkheller did without ever naming National Pipe as his new employer, shows the intent to harm Atkore, according to Schroeder.

"This is why non-competes exist," Schroeder said. "It's to protect against somebody sidestepping their restrictions and trying to leverage them in an unfair and improper way, while employed by one of his former employer's major competitors."

Representatives for CRH and National Pipe did not immediately respond to requests for comment. Dinkheller could not be immediately reached for comment.

Atkore is represented by Jason A. Miller of Miller Monroe & Plyler PLLC and Donald W. Schroeder and Taylor Appling of Foley & Lardner LLP.

Counsel information for Dinkheller, CRH and National Pipe was not immediately available.

The case is Atkore International Inc. v. CRH Americas Inc., case number 24CV022644-400, in the Guilford Superior Court.

--Editing by Alyssa Miller.