

## A case of Hurd labour

*Two technology titans squabble over HP's former boss.*

LARRY ELLISON, the chief executive of Oracle, likes a fight. Shortly after Hewlett-Packard (HP) parted company with its then CEO, Mark Hurd, last month amid claims he had filed inaccurate expense reports that appeared to conceal a relationship with a female contractor, Mr Ellison blasted its board for making what he dubbed "the worst personnel decision since the idiots on the Apple board fired Steve Jobs many years ago". Now Mr Ellison's bid to profit from HP's loss has triggered both a lawsuit and a fresh bout of mudslinging.

On September 6th Oracle announced it had hired Mr Hurd and given him a seat on the software behemoth's board. The following day HP launched a lawsuit in California against Mr Hurd, seeking to block his move to Oracle on the ground that he would inevitably disclose HP's trade secrets to his new employer. As well as giving Mr Ellison another reason to lambast HP's behaviour, the suit is also a sign of growing tension between technology firms as they venture beyond their traditional markets.

That Oracle is keen on Mr Hurd (so keen it will pay him a bonus of up to \$10m) is hardly surprising. He is a close friend of Mr Ellison's and his experience with HP ought to be invaluable to a firm that is expanding into the hardware business. Earlier this year Oracle completed the acquisition of Sun Microsystems, which, among other things, makes servers that compete with HP's. Small wonder, then, that Mr Ellison has hit out against HP's "vindictive" lawsuit. He says the suit will make it virtually impossible for the two firms, which both co-operate and compete with one another, to work together closely in future.

HP's directors may not be scared off pursuing their suit by the blustering of Oracle's boss. But its lawyers could find it tough to make a case against Mr Hurd stick. California's courts are notoriously reluctant to restrict workers' freedom to switch jobs. Roger Kay of Endpoint Technologies Associates, a consulting firm, reckons cases that have the best chance of succeeding involve engineers with specific technical know-how rather than general managers such as Mr Hurd. HP's lawsuit seeks to overcome this by arguing that in his new role—which Oracle says will include overseeing sales and marketing as well as support operations—Mr Hurd will inevitably draw on confidential data picked up while at HP.

Similar suits are likely as tech firms continue to invade one another's turf. There have already been several big deals this year (including HP's \$2.4 billion purchase of 3PAR, a storage firm) and M&A experts are licking their lips at rumours of more to come. That could mean more displaced senior executives looking for a new home—and a bonanza for employment lawyers.

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