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Samsung Unit Sues To Stop Release of LA Subway Bid

By Brian Mahoney

Law360, Washington (August 14, 2014, 1:52 PM ET) -- Citing trade secrets concerns, a joint venture led by Samsung E&C America Inc. has asked a California court to prevent the disclosure of its bid on a multimillion-dollar contract to build Los Angeles' Westside subway extension, as the company continues to protest its loss of the award.

Westside Transit Partners, a venture started by Samsung and Italy-based Salini Impregilo S.p.A., sued L.A. County Metropolitan Transportation Authority on Tuesday to stop the impending disclosure of its response to the city's request for proposal on the project.

"A dispute has arisen between Metro and WTP regarding the propriety of Metro's disclosure of WTP's proposal and the release of WTP's confidential and proprietary information to the public and/or third parties that have or may have a current or prospective business interest," the complaint said.

The venture said that on Aug. 7, Metro notified the company that it had received a California Public Records Act request to obtain WTP's proposal for the project and would release it on Aug. 15 unless the company obtained a court order precluding it from doing so.

"WTP seeks an order and judgment declaring Metro's disclosure of WTP's proposal and the confidential, proprietary and trade secret information contained therein improper, and preventing Metro from making such disclosures to the public and/or third parties that have or may have a current or prospective business interest in the RFP for the project," the complaint said.

Metro issued a request for proposals for the project in May 2013, the complaint said. The company claims its proposal contains proprietary information that should not be disclosed.

"WTP proposal and best and final offer was prepared over several months and includes unique and proprietary design criteria, pricing schemes developed for this project, and WTP's confidential and proprietary design and proposal strategy for this project," the complaint said.

"WTP has not authorized the release of this information and has not specifically demanded that its trade, confidential and/or proprietary information not be produced to any third parties."

The venture is currently contesting its loss of the award but has not received a response from Metro regarding the protest.

It says the board recommended the contract be awarded to STS even though it was the high-priced proposal and more than \$60 million higher than WTP's price.

"As of the date of the filing of this action, Metro has not responded to WTP's protest and has not yet awarded a contract for the project to any of the entities who submitted proposals in response to the RFP," the complaint said.

Representatives for either party did not immediately respond to requests for comment on Thursday.

WTP is represented by Christopher Morrow and Andrew C. Harris of Salamirad Morrow Timpane & Dunn LLP.

Counsel information for Los Angeles County Metropolitan Transit Authority was not immediately available on Thursday.

The case is Westside Transit Partners v. Los Angeles County Metropolitan Transit Authority, case number BC554488, in the Superior Court of the State of California, County of Los Angeles.

--Editing by Jeremy Barker.

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