

McDonald Hopkins wins case against TransUnion LLC, earns client \$18.3 million jury verdict



Stephen J. Rosenfeld, David B. Cupar, David M. Kall, Christopher F. Allen, Jacob Radecki | Monday, September 19, 2022

CLEVELAND (September 19, 2022) — McDonald Hopkins would like to congratulate our client Endless River Technologies LLC, a Northeast Ohio insurance technology startup, which received an \$18.3 million jury verdict against the global information and insights company TransUnion LLC for refusing to return Endless River’s intellectual property following TransUnion’s termination of their partnership agreement in 2018.

The McDonald Hopkins trial team—led by Stephen Rosenfeld, Co-Chair of McDonald Hopkins’ Business Litigation Practice Group—asserted that instead of returning the “Quote Exchange” source code upon termination of the agreement as it was required to do, TransUnion claimed ownership over the code and held it hostage for millions of dollars the technology startup was unable to pay. Endless River contended that it lost its market advantage, the ability to monetize the Quote Exchange closed, and that the code became worthless. TransUnion argued that Endless River was seeking “phantom damages” and that it was taking advantage of “TransUnion’s mistake.”

Quote Exchange, an online marketplace where insurance carriers could buy and sell consumer leads, provided insurers a way to monetize unwanted leads and purchase desired consumer leads. Endless River entered into an agreement with TransUnion in 2014 to build the software and bring the idea to market. According to the lawsuit, the contract stated that the intellectual property rights to the Quote Exchange

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would revert to Endless River if TransUnion terminated the contract, which TransUnion did as of April 2018. On September 16, 2022, after a weeklong trial before the Honorable Donald C. Nugent in the United States District Court for the Northern District of Ohio, Judge Nugent found that TransUnion breached its agreement with Endless River and only sent the issue of damages to the jury. After just over an hour of deliberations, the jury returned a verdict that TransUnion’s breach caused more than \$18 million of damages to Endless River.

Rosenfeld said, “This five year long lawsuit has been catastrophic to Endless River and devastating to the three entrepreneurs who started it.” David Cupar—Chair of McDonald Hopkins’ Intellectual Property Department—added, “We are pleased that the jury saw the real harm TransUnion’s actions had on Endless River.”

McDonald Hopkins’ attorneys Stephen J. Rosenfeld, David B. Cupar, David M. Kall, Mark J. Masterson, Christopher F. Allen, and Jacob Radecki represented Endless River Technologies LLC.

TransUnion LLC was represented by Kirkland & Ellis LLP at trial, and also by Neal, Gerber & Eisenberg LLP in this matter.



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David B. Cupar



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