

Insurers Must Defend Tech Co. Against Rival's Patent Suit

By **Hope Patti**

Law360 (September 26, 2025, 5:09 PM EDT) -- Insurers for a logistics technology company must defend the company against claims that it stole a rival's technology and marketing strategy, a Delaware state court ruled, finding that the policies' "prior and pending litigation" exclusion does not bar coverage.

In an order unsealed Thursday, Delaware Superior Court Judge Sheldon K. Rennie held that Motive Technologies Inc. is entitled to a defense under its primary and excess cyber policies for an underlying suit filed by its competitor, Samsara Inc.

The insurers include primary insurer Associated Industries Insurance Co. Inc. and excess insurers Vantage Risk Specialty Insurance Co., Allianz Underwriters Insurance Co., Arch Specialty Insurance Co. and Fortegra Specialty Insurance Co.

While the insurers contended that the suit stems from circumstances described in prelitigation letters, and is thus barred by the prior and pending litigation exclusion, the judge found the allegations "raise a reasonable probability of liability" related to events that occurred after the letters and fall outside the exclusion.

Judge Rennie noted that the decision is not a ruling on the duty to indemnify, saying if the Samsara action does not result in a covered claim, any defense costs advanced to Motive are subject to recoupment.

The judge also handed a win to the insurers, finding that they do not have to pay for costs associated with a separate but related suit that Motive filed against Samsara. While the Motive action involves the same conduct at issue in the Samsara action, it is not a "mirror image," Judge Rennie said.

"Even if Motive were to prevail completely in the Motive action, that would neither moot the Samsara action, nor address Samsara's claims," the judge said. "Hence, even though insurers must defend the Samsara action, that obligation does not extend to the affirmative Motive action."

According to the ruling, Samsara first accused Motive of stealing its products and commissioning false studies to disparage Samsara in a June 2022 letter sent to Motive's board of directors.

After some back and forth, which included Motive denying the allegations and accusing Samsara of trying to hide its own wrongful conduct, the companies met in an attempt to resolve their dispute, the ruling stated. Unable to do so, Samsara filed suit against Motive in January 2024, asserting claims for

patent infringement, false advertising, fraud, and violations of California and Delaware competition law. Motive then filed its own suit against Samsara in February 2024, accusing its competitor of the same conduct.

The insurers initially denied coverage for the Samsara action, but later agreed to pay defense costs because certain allegations in Samsara's amended complaint triggered coverage, according to the ruling. However, the insurers reversed course again, saying the prelitigation letters triggered the primary policy's prior claims and knowledge exclusion.

Motive filed the instant action in January, alleging that the insurers breached their duty to defend and indemnify the company for the underlying actions.

Representatives of the parties did not immediately respond to requests for comment Friday.

Motive is represented by Robin Cohen, Adam Ziffer, Alex Harris and Shafkat Rakib of Cohen Ziffer Frenchman & McKenna and by Jennifer C. Wasson and Ryan D. Kingshill of Potter Anderson & Corroon LLP.

Associated Industries is represented by Christopher B. Chuff, Emily L. Wheatley, Matthew T. Furton and Molly McGinnis Stine of Troutman Pepper Locke LLP.

Vantage, Allianz, Arch and Fortegra are represented by John C. Phillips Jr. and David A. Bilson of Phillips McLaughlin & Hall PA and by Cara Tseng Duffield and Bonnie Thompson of Lavin Rindner Duffield LLC.

The case is Motive Technologies Inc. v. Associated Industries Insurance Co. Inc. et al., case number N25C-01-334, in the Superior Court of the State of Delaware.

--Editing by Nick Petruncio.