

## **French entrepreneur files a criminal trade secret theft complaint against Close.io, YCombinator and YouNoodle**

*On Monday April 16 2018, Sylvain Courcoux, a French internet entrepreneur files a criminal trade secret theft complaint with the FBI and the California Attorney General against Close.io, YCombinator and YouNoodle on suspicions of trade secret theft. The goal is to determine how come Close.io, a YCombinator company, is operating a CRM software with almost the same intellectual property as GoyaTelemarketing, a software prototype developed over a year prior to Close.io launching, and submitted under non-disclosure agreement to Startup Chile, via YouNoodle.*

**For the full complaint: [www.sylvaincourcoux.eu/FBI.html](http://www.sylvaincourcoux.eu/FBI.html)**

### **A software prototype for a telephone sales software submitted to the Startup Chile incubator**

After a 12-year career in Silicon Valley, Sylvain Courcoux leaves California at the end of 2010, teaches himself programming, and codes GoyaTelemarketing, a prototype for a telephone sales software. End of October 2011, he submits it under non-disclosure to Startup Chile, an incubator of the Chilean government, through YouNoodle, a company headquartered in San Francisco. To help Startup Chile, YouNoodle relies on Silicon Valley insiders who review startup applications. The notarized application of GoyaTelemarketing is available online at [www.sylvaincourcoux.eu/constat.pdf](http://www.sylvaincourcoux.eu/constat.pdf) In December 2011, he learns that he's not selected.

### **Discovery of Close.io, a YCombinator startup, and its similarities with GoyaTelemarketing**

On November 29<sup>th</sup> 2012, he discovers Close.io, a startup in beta launching from YCombinator, the flagship incubator of Silicon Valley. Close.io seems to work with the same intellectual property as GoyaTelemarketing.

The innovation of Sylvain Courcoux was in creating a CRM that worked a sales communication tool, whereas existing CRMs were focused on data management. With GoyaTelemarketing, a CRM prototype built by a sales professional with 7 years of telephone sales experience, salespeople could make phone calls in one click, without manually dialing phone numbers, send emails using email templates and the software automatically logged the entire sales history without any manual data-entry. This then enabled salespeople to optimize their follow-up with an innovative search engine. As the videos below show, even if the color palette and the layout are different, Close.io seems to implement the same intellectual property as GoyaTelemarketing: how many functionalities of GoyaTelemarketing are not in Close.io? The Close.io timeline seems to match with the Startup Chile application and, on various video interviews, the founder seems suspiciously deceptive when discussing the origin of his intellectual property.

Video overview of GoyaTelemarketing: <https://www.youtube.com/watch?v=YXgK8OBQA0c>

Video overview of Close.io: <https://www.youtube.com/watch?v=55sAnbe6IXE>

Video interview of the Close.io founder: <https://www.youtube.com/watch?v=jyPWi-EsI2I&t=12m45s>

Additional videos: <https://jsfiddle.net/1mbc8tk2/>

### **Contacts with over 80 lawyers in the US**

At the beginning of 2015, he contacts a California intellectual property attorney who refers him to another lawyer. But in the US, filing an intellectual property lawsuit costs around 300K. In the

summer of 2015, he decides to blow the whistle on the dispute and ask Close.io for a cease-and-desist, without any compensation. He prepares a private blog post and an hour-long video to show the similarities between the two software and marketing messages. He then contacts about 50 lawyers in the US, some of whom see the blog post and the video. However, a more traditional approach seems preferable and so he contacts Close.io at the end of October 2015 to seek a settlement prior to the expiration of California civil statutes of limitations. No reply.

Sylvain Courcoux continues coding, incorporates his company, but thinks he misses the November 2016 5-year federal statutes of limitation deadline. However, under California law, statutes of limitations apparently run 5 years after discovery, not commission. And, quoting from "Prosecuting Intellectual Property Crimes" from the US DOJ 4th edition, page 174, "*Because §§ 1831 and 1832 do not contain a specific statute of limitations, the general five-year statute of limitations for non-capital offenses applies. See 18 U.S.C. § 3282. In one recent prosecution for economic espionage (United States v. Chung), however, the court held misappropriation that occurred before the five-year statute of limitation does not defeat a trade secret prosecution because possession of trade secrets is a continuing offense.*" If someone is caught operating and reselling a car stolen seven years prior, what would be fair?

### **Criminal complaints**

He finally files his first criminal complaint with the California Attorney General in April 2017, but he's referred back a civil litigation, even though he explained he couldn't afford it. He files again in May: no reply. He files a complaint in France in June. He files a complaint with the Santa Clara District Attorney in June and in July: nothing. In September 2017, he files a complaint with six US jurisdictions. If trade secret theft occurred, it would mean that the founders of Close.io also committed a 25 million dollar financial fraud by raising capital from prominent Silicon Valley investors: you can steal a man's ideas but you can never steal his imagination and so far, despite two pivots extraordinaire to launch Close.io, the team of founders hasn't had a pivot since. To this day, the 13-page complaint remains without reply. On February 22nd, he then asks the US Senate to launch an investigation. The full-length letter is available at [www.sylvaincourcoux.eu/Senate.html](http://www.sylvaincourcoux.eu/Senate.html) but the call to the US Senate also remains unanswered.

### **FBI and California Attorney General criminal complaint to ask for an investigation**

On April 16<sup>th</sup> 2018, he files another state and federal criminal complaint, available online at [www.sylvaincourcoux.eu/FBI.html](http://www.sylvaincourcoux.eu/FBI.html) How come Close.io, a startup that launched out of YCombinator, is operating with essentially the same intellectual property that Sylvain Courcoux developed and submitted under non-disclosure agreement via YouNoodle, for the benefit of Startup Chile? If the suspicions came to be proven, it could also be that YouNoodle receives on its platform the intellectual property of entrepreneurs and incubators from around the world, and that some nuggets are recycled into YCombinator pivots. Bernie Maddoff's fund was the most successful on Wall Street because it was a fraud; if a startup incubator committed IP fraud on a massive scale, it would look like the most successful startup incubator.

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