

1 JONES DAY
Randall E. Kay (SBN 149369)
2 rekay@jonesday.com
4655 Executive Drive, Suite 1500
3 San Diego, California 92121.3134
Telephone: +1.858.314.1200

4 Andrea W. Jeffries (SBN 183408)
5 ajeffries@jonesday.com
555 South Flower Street, Fiftieth Floor
6 Los Angeles, California 90071
Telephone: +1.213.489.3939

7 Sarah A. Geers (*Pro Hac Vice* Forthcoming)
8 sgeers@jonesday.com
250 Vesey Street
9 New York, NY 10281
Telephone: +1.212.326.3936

10
11 Attorneys for Plaintiff AGENSYS, INC.

12 UNITED STATES DISTRICT COURT
13 CENTRAL DISTRICT OF CALIFORNIA
14

15 AGENSYS, INC.,

16 Plaintiff,

17 v.

18 SUZHOU ZELGEN
19 BIOPHARMACEUTICALS CO., LTD.,
20 SHANGHAI ZELGEN PHARMA-
TECH CO. LTD., GENSUN
21 BIOPHARMA INC., and JACKIE Z.
22 SHENG,

23 Defendants.
24
25
26
27
28

Case No.

COMPLAINT

DEMAND FOR JURY TRIAL

1 Plaintiff Agensys, Inc. (“Agensys” or “Plaintiff”) files this Complaint against
2 Defendants Suzhou Zelgen Biopharmaceuticals Co., Ltd. (“Suzhou Zelgen”),
3 Shanghai Zelgen Pharma-Tech Co. Ltd. (“Shanghai Zelgen”; together with Suzhou
4 Zelgen, “Zelgen”), Gensun Biopharma Inc. (“Gensun”), and Jackie Z. Sheng (also
5 known as Zeqi Sheng or Zegi Sheng (“Sheng”)) as follows.

6 1. This action arises from ongoing misappropriation of Agensys’ trade
7 secrets by Zelgen, Gensun, and Sheng.

8 2. Defendants wrongfully acquired Agensys’ trade secrets from Agensys’
9 former employee Norbert Peekhaus (“Peekhaus”) and Defendants subsequently used
10 and disclosed Agensys’ trade secrets without authorization as set forth herein.

11 3. Prior to Peekhaus working for Gensun, Peekhaus worked for Agensys
12 from March 2010 to September 2017 as a Senior Research Scientist and then as a
13 Senior Principal Scientist. During that time, Peekhaus worked out of Agensys’ Santa
14 Monica, California facility.

15 4. On March 30, 2010, Peekhaus executed a “Confidentiality and
16 Intellectual Property Development Agreement” (“Employment Agreement”) with
17 Agensys. Peekhaus’ Employment Agreement required that he not use or disclose
18 Agensys’ trade secrets outside of his employment with Agensys. The Employment
19 Agreement also assigned to Agensys all right, title and interest in any idea, formula,
20 invention, discovery, design, drawing, process, method, technique, device,
21 improvement, computer program and related documentation, technical and non-
22 technical data and work of authorship that Peekhaus may solely or jointly conceive,
23 write, or acquire while working with Agensys. Peekhaus’ obligations pursuant to the
24 Employment Agreement survived the termination of his employment at Agensys.

25 5. Beginning in or around 2010, a scientific team at Agensys identified as
26 a promising research target a specific protein associated with cancer cells and
27 surrounding tissue. This protein is called LRRC15, which stands for leucine-rich
28 repeat-containing 15. Peekhaus was part of this scientific target discovery team.

1 6. In or around 2013, Agensys assembled a research program dedicated to
2 finding therapies targeting LRRC15. This program was called the AGS79 program.
3 Peekhaus led the program, and, among other things, was responsible for developing
4 (i) antibodies targeting the LRRC15 protein (i.e., “anti-LRRC15” antibodies) and
5 (ii) therapeutic agents to attack LRRC15-expressing cells associated with certain
6 cancers.

7 7. In developing these antibodies and therapeutic agents, Agensys created
8 unique amino acid binding sequences for LRRC15, as well as confidential scientific
9 information including data and know-how relating to the chemical and biological
10 properties of the anti-LRRC15 antibodies and binding sequences, including data and
11 know-how of (i) high binding affinity and selectivity, (ii) cross-reactivity to human
12 and non-human LRRC15, (iii) effective *in vivo* targeting of LRRC15-expressing
13 cells, and (iv) suitability for conjugation with other therapeutic agents without
14 substantial loss of advantageous properties; and scientific information regarding the
15 conjugation of anti-LRRC15 antibodies with other anti-cancer agents, including
16 information about the ability of these conjugates to effectively kill cancer cells.
17 Collectively, Agensys’ information relating to anti-LRRC15 antibodies and binding
18 sequences is referred to as the “Agensys LRRC15 Antibody Trade Secrets.”

19 8. During his employment at Agensys, Peekhaus had direct and continuous
20 access to the Agensys LRRC15 Antibody Trade Secrets subject to confidentiality
21 obligations to Agensys.

22 9. As a condition of his employment, Peekhaus entered into an
23 employment contract with Agensys that, among other things, required that Peekhaus
24 maintain the secrecy of the Agensys LRRC15 Antibody Trade Secrets, and assigned
25 to Agensys ownership of all inventions and discoveries Peekhaus made in connection
26 with his employment, including trade secrets.

1 10. Peekhaus knew of his responsibility to maintain the secrecy of the
2 Agensys LRRC15 Antibody Trade Secrets he acquired at Agensys, even apart from
3 his employment contract.

4 11. On September 24, 2017, Peekhaus left Agensys. At or near the time of
5 his departure, without Agensys' knowledge, Peekhaus improperly copied, printed,
6 downloaded, or otherwise retained or obtained, or failed to return documentation
7 setting forth Agensys LRRC15 Antibody Trade Secrets, including but not limited to
8 the amino acid binding sequences for LRRC15 disclosed without authorization in
9 Zelgen and Gensun's patent applications. Peekhaus did so without authorization
10 from Agensys and with the knowledge that such conduct was prohibited by Agensys,
11 including based on Agensys contracts, training, policies, and procedures, as well as
12 Peekhaus' experience in the industry.

13 12. Within months of departing Agensys, Peekhaus began employment with
14 The Regents of the University Of California at UCLA where he remained employed
15 for approximately 19 months.

16 13. After his departure from UCLA, in September 2019, Peekhaus began
17 work as the Director of Research at Gensun, a U.S.-based subsidiary of Suzhou
18 Zelgen. During his interview for the job with Gensun, Peekhaus met with all of the
19 Gensun personnel, including Sheng. Peekhaus disclosed confidential information
20 from Agensys' AGS79 program to these Gensun personnel during his interview,
21 including showing them information contained in an Agensys PowerPoint slide deck
22 for the LRRC15 project. On his first day working at Gensun, Peekhaus discussed
23 Agensys' LRRC15 project with Gensun's CEO Sheng. The foregoing occurred
24 without Agensys' knowledge.

25 14. During his employment at Gensun, Peekhaus improperly disclosed
26 Agensys LRRC15 Antibody Trade Secrets to Sheng and Gensun, who then used and
27 further disclosed the Agensys LRRC15 Trade Secrets, including to Zelgen, for their
28 own competitive benefit, and continue to do so. Specifically, Peekhaus gave Agensys

1 antibody sequences to Gensun and he told Gensun personnel including Sheng that
2 the sequences came from Agensys. In meetings at Gensun, Peekhaus shared detailed
3 information about the Agensys LRRC15 Antibody Trade Secrets and he told the
4 attendees that the Agensys LRRC15 Antibody Trade Secrets he was sharing came
5 from Agensys. Peekhaus told Sheng that he had target sequences he brought from
6 Agensys and he provided Agensys PowerPoint presentations to Sheng that disclosed
7 the Agensys LRRC15 Antibody Trade Secrets. The foregoing occurred without
8 Agensys' knowledge.

9 15. On information and belief, Zelgen also had access to the Agensys
10 LRRC15 Antibody Trade Secrets via Sheng, who was the Chief Scientific Officer
11 and a core scientist at Suzhou Zelgen at the time, and via meetings in which Zelgen
12 employees monitored the research and development taking place at Gensun.

13 16. Zelgen and Gensun have filed and published patent applications that
14 improperly use and disclose Agensys' trade secrets including PCT applications and
15 national phase applications in China, Korea, Japan, Hong Kong, Europe, and the
16 United States.

17 17. Defendants' misappropriation of Agensys LRRC15 Antibody Trade
18 Secrets deprived Agensys of its rightful sole and exclusive ownership and possession
19 of its trade secrets, confidential information, and inventions. Justice demands that
20 Defendants stop using the Agensys LRRC15 Antibody Trade Secrets and that
21 Defendants cease asserting ownership of the patent applications disclosing and
22 derived from those trade secrets; that Defendants pay for what they have
23 misappropriated from Agensys; and that the Zelgen and Gensun patent applications
24 disclosing and derived from Agensys LRRC15 Antibody Trade Secrets be assigned
25 to Agensys.

26 THE PARTIES

27 18. Agensys is a corporation organized and existing under the laws of the
28 State of California. Agensys has been registered to conduct business in the State of

1 California for over 25 years. Agensys operated facilities in Santa Monica, California.
2 Agensys has its principal place of business at 2375 Waterview Drive, Northbrook,
3 Illinois 60062. California Secretary of State records indicate that Agensys has an
4 “active” status and remains in “good” standing as a California stock corporation.

5 19. Gensun Biopharma Inc. is a corporation organized and existing under
6 the laws of the State of Delaware. Gensun registered to conduct business in the State
7 of California in 2016. On information and belief, Gensun operated in Thousand
8 Oaks, California with its principal place of business at 3537 Old Conejo Road, Suite
9 105, Thousand Oaks, California 91320. On information and belief, Gensun is a
10 wholly owned subsidiary of Suzhou Zelgen Biopharmaceuticals Co. Ltd.

11 20. On information and belief, Suzhou Zelgen Biopharmaceuticals Co., Ltd.
12 is a corporation organized and existing under the laws of China with its principal
13 place of business in Kunshan, Jiangsu Province, China.

14 21. On information and belief, Shanghai Zelgen Pharma-Tech Co., Ltd. is a
15 corporation organized and existing under the laws of China with its principal place
16 of business in Shanghai, China. On information and belief, Shanghai Zelgen is a
17 wholly owned subsidiary of Suzhou Zelgen.

18 22. On information and belief, in many instances and with respect to many
19 activities, including those relevant to the allegations of this Complaint, Shanghai
20 Zelgen and Suzhou Zelgen operate in concert and/or as a single entity.

21 23. On information and belief, Jackie Z. Sheng is an individual domiciled
22 in Thousand Oaks, California; the Chief Executive Officer of Gensun in Thousand
23 Oaks, California; the Chief Scientific Officer of Suzhou Zelgen; and a named
24 inventor on Zelgen’s U.S. Patent Application No. 18/717,574, among other Zelgen
25 and Gensun patent applications at issue here.

26 JURISDICTION AND VENUE

27 24. This Court has original jurisdiction over this matter under 28 U.S.C.
28 § 1331 because Plaintiff asserts federal claims under the Defend Trade Secrets Act

1 (“DTSA”), 18 U.S.C. § 1836(b)-(c), and the Declaratory Judgment Act (“DJA”),
2 28 U.S.C. § 2201.

3 25. This Court has jurisdiction over Gensun, a corporation with its principal
4 place of business in this judicial district in Thousand Oaks, California. Gensun’s
5 offices in Thousand Oaks, California is a site where Defendants’ misappropriation of
6 Agensys LRRC15 Antibody Trade Secrets is alleged to have taken place.

7 26. This Court has jurisdiction over Sheng, an individual domiciled in
8 Thousand Oaks, California.

9 27. This Court has specific jurisdiction over all Defendants because the
10 alleged misappropriation of the Agensys LRRC15 Antibody Trade Secrets by
11 Gensun, Zelgen, and Sheng occurred in this judicial district, in whole or in part.

12 28. This Court also has specific personal jurisdiction over Suzhou Zelgen
13 Biopharmaceuticals Co., Ltd. and Shanghai Zelgen Pharma-Tech Co. Ltd. under
14 Federal Rule of Civil Procedure 4(k)(2) as Agensys’ claims arise under federal law;
15 they are foreign defendants not subject to general personal jurisdiction in the courts
16 of any state; and they have sufficient contacts in the United States as a whole,
17 including, but not limited to, jointly applying for a United States patent based on,
18 derived from, containing and disclosing trade secrets stolen from Agensys.

19 29. Further, Shanghai Zelgen and Suzhou Zelgen have jointly prosecuted
20 other patent applications and patents in the U.S. Patent and Trademark Office and
21 jointly own numerous U.S. patent applications and patents. In addition, Suzhou
22 Zelgen has submitted numerous Investigational New Drug (IND) applications to the
23 U.S. Food and Drug Administration (FDA) for authorization to administer an
24 investigational drug or biological product to humans. In connection with these INDs,
25 Suzhou Zelgen has registered numerous clinical trials with the FDA, including
26 clinical trials with trial sites in the United States.

27 30. In addition, Zelgen personnel were directly involved in the management
28 and oversight of research activities conducted by Gensun personnel in the United

1 States. Further, Sheng, a key executive of Suzhou Zelgen, conducted her business
2 on behalf of Zelgen while located in the United States to act as CEO of Gensun.

3 31. Zelgen committed acts of trade secret misappropriation and acts in
4 furtherance of misappropriation in the United States and in the Central District of
5 California. As such, this Court's exercise of jurisdiction over Zelgen satisfies due
6 process.

7 32. Venue in this district is proper under 28 U.S.C. § 1391 as to all
8 Defendants because a substantial part of the acts and injuries arising from the trade
9 secret misappropriation complained of herein occurred within this judicial district.

10 **AGENSYS' INNOVATIONS AND TRADE SECRETS**

11 33. Founded in 1997 in Santa Monica, California, Agensys is a
12 pharmaceutical company that focuses on developing cancer treatments using
13 specialized antibodies.

14 34. Beginning in or around June 2010, Agensys began a program to identify
15 potential targets for a type of cancer therapy that has become known as ADC
16 (antibody-drug conjugate) therapy.

17 35. Through this target discovery program, Agensys identified LRRC15 as
18 a protein that is highly expressed in the cells surrounding a variety of tumors
19 (sometimes referred to as "stroma") and in certain cancer cells themselves. Agensys
20 further determined that LRRC15 typically had no or low expression in normal cells
21 and tissues.

22 36. These discoveries led Agensys scientists, including Peekhaus, to
23 hypothesize that the LRRC15 protein could be used as a target for cancer therapy—
24 antibodies that specifically target the LRRC15 protein could bring anti-cancer
25 compounds to, and selectively attack, cancer cells and surrounding stroma that
26 express the LRRC15 protein.

27 37. In or around 2013, Agensys initiated the AGS79 research program
28 dedicated to this hypothesis. The AGS79 program included identifying (i) anti-

1 LRRC15 antibodies, including their unique amino acid sequences to bind LRRC15
2 and associated properties, and (ii) potential therapies using anti-LRRC15 antibodies
3 to attack LRRC15-expressing cancer and stroma cells (for example, ADCs using
4 anti-LRRC15 antibodies). Peekhaus was designated the program leader for AGS79.

5 38. Agensys scientists in the AGS79 program generated, developed,
6 characterized, tested, and selected among many anti-LRRC15 antibodies, and
7 utilized the anti-LRRC15 antibodies to design, develop, and test associated anti-
8 cancer therapies. In so doing, Agensys created the Agensys LRRC15 Antibody Trade
9 Secrets. These trade secrets differed from general knowledge in the industry because
10 Agensys' trade secret amino acid binding sequences (and the associated chemical
11 and biological properties) had never before been discovered and were previously
12 unknown, and they derived actual and potential independent economic value from
13 not being generally known to others and not being readily ascertainable to others
14 through proper means. Agensys' scientific discovery of these trade secrets provided
15 economic value to Agensys including commercial advantage over others in the ability
16 to develop a therapy targeting LRRC15 with the ability to get to market sooner than
17 others seeking to develop therapies targeting LRRC15 without Agensys' trade
18 secrets. The Agensys LRRC15 Antibody Trade Secrets' economic value is shown
19 by the antibodies demonstrating high affinity, specificity, and cross-reactivity.
20 Agensys discovered these trade secrets through substantial financial investment and
21 dedication of resources and at great expense, demonstrating the economic value.
22 Agensys spent millions of dollars developing the Agensys LRRC15 Antibody Trade
23 Secrets in many project stages over approximately seven years with investment
24 expenses including direct labor, material, overhead and other costs – evidencing
25 economic value in the Agensys LRRC15 Antibody Trade Secrets.

26 39. The Agensys LRRC15 Antibody Trade Secrets have independent
27 economic value to Agensys as they constitute intellectual property assets with
28 commercial value from not being generally known to, and not being readily

1 ascertainable through proper means by, others who can obtain economic value from
2 the disclosure or use of the information.

3 40. The Agensys LRRC15 Antibody Trade Secrets have value from
4 Agensys' substantial investment of funding in their development and their continued
5 commercial worth, promise, and potential.

6 41. In using the Agensys LRRC15 Antibody Trade Secrets, Defendants
7 benefit by saving significant time and resources in developing and characterizing
8 valuable anti-LRRC15 antibodies and therapeutics derived from such antibodies.
9 Absent theft from Agensys, Defendants never would have acquired the Agensys
10 LRRC15 Antibody Trade Secrets.

11 42. Because the Agensys LRRC15 Antibody Trade Secrets originated at
12 Agensys by employees who assigned all ownership rights in this intellectual property
13 to Agensys, Agensys owns the Agensys LRRC15 Antibody Trade Secrets.

14 43. In 2017, Astellas announced that it was winding down its Agensys
15 research operations in Santa Monica, to further refine its oncology strategy by
16 expanding its investment in the research in new technologies and modalities.
17 Although Agensys research operations wound down in Santa Monica, the winddown
18 did not terminate Agensys' existence or its ownership of intellectual property
19 including the Agensys LRRC15 Antibody Trade Secrets. Agensys continues to exist
20 as an ongoing business enterprise, and continues to own and maintain valuable
21 intellectual property assets including the Agensys LRRC15 Antibody Trade Secrets.
22 Agensys' ownership rights in the LRRC15 Antibody Trade Secrets did not change as
23 a result of the research winddown. Departing employees including Peekhaus were
24 required to reaffirm their continued confidentiality obligations to Agensys, they were
25 instructed that no Agensys files or other property may be removed from the building,
26 they were reminded that they had a continuing obligation of confidentiality to
27 Agensys, and they were required to return any Agensys property in their possession.
28

1 44. The Agensys LRRC15 Antibody Trade Secrets continue to be the
2 subject of ongoing research and development, including in additional modalities
3 other than ADCs. Agensys continues to own the future potential therapy products
4 that may result from that ongoing work, providing continued actual and potential
5 economic value in the trade secrets to Agensys.

6 45. Agensys' measures to keep the Agensys LRRC15 Antibody Trade
7 Secrets information secret as described herein were reasonable in the circumstances.

8 46. Agensys entrusted Peekhaus, as well as all others in the AGS79
9 program, with the Agensys LRRC15 Antibody Trade Secrets under strict
10 confidentiality.

11 47. Agensys' reasonable secrecy measures for the Agensys LRRC15
12 Antibody Trade Secrets include employee agreements for all Agensys employees
13 with access to the trade secrets, obligating all individuals with access to the trade
14 secrets to maintain the secrecy of the information. Agensys has had such
15 employment agreements in place at all times relevant to this Complaint.

16 48. Additional reasonable protective measures used by Agensys to protect
17 the Agensys LRRC15 Antibody Trade Secrets include corporate policies and codes
18 of conduct that require safeguarding Agensys' trade secrets, standard operating
19 procedures and notebook acknowledgements providing that laboratory data is strictly
20 confidential and the property of Agensys, and legal department trainings on data
21 confidentiality and ownership.

22 49. Additionally, Agensys protects the Agensys LRRC15 Antibody Trade
23 Secrets by restricting access to its facilities, computers, documents, lab notebooks,
24 and equipment. Agensys restricted access to the Agensys LRRC15 Antibody Trade
25 Secrets by requiring badge access to enter its facilities, using passwords for electronic
26 devices, restricting users' online access, and enforcing security policies on all
27 Agensys properties.

1 50. Agensys also protects the Agensys LRRC15 Antibody Trade Secrets by
2 restricting access to its electronic document storage systems, software, network
3 computer drives, electronically stored data, electronically stored lab notebooks, and
4 electronic communications.

5 **DEFENDANTS' MISAPPROPRIATION**

6 51. Sheng, Gensun, and Zelgen acquired the Agensys LRRC15 Antibody
7 Trade Secrets from Peekhaus.

8 52. On information and belief, during his job interview at Gensun, and again
9 shortly after Peekhaus took employment with Gensun in September 2019, Peekhaus
10 had meetings with Sheng to discuss his prior work at Agensys related to LRRC15.
11 Peekhaus disclosed the Agensys LRRC15 Antibody Trade Secrets to Sheng and
12 Gensun. When Peekhaus provided the Agensys LRRC15 Antibody Trade Secrets to
13 Sheng and Gensun, Peekhaus told Sheng and Gensun that the information came from
14 Agensys and was Agensys' confidential information. During those meetings,
15 Peekhaus told Sheng that he had target sequences he brought from Agensys and
16 provided PowerPoint presentations to Sheng that disclosed the Agensys LRRC15
17 Antibody Trade Secrets, including the amino acid binding sequences for LRRC15
18 later identified by Zelgen in its patent filings. The foregoing occurred without
19 Agensys' knowledge.

20 53. On information and belief, Zelgen acquired the Agensys LRRC15
21 Antibody Trade Secrets, including the amino acid binding sequences for LRRC15,
22 from Sheng and through the participation of other Zelgen scientists in the
23 management of Gensun research and development activities.

24 54. On information and belief, Sheng, Gensun, and Zelgen were aware and
25 knew that Peekhaus owed confidentiality to Agensys as his former employer to
26 maintain the confidentiality of Agensys' trade secrets, including confidentiality of
27 the Agensys LRRC15 Antibody Trade Secrets.

1 55. Peekhaus breached the provisions of the Employment Agreement and
2 his duty of confidentiality by disclosing the Agensys LRRC15 Antibody Trade
3 Secrets to Defendants and using the Agensys LRRC15 Antibody Trade Secrets after
4 he left Agensys for the benefit of Defendants.

5 56. Defendants knew or had reason to know that Peekhaus was prohibited
6 by contract from disclosing the Agensys LRRC15 Antibody Trade Secrets to
7 Defendants.

8 57. Peekhaus told Sheng and Gensun that the confidential antibody
9 sequences he provided to them were from Agensys. On information and belief,
10 Sheng and Gensun knowingly received confidential Agensys information from
11 Peekhaus both before and during his employment at Gensun, in violation of his
12 contractual obligations to Agensys.

13 58. On information and belief, Zelgen also knew that the confidential
14 antibody sequences originated at Agensys and were obtained from Peekhaus in
15 violation of his contractual obligations to Agensys. By virtue of Sheng's and others'
16 involvement in the management and direction of both Gensun and Zelgen, the
17 research and development activities of Gensun and Zelgen were intertwined and
18 interdependent, including with respect to the use and disclosure of the Agensys
19 LRRC15 Antibody Trade Secrets.

20 59. Individuals at Zelgen participated in discussions regarding research and
21 development activities at Gensun, including to determine which Gensun research
22 could be used at Zelgen. The employees of Gensun and Zelgen co-authored multiple
23 research publications together, further demonstrating the integrated nature of the
24 activities of Zelgen and Gensun.

25 60. While CEO of Gensun, Sheng was also the Chief Scientific Officer and
26 a core technical personnel at Zelgen. On information and belief, Sheng was
27 responsible for leading antibody drug research and development at Zelgen, including
28 discovery, screening, candidate optimization, and other activities.

1 61. On information and belief, Gensun's Board of Directors included Zelin
2 Sheng, the Chief Operating Officer of Suzhou Zelgen. Sheng and Zelin Sheng are
3 both named inventors on patent applications described herein and they are co-authors
4 of research publications together. Zelin Sheng is Sheng's older brother.

5 **ZELGEN'S AND GENSUN'S PATENT APPLICATIONS THAT USE AND**
6 **DISCLOSE THE AGENSYS LRRC15 ANTIBODY TRADE SECRETS**

7 62. Zelgen acquired the Agensys LRRC15 Antibody Trade Secrets from
8 Peekhaus/Sheng/Gensun and used the trade secrets in patent applications to obtain
9 patent coverage, and for use in development and commercialization.

10 63. Zelgen has filed at least two families of patent applications that used and
11 disclosed Agensys LRRC15 Antibody Trade Secrets.

12 64. Zelgen filed Chinese patent application CN202111509659, the priority
13 application for the first family, on December 10, 2021. This application used and
14 disclosed Agensys LRRC15 Antibody Trade Secrets, constituting misappropriation.
15 This application published on June 13, 2023. Prior to this publication on June 13,
16 2023, Agensys did not discover Defendants' misappropriation. The exercise of
17 reasonable diligence would not have led to Agensys' discovery of Defendants'
18 misappropriation prior to June 13, 2023. Agensys reasonably first discovered
19 Defendants' misappropriation after June 13, 2023; prior to its actual discovery,
20 Agensys lacked knowledge of Defendants' access to Agensys' trade secrets and
21 Agensys lacked knowledge of the similarity between Agensys' trade secrets and
22 Defendants' patent filings.

23 65. Zelgen filed international patent application PCT/CN2022/138466,
24 claiming priority to the Chinese patent application, on December 12, 2022. This
25 application used and disclosed Agensys LRRC15 Antibody Trade Secrets,
26 constituting misappropriation. This application published on June 15, 2023 as
27 publication WO2023104214 A1.
28

1 66. Zelgen’s European patent application EP22903631, a national phase
2 entry of the PCT application, published on October 16, 2024 as EP 4 446 342 A1.
3 This application used and disclosed Agensys LRRC15 Antibody Trade Secrets,
4 constituting misappropriation.

5 67. Zelgen’s Korean patent application KR20247022934, a national phase
6 entry of the PCT application, published on July 30, 2024, as KR20240116824A. This
7 application used and disclosed Agensys LRRC15 Antibody Trade Secrets,
8 constituting misappropriation.

9 68. Zelgen’s Chinese patent application CN202280081694, a national phase
10 entry of the PCT application, published on October 29, 2024, as CN118871464A.
11 This application used and disclosed Agensys LRRC15 Antibody Trade Secrets,
12 constituting misappropriation.

13 69. Zelgen’s Japanese patent application JP2024534536, a national phase
14 entry of the PCT application, published on December 26, 2024, as JP2024546773A.
15 This application used and disclosed Agensys LRRC15 Antibody Trade Secrets,
16 constituting misappropriation.

17 70. Zelgen’s United States patent application 18/717,574
18 (“the ’574 application”), a national phase entry of the PCT application, published on
19 February 13, 2025 as Pub. No. 2025/0051444. It is titled “Multi-Specific T Cell
20 Engagers Comprising LRRC15 Antigen-Binding Domain.” This application used
21 and disclosed Agensys LRRC15 Antibody Trade Secrets including amino acid
22 sequences for the variable heavy and variable light chains (i.e., the binding
23 sequences) of trade secret anti-LRRC15 antibodies discovered in the AGS79
24 program, constituting misappropriation. Zelgen disclosed these amino acid
25 sequences in this application as SEQ ID NOS. 1, 3-5, and 7-8. This application
26 names Sheng as one of the inventors, as well as five additional inventors who, on
27 information and belief, work or worked for Zelgen. A true and correct copy of
28

1 the '574 application is attached to this Complaint as Exhibit 1 and incorporated
2 herein by this reference.

3 71. In the '574 application, multiple disclosed sequences of over 100 amino
4 acids, including SEQ ID NOS. 1, 3-5, and 7-8, are replicas (i.e., exact copies) of the
5 Agensys Antibody LRRC15 Trade Secret amino acid binding sequences for anti-
6 LRRC15 antibodies developed in Agensys' AGS79 program.

7 72. In addition, another antibody in the '574 application is over 99% similar
8 to Agensys LRRC15 Antibody Trade Secret amino acid binding sequences disclosed
9 in SEQ ID NOS. 1 and 5. *See* '574 application, ¶ [0319], SEQ ID NOS. 53-54.
10 The '574 application admits that SEQ ID NOS. 53-54 derive from SEQ ID NOS 1
11 and 5. *See* '574 application, ¶ [0330].

12 73. Further, the '574 application uses and discloses Agensys LRRC15
13 Antibody Trade Secrets and information derived from Agensys LRRC15 Antibody
14 Trade Secrets in proposed claims, including claims 3 and 4, reciting an LRRC15
15 antigen binding domain comprising "at least 80% sequence identity to the amino acid
16 sequence shown in" SEQ ID NOS. 1, 3-5, 7-8, and 53-54.

17 74. Each of the named inventors assigned the '574 application jointly to
18 Defendants Suzhou Zelgen and Shanghai Zelgen.

19 75. Zelgen's filing and prosecution of the '574 application in the United
20 States at the United States Patent and Trademark Office through United States patent
21 counsel constitutes an act or multiple acts in furtherance of Zelgen's
22 misappropriation of the Agensys LRRC15 Antibody Trade Secrets, committed in the
23 United States, satisfying 18 U.S.C. § 1837.

24 76. Zelgen filed Chinese patent application CN202410158274, the priority
25 application for the second family, on February 4, 2024. This application used and
26 disclosed Agensys LRRC15 Antibody Trade Secrets, constituting misappropriation.
27 This application published on August 5, 2025.
28

1 77. Zelgen filed international patent application PCT/CN2025/075637,
2 claiming priority to the Chinese patent application for the second family, on
3 February 3, 2025. This application used and disclosed Agensys LRRC15 Antibody
4 Trade Secrets, constituting misappropriation. This application published on
5 August 7, 2025 as publication WO2025162477 A1 (“the ’477 PCT publication”).

6 78. Zelgen’s European patent application EP25748039, a national phase
7 entry of the PCT application, has not yet published. On information and belief, this
8 application used and disclosed Agensys LRRC15 Antibody Trade Secrets,
9 constituting misappropriation.

10 79. The ’477 PCT publication is titled “Multi-Specific Antibody Containing
11 LRRC15 Antigen-Binding Domain.” This application used and disclosed Agensys
12 LRRC15 Antibody Trade Secrets including amino acid sequences for the variable
13 heavy and variable light chains (i.e., the binding sequences) of trade secret anti-
14 LRRC15 antibodies discovered in the AGS79 program, constituting
15 misappropriation. Zelgen disclosed these amino acid sequences in this application
16 as SEQ ID NOS. 1, 3-4, 6, and 8-9. This application names Sheng as one of the
17 inventors as well as five additional inventors who, on information and belief, work
18 or worked for Zelgen, and two additional inventors who, on information and belief,
19 work or worked for Gensun. A true and correct copy of the ’477 PCT publication is
20 attached to this Complaint as Exhibit 2 and incorporated herein by this reference.

21 80. In the ’477 PCT publication, multiple disclosed sequences of over
22 100 amino acids, including SEQ ID NOS. 1, 3-4, 6, and 8-9, are replicas (i.e., exact
23 copies) of the Agensys Antibody LRRC15 Trade Secret amino acid binding
24 sequences for anti-LRRC15 antibodies developed in Agensys’ AGS79 program.

25 81. In addition, another antibody in the ’477 PCT publication is over 99%
26 similar to and, on information and belief, derived from Agensys LRRC15 Antibody
27 Trade Secret amino acid binding sequences disclosed in SEQ ID NOS. 1 and 6.
28 See ’477 PCT publication , ¶ [0494], SEQ ID NOS. 5 and 10.

1 82. The applications in the second family are assigned to Defendants
2 Suzhou Zelgen, Shanghai Zelgen and Gensun.

3 83. The first and second families, including the '574 application and
4 the '477 PCT publication and any other inventions and patent applications that
5 incorporate, disclose, claim, or use the Agensys LRRC15 Antibody Trade Secrets
6 that Defendants have filed or will file based on the Agensys LRRC15 Antibody Trade
7 Secrets, are referred to collectively as "the Patent Rights."

8 84. The Patent Rights evidence that Zelgen improperly acquired Agensys
9 LRRC15 Antibody Trade Secrets from its subsidiary Gensun's employee Peekhaus
10 whom Zelgen knew or had reason to know was not legally permitted to disclose the
11 information to Zelgen. Reasonable diligence of the named inventors' work would
12 have put Zelgen on notice that the named inventors did not develop or discover the
13 amino acid binding sequences disclosed in the Patent Rights, that these inventors did
14 not conduct experiments leading to discovery of those binding sequences, and that
15 these inventors were not in possession of those binding sequences from any work
16 they performed themselves or through other Zelgen personnel.

17 85. On information and belief, at the time the Patent Rights were filed,
18 Gensun did not have antibody discovery facilities and had fewer than 10 employees,
19 including Peekhaus, which Zelgen knew. On information and belief, it was well
20 known to Sheng and Gensun prior to the filing of the Patent Rights that the LRRC15
21 amino acid binding sequences described in the Patent Rights and provided by
22 Peekhaus originated at Agensys. On information and belief, Zelgen knew or had
23 reason to know that the LRRC15 amino acid binding sequences described in the
24 Patent Rights did not result from research actually conducted at Gensun.

25 86. As part of their duties and obligations in prosecuting the Patent Rights,
26 Zelgen and Gensun had a duty to investigate the circumstances of the discovery of
27 the inventions disclosed in the Patent Rights and to determine whether those
28

1 inventions were owned by Zelgen and Gensun or, alternatively, by Agensys pursuant
2 to Peekhaus' prior employment with Agensys.

3 87. Defendants each have a duty of candor and good faith in dealing with
4 the USPTO, because they are individuals associated with the filing and prosecution
5 of the Patent Rights. *See* 37 C.F.R. § 1.56(a), (c). This includes a duty to disclose to
6 the USPTO all information known to be material to patentability, including
7 misrepresentations or material omissions regarding the conception and reduction to
8 practice of the claimed invention. This further includes an additional duty to perform
9 an inquiry that is reasonable under the circumstances, including reviewing documents
10 to identify information that is material to the patentability of a claimed invention.
11 Accordingly, Defendants knew or had reason to know that Peekhaus owed Agensys
12 an obligation to maintain the secrecy of the Agensys LRRC15 Antibody Trade
13 Secrets, and that they were violating Agensys' trade secret rights by acquiring, using,
14 and/or disclosing the Agensys LRRC15 Antibody Trade Secrets in pursuing the
15 Patent Rights.

16 88. Further, in view of the foregoing and as demonstrated by their efforts to
17 obtain patent claims directed to the LRRC15 amino acid binding sequences described
18 in the Patent Rights, Defendants knew or had reason to know that the Agensys
19 LRRC15 Antibody Trade Secrets constituted valuable and previously undisclosed
20 trade secret information owned by Agensys.

21 89. The Patent Rights, the prosecution of which has been directed and
22 overseen by Defendants at all relevant times, disclose Agensys LRRC15 Antibody
23 Trade Secrets.

24 90. For example, the '574 application discloses Agensys LRRC15 Antibody
25 Trade Secret amino acid binding sequences in SEQ ID NOS. 1, 3-5, and 7-8. *See* '574
26 application, ¶ [0319], SEQ ID NOS. 1, 3-5, and 7-8. These sequences are replicas,
27 i.e., exact copies, of valuable Agensys LRRC15 Antibody Trade Secret binding
28

1 sequences for LRRC15 discovered at Agensys and known to Peekhaus through his
2 involvement in the AGS79 program.

3 91. In addition, the '477 PCT publication discloses Agensys LRRC15
4 Antibody Trade Secret amino acid binding sequences in SEQ ID NOS. 1, 3-4, 6, and
5 8-9. *See* '477 PCT publication, ¶ [0494], SEQ ID NOS. 1, 3-4, 6, and 8-9. These
6 sequences are replicas, i.e., exact copies, of valuable Agensys LRRC15 Antibody
7 Trade Secret binding sequences for LRRC15 discovered at Agensys and known to
8 Peekhaus through his involvement in the AGS79 program.

9 92. Because antibodies are not easily replicable except by copying, it is
10 statistically impossible for anyone, including any of Defendants, to have
11 independently arrived at one identical antibody sequence binding to LRRC15, let
12 alone the sequences for three unique antibodies that were identical to those
13 discovered at Agensys and known to Peekhaus.

14 93. It is thus clear that Defendants used and continued to use the Agensys
15 LRRC15 Antibody Trade Secrets, including knowledge of the anti-LRRC15
16 antibody binding sequences and their properties, to develop the subject matter of and
17 prosecution the Patent Rights. Gensun, Sheng, and Zelgen acquired the Agensys
18 LRRC15 Antibody Trade Secret sequences from Peekhaus and then used them in the
19 Patent Rights to obtain patent coverage, and with opportunity to license and
20 commercialize to Agensys' detriment.

21 **FIRST CAUSE OF ACTION**

22 **Misappropriation of Trade Secrets Under the Defend Trade Secrets Act** 23 **(18 U.S.C. §§ 1836-39)**

24 94. Plaintiff incorporates by reference the allegations contained in
25 paragraphs 1 through 93 as though fully set forth herein.

26 95. Agensys is the owner of the Agensys LRRC15 Antibody Trade Secrets
27 that, as described above, constitute trade secrets within the meaning of 18 U.S.C.
28 § 1839(3). Agensys' trade secrets are scientific, technical, and engineering

1 information including patterns, plans, formulas, designs, prototypes, methods,
2 techniques, processes, know-how and medical treatments or therapies that are used,
3 sold, shipped and/or ordered in, or intended to be used, sold, shipped, and/or ordered
4 in, interstate and foreign commerce. Throughout its development and use of the
5 Agensys LRRC15 Antibody Trade Secrets, Plaintiff intended, and continues to
6 intend, for the trade secrets to become used in a product in interstate and foreign
7 commerce.

8 96. At all relevant times, Plaintiff has taken reasonable measures and
9 precautions to keep this information secret. As described above, Plaintiff took
10 measures including, but not limited to, restricting access to sensitive information,
11 requiring employees and contractors to sign agreements prohibiting use and
12 disclosure of such information outside Agensys, protecting files and information
13 from unauthorized access, restricting physical access and implementing security
14 systems at Agensys' facilities and storage sites, and requiring the return of sensitive
15 materials upon termination of agreements.

16 97. Plaintiff's trade secrets derive independent economic value from not
17 being generally known to the public and not readily ascertainable through proper
18 means by others who can obtain economic value from their disclosure or use.
19 Plaintiff's trade secrets are not readily ascertainable or capable of being reverse
20 engineered by other competitors, and thus their confidentiality allowed Plaintiff to
21 obtain a competitive advantage that is lost by their acquisition, disclosure and use.

22 98. Any competitor who learns of Plaintiff's trade secret information would
23 receive an unfair competitive advantage that could tangibly harm Plaintiff's
24 competitive position in the market, potentially depriving Plaintiff of many millions
25 of dollars in lost revenue.

26 99. Developing trade secrets and maintaining their secrecy are critical to
27 Plaintiff's business. Plaintiff's medicines and therapies are a byproduct of a robust
28 research and development program. The pharmaceutical research and development

1 industry is highly competitive. Plaintiff protects its trade secrets to prevent
2 competitors from acquiring, disclosing, and using Plaintiff's trade secrets.

3 100. Defendants have misappropriated and continue to misappropriate the
4 Agensys LRRC15 Antibody Trade Secrets.

5 101. Defendants have used and continue to use the Agensys LRRC15
6 Antibody Trade Secrets to unfairly advance the development of Defendants' own
7 products and technology to Agensys' detriment.

8 102. Defendants improperly acquired the Agensys LRRC15 Antibody Trade
9 Secrets without Agensys' knowledge or consent.

10 103. Defendants knew or had reason to know that Peekhaus owed Agensys
11 an obligation to maintain the secrecy of the Agensys LRRC15 Antibody Trade
12 Secrets, and that they were violating, and continue to violate, Agensys' trade secret
13 rights by acquiring, using, and disclosing the Agensys LRRC15 Antibody Trade
14 Secrets.

15 104. Defendants improperly disclosed and continue to disclose, without
16 Plaintiff's knowledge or consent, the Agensys LRRC15 Antibody Trade Secrets by,
17 among other things, publicly disclosing them in published patent applications and
18 continuing to prosecute those patent applications with knowledge of Agensys'
19 assertion of its trade secret rights.

20 105. Defendants' conduct constitutes misappropriation of trade secrets under
21 35 U.S.C. § 1836 *et seq.*

22 106. Plaintiff has been, and continues to be, harmed by Defendants'
23 misappropriation of Agensys' trade secrets. Plaintiff thus seeks compensatory
24 damages and equitable relief from the Defendants.

25 107. Defendants' actions have caused and will continue to cause Plaintiff to
26 suffer severe competitive injury, irreparable harm, and significant damages in an
27 amount to be proven at trial. As the direct and proximate result of such
28 misappropriation, Plaintiff has suffered, among other things, damage within the

1 meaning of 18 U.S.C. § 1836(b)(3)(B) in an amount that is yet unknown. If
2 Defendants' conduct is allowed to continue unchanged, Plaintiff will continue to
3 suffer irreparable injury and significant damages.

4 108. Because Plaintiff's remedy at law is inadequate to compensate Plaintiff
5 for Defendants' misappropriation of the Agensys LRRC15 Antibody Trade Secrets,
6 Plaintiff also seeks equitable relief. Plaintiff is entitled to injunctive relief pursuant
7 to 18 U.S.C. § 1836(b)(3)(A) and seeks appropriate, just equitable relief to recover
8 and protect its proprietary, confidential, and trade secret information, and to protect
9 other legitimate business interests.

10 109. Defendants violated Plaintiff's clearly established statutory rights of
11 which a reasonable person would have known, including Plaintiff's rights under the
12 DTSA.

13 110. On information and belief, Defendants' misappropriation of trade
14 secrets was and is willful and malicious within the meaning of 18 U.S.C.
15 § 1836(b)(3)(C),(D). Accordingly, Plaintiff is entitled to recover exemplary damages
16 and reasonable attorneys' fees.

17 111. Pursuant to the Court's inherent powers and pursuant to 18 U.S.C.
18 § 1836(b), Agensys asks the Court to provide any additional relief appropriate to
19 remedy Defendants' misappropriation of trade secrets, including the assignment of
20 all patent applications or patents purportedly assigned to Defendants that disclose,
21 claim, or were derived from any of the Agensys LRRC15 Antibody Trade Secrets,
22 including assignment of all amendments, continuations, and U.S. or foreign
23 counterparts thereto.

24 **SECOND CAUSE OF ACTION**

25 **Declaratory Judgment**

26 **(28 U.S.C. § 2201)**

27 112. Plaintiff incorporates by reference the allegations contained in
28 paragraphs 1 through 111 as though fully set forth herein.

1 113. An actual, ripe, and justiciable controversy exists between Plaintiff and
2 Defendants regarding each party's rights and interests in the Patent Rights.

3 114. As described above, Defendants improperly acquired Agensys LRRC15
4 Antibody Trade Secrets, including the amino acid binding sequences for LRRC15
5 disclosed without authorization in the Patent Rights. The Agensys LRRC15
6 Antibody Trade Secrets, including the amino acid binding sequences for LRRC15
7 disclosed without authorization in the Patent Rights, arose out of or resulted from
8 confidential Agensys information Peekhaus obtained, was provided, or otherwise
9 acquired under strict confidentiality in his employment with Agensys.

10 115. Peekhaus subsequently disclosed these Agensys LRRC15 Antibody
11 Trade Secrets, including the amino acid binding sequences for LRRC15 disclosed
12 without authorization in the Patent Rights, to Defendants in violation of his
13 Employment Agreement with Agensys. Defendants improperly used and continue
14 to use the Agensys LRRC15 Antibody Trade Secrets to prepare patent applications
15 and publications, and disclosed and continue to disclose the Agensys LRRC15
16 Antibody Trade Secrets and other related confidential information in those patent
17 applications and publications, including the amino acid binding sequences for
18 LRRC15 identified as SEQ ID NOS. 1, 3-5, and 7-8 in the '574 application and as
19 SEQ ID NOS. 1, 3-4, 6, and 8-9 in the '477 PCT publication.

20 116. Defendants knew or had reason to know of Peekhaus' obligations to
21 maintain the confidentiality of Agensys' information, including the Agensys
22 LRRC15 Antibody Trade Secrets.

23 117. Defendants also improperly used and continue to use the Agensys
24 LRRC15 Antibody Trade Secrets to derive further inventions, improvements, and
25 discoveries that Defendants disclosed and claimed in the Patent Rights.

26 118. Pursuant to the terms of the Employment Agreement between Agensys
27 and Peekhaus, as described above, Agensys is the legal and/or equitable owner of
28 inventions and discoveries disclosed in the Patent Rights.

1 119. As a result of the Employment Agreement as well as the trade secret
2 misappropriation in violation of the DTSA and events described in detail above,
3 Agensys has legal and/or equitable ownership and/or other property interests in the
4 Patent Rights, inconsistent with and superior to any interest claimed by Defendants.

5 120. Defendants violated Plaintiff's clearly established statutory rights of
6 which a reasonable person would have known, including Plaintiff's rights under the
7 DTSA.

8 121. Due to Defendants' misconduct in acquiring, using, and disclosing the
9 Agensys LRRC15 Antibody Trade Secrets as described above, and in continuing to
10 do so, Defendants have forfeited any competing interest in the Patent Rights.
11 Agensys' ownership and related interests include sole or joint legal and equitable
12 ownership of the Patent Rights and any related patents, patent applications,
13 continuations, continuations-in-part, divisionals, and foreign or U.S. counterparts
14 thereof that Defendants have or will file or claim. The Court should so declare
15 pursuant to 28 U.S.C. § 2201.

16
17 **PRAYER FOR RELIEF**

18 As against all Defendants, Agensys seeks:

- 19 a. Judgment in Plaintiff's favor against Defendants on the first and second
20 causes of action;
- 21 b. Damages according to proof in an amount to be determined at trial;
- 22 c. Exemplary damages in view of the willful and malicious
23 misappropriation of Agensys' trade secrets in an amount to be
24 determined at trial;
- 25 d. Declaratory Judgment that:
- 26 i. Defendants have no legal right to use or disseminate the Agensys
27 LRRC15 Antibody Trade Secrets and that all benefits, including
28 compensation, revenues, upfront payments, milestones, royalties,

- 1 or other payments or allocations thereof resulting from such use
2 or dissemination shall be the property of Agensys;
- 3 ii. Agensys has legal or equitable ownership or co-ownership and
4 interest in the Patent Rights, and all related patents, patent
5 applications, continuations, continuations-in-part, divisionals,
6 and foreign or U.S. counterparts thereto, including, but not
7 limited to, U.S. Patent Application No. 18/717,574, superior to
8 any interest asserted by Defendants; and
- 9 iii. Agensys has the right to prosecute the Patent Rights, and all
10 related patents, patent applications, continuations, continuations-
11 in-part, divisionals, and foreign or U.S. counterparts thereto;
- 12 e. Injunctive relief, including a permanent injunction: (a) requiring
13 Defendants, and any other individuals and entities acting in concert with
14 them, to return all of Agensys' trade secret and confidential information;
15 (b) requiring Defendants to disclose and assign to Agensys any and all
16 inventions, including all pending patent applications and issued patents,
17 of which Agensys is the rightful owner or which contain or are derived
18 from Agensys' trade secrets or other confidential information;
19 (c) prohibiting Defendants and those acting in concert with them from
20 using Agensys' trade secrets, confidential information, and inventions
21 without Agensys' consent; and (d) enjoining Defendants from further
22 prosecution of patent applications, without Agensys' consent and
23 control, of which Agensys is the rightful owner or which contain or are
24 derived from Agensys' trade secrets or other confidential information;
- 25 f. Restitution of all property, profits, or other benefits wrongfully
26 acquired;
- 27 g. Attorneys' fees and costs incurred by virtue of the dispute;
- 28

- 1 h. Pre-judgment and post-judgment interest at the maximum rate allowed
2 by law; and
3 i. Such other and further relief as to which Plaintiff may be entitled or the
4 Court may deem proper.
5

6 Dated: June 9, 2026

JONES DAY

8 By: s/ Randall E. Kay
9 Randall E. Kay

10 Attorneys for Plaintiff
11 AGENSYS, INC.
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

DEMAND FOR JURY TRIAL

Plaintiff Agensys, Inc. respectfully requests a jury trial in this action on all issues so triable.

Dated: June 9, 2026

JONES DAY

By: s/ Randall E. Kay

Randall E. Kay

Attorneys for Plaintiff
AGENSYS, INC.

EXHIBITS

EXHIBIT	DESCRIPTION	PAGES
1	U.S. Patent Application Publication No. 2025/0051444 (United States patent application 18/717,574 ("the '574 application"))	30-81
2	PCT Application Publication No. WO2025/162477 A1 ("the '477 PCT publication")	82-175