IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF DELAWARE

JPMORGAN CHASE BANK, N.A.,

Plaintiff,

v.

ARGUS INFO. & ADVISORY SERVS. INC., *et al.*,

Defendants.

No. 1:24-cv-00348-SB

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MEMORANDUM OPINION

August 17, 2026

BIBAS, *Circuit Judge*, sitting by designation.

I previously dismissed JPMorgan's Delaware trade-secrets claim because it failed to allege that the defendants had misappropriated its trade secrets in Delaware.

JPMorgan amended its complaint, realleging a claim under Delaware law or alternatively under Ohio law. But it failed to cure the problem with its initial pleading, so I again dismiss the Delaware claim. And the same deficiency requires dismissal of the Ohio claim too. This time, I dismiss with prejudice.

I. JPMORGAN CLAIMS THAT ARGUS MISAPPROPRIATED ITS DATA

JPMorgan Chase Bank is one of the biggest credit-card issuers in America. 1st Am. Compl. D.I. 125, ¶¶ 23, 47. Its data on cardholders' behavior reveal consumer patterns and market trends, making the data valuable to multiple entities. *Id.* ¶¶ 29, 43–48.

One of those entities is the federal government. Several federal banking regulators require banks to send them credit-card data. *Id.* ¶¶ 36–37, 59. For years, the data transfer between regulators and banks (including JPMorgan) was handled by a third party, Argus Information & Advisory Services. *Id.* ¶¶ 38, 60.

Argus also has a separate business analyzing market data (including credit-card data) for financial companies. *Id.* ¶ 43. It uses these data to create benchmarking studies that allow companies to compare their performance to competitors. *Id.* It also uses the data to create "Flash Reports" that show yearly trends in the industry. *Id.*

In 2010, JPMorgan stopped giving Argus its data for non-regulatory purposes. *Id.* ¶ 46. That was a problem for Argus: Its regulatory contracts forbade it to use these data in its own business, but JPMorgan's importance to the market left Argus with a large gap in its dataset. *Id.* ¶¶ 41–42, 47–48, 62. So to keep its products viable, JPMorgan says, Argus took JPMorgan's data from the regulatory side of the business and used them anyway. *Id.* ¶¶ 49–57.

JPMorgan then sued Argus, Verisk Analytics (Argus's parent from 2012 to 2022), and TransUnion (which bought Argus from Verisk) for misappropriating its trade secrets. *Id.* ¶¶ 16, 120–91. I already decided that JPMorgan's federal claim may proceed. *JPMorgan Chase Bank, N.A. v. Argus Info. & Advis. Servs. Inc.*, 765 F. Supp. 3d 367, 374–80 (D. Del. 2025). But I dismissed its claim under the Delaware Uniform Trade Secrets Act (DUTSA) after concluding that JPMorgan had failed to allege any misappropriation in Delaware. *Id.* at 380–81. With my permission, JPMorgan amended its complaint, and now brings a claim under DUTSA or, alternatively, the Ohio Uniform Trade Secrets Act (OUTSA). 1st Am. Compl. ¶¶ 143–91.

II. JPMORGAN FAILED TO STATE A CLAIM UNDER EITHER DELAWARE OR OHIO LAW

Because both the Delaware and Ohio claims fail, I do not need to resolve the parties' disagreement about which state's law applies here, or even whether it is premature to decide that question. *See Richey v. Showtime Networks Inc.*, 2026 WL 867264, at *3 (D. Del. Mar. 30, 2026); *compare* D.I. 172 at 12–16 (arguing that the question is premature but, if reached, Delaware or Ohio law applies), *with* D.I. 152 at 13–17 (arguing that the question is ripe and New York law applies).

A. JPMorgan does not allege misappropriation in Delaware

Delaware law lets a plaintiff recover damages from a defendant who misappropriates the plaintiff's trade secret via "[d]isclosure or use" of that secret. Del. Code Ann. tit. 6, §§ 2001(2)(b), 2003(a). JPMorgan agrees that the issue here is use, not disclosure. D.I. 172 at 6–7, 9; D.I. 173 at 5–8. And it does not dispute that, as I previously explained, DUTSA "does not apply to conduct that happened" outside of Delaware.

See id. (both citations); *JPMorgan*, 765 F. Supp. 3d at 380. In other words, JPMorgan agrees that, to state a claim, it must allege that the defendants used its trade secrets in Delaware. Yet on that front, JPMorgan's amended complaint fares no better than before.

Originally, JPMorgan alleged that Argus had sold benchmarking studies to companies in Delaware. *See* Compl., D.I. 1 ¶ 49. But this did not amount to "use" of its trade secrets. *JPMorgan*, 765 F. Supp. 3d at 380. As I have explained elsewhere, relying on the place where a defendant conducts business "conflates downstream *business transactions* with *misappropriation*." *Montway LLC v. Navi Transport Servs. LLC*, 809 F. Supp. 3d 200, 213 (D. Del. 2025) (emphasis in original).

JPMorgan's amended complaint just offers more of the same type of allegation: that Argus and Verisk sold products to companies incorporated, headquartered, or doing business in Delaware. *See* 1st Am. Compl. ¶¶ 10, 56, 80, 83–87, 159–61, 165. Increasing the number of companies or types of products does not transform extraterritorial acts into in-state conduct.

The only "use" of its trade secrets alleged remains the preparation of the Flash Reports and Benchmarking Studies. *See* 1st Am. Compl. ¶¶ 51–56. But the complaint never alleges that occurred in Delaware. *See id.*

Nor does JPMorgan fit into the "possible exception" that I identified earlier. *JPMorgan*, 765 F. Supp. 3d at 380 (citing *J.E. Rhoads & Sons, Inc. v. Ammeraal, Inc.*, 1988 WL 116423, at *1 (Del. Super. Ct. Oct. 21, 1988)). After reconsidering, I agree that *J.E. Rhoads* is better read as a choice-of-law case, not an extraterritoriality analysis. To be sure, the defendants' arguments sounded in extraterritoriality. *See J.E. Rhoads*, 1988 WL 116423 at *1 ("Because the legislature did not express its intent to apply the applicable laws to actions occurring outside of the jurisdiction, defendants reason that the acts should not apply."). But the court's decision did not: It held that Delaware law should apply after concluding that *lex loci delicti* and the most-significant-relationship test—both choice-of-law concepts—pointed that way. *Id.* at *1–4 & n.1. And deciding that the law of a specific state applies is not the same as deciding that a specific law applies extraterritorially. The former is about choice of law; the latter asks whether a law reaches specific conduct. *See e.g., Cruz v. Chesapeake Shipping, Inc.*, 932 F.2d 218, 224 (3d Cir. 1991). So even if Delaware law applied under *J.E. Rhoads*, JPMorgan would not be better off: Knowing that DUTSA is the applicable law does not change the fact that JPMorgan must still allege conduct that DUTSA applies to.

B. JPMorgan does not allege misappropriation in Ohio

JPMorgan's attempt to allege in-state Ohio conduct fails for the same reason: It alleges downstream effects, not use. *See* 1st Am. Compl. ¶¶ 56, 179, 185, 187.

JPMorgan tries to rescue this claim by arguing that OUTSA applies extraterritorially. It cites no Ohio cases applying OUTSA to non-Ohio conduct. *See* D.I. 172 at 11–12; D.I. 173 at 12. Instead, JPMorgan offers a single nonprecedential Sixth Circuit case. *Id.* (both citations) (discussing *AtriCure, Inc. v. Jian Meng*, 842 F. App'x 974 (6th Cir. 2021)). I am not convinced.

AtriCure concluded that an injunction entered under OUTSA could have extraterritorial reach and ban out-of-state conduct. 842 F. App'x at 983. Although the panel necessarily assumed that OUTSA applied to the defendant's conduct in the first place, the panel did not address whether the defendant had engaged in any in-state conduct. So its silence carries little weight.

AtriCure also rejected the idea that Ohio courts apply a presumption against extraterritoriality. *Id.* at 985 & n.5. But its citations are unpersuasive. The presumption is a matter of statutory interpretation—it applies absent a clear signal by the legislature. So the fact that the courts interpreted statutes, without mentioning the presumption, does not amount to a rejection of the principle. *See id.* at 985 n.5 (citing *State ex rel. Natalina Food Co. v. Ohio Civ. Rts. Comm'n*, 562 N.E.2d 1383 (Ohio 1990) and *Federated Mgmt. Co. v. Coopers & Lybrand*, 738 N.E.2d 842 (Ohio Ct. App. 2000)). Plus, a more recent case has accepted and applied the presumption. *See Harris v. Vision Energy, LLC*, 250 N.E.3d 208, 217–18 (Ohio Ct. App. 2024). And JPMorgan does not contest that the presumption generally exists or point to anything in OUTSA that suggests such an intent. *See* D.I. 172 at 11–12; D.I. 173 at 12.

Moreover, even on its own terms, *AtriCure* is narrow: It concluded that OUTSA allows courts to enter injunctions that regulate out-of-state conduct "at least in this case," emphasized the practical necessity of geographically unrestricted remedial relief, and noted concerns in the legislative history about international markets and injuries. 842 F. App'x at 983–84. By contrast, the question here is whether OUTSA reaches conduct in the United States by domestic defendants. So even if Ohio courts would agree that OUTSA injunctions can extend to out-of-state conduct, and even if they would agree that OUTSA itself applies to out-of-state conduct on facts like *AtriCure*'s, I will not assume that they would abandon the presumption against extraterritorial application in the circumstances here.

III. JPMorgan May Not Amend a Second Time

The issues here mirror those that arose the first time around, when I gave leave to amend "to add a claim under a state law that reaches defendants' conduct or to allege facts to which [DUTSA] would apply." *JPMorgan*, 765 F. Supp. 3d at 381. So JPMorgan has been on notice of the facts and legal issues at play. Plus, when it filed its amended complaint, it affirmed that it "[did] not believe . . . additional facts . . . are necessary to state plausible claims" and "[did] not seek to add any further facts" to that complaint. D.I. 146. So this time, I do not grant leave to amend.