



VENDOR FRI SUES SS&C; CITES RELATIONSHIP WITH EX-STAFFER

MONTREAL-based FRI Corp. has taken J. Richard Davidson, a former sales executive, as well as its competitor Securities Software & Consulting Inc., to court. In Ontario Court General Division, lawyers for FRI maintained that Davidson violated an employment contract by, among other things, making information about FRI's clients and operations available to SS&C. FRI sought and obtained an injunction in November, banning Davidson from continuing these activities for six months, but the vendor suit—seeking damages and punitive assessments totaling \$1.6 million—is still pending. The lawsuit comes at the end of a year in which SS&C made efforts to extend its penetration in Canada. The court is next due to consider the case after March of 1996.

SS&C officials decline to comment on any ongoing litigation, citing company policy. Davidson could not be reached for comment by press time. But according to FRI president Lee Gaudio, FRI was aware that

CONTINUED ON PAGE



SS&C SUED IN CANADA...

Davidson had another position waiting at the time he left FRI—"and we had no problem with that whatsoever." However, Gaudio says, FRI was not aware that his new work would involve SS&C, a provider of client/server-based investment technology whose systems are in direct competition with FRI's. Notably, 1995 was marked by a marketing push into Canada by SS&C, which is headquartered in Bloomfield, Conn. The push included the opening of an SS&C branch office in Toronto (*IMT*, March 3, 1995 and Nov. 10, 1995).

With offices in Toronto, as well as Montreal, FRI is a provider of securities-related data services and asset management systems to financial services companies. The vendor employs 85 people, according to court papers. Davidson had worked at FRI from February of 1995 until mid-September; he joined the vendor when it acquired Nexgen Software Corp., his prior employer. At both companies he held the title of sales and marketing manager.

According to FRI's Statement of Claim, the vendor is concerned that—either knowingly or unknowingly—SS&C gained an unfair business advantage through its relationship with Davidson. "He was privy