

EV Trade Secrets Litigation Series: Tesla and Rivian Resolve High- Stakes Legal Clash Over IP

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After getting the green light to proceed to a trial in March of 2025, Tesla and Rivian have reportedly reached an agreement to settle their trade secret dispute out of court. Tesla and Rivian officially filed for dismissals in mid-December and the Court subsequently close the case. This will mark the end of one of the highest-stakes EV battery trade secret battles between two major competitors in the industry.

Tesla filed the trade secrets lawsuit against Rivian, one of Tesla's main competitors in the EV industry, back in July of 2020. Tesla alleged that Rivian recruited and subsequently employed Tesla employees who divulged Tesla's proprietary information concerning Tesla's EV battery technology. According to Tesla, Rivian encouraged these employees to steal Tesla's trade secrets and confidential documentation and bring that information directly to Rivian.

Over the past four years, Rivian has been fighting to dismiss Tesla's allegations, arguing that the trade secrets allegations lack merit and Tesla is using the lawsuit to tactically disadvantage its competitor. Rivian's repeated legal attempts to dismiss Tesla's allegations, however, have been unsuccessful, culminating in the court's most recent decision. Rivian's failed in its attempts to have the lawsuit dismissed, and in August, the California state court determined there was enough evidence to proceed to trial in March 2025. Now, the parties appear to have reached an agreement to settle their dispute prior to trial, however, the details of the potential settlement have not been released to the public.

Tesla has been at the forefront of EV trade secrets litigation, aggressively enforcing its intellectual property rights against competitors. As Proskauer has reported in its [EV Trade Secrets Litigation Series](#), Tesla has filed trade secret misappropriation lawsuits against its equipment supplier, Matthews International Corp., former employees who started a competing company, and this case against Rivian.

Despite a recent trend in increased EV trade secrets litigation, the case between Tesla and Rivian would have been one of the first major EV cases between competitors to proceed to trial. While it appears the trial will no longer be going forward, Tesla's enforcement efforts underscore the importance for EV companies to be vigilant in their approach to trade secret management. This includes implementing rigorous internal policies to protect sensitive information, regularly training employees on confidentiality obligations, actively monitoring for any signs of intellectual property theft, and being prepared to take immediate and decisive legal action when breaches occur. Proskauer's extensive legal and technical expertise can help EV companies navigate these complex issues, ensuring they are well-prepared to protect their own intellectual property or defend against potential allegations.

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