

GE Accused of Negligence, Privacy Invasion In Theft

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Wednesday, December 06, 2006 --- A former employee of a General Electric subsidiary has filed a lawsuit accusing the company of negligence after a laptop containing confidential information of 50,000 current and former employees was stolen.

The suit was filed Tuesday in California Superior Court for the County of Marin. Lawyers hope to win class action status.

The suit, which alleges negligence and invasion of privacy, is asking the court to force GE to disclose the extent of the personal information stolen, and to award damages from the theft and attorneys fees.

Eugene Mannacio says in the suit that GE notified him on Sept. 22 that a computer had been stolen from an employee's hotel room. The computer contained unencrypted confidential information, including employees' names, social security numbers and other data.

"GE has refused...repeated requests to fully identify the categories of the personal information it maintained on the stolen equipment," the suit says. The nondisclosure means that about 50,000 employees have been precluded from taking measures to ensure their personal information isn't misused, the suit says.

He says that the company has access to a plethora of employee information including medical histories and detailed financial information, such as IRA brokerage and checking account numbers.

Mannacio, who previously worked for a division of GE, also says that the letter he received about the theft from the company's chief privacy officer didn't include the date of the theft.

The suit questions whether GE had adequate security procedures in place to prevent disclosure of personal information, and whether their failure to ensure security is a "serious invasion of privacy."

The suit also refers to 50 unnamed defendants who were "responsible in some manner for the occurrences."

Stolen company laptops containing personal information have been in the news as of late. Starbucks disclosed this fall that four laptops with personal information of more than 60,000 employees had been stolen.

A representative with General Electric didn't return a call for comment Wednesday.

General Electric, considered the second-largest company worldwide, is a diversified technology, media and financial services company with more than 300,000 employees. The company reported total revenue in 2005 of nearly \$150 billion.

Mannacio is represented by Rukin Hyland & Doria LLP.

The case is Mannacio v. General Electric Company et al., case number CV-065227 in the Superior Court of California for the County of Marin.