

‘This Corporate Espionage Is Breathtaking’: Company Says It Caught a Spy With a Slack Trap



HR software company Rippling has a big HR problem of its own: According to a new lawsuit, the company hired a rat.

A lawsuit filed by Rippling against competitor Deel alleges that they “cultivated a Rippling employee to conduct thousands of suspicious searches and funnel stolen confidential business intelligence directly back to Deel.”

In a lengthy description of the alleged espionage on its website, Rippling claims that this corporate spy searched the term “Deel” in their systems about 23 times a day over four months, looking for any intel on customers contemplating

switching from Deel to Rippling. Per the lawsuit, the employee sent this confidential information to Deel so that they could understand Rippling's sales pitch and counter it.

To confirm their suspicions, Rippling's security team set a "honeypot" trap.

Rippling's general counsel emailed three of Deel's top corporate leaders, explaining that they had a Slack channel at Rippling called "#d-defectors" where employees discussed their communications with Deel customers.

In reality, this channel was empty and had never been used, but within hours, says the suit, the suspected mole at Rippling conducted a search for it. This, Rippling says, was the smoking gun – indisputable proof that Deel was working with an insider to extract confidential information.

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"The evidence in this case is undeniable. The highest levels of Deel's leadership are implicated in a brazen corporate espionage scheme and they will be held accountable," said Alex Spiro, legal counsel for Rippling.

"We're all for healthy competition, but we won't tolerate when a competitor breaks the law," said Vanessa Wu, general counsel for Rippling. "The scale of this corporate espionage is breathtaking – permeating their sales, marketing, recruiting and even communications operations."

Rippling says that the suspected spy employee, who worked in their Dublin office, was given a court order to hand over his phone following the Slack trap. In the lawsuit, it describes that he "fled to the bathroom and locked the door. When repeatedly warned not to delete materials from his device and that his non-compliance could result in jail time, the spy

responded: 'I'm willing to take that risk,' and fled the premises."

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Business Insider reports that a Deel spokesperson said in a statement: "We deny all legal wrongdoing and look forward to asserting our counterclaims."

The big takeaway here? Be careful what you say – and search for – on Slack.

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