

THE TRIALS OF HP

investigative procedures, hiring new compliance staff, and readying a report for the California attorney general—due by the end of July—that will lay out the steps the company has taken to make sure such misbehavior doesn't happen again.

HP declined to comment on the record, except for a statement the company submitted as this article was going to press (the full text can be found on fortune.com): "HP disputes a number of facts in this story, but court orders prevent us from commenting directly on them ... [The case] involves a former trusted HP executive who formed a competing business while working for HP. Our resulting lawsuit was brought based exclusively on documents recovered from company computers and from personal interviews. All of the alleged events involved occurred before HP took now well-documented steps to strengthen its investigative and ethical practices."

Before we continue, let's be clear: Kamb's tangled tale is byzantine, and much of the evidence—even apart from that covered by the Dell-related gag order—remains secret. Many participants are leery of being interviewed. As a result, there are plenty of facts we simply do not know at this point.

But an examination of 1,500 pages of court filings, exhibits, e-mails, and hearing transcripts, along with interviews with 20 lawyers or participants in Kamb's saga, reveal that once you strip out the invective, the two sides' versions of what happened are more similar than one might expect. Most important, the evidence at hand suggests that HP's tactics in its 2006 leak investigation may not have been such an aberration after all.

HP hasn't explained why it has been so zealous in its pursuit of Kamb. But its fury, it appears, blinded it to the secrets he could spill. And a lawsuit intended to send a message about business ethics and the sanctity of proprietary information is revealing some embarrassing lapses by HP that otherwise might never have come to light.

PARDON MY PAST

For a man who has been tenaciously trading legal blows with a much larger opponent, Karl Kamb comes across as anything but pugnacious. Indeed, sitting in his lawyer's conference room not far from his Las Vegas home, he admits that a year and a half into HP's suit against him, he's deeply depressed. "If they're trying to

send a message," Kamb says of his former employer, "I've gotten it. I'm down on my knees, gasping for breath."

Kamb's friends accuse him of having a melodramatic streak, he acknowledges. But behind his angst and caution (one of his lawyers was present to ensure that Kamb didn't run afoul of the judge's order), you can see glimpses of the garrulous and engaging man that friends describe. He still cracks the occasional joke, and he shows a talent for sound bites. His summary of the culture clash that ensued when Compaq, which employed him, was acquired by HP: "It's like pumping B-positive blood into an O-negative body." And his earnest explanations are periodically interrupted by megadecibel outbursts from AC/DC's "You Shook Me All Night Long"—the ringtone on the BlackBerry Pearl that hangs on a lanyard around his neck.

Kamb built his career on his likability and ease. "He's the kind of person who can talk about anything under the sun," says a former HP colleague, David Colf. Raised in Malibu, Kamb is the son of a Japanese-

American mother and a much older American father (now deceased) who was once a Hollywood screenwriter and penned pulp and noir movies in the '30s, '40s, and '50s, such as *The Captive City* and *Pardon My Past*. He also wrote installments of a B-movie series titled *Crime Does Not Pay*.

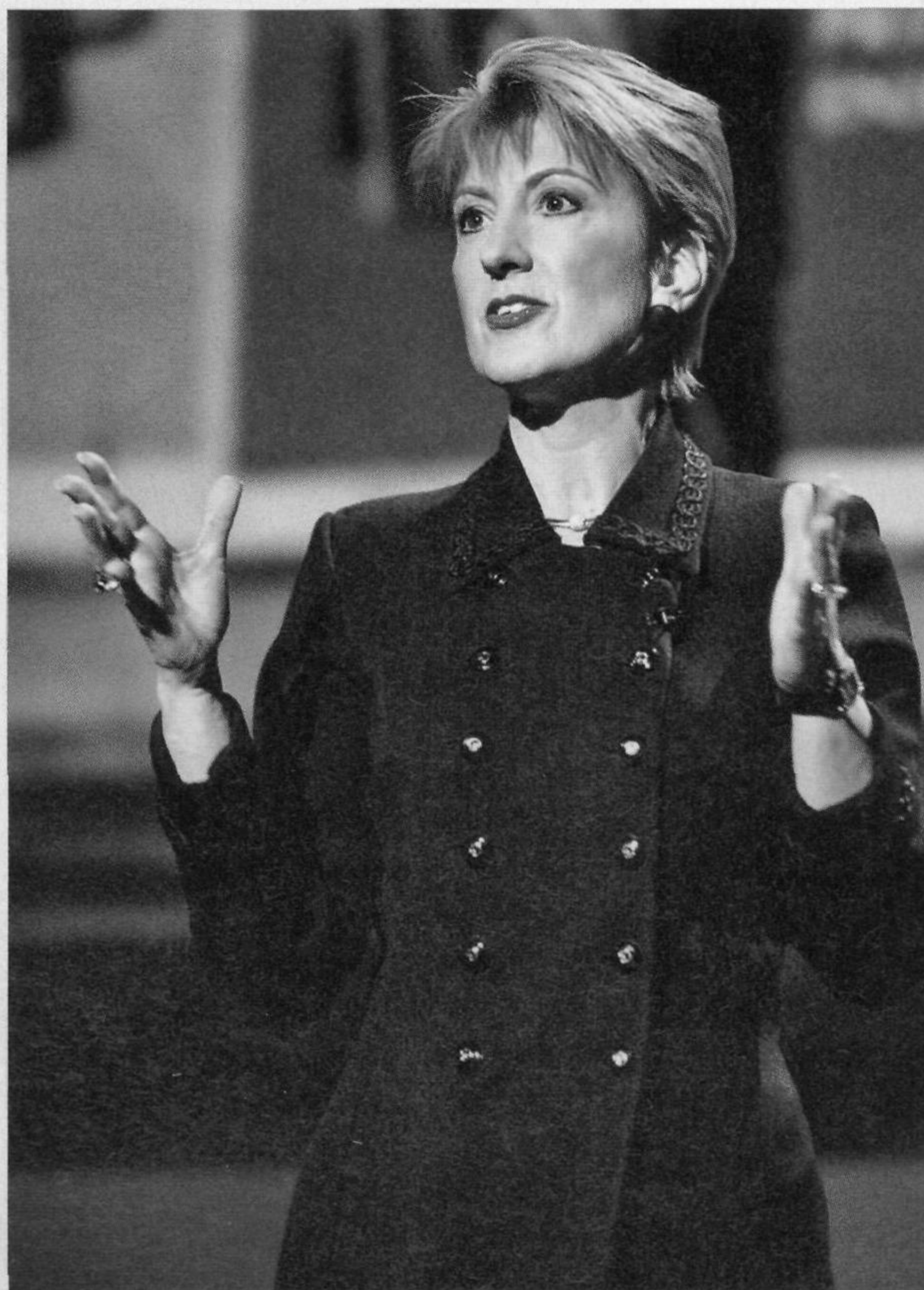
A yawning generation gap divided Kamb and his father, who was in his 80s when Kamb was a teenager. The two clashed, and the self-described "headstrong" youth left home while still in high school. He briefly attended music school and still plays piano and guitar and sings. (During happier times he maintained a collection of some 100 vintage Fender guitars. Kamb is also a classic gearhead who can spit out mind-numbing detail on, say, the water-cooled engine of his crimson Harley-Davidson V-Rod.) Kamb, who never graduated from college, even showed entrepreneurial inclinations, opening an alcohol-free nightclub for kids.

By his early 20s, Kamb settled into the consumer electronics industry, eventually joining Compaq in a sales job in the mid-'90s. In 2000 he accepted a position in Japan, and he stayed in Tokyo after Compaq was acquired by HP in May 2002.

Kamb's assignment for HP was loosely defined. He was its liaison with companies, such as Samsung, that were both giant customers and vendors for HP. He also had a second function: Kamb monitored the Asian market and kept his employer abreast of which new gizmos were getting hot in tech-obsessed Tokyo before they even existed in the U.S. A big part of his job was cultivating contacts, and he had the perfect personality: He could keep a crowd in stitches as they ran up a giant dinner tab on the company account.

It was in the course of Kamb's networking that he met Katsumi Iizuka, now 56. Iizuka was a dynamic figure. "He's like the Uncola," says Kamb.

BIG IDEA Kamb persuaded then-CEO Carly Fiorina to take HP into the flat-panel-TV biz; she staged a glitzy announcement (below) at the 2004 Consumer Electronics Show.



STEVE MARCUS—REUTERS/LANDOV



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