
<i>Selectica, Inc.</i> v. <i>Versata Enterprises, Inc.</i>: Delaware Court of Chancery Approves Net Operating Loss Poison Pill

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On February 26, 2010, the Delaware Court of Chancery issued its decision in *Selectica, Inc. v. Versata Enterprises, Inc.* holding that the adoption and implementation of a poison pill with a 4.99% trigger designed to protect a company's potentially valuable net operating losses ("NOLs") was a valid exercise of a board's business judgment. *Selectica* is a Delaware court's first application of *Unocal* outside of the hostile takeover context.

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