

[◀ Back to Newsroom](#)

# UIPATH CLASS ACTION NOTICE: BFA Law has Filed an Expanded Securities Fraud Class Action Lawsuit Against UiPath, Inc. (NYSE:PATH), Encourages Investors to Contact the Firm

Tuesday, 06 August 2024 01:00 PM

Topic: Class Action

Share this Article



**NEW YORK, NY / ACCESSWIRE / August 6, 2024 /** Bleichmar Fonti & Auld LLP ("BFA") announces that it has filed a class action lawsuit for violations of the federal securities laws against UiPath, Inc. ("UiPath" or the "Company") and certain of the Company's senior executives. The case is pending in the U.S. District Court for the Southern District of New York and is captioned *Simone Brunozzi v. UiPath, Inc.*, No. 24-cv-05959 ("*Brunozzi*").



The *Brunozzi* complaint is substantially similar to the complaint BFA filed in *Steiner v. UiPath, Inc.*, No. 24-cv-04702 (S.D.N.Y.) ("*Steiner*"), which is the first-filed securities class action in this matter. Pursuant to the notice published on June 20, 2024 in connection with the filing of *Steiner* and the Private Securities Litigation Reform Act of 1995, investors wishing to serve as Lead Plaintiff must file a motion for appointment as Lead Plaintiff by no later than August 19, 2024. The filing of *Brunozzi* does not alter that deadline.

*Brunozzi* asserts claims under Sections 10(b) and 20(a) of the Securities Exchange Act of 1934 on behalf of all persons and entities who purchased or acquired UiPath securities, including stock and call options, as well as those that sold put options on UiPath stock, between December 1, 2023 and the close of trading on May 29, 2024, inclusive (the "Class Period"). **This is a broader Class of investors than that asserted in Steiner.** Like *Steiner*, *Brunozzi* alleges that defendants misrepresented the success of UiPath's turnaround strategy as described below.

**If you suffered a loss on your UiPath investments and would like to discuss this matter, please submit your information at <https://www.bfalaw.com/cases-investigations/uipath-inc-investigation>.**

## Why was UiPath Sued for Securities Fraud?

UiPath provides business automation software, specifically a set of robotic process automation ("RPA") and Artificial Intelligence ("AI") powered automation tools that allow its customers to automate repetitive business tasks typically performed by humans. With the evolution of AI technology in recent years, UiPath has sought to enhance its offering with AI-powered products that work in conjunction with its RPA tools.

On September 27, 2022, after a period of stagnating growth and declining demand for its products, the Company announced a turnaround strategy designed to accelerate growth. The turnaround strategy included rebranding UiPath as an AI-powered Business Automation Platform and overhauling the Company's go-to-market sales strategy. The sales strategy overhaul included several facets, such as: (1) prioritizing selling UiPath's platform of products as opposed to allowing its customers to pick and choose single product offerings; and (2) increasing sales resources dedicated to the Company's largest customers and focusing sales efforts on its customers' C-suites.

strategy.

These statements were materially false and misleading. In truth, UiPath's turnaround strategy had failed. Fruitless investments and inconsistent execution plagued the Company's overhauled go-to-market strategy. Additionally, UiPath's AI-powered Business Automation Platform caused "confusion" among customers and was not able to be adequately scaled. As a result, UiPath experienced significant difficulties closing and/or expanding large multiyear deals.

### The Stock Declines as the Truth is Revealed

On May 29, 2024, UiPath announced the sudden departure of CEO Robert Enslin. On the same day, UiPath announced disappointing 1Q 25 financial results and significantly cut its FY 25 revenue guidance by 10%, or \$150 million. The Company attributed the poor results and guidance to several factors related to its failed turnaround strategy, including an inadequate "execution strategy to scale" the Company's AI-powered growth products "to reach their full potential," and that AI had "creat[ed] a little bit of confusion with our customers." UiPath also described how the "investments we have made to reaccelerate growth have fallen short of our expectations, [and] made us less agile in responding to customer needs" while experiencing "contract execution challenges on large deals."

This news caused the price of UiPath stock to decline \$6.23 per share, or more than 34%, from \$18.30 per share on May 29, 2024, to \$12.07 per share on May 30, 2024, resulting in significant harm to investors.

### What are my Rights?

If you purchased or otherwise acquired UiPath securities or sold put options on UiPath stock between December 1, 2023 and the close of trading on May 29, 2024, you may ask the Court no later than August 19, 2024, which is the first business day after 60 days from the date of the publication of the notice in connection with the filing of *Steiner*, to appoint you as Lead Plaintiff through counsel of your choice. To be a member of the Class, you need not take any action at this time. The ability to share in any potential future recovery is not dependent on serving as Lead Plaintiff.

**If you incurred losses on your investments in UiPath, you are encouraged to submit your information here:**  
<https://www.bfalaw.com/cases-investigations/ui-path-inc-investigation>.

You can also contact:

Ross Shikowitz  
[ross@bfalaw.com](mailto:ross@bfalaw.com)  
212-789-3619

### Why BFA Law?

Bleichmar Fonti & Auld LLP is a leading international law firm representing plaintiffs in securities class actions and shareholder litigation. It was named among the Top 5 plaintiff law firms by ISS SCAS in 2023 and its attorneys have been named Titans of the Plaintiffs' Bar by Law360 and SuperLawyers by Thompson Reuters. Among its recent notable successes, BFA recovered over \$900 million in value from Tesla, Inc.'s Board of Directors (pending court approval), as well as \$420 million from Teva Pharmaceutical Ind. Ltd.

**SOURCE:** Bleichmar Fonti & Auld LLP

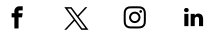
Topic: Class Action

 [Back to Newsroom](#)

## Contact Us Today

Contact Us

If you have questions or want to learn more about our products, our team's here to help!



**ABOUT**

- WHO WE ARE
- WHO WE SERVE
- CONTACT

**PRODUCTS**

- PRESS RELEASE DISTRIBUTION
- PRESS RELEASE OPTIMIZER
  - MEDIA SUITE
  - MEDIA DATABASE
  - MEDIA PITCHING
- MEDIA MONITORING
- MEDIA ROOM
- IR WEBSITES
- WEBCASTING

**NEWSROOM**

**RESOURCES**

- LIBRARY
- FAQ
- COMPANY SPOTLIGHT
- PRESS RELEASE SAMPLE
- PRESS RELEASE TEMPLATE
- BLOG

**CUSTOMER REVIEWS**

**LOGIN**

**CONNECT TODAY!**

- SALES
- EDITORIAL
- CONTENT LICENSING
- JOIN OUR NEWSLETTER
- 866-694-3099**