

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

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NEW YORK, June 20, 2024 (GLOBE NEWSWIRE) -- 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 complaint asserts claims under Sections 10(b) and 20(a) of the Securities Exchange Act of 1934 on behalf of investors in UiPath securities between December 1, 2023 and the close of trading on May 29, 2024 inclusive (the "Class Period"). The case is pending in the U.S. District Court for the Southern District of New York and is captioned *Zack Steiner v. UiPath, Inc.*, No. 1:24-cv-4702.

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/ui-path-inc-investigation>.**

You can also contact Ross Shikowitz, Esq., at 212-789-3619, or by email to ross@bfalaw.com.

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.

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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.

The complaint alleges that throughout the Class Period, defendants made materially false and misleading statements concerning the success of UiPath's turnaround strategy. For instance, defendants represented that the Company was "executing against that strategy, and we're seeing [the] results in the deal quality and the customer quality," asserted that "our strategic investments in innovations and our go-to-market ecosystem positions us well for continued momentum," and that "there's no doubt there's [been] better execution" since the implementation of the turnaround 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.

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 "create[ed] a little bit of confusion with our customers." Ui Path 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 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 this notice, 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.

Submit your information here: <https://www.bfalaw.com/cases-investigations/ui-path-inc-investigation>

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.

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