For seven years, Allen Lopez had worked for ExtremeNet, a well-known, global, high-technology company that provides clients with Internet services such as e-commerce and Web development, online marketing, strategic planning, and research. Allen was well paid and performed well in a responsible middle-management position, which he found rewarding. However, as ExtremeNet struggled to manage the effects of an economic downturn, Allen became disenchanted with the company's treatment of lower-level employees, including his own assistant. Among Allen's concerns were gender and age discrimination during layoffs, as well as changes to personnel policies that he believed treated lower-level employees unfairly.

Allen's frustrations grew after he raised his concerns in vain with his superiors. What he did next put his career in jeopardy: Working at home over several weekends, Allen created and published on the Internet a satiric website that inveighed against the abusive management practices of a fictional company that bore a striking resemblance to ExtremeNet. The site gained some notoriety among high- tech websites and in the business press.

The upper management of ExtremeNet was incensed to learn of the site's existence and was dismayed and concerned that the site generated so much traffic and publicity. Although Allen protested that he acted out of a sense of justice and asserted that his creative work was protected by his first amendment rights, this did not prevent the executives of ExtremeNet from hastily assembling an emergency meeting to decide whether Allen Lopez should be discharged, and