Larry W. McFarland (Bar No. 129668) 1 E-Mail: Imcfarland@kmwlaw.com 2 Dennis Wilson (Bar No. 155407) E-Mail: dwilson@kmwlaw.com 3 David K. Caplan (Bar No. 181174) E-Mail: dcaplan@kmwlaw.com 4 Christopher T. Varas (Bar No. 257080) E-Mail: cvaras@kmwlaw.com 5 KEATS McFARLAND & WILSON LLP 9720 Wilshire Boulevard Penthouse Suite 6 Beverly Hills, California 90212 Telephone: (310) 248-3830 7 Facsimile: (310) 860-0363 8 Attorneys for Plaintiff 9 ZYNGA GAME NETWORK, INC. 10 11 12 UNITED STATES DISTRICT COURT 13 NORTHERN DISTRICT OF CALIFORNIA 14 SAN FRANCISCO DIVISION 15 16 ZYNGA GAME NETWORK, INC., a Delaware CASE NO. Corporation, 17 **COMPLAINT FOR:** 18 Plaintiff. (1) VIOLATION OF 15 U.S.C. § 1125(a); (2) 19 v. **VIOLATION OF 18 U.S.C. § 1030; (3)** VIOLATION OF CAL. BUS. & PROF. 20 PROMILA SAINI, an individual, SANDEEP CODE § 17200; (4) VIOLATION OF BAWEJA, an individual, and JOHN DOES 1-5 CALIFORNIA PENAL CODE § 502; (5) 21 D/B/A TRADEPOKERCHIPS.COM, STATE COMMON LAW TRADEMARK **INFRINGEMENT; (6) COMMON LAW** 22 Defendants. **PASSING OFF AND UNFAIR** 23 **COMPETITION; (7) BREACH OF CONTRACT**; (8) INTENTIONAL 24 INTERFERENCE WITH CONTRACTUAL **RELATIONS; (9) TRESPASS TO** 25 **CHATTELS** 26 **DEMAND FOR JURY TRIAL** 27 28 CASE NO. COMPLAINT

caused to occur, were actions that each Defendant authorized, controlled, directed, or had the ability

to authorize, control or direct, and/or were actions in which each Defendant assisted, participated or

otherwise encouraged, and are actions for which each Defendant is liable. Each Defendant aided

and abetted the actions of the Defendants set forth below, in that each Defendant had knowledge of

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those actions, provided assistance and benefitted from those actions, in whole or in part. Each of the Defendants was the agent of each of the remaining Defendants, and in doing the things hereinafter alleged, was acting within the course and scope of such agency and with the permission and consent of each and every one of the other Defendants.

#### Jurisdiction and Venue

- 7. This action arises under the trademark laws of the United States, 15 U.S.C. § 1051, et seq., particularly under 15 U.S.C. § 1125(a), as well as the Computer Fraud and Abuse Act, 18 U.S.C. § 1030; state unfair competition law; California Penal Code § 502; the common law of trademark infringement, passing off and unfair competition; breach of contract; the common law of intentional interference with contractual relations, and the common law of trespass to chattels. This Court has jurisdiction of the federal claims under 28 U.S.C. §§ 1331 and 1338, and 15 U.S.C. §§ 1116, 1121, and 1125. This Court has supplemental jurisdiction of the state unfair competition claims under 28 U.S.C. § 1338(b), those claims being joined with a substantial and related claim under the Trademark Laws of the United States, and supplemental jurisdiction of all of the state law claims under 28 U.S.C. § 1367(a), those claims being so related to the federal claims that they form part of the same case or controversy and derive from a common nucleus of operative fact.
- 8. Venue is proper in this district under 28 U.S.C. §§ 1391(b)(2), and because Defendants have consented to venue in this district.

### **Intradistrict Assignment**

9. This being an Intellectual Property Action, the Court's Assignment Plan provides for assignment of this Action on a district-wide basis. To the extent this Action may be deemed to have arisen in a particular county within this District, that county is San Francisco County on the grounds that a substantial part of the events or omissions which give rise to Zynga's claims occurred in San Francisco County, where Zynga is located.

#### **Factual Allegations**

10. Zynga is the largest social gaming company, providing, inter alia, online poker games, word games, board games, role playing games and party games including Texas Hold'Em Poker, Mafia Wars, YoVille, Vampires, Street Racing, Scramble and Word Twist. Zynga's games

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are available on Facebook, MySpace, Bebo, Hi5, Friendster, Tagged, Yahoo!, the iPhone and iPod Touch, among others.

- 11. Zynga coined the trademark and service mark (collectively "mark") ZYNGA and has made use of the mark ZYNGA in commerce since June 2007.
- 12. Zynga's games have been a runaway success. In July, 2008, Zynga had over 1.3 million daily active users and 20 million registered users. As of January 1, 2009, Zynga had over 75 million registered users. As of May, 2009, Zynga had more than 9.5 million daily users.
- 13. Zynga's success and the success of the ZYNGA mark have been widely reported in the press, on the Internet and in blogs.
- 14. The mark ZYNGA is inherently distinctive, and furthermore, by virtue of the extensive online sales and advertising under the mark ZYNGA, the ZYNGA mark has become well-known within social gaming circles as a source identifier for Zynga's games.
- 15. Zynga owns United States Federal Trademark Registration No. 3,685,749 for the mark ZYNGA in International Class 009 for downloadable computer game software for use on wireless devices and computers, and International Class 041 for entertainment services, namely providing on-line computer games. A true and correct copy of federal Trademark Registration Certificate 3,685,749 is attached hereto as Exhibit 1.
- 16. One of Zynga's most popular properties is Zynga Poker (the "Game"), a computerized version of the world-famous Texas Hold'Em poker game.
- 17. Zynga makes the Game available through social networking websites and applications (collectively "Providers"), including but not limited to those identified in Paragraph 8 above.
- 18. Zynga owns or leases the computer servers that players must access in order to play the Game. Zynga grants players who participate in the Game a revocable license to access its servers for the purpose of playing the Game.
- 19. Zynga's Terms of Service govern users' play of the Game, and players who use the Game must consent to the Terms of Service.
  - 20. Players who use the Game in a manner not expressly authorized by Zynga, including

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obtained their "chips" directly from Zynga.

Defendants advertise and "sell" these "chips" using the ZYNGA mark and/or

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through the Providers' websites and/or applications, can use to compete with other players who

Through the Websites, Defendants "sell" "chips" that users, playing the Game

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(18 U.S.C. § 1030)

Zynga repeats, realleges and incorporates each and every allegation of the foregoing

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unlawful, unfair and/or fraudulent ongoing business practices in violation of California Business &

By reason of Defendants' conduct as alleged herein, Defendants have engaged in

users of Zynga's computers, computer systems, and computer network in violation of California

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Penal Code § 502(c)(5).

- 55. Defendants have knowingly and without permission provided or assisted in providing a means of accessing Zynga's computers, computer systems and computer networks in violation of California Penal Code § 502. *See* California Penal Code § 502(c)(6).
- 56. Defendants have knowingly and without permission accessed or caused to be accessed Zynga's computers, computer systems and computer network in violation of California Penal Code § 502(c)(7).
  - 57. Defendants' actions as alleged herein have caused Zynga to suffer damage and loss.
- 58. Defendants' actions as alleged herein have been oppressive, fraudulent or malicious. Zynga requests punitive or exemplary damages pursuant to California Civil Code § 3294(a) in an amount sufficient to punish and deter Defendants and to make an example of Defendants.
- 59. Defendants' actions as alleged herein have caused and will continue to cause Zynga irreparable harm for which there is no adequate remedy at law, and are also causing damage to Zynga in an amount which cannot be accurately computed at this time but will be proven at trial.
- 60. This Court has jurisdiction over the subject matter of this claim pursuant to the provisions of 28 U.S.C. § 1367.

#### FIFTH CAUSE OF ACTION

#### (Common Law Trademark Infringement of the Mark ZYNGA)

- 61. Zynga repeats, realleges and incorporates each and every allegation of the foregoing paragraphs, as though fully set forth in this cause of action.
- 62. Defendants' unauthorized use of the mark ZYNGA and/or of confusingly similar misspellings or variations thereof constitutes trademark infringement and is likely to cause confusion, deception and mistake among the consuming public and trade as to the source of, and authorization for the products and/or services sold by Defendants in violation of the common law of the State of California.
- 63. As well as harming the public, Defendants' conduct as alleged herein has caused and will continue to cause Zynga irreparable harm for which there is no adequate remedy at law, and is also causing damage to Zynga in an amount which cannot be accurately computed at this time but will be proven at trial.

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64. This Court has jurisdiction over the subject matter of this claim pursuant to the provisions of 28 U.S.C. § 1338(b), this being a claim of infringement joined with a substantial and related claim under the Trademark Laws of the United States, and under 28 U.S.C. § 1367.

#### SIXTH CAUSE OF ACTION

#### (California Common Law Passing Off and Unfair Competition)

- 65. Zynga repeats, realleges and incorporates each and every allegation of the foregoing paragraphs, as though fully set forth in this cause of action.
- 66. By virtue of their conduct as alleged herein, Defendants have engaged and are engaging in unfair competition and passing off under the common law of the State of California.
- 67. As well as harming the public, Defendants' conduct as alleged herein has caused and will continue to cause Zynga irreparable harm for which there is no adequate remedy at law, and is also causing damage to Zynga in an amount which cannot be accurately computed at this time but will be proven at trial.
- 68. Defendants' actions were undertaken intentionally to obtain an unfair advantage over Zynga and in conscious disregard of Zynga's rights, and were malicious, oppressive and/or fraudulent. Zynga requests punitive or exemplary damages pursuant to California Civil Code § 3294(a) in an amount sufficient to punish and deter Defendants and to make an example of Defendants.
- 69. This Court has jurisdiction over the subject matter of this claim pursuant to the provisions of 28 U.S.C. § 1338(b), this being a claim of unfair competition joined with a substantial and related claim under the Trademark Laws of the United States, and under 28 U.S.C. § 1367.

#### SEVENTH CAUSE OF ACTION

#### (Breach of Contract)

- 70. Zynga repeats, realleges and incorporates each and every allegation of the foregoing paragraphs, as though fully set forth in this cause of action.
- 71. By participating in the Game, Defendants have agreed to be bound by the Terms of Service governing use of the Game as alleged above.
  - 72. Zynga has performed all conditions, covenants and promises required to be performed

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on its part in accordance with the Terms of Service except as excused by Defendants' failure to perform all conditions, covenants and promises required to be performed on Defendant's part.

- 73. By "selling" "chips" for use in the Game through the Websites, and by using the Game itself to transfer the "chips" they sell, Defendants have breached the Terms of Service.
- 74. Defendants' conduct as alleged herein has caused and will continue to cause Zynga irreparable harm for which there is no adequate remedy at law, and is also causing damage to Zynga in an amount which cannot be accurately computed at this time but will be proven at trial.
- 75. This Court has jurisdiction over the subject matter of this claim pursuant to the provisions of 28 U.S.C. § 1367.

### **EIGHTH CAUSE OF ACTION**

#### (Intentional Interference with Contractual Relations)

- 76. Zynga repeats, realleges and incorporates each and every allegation of the foregoing paragraphs, as though fully set forth in this cause of action.
  - 77. Zynga has existing valid contracts with users of the Game.
- 78. Zynga is informed and believes, and on that basis alleges, that Defendants have knowledge of those contracts, and that Defendants have acted intentionally to induce a breach or disruption of those contractual relationships by "selling" "chips" for the Game without authorization, at prices that are substantially lower than the prices paid by users who obtain their "chips" from Zynga, and by distributing "chips" to users in a manner prohibited by the Terms of Service.
- 79. Defendants' actions as alleged herein have caused actual disruption or breach of Zynga's contractual relationships with individual users.
- 80. Defendants' conduct as alleged herein has caused and will continue to cause Zynga irreparable harm for which there is no adequate remedy at law, and is also causing damage to Zynga in an amount which cannot be accurately computed at this time but will be proven at trial.
- 81. This Court has jurisdiction over the subject matter of this claim pursuant to the provisions of 28 U.S.C. § 1367.

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#### **NINTH CAUSE OF ACTION**

#### (Trespass to Chattels)

- 82. Zynga repeats, realleges and incorporates each and every allegation of the foregoing paragraphs, as though fully set forth in this cause of action.
- 83. Zynga has a possessory interest in the servers that Defendants have used to access the Game and in the virtual "chips" Defendants sell.
- 84. Defendants have intentionally and without authorization interfered with Zynga's possessory interest in the servers and the "chips" by using the servers to conduct their unauthorized and unlawful activities as alleged herein.
- 85. Defendants' conduct as alleged herein has caused and will continue to cause Zynga irreparable harm for which there is no adequate remedy at law, and is also causing damage to Zynga in an amount which cannot be accurately computed at this time but will be proven at trial.
- 86. Defendants' actions were undertaken intentionally to obtain an unfair advantage over Zynga and in conscious disregard of Zynga's rights, and were malicious, oppressive and/or fraudulent. Zynga requests punitive or exemplary damages pursuant to California Civil Code § 3294(a) in an amount sufficient to punish and deter Defendants and to make an example of Defendants.
- 87. This Court has jurisdiction over the subject matter of this claim pursuant to the provisions of 28 U.S.C. § 1367.

#### REQUEST FOR RELIEF

Zynga requests that this Court:

- A. Enter a permanent injunction enjoining Defendants and their officers, directors, agents, employees, representatives and all persons or entities acting in concert or participation with Defendants from accessing or using Zynga's computer servers, including without limitation the Game or any other games or applications that Zynga makes available, for any purpose whatsoever;
- B. Enter a permanent injunction enjoining Defendants and their officers, directors, agents, employees, representatives and all persons or entities acting in concert or participation with Defendants from using the mark ZYNGA and/or confusingly similar misspellings or variations

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thereof, alone or in combination with any other words or phrases, in a manner that is likely to cause confusion with respect to the mark ZYNGA or with respect to Zynga's approval or authorization of Defendants' actions, including but not limited to enjoining Defendants from registering any Internet domain names containing the term ZYNGA and/or of confusingly similar misspellings or variations thereof, alone or in combination with any other terms;

- C. Enter a permanent injunction enjoining Defendants and their officers, directors, agents, employees, representatives and all persons or entities acting in concert or participation with Defendants from accessing, playing, or otherwise participating in the Game, or in any other game or application that Zynga makes available;
- D. Enter a permanent injunction enjoining Defendants and their officers, directors, agents, employees, representatives and all persons or entities acting in concert or participation with Defendants from buying, selling, offering for sale, advertising, exchanging, trading or otherwise dealing in "chips" for use in the Game, as well as any currency or items used in any game or application that Zynga makes available.
- E. Enter a permanent injunction requiring Defendants and their officers, directors, agents, employees, representatives and all persons or entities acting in concert or participation with Defendants to immediately cease any conduct suggesting or tending to suggest that any products or services they advertise or offer for sale are directly or indirectly sponsored or approved by, or affiliated with Zynga;
- F. Order the transfer of the Domain Names, and any other Internet domain names

  Defendants are using in connection with the sale, offering for sale, advertisement, or exchange of

  "chips" for use in the Game, to Zynga;
  - G. Enter a finding that Defendants' actions were willful, deliberate, and malicious;
- H. Enter a finding that Defendants' actions were malicious, oppressive and/or fraudulent;
- I. Award Zynga damages in an amount to be proven at trial that will be trebled pursuant to the applicable statute, as well as pre-judgment and post-judgment interest;
  - J. Enter an order, pursuant to 15 U.S.C. § 1118 and other applicable law, directing

1 Defendants to deliver for destruction all products in their possession or under their control that infringe Zynga's intellectual property rights; Award Zynga punitive damages in an amount sufficient to punish and deter 3 K. Defendants; 4 L. Enter an award of attorneys' fees and costs; and 5 Award any such other and further relief as this Court deems just and proper. M. 6 7 PLAINTIFF ZYNGA HEREBY DEMANDS A TRIAL BY JURY. 8 9 Dated: November 13, 2009 10 Christopher T. Varas Keats McFarland & Wilson LLP 11 Attorneys for Plaintiff ZYNGÅ GAME NETWORK, INC. 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28

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# Zynga Game Network, Inc. v. Promila Saini, Sandeep Baweja, and John Does 1-5 d/b/a tradepokerchips.com U.S. District Court, Northern District of California (San Francisco Division) Case No.\_\_\_\_\_

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# **EXHIBIT 1**

# United States of America United States Patent and Trademark Office

# **#**zynga

Reg. No. 3,685,749 ZYNGA GAME NETWORK INC. (DELAWARE CORPORATION)
Registered Sep. 22, 2009 365 VERMONT STREET
SAN FRANCISCO, CA 94103

Int. Cls.: 9 and 41 FOR: DOWNLOADABLE COMPUTER GAME SOFTWARE FOR USE ON WIRELESS DEVICES AND COMPUTERS, IN CLASS 9 (U.S. CLS. 21, 23, 26, 36 AND 38).

TRADEMARK FIRST USE 6-0-2007; IN COMMERCE 6-0-2007. SERVICE MARK

PRINCIPAL REGISTER FOR: ENTERTAINMENT SERVICES, NAMELY, PROVIDING ON-LINE COMPUTER GAMES, IN CLASS 41 (U.S. CLS. 100, 101 AND 107).

FIRST USE 6-0-2007; IN COMMERCE 6-0-2007.

THE MARK CONSISTS OF A DOG NEXT TO ZYNGA.

SER. NO. 77-684,104, FILED 3-5-2009.

KIM SAITO, EXAMINING ATTORNEY



David J. Kyppas

Director of the United States Patent and Trademark Office

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