

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

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JOHN MCAFEE and MGT CAPITAL	:	Civil Action No.:
INVESTMENTS, INC,	:	
	:	
Plaintiffs,	:	
	:	
- against -	:	
	:	
INTEL CORPORATION,	:	JURY TRIAL
	:	DEMANDED
Defendant.	:	
	:	
-----X		

**COMPLAINT FOR DECLARATORY JUDGMENT OF
TRADEMARK NON-INFRINGEMENT, TRADEMARK NON-DILUTION,
FOR NO UNFAIR COMPETITION AND FOR NO BREACH OF CONTRACT**

Plaintiffs John McAfee (“McAfee”) and MGT Capital Investments, Inc. (“MGT”) (hereinafter collectively referred to as Plaintiffs), by and through their attorneys of record, complaining of Intel Corporation ("Intel" or "Defendant"), allege as follows:

STATEMENT OF THE CASE

1. Plaintiffs bring this action for a judgment declaring that their use of or reference to the personal name of John McAfee and/or McAfee in their business, and specifically in the context of renaming MGT Capital Investments, Inc., of which McAfee is the Executive Chairman and Chief Executive Officer, to “John McAfee Global Technologies, Inc.,” does not infringe upon Defendant’s trademark rights or breach any agreement between the parties. This action arises out of allegations by the Defendant that the use by the Plaintiffs of McAfee’s personal name in business and in MGT’s proposed name change to “John McAfee Global Technologies, Inc.,” will infringe on Defendant’s several trademarks consisting of or containing

the word “MCAFEE.”

JURISDICTION AND VENUE

2. This is an action for, *inter alia*, declaratory relief under the Lanham Act, 15 U.S.C. § 1051 *et seq.*, and the Declaratory Judgment Act, 28 U.S.C. § 2201 *et seq.* This Court has subject matter jurisdiction over Plaintiffs’ declaratory judgment claims pursuant to 28 U.S.C. §§ 1331, 1338(a), 2201 and 2202, and pursuant to 15 U.S.C. § 1121. This Court has supplemental jurisdiction for Plaintiffs’ claim for no breach of contract pursuant to 28 U.S.C. 1367(a) because this claim is so related to the federal claims brought herein as to form part of the same case or controversy.

3. Upon information and belief, this Court has personal jurisdiction over Defendant because it regularly conducts business within the state of New York and this judicial district.

4. Venue is proper in this Court pursuant to 28 U.S.C. § 1391.

THE PARTIES

5. Plaintiff John McAfee resides in Tennessee.

6. MGT is a corporation organized and existing under the laws of the State of Delaware with its principal place of business located in Harrison, New York. MGT, through its subsidiaries, is engaged in the business of acquiring, developing and monetizing assets in the online and mobile gaming space. Further, with McAfee at the helm, MGT is in the process of acquiring a diverse portfolio of cyber security technologies.

7. Upon information and belief, defendant Intel Corporation is corporation organized and existing under the laws of the State of Delaware with its principal place of business located in Santa Clara, California. It conducts business both directly and through wholly-owned and

dominated subsidiaries worldwide, including the Southern District of New York. Intel and its subsidiaries design, produce, and sell a variety of microprocessors, flash memory devices, and silicon-based products for use in the computer and communications industries worldwide, including the Southern District of New York.

8. Upon information and belief, Defendant is aware that MGT is located in this judicial district and purposefully directed its conduct at issue in this case at MGT in this judicial district.

FACTS COMMON TO ALL COUNTS

9. John McAfee is businessman in the field of information security.

10. On or about September 30, 1991, McAfee entered into an Asset Acquisition Agreement (the “Agreement”) with McAfee Associates, L.P. (the “LP”) to transfer certain assets in exchange for stock in the LP and a promissory note. A true and correct copy of the Agreement is attached hereto as Exhibit A.

11. The Agreement sets forth, in pertinent part, that “upon the terms and subject to the conditions set forth in this Agreement, [McAfee] shall sell, convey, assign and transfer to [the LP] and [the LP] shall acquire all of [McAfee’s] right, title and interest in and to the Assets.”

12. The Agreement defines the “Assets” as “the Contributed Assets and the Purchased Assets.”

13. The Contributed Assets are defined in the Agreement as “the Contracts, Property and Equipment, Proprietary Rights, Receivables and all other assets of [McAfee] other than cash, cash equivalents, and the Purchased Assets.”

14. The Purchased Assets are defined in the Agreement as “[McAfee’s] rights and

title to the trademarks, tradenames, and associated goodwill used or useful in the conduct of [McAfee's] Business.”

15. At no point in the Agreement did McAfee assign the rights to his personal name, via assignment of trademark or otherwise, or agree to restrict his right to do business using his own name.

16. Further, the Agreement did not contain any non-compete provisions of any kind.

17. At the time of the Agreement, McAfee had not filed for or registered the trademark to “John McAfee,” “McAfee,” or any other iteration of his name.

18. A review of the USPTO trademark database reveals eight (8) marks involving the word “McAfee” in conjunction with computers, though none refer to John McAfee, which upon information and belief were filed by the Defendant, and each of the filing dates are subsequent to the Agreement as follows:

- (a) “MCAFEE,” Registration No. 1818780, filing date December 21, 1992;
- (b) “MCAFEE SECURITY,” Registration No. 2885736, filing date February, 24, 2003;
- (c) A stylized “M” on a shield followed by “McAfee,” Registration No. 3960405, filing date October 7, 2009;
- (d) A stylized “M” on a shield, Registration No. 3960406, filing date October 7, 2009;
- (e) “MCAFEE PROVEN SECURITY,” Registration No. 3232954, filing date April 20, 2006;
- (f) “MCAFEE SECURE,” Registration No. 4040679, filing date September 1, 2010;
- (g) A stylized “M” on a shield followed by “MCAFEE SECURE,” Registration No. 4040682, filing date September 1, 2010; and

(h) “MCAFEE LIVESAFE,” Serial No. 85953784, filing date May 16, 2015. (the marks above, if found to be valid and existing and owned by the Defendant, plus any other valid and existing marks owned by the Defendant, are collectively referred to as “Defendant’s Marks.”)

19. Defendant never consulted, requested or otherwise obtained the permission of McAfee to use his last name as part of Defendant’s Marks on its products.

20. A review of “dead” – cancelled or abandoned – marks reveal that the LP (or one of its iterations) filed for marks, all subsequent to the execution of the Agreement, including: “MCAFEE ASSOCIATES,” Registration No. 1803121, filing date August 10, 1992, cancelled on December 23, 2000. None of the dead marks were filed prior to the execution of the Agreement.

21. The only mark, alive or dead, pertaining to the d/b/a “McAfee Associates” referred to in the Agreement was “MCAFEE ASSOCIATES,” which was cancelled in 2000.

22. McAfee resigned from the LP in 1994 and subsequently sold his remaining stake in the LP in 1997. Since that time, McAfee has been a presence on the global stage in the computer world and beyond. McAfee has founded many computer-based business ventures, including inter alia, Tribal Voice, which developed one of the first instant messaging programs, Future Tense Central, producer of a secure computer network device called the D-Central, and Cognizant a/k/a DCentral 1, an application for smartphones, which displays information about the permissions of other installed applications. McAfee also invested in and joined the board of directors of Zone Labs, makers of firewall software.

23. In or about May, 2016, MGT announced that McAfee would be joining the

company as Executive Chairman and Chief Executive Officer, and would be teaming up with other giants of the technology field, such as Nolan Bushnell, the founder of Atari and multiple other technology based companies, with the goal of acquiring a diverse portfolio of cyber security technologies. With cyber security industry pioneer McAfee at its helm, MGT Capital is positioned to address various cyber threats through advanced protection technologies for mobile and personal tech devices, including tablets and smart phones. McAfee is now poised to fully focus, running his own company with his own name, on the arenas of cyber security and protection for which he is known for throughout the world.

24. In or about May, 2016, MGT also stated its intent to change its corporate name to “John McAfee Global Technologies, Inc.” upon closing of the D-Vasive transaction.

25. Upon information and belief, Intel acquired the LP (after various mergers and renaming) in 2010.

26. Upon information and belief, in January 2014, Intel ceased using the Defendant’s Marks in its security products that it attained in said acquisition, and is now marking said products under “Intel Security.”

27. On or about June 3, 2016, MGT received a letter from the Managing Counsel of Intel Corporation (the “Demand Letter”) which, inter alia, wrongfully asserted that “McAfee sold the MCAFEE trademark to McAfee Associates, LP (a predecessor company)... [and] forfeited any right to use the McAfee name in connection with security solutions and services” and threatened that the use of the name “John McAfee Global Technologies, Inc.” would result in Intel “tak[ing] all necessary legal action to protect its trademark rights.” Intel also indicated that McAfee’s use of his own name for a company of which he is the Executive Chairman and CEO

would “suggest some affiliation or relationship” with Intel or the Defendant’s Marks, “likely to confuse consumers as to the source of... products,” and that any use of McAfee’s own name would constitute infringement and dilution of [the Defendant’s Marks] as well as unfair competition”. A true and correct copy of the Demand Letter is attached hereto as Exhibit B.

28. The Demand Letter further insisted that MGT provide “written confirmation by June 17, 2016 that [MGT] will not change your company’s name to one that includes [the Defendant’s Marks] or otherwise use the MCAFEE name as a trademark. You are now on notice of Intel’s objections.”

29. Defendant’s assertion of its alleged rights against Plaintiffs, its written formal Demand Letter with its threat of legal action exposes Plaintiffs to liability for, inter alia, trademark infringement, trademark dilution, unfair competition and breach of contract, which has created an actual, substantial justiciable controversy between Plaintiffs and Defendant within the meaning of 28 U.S.C. §§ 1331, 1338, 2201 and 2202, concerning Defendant’s purported rights the Defendant’s Marks and in McAfee’s name. This Court's determination of the issues presented by the actual controversy between Plaintiffs and Defendant will afford relief from the uncertainty, insecurity and controversy with respect to the rights, status and legal relations between the parties. A declaration of the parties' respective rights will settle the conflicting and disputed claims of the parties and will afford them the security of knowing precisely the respective rights that each possess. Declaratory relief is equitable, necessary and proper under the circumstances presented by this case.

FIRST CLAIM FOR RELIEF
(Declaratory Judgment of Non-Infringement)
[15 U.S.C. § 1114]

30. Plaintiffs incorporate all prior allegations as if set forth fully herein.

31. Defendant has formally claimed via the Demand Letter that it possesses protectable trademark rights in the Defendant's Marks and that Plaintiffs' use of McAfee's own name in connection with "John McAfee Global Technologies, Inc." would infringe Defendant's Marks.

32. Plaintiffs assert that its use of McAfee's personal name on his company is a lawful use that is not infringing on any valid and existing U.S. trademark registration owned by the Defendants, and is squarely protected under the First Amendment to the United States Constitution.

33. McAfee never sold his own name to the Defendant or to the LP, and in fact did not own any trademark of his own name or any part thereof at the time of the Agreement.

34. McAfee likewise never "forfeited" his right to use his own name in the Agreement.

35. Defendant is attempting to exert and assert against Plaintiffs rights which it does not possess and rights that are beyond the bounds of its rights in the Defendant's Marks in a manner that violates the basic rights of Plaintiffs.

36. The rights of the parties are dependent upon the facts and application of law thereto.

37. Plaintiffs are being damaged by the continued uncertainty created by Defendant

with respect to the legitimate use of McAfee's name.

38. By reason of the existence of an actual and justiciable controversy, Plaintiffs are entitled to a declaratory judgment that their use of McAfee's personal name in the company name "John McAfee Global Technologies, Inc." does not infringe Defendant's claimed federal, international or common law rights in the Defendant's Marks and does not violate Section 43(a) of the Lanham Act, 15 U.S.C. § 1114.

SECOND CLAIM FOR RELIEF
(Declaratory Judgment of Non-Infringement)
[15 U.S.C. § 1125(a)]

39. Plaintiffs incorporate all prior allegations as if set forth fully herein.

40. Defendant has formally claimed via the Demand Letter that it possesses protectable trademark rights in the Defendant's Marks and that Plaintiff's use of McAfee's own name in connection with "John McAfee Global Technologies, Inc." would infringe Defendant's Marks, cause consumer confusion and/or imply a relationship or affiliation with Defendant.

41. Plaintiffs assert that their use of McAfee's personal name on the company he is helming is a lawful use that is not infringing Defendant's claimed rights in any way, is not an infringing use of Defendant's purported right in the Defendant's Marks, and is squarely protected under the First Amendment to the United States Constitution.

42. Plaintiffs further assert that consumer confusion will not occur as "John McAfee Global Technologies, Inc." is the full use of McAfee's name, and is a clear reference to McAfee as an individual and as a famed international figure in his own right.

43. McAfee never sold his own name to the Defendant or to the LP, and in fact did

not own any trademark of his own name or any part thereof at the time of the Agreement.

44. McAfee likewise never “forfeited” his right to use his own name in the Agreement.

45. Defendant is attempting to exert and assert against Plaintiffs rights which it does not possess and rights that are beyond the bounds of its rights in the Defendant’s Marks in a manner that violates the basic rights of Plaintiffs.

46. No representation as to Intel’s endorsement, affiliation, connection, association, participation, sponsorship or approval of “John McAfee Global Technologies, Inc.” has been made by Plaintiffs to the public.

47. No sufficient and adequate alternative means to the use of McAfee’s own personal name in his own company exist.

48. The rights of the parties are dependent upon the facts and application of law thereto.

49. Plaintiffs are being damaged by the continued uncertainty created by Defendant with respect to the legitimate use of McAfee’s name.

50. By reason of the existence of an actual and justiciable controversy, Plaintiffs are entitled to a declaratory judgment that their use of McAfee’s personal name in the company name “John McAfee Global Technologies, Inc.” does not infringe Defendant’s claimed federal, international or common law rights in the Defendant’s Marks and do not violate Section 43(a) of the Lanham Act, 15 U.S.C. § 1125(a).

THIRD CLAIM FOR RELIEF
(Declaratory Judgment of Non-Dilution)
[15 U.S.C. § 1125(c)]

51. Plaintiffs incorporate all prior allegations as if set forth fully herein.

52. Defendant has formally claimed via the Demand Letter that Plaintiffs' use of McAfee's name in "John McAfee Global Technologies, Inc." would cause dilution of Defendant's Marks.

53. Plaintiffs assert their intended use of McAfee's personal name in "John McAfee Global Technologies, Inc.," is a lawful use that is not infringing nor does it blur or tarnish in any way Defendant's claimed rights in, among other things, the Defendant's Marks and is squarely protected under the First Amendment to the United States Constitution.

54. Defendant is attempting to exert and assert against Plaintiffs, through its allegations of blurring or tarnishment, rights which it does not possess and rights that are beyond the bounds of its rights in the Defendant's Marks in a manner that violates the basic rights of Plaintiffs.

55. No representation as to Intel's endorsement, affiliation, connection, association, participation, sponsorship or approval of "John McAfee Global Technologies, Inc." has been made by Plaintiffs to the public.

56. No sufficient and adequate alternative means to the use of McAfee's own personal name in his own company exist.

57. The rights of the parties are dependent upon the facts and application of law thereto.

58. Plaintiffs are being damaged by the continued uncertainty created by Defendant with respect to the legitimate use of McAfee's name.

59. By reason of the existence of an actual and justiciable controversy, Plaintiffs are entitled to a declaratory judgment that their use McAfee's personal name in the company name "John McAfee Global Technologies, Inc." does not violate Section 43(c) of the Lanham Act, 15 U.S.C. § 1125(c).

FOURTH CLAIM FOR RELIEF
(Declaratory Judgment the Plaintiffs Are Not Unfairly Competing)
[15 U.S.C. § 1125(a)]

60. Plaintiffs incorporate all prior allegations as if set forth fully herein.

61. Defendant has formally claimed via the Demand Letter that Plaintiffs' use of McAfee's name in "John McAfee Global Technologies, Inc." would constitute unfair competition.

62. Plaintiffs assert their intended use of McAfee's personal name in "John McAfee Global Technologies, Inc.," is a lawful use that is does constitute unfair competition under the laws of the United States, state law or common law, and is squarely protected under the First Amendment to the United States Constitution.

63. Defendant is attempting to exert and assert against Plaintiffs, through its allegations of unfair competition, rights which it does not possess and rights that are beyond the bounds of its rights in the Defendant's Marks in a manner that violates the basic rights of Plaintiffs.

64. No sufficient and adequate alternative means to the use of McAfee's own

personal name in his own company exist.

65. The rights of the parties are dependent upon the facts and application of law thereto.

66. Plaintiffs are being damaged by the continued uncertainty created by Defendant with respect to the legitimate use of McAfee's name.

67. By reason of the existence of an actual and justiciable controversy, Plaintiffs are entitled to a declaratory judgment that their use McAfee's personal name in the company name "John McAfee Global Technologies, Inc." does not constitute federal or common law unfair competition and not violate Section 43(a) of the Lanham Act, 15 U.S.C. § 1125(a).

FIFTH CLAIM FOR RELIEF
(Declaratory Judgment the Plaintiffs Use of McAfee's Name is Fair Use)
[15 U.S.C. § 1115(b)(4)]

68. Plaintiffs incorporate all prior allegations as if set forth fully herein.

69. McAfee never sold his own name to the Defendant or to the LP, and in fact did not own any trademark of his own name or any part thereof at the time of the Agreement.

70. McAfee likewise never "forfeited" his right to use his own name in the Agreement.

71. The use of the word "McAfee" in "John McAfee Global Technologies, Inc." is McAfee's personal individual name in his own business, which is fair use under the Lanham Act.

72. Plaintiffs assert their intended use of McAfee's personal name in "John McAfee Global Technologies, Inc." is a lawful fair use that is not infringing in any way Defendant's claimed rights in, among other things, the Defendant's Marks and is squarely protected under the

Lanham Act and the First Amendment to the United States Constitution.

73. Defendant is attempting to exert and assert against Plaintiffs, through its allegations, rights which it does not possess and rights that are beyond the bounds of its rights in the Defendant's Marks in a manner that violates the basic rights of Plaintiffs.

74. No sufficient and adequate alternative means to the use of McAfee's own personal name in his own company exist.

75. The rights of the parties are dependent upon the facts and application of law thereto.

76. Plaintiffs are being damaged by the continued uncertainty created by Defendant with respect to the legitimate use of McAfee's name.

77. By reason of the existence of an actual and justiciable controversy, Plaintiffs are entitled to a declaratory judgment that their use McAfee's personal name in the company name "John McAfee Global Technologies, Inc." is fair use under Section 33(b)(4) of the Lanham Act, 15 U.S.C. § 1115(b)(4).

SIXTH CLAIM FOR RELIEF
(Declaratory Judgment the Plaintiffs Use of McAfee's Name is Non-Infringing
Due to Intel's Abandonment of the Defendant's Marks)
[15 U.S.C. § 1115(b)(2)]

78. Plaintiffs incorporate all prior allegations as if set forth fully herein.

79. Upon information and belief, in January 2014, Intel ceased using the Defendant's Marks in its security products and is now marking said products under "Intel Security."

80. Upon information and belief, Intel has ceased using Defendant's Marks in commerce.

81. Upon information and belief, Intel has abandoned Defendant's Marks.

82. Abandonment of a mark is a defense to infringement pursuant to Section 33(b)(2) of the Lanham Act, 15 U.S.C. § 1115(b)(2).

83. Despite Intel's abandonment, the Demand Letter still threatens Plaintiffs with legal action, and thus rights which it does not possess and rights that are beyond the bounds of its rights in the Defendant's Marks in a manner that violates the basic rights of Plaintiffs.

84. No sufficient and adequate alternative means to the use of McAfee's own personal name in his own company exist.

85. The rights of the parties are dependent upon the facts and application of law thereto.

86. Plaintiffs are being damaged by the continued uncertainty created by Defendant with respect to the legitimate use of McAfee's name.

87. By reason of the existence of an actual and justiciable controversy, Plaintiffs are entitled to a declaratory judgment that their use McAfee's personal name in the company name "John McAfee Global Technologies, Inc." is non-infringing under Section 33(b)(2) of the Lanham Act, 15 U.S.C. § 1115(b)(2).

SEVENTH CLAIM FOR RELIEF
(Cancellation Of Defendant's Marks Based On Non-Use)

88. Plaintiffs incorporate all prior allegations as if set forth fully herein.

89. Upon information and belief, in January 2014, Intel ceased using the Defendant's Marks in its security products and is now marking said products under "Intel Security."

90. Upon information and belief, Intel has ceased using Defendant's Marks in commerce.

91. Upon information and belief, Intel has abandoned Defendant's Marks.

92. Substantial non-use in commerce provides the grounds for cancellation of a trademark.

93. Further, abandonment of a mark is a defense to infringement pursuant to Section 33 of the Lanham Act,

94. Despite Intel's abandonment, the Demand Letter still threatens Plaintiffs with legal action, and thus rights which it does not possess and rights that are beyond the bounds of its rights in the Defendant's Marks in a manner that violates the basic rights of Plaintiffs.

95. No sufficient and adequate alternative means to the use of McAfee's own personal name in his own company exist.

96. The rights of the parties are dependent upon the facts and application of law thereto.

97. Plaintiffs are being damaged by the continued uncertainty created by Defendant with respect to the legitimate use of McAfee's name.

98. By reason of the existence of an actual and justiciable controversy, Plaintiffs are entitled to an order, pursuant to 15 U.S. Code § 1064 and 15 U.S.C. § 1119, directing cancellation of the federal registrations of the Defendant's Marks.

EIGHTH CLAIM FOR RELIEF
(Declaratory Judgment of No Breach of Contract)

99. Plaintiffs incorporate all prior allegations as if set forth fully herein.

100. Defendant has formally claimed via the Demand Letter that “McAfee sold the MCAFEE trademark to McAfee Associates, LP (a predecessor company)... [and] forfeited any right to use the McAfee name in connection with security solutions and services....”

101. The Demand Letter is clearly alleging that the use of McAfee’s name in “John McAfee Global Technologies, Inc.” would be a breach of the Agreement.

102. Plaintiffs assert that the Agreement would not be breached by the use of McAfee’s personal name in the company name “John McAfee Global Technologies, Inc.,” as the Agreement did not contain the sale of McAfee’s name or of any trademarks containing the McAfee name.

103. Plaintiffs further assert that the Agreement would not be breached by the use of McAfee’s personal name in the company name “John McAfee Global Technologies, Inc.,” as McAfee never “forfeited” his right to use his own name pursuant to the Agreement.

104. By reason of the existence of an actual or justiciable controversy, Plaintiffs are entitled to a declaratory judgment that the Agreement will not be breached by the use of McAfee’s name in “John McAfee Global Technologies, Inc.”

PRAYER FOR RELIEF

WHEREFORE, Plaintiffs requests judgment against the Defendant as follows:

A. Declaring that Plaintiffs’ use of the company name “John McAfee Global Technologies, Inc.” does not:

- (1) Infringe Defendant’s registered or unregistered Trademarks;
- (2) Violate any provision of Section 43(a) of the Lanham Act, 15 U.S.C. § 1125(a);
- (3) Violate any provision of Section 43(c) of the Lanham Act, 15 U.S.C. § 1125(c);

(4) Violate any other federal or state law; and/or

(5) Violate any common law.

B. Declaring that Plaintiffs' use of or reference to McAfee's name in connection with the company name "John McAfee Global Technologies, Inc." is fair use and protected under Section 33(b) of the Lanham Act, 15 U.S.C. § 1115(b);

C. Declaring that Plaintiffs' use of or reference to McAfee's name in connection with the company name "John McAfee Global Technologies, Inc." is non-infringing and protected under Section 33(b) of the Lanham Act, 15 U.S.C. § 1115(b);

D. Issuing an order directing the Commissioner of the U.S. Patent and Trademark Office to cancel the federal registrations of the Defendant's Marks and to deny any pending application of Defendant's Marks, based on non-use in commerce;

E. Declaring that Plaintiffs' use of or reference to McAfee's name in connection with the company name "John McAfee Global Technologies, Inc." is not a breach of the Agreement;

F. Awarding damages, including treble damages, in an amount to be determined at trial;

G. Awarding costs of suit herein and reasonable attorneys' fees; and

H. Awarding to Plaintiffs such other and further relief as the Court may deem just and proper, together with the costs and disbursements which Plaintiffs have incurred in connection with this action.

