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**UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK**

METACAPITAL MANAGEMENT, L.P.,	)	
	)	
Plaintiff,	)	
	)	
v.	)	No. _____
	)	
META PLATFORMS, INC.,	)	<b>COMPLAINT</b>
	)	
Defendant.	)	
	)	
	)	

**METACAPITAL MANAGEMENT, L.P.’S COMPLAINT**

Plaintiff Metacapital Management, L.P. (“Metacapital”) by its attorneys, for its Complaint against Defendant Meta Platforms, Inc., f/k/a Facebook, Inc. (“Defendant” or “Facebook”), upon personal knowledge as to its own acts and conduct and on information and belief as to all other matters, states and alleges as follows:

**INTRODUCTION**

1. This is an action alleging trademark infringement in violation of Sections 32 and 43 of the Lanham Act, 15 U.S.C. §§ 1114 and 1125(a), unfair competition in violation of Section 43 of the Lanham Act, 15 U.S.C. § 1125(a), common law trademark infringement, and false advertising in violation of N.Y. Gen. Bus. Law § 350.

2. This action concerns Facebook’s blatant and willful disregard of Metacapital’s longstanding trademark rights. Since 2001, Metacapital has provided industry-leading financial management and advisory services, particularly in the mortgage and structured credit markets, under its METACAPITAL trademark (the “METACAPITAL Mark”).

3. Over the past 20 years, Metacapital has earned a well-deserved reputation for its outstanding service and has been recognized in various rankings of the nation’s top funds, including by Bloomberg, Barron’s, and BarclayHedge, and has received numerous Absolute Return Awards.

4. Moreover, since its inception, Metacapital has routinely used the shorthand “Meta” to refer to itself (the “META Mark”), and consumers have come to associate Metacapital and its services with the META Mark (the METACAPITAL Mark and the META Mark are collectively referred to herein as the “Marks”).

5. As a consequence of its continuous, extensive, and well-publicized use of the Marks, particularly within the financial services industry, and the substantial goodwill that Metacapital has built as a result of its outstanding service, Metacapital has acquired strong trademark rights in the Marks.

6. On October 28, 2021, Facebook announced that it was changing its name from Facebook, Inc.—which it had used for over 17 years—to “Meta.” Facebook had been hyping this name change for several days leading up to the announcement, and the change was announced in connection with Facebook’s much-anticipated annual conference, Facebook Connect 2021. Accordingly, the announcement was highly publicized and purposefully designed to garner maximum attention from the press and the public.

7. Although Facebook has been largely known as a social media platform for the majority of its existence, in the past several years it has become increasingly clear that Facebook plans to expand its reaches into several other sectors, including the financial services sector.

8. For example, as early as 2019, Facebook was publicly promoting new initiatives that had the explicit goal of enabling universal access to all types of financial services, including with Facebook’s founder and CEO, Mark Zuckerberg, providing testimony to Congress on Facebook’s plans for expansion into the financial services sector.

9. Additionally, in 2020, Facebook created a new unit devoted to financial services—Facebook Financial. Over the course of the past two years, this unit has increased in importance for Facebook, and changed from Facebook Financial to Novi to, most recently, Meta Financial Technologies.

10. Indeed, as a sign of the importance Facebook places on its financial services business (and the value it places on using the “Meta” name in association with financial services) in December 2021 Facebook publicly confirmed that it paid \$60 million to purportedly acquire the trademark rights of a regional bank named Meta Financial Group—rights junior to those of Metacapital.

11. Facebook’s use of the “Meta” mark in connection with financial services—and clear plans to continue and expand such use in connection with these and similar services—is likely to cause significant harm to Metacapital’s business.

12. Facebook, however, appears wholly unconcerned about how its actions might impact Metacapital, believing instead that it is entitled to introduce its “Meta” mark into any sector it chooses with impunity. Given that Facebook was aware of Meta Financial Group

and its purported rights (which post-date Metacapital's priority by at least two years), it is not credible that Facebook was also not aware of Metacapital.

13. Nonetheless, Facebook brazenly moved forward with its rebranding of its financial services unit with the "Meta" name, regardless of Metacapital's superior rights.

14. Moreover, although Metacapital informed Facebook in May of this year that Facebook's actions were likely to cause confusion with Metacapital's business, Facebook drug its feet and refused to make any meaningful efforts to avoid such confusion.

15. In short, Facebook has shown a blatant disregard for Metacapital's rights, and its actions have already begun to deteriorate the goodwill that Metacapital has built in the Marks for over two decades. If Facebook's infringing activities are not enjoined, such actions will continue to cause significant confusion among consumers and irreparable harm to Metacapital.

16. Additionally, given Facebook's looming, near ubiquitous presence across various industries and sectors, including in the field of financial services, consumers are likely to believe, incorrectly, that Metacapital is associated with Facebook for the rest of Metacapital's corporate existence, or else is attempting to trade off of and infringe on Facebook's purported rights, causing further substantial harm to Metacapital.

### **PARTIES**

17. Plaintiff Metacapital is an entity organized under the laws of Delaware, maintaining its principal place of business at 152 W. 57th St., 8th Floor, New York, NY 10019.

18. Defendant Facebook is a Delaware Corporation, maintaining its principal place of business at 1601 Willow Road, Menlo Park, CA 94025.

## **JURISDICTION AND VENUE**

19. This Court has subject matter jurisdiction over the Lanham Act claims asserted herein pursuant to 28 U.S.C. §§ 1331 and 1338(a). This Court has subject matter jurisdiction over the related state law claims raised in this action pursuant to 28 U.S.C. §§ 1338(b) and 1367.

20. This Court has personal jurisdiction over Facebook because Facebook has transacted a substantial amount of business in this District, Facebook maintains a systematic presence in this District, and Facebook is registered to do business in the State of New York.

21. Venue is proper in this District pursuant to 28 U.S.C. § 1391(b)(2), as a substantial part of the events giving rise to the claims asserted herein occurred in this District, and 28 U.S.C. § 1391(d).

## **STATEMENT OF FACTS**

### **Metacapital's Background**

22. Metacapital was founded in 2001, and over the past two decades has established itself as an industry-leading investment advisory firm specializing in the mortgage and structured credit markets, including fixed income relative value trading, structured credit, directional rates trading, equities trading, and, most recently, carbon-related trading.

23. Metacapital offers various services to its clients including investment management services, investment advisory services, asset management services, and investment strategy services.

24. In addition, over the past two years Metacapital has been working to expand its service offerings to include exchange-traded funds, or ETFs.

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