IN THE UNITED STATES DISTRICT COURT MIDDLE DISTRICT OF NORTH CAROLINA

AERO	TEK, I	NC. and	I ALLE	GIS)						
GROUP, INC.)						
v.	Plainti	ffs,)))	Civil A	Action N	No. 22-5	599		
JOBOT, LLC and COREY DALTON)						
	Defend	lants.))						
	*	*	*	*	*	*	*	*	*	*	*	*

VERIFIED COMPLAINT

Plaintiffs Aerotek, Inc. ("Plaintiff" or "Aerotek") and Allegis Group, Inc. ("Plaintiff" or "Allegis Group"), by their undersigned counsel, bring this action seeking injunctive relief and damages against Jobot, LLC ("Defendant" or "Jobot") and Corey Dalton ("Defendant" or "Dalton") for trademark infringement and unfair competition arising under the Federal Trademark Act of 1946, as amended, 15 U.S.C. §1051, *et seq.* and unfair competition and deceptive trade practices under N.C. Gen. Stat. § 75-1.1.

PARTIES

 Plaintiff Aerotek is a Maryland corporation with its principal place of business at 7301 Parkway Drive, Hanover, Maryland 21076.

2. Plaintiff Allegis Group is a Maryland corporation with its principal place of business at 7301 Parkway Drive, Hanover, Maryland 21076.

3. Upon information and belief, Defendant Jobot is a Delaware limited liability company with its principal place of business at 3101 W. Pacific Coast Highway, Newport Beach, California 92663.

4. Upon information and belief, Defendant Dalton is an individual residing at 14 Cub Drive, Thomasville, North Carolina 27320.

JURISDICTION AND VENUE

5. Through this Complaint, Plaintiffs assert claims against Defendants that arise, inter alia, under the Lanham Act of 1946, as amended, 15 U.S.C. § 1051, *et seq*.; and unfair competition and deceptive trade practices under N.C. Gen. Stat. § 75-1.1.

6. The Court has original subject matter jurisdiction over Plaintiffs' federal claims pursuant to 28 U.S.C. § 1331, 1332, 1338(a), 15 U.S.C. § 1121 and 28 U.S.C. § 1367.7. This Court also has subject matter jurisdiction over this action pursuant to 28 U.S.C. 1332(a)(1) based on diversity of citizenship because Aerotek is a citizen of Maryland, Jobot is a citizen of Delaware and California, and Dalton is a citizen of North Carolina, and because the amount in controversy is in excess of \$75,000.00 exclusive of interest and costs. Plaintiffs seek not only injunctive relief resulting from Defendants' trademark infringement but also damages based on Aerotek's lost revenues and Jobot's revenues and Dalton's compensation. Plaintiffs also seek a determination that Defendants' conduct constitutes deliberate, willful and/or bad faith conduct such that this should be declared an exceptional case under 15 U.S.C. § 1117(a).

7. This Court has personal jurisdiction over Defendant Jobot as Defendant regularly conducts business through employees who reside and work in the State of North Carolina, including without limitation Defendant Dalton, and provides services to customers throughout the State of North Carolina, and elsewhere throughout the United States.

8. The Court has personal jurisdiction over Defendant Dalton as he is a resident of and works in the State of North Carolina.

9. Venue is proper in the United States District Court for the Middle District of North Carolina pursuant to 28 U.S.C. § 1391(b)(2) as a substantial part of the events giving rise to the claims herein occurred in this judicial district. Venue is also proper under 28 U.S.C. § 1391(b)(3), as Defendant Jobot regularly conducts business in the Middle District of North Carolina and Defendant Dalton resides in the Middle District of North Carolina.

BACKGROUND FACTS

10. Aerotek has been engaged in the business of locating, selecting, and placing candidates in temporary and permanent employment positions ("Services") throughout the United States since 1983. Aerotek concentrates primarily on technical fields, including but not limited to the construction, skilled trades, manufacturing, logistics, engineering, and facility management needs of its clients. In North Carolina, a meaningful portion of Aerotek's clients include companies in the construction, manufacturing, light industrial, and other mechanical trade areas.

11. During the past nearly 40 years, Aerotek has built a reputation for providing the highest-quality staffing and workforce management solutions. It has developed and established significant client relationships and good will associated with the consistent provision of its Services. Aerotek has received recognition and awards for providing superior service to clients and contract employees, including ClearlyRated's Best of Staffing for 7 consecutive years from 2016-2022 for both client satisfaction and talent satisfaction. Multiple "Top Work Places Regional Awards" are awarded annually and included North Carolina in 2017 and 2018. Many of these awards are based on ratings provided exclusively by clients and placed talent.

12. Aerotek has developed highly successful business methods and maintains an interactive web site through which it conducts a significant portion of its business at <u>www.aerotek.com</u>.

13. Aerotek owns federal service mark registrations for the following trademarks: AEROTEK, U.S. Reg. No. 1557200; AEROTEK, U.S. Reg. No. 5027246; AEROTEK SCIENTIFIC, U.S. Reg. No. 2809735; AEROTEK AUTOMOTIVE, U.S. Reg. No. 2741095; AEROTEK E&E, U. S. Reg. No. 2913752; AEROTEK CE, U.S. Reg. No. 2913754; AEROTEK ENERGY SERVICES, U.S. Reg. No. 2913751; AEROTEK PROFESSIONAL SERVICES, U.S. Reg. No. 32997784; and AEROTEK GOVERNMENT SERVICES, U.S. Reg. No. 4059615 (some or all referred to as "AEROTEK Marks"). These AEROTEK Marks relate to temporary and permanent employment agency, staffing, recruiting, hiring, outsourcing, and related services, as well as engineering, product development, electronics, technical, and manufacturing services. True and correct copies of the United States Patent and Trademark Office registration certificates are attached hereto as Exhibit A.

14. The mark AEROTEK has been used continuously and exclusively by Plaintiff since at least as early as July 1983.

15. The AEROTEK Marks are valid and subsisting and have never been subject to challenge by any party before the U.S. Trademark Office or otherwise. The AEROTEK Marks are unique, coined terms that are inherently distinctive and entitled to a high level of protection.

16. Aerotek has expended substantial sums in establishing and maintaining the AEROTEK Marks in connection with its Services, including but not limited to significant expenditures devoted to promoting, advertising, marketing, trade shows and trade organizations, sponsoring community-related events, and maintaining an Internet web site. Aerotek has maintained a robust trademark registration and enforcement program, resulting in a position of prominence and recognition in the staffing industry.

17. As a result of the promotion, advertising and sales of Aerotek's services under the AEROTEK Marks for nearly 40 years and the maintenance of the highest quality standards relating thereto, consumers have come to associate the AEROTEK Marks exclusively with Aerotek.

18. Aerotek is a subsidiary of Plaintiff Allegis Group. Allegis Group has been engaged in the business of locating, selecting, and placing candidates in temporary and permanent employment positions in a broad spectrum of fields throughout the United States since 2000. When formed in 2000, Aerotek's name was changed to Allegis Group and Aerotek continued its business as one of several subsidiaries of Allegis Group.

19. As the parent and affiliate of a network of specialized staffing companies, including Aerotek, Allegis Group consistently delivers complementary talent solutions that solve nearly every workforce challenge with an unsurpassed quality experience.

20. Like Aerotek, Allegis Group has a robust trademark program that includes the following registered trademarks: ALLEGIS GROUP, U.S. Reg. No. 2516311; ALLEGIS GROUP (STYLIZED), U.S. Reg. No. 2888615; and ALLEGIS GROUP, U.S. Reg. No. 4179461.

True and correct copies of the United States Patent and Trademark Office registration certificates are attached hereto as Exhibit B. One or more of these marks may be referred to as "ALLEGIS GROUP Mark(s)." These ALLEGIS GROUP Marks are registered and used in connection with the Services. The ALLEGIS GROUP Mark has been used continuously and exclusively by Plaintiff since at least as early as March 2000. It is indisputable that all right, title and interest in and to the ALLEGIS GROUP Marks belongs exclusively to Allegis Group.

21. Allegis Group has expended substantial sums in establishing and maintaining the ALLEGIS GROUP Marks in connection with its Services, including but not limited to significant expenditures devoted to promoting, advertising, marketing, trade shows and trade organizations,

sponsoring community-related events, and maintaining an Internet web site. Allegis Group has maintained a robust trademark registration and enforcement program, resulting in a position of prominence and recognition in the staffing industry. As a result of the promotion, advertising and sales of Allegis Group's Services under the ALLEGIS GROUP Marks for 22 years and the maintenance of the highest quality standards relating thereto, consumers have come to associate the ALLEGIS GROUP Marks exclusively with Allegis Group.

22. Upon information and belief, Jobot is an employment agency that engages in providing recruiting, hiring, and career counseling services. Jobot operates a web site at www.jobot.com. Jobot is a direct competitor of Aerotek and Allegis Group.

23. Dalton is a former employee of Aerotek. He began his employment in 2007 at Aerotek's Greensboro, North Carolina office as a recruiter with responsibility for identifying candidates to fill client staffing needs. He began his 14 year tenure as a recruiter and later moved to Account Recruiting Manager/Recruiter Practice Lead for Construction. Dalton resigned from his employment at Aerotek on October 2, 2021.

24. In or about October 2021, Dalton began employment with Jobot as a Principal Recruiter. In this role, Dalton contacts clients for the purpose of providing temporary and permanent employment services. Dalton is assigned to specific positions in the construction and related fields and works with candidates to fill those positions. Dalton's duties and industry focus at Jobot are the same as he performed for Aerotek.

25. Dalton's biography and Jobot job postings appear on Jobot's web site at https://jobot.com/pro/corey-dalton ("Bio"). A copy of this page is attached as Exhibit C.

26. Dalton's Bio displays his photograph, name, and two job titles – "Principal Recruiter" and "Principal Recruiter at Jobot:"



Listing two "Principal Recruiter" positions suggests that Dalton's position as a "Principal Recruiter at Jobot" is affiliated with another "Principal Recruiter" position.

27. Immediately below his identifying information, Dalton identifies Aerotek as his current employer:



About Corey

Aerotek® Inc. is a leading provider of technical, professional and industrial recruiting and staffing services. We are part of Allegis Group® Inc., the second largest staffing company in the United States.

Aerotek is your direct source to find qualified & skilled employees and locate great career opportunities with industry leading companies. Aerotek operates a network of more than 180 non-franchised offices throughout the United States, Canada and Puerto Rico. To learn more about Aerotek and see a complete list of our locations, visit our website at www.aerotek.com.

Specialties: I specialize in technical staffing through Aerotek CE®, a division of Aerotek. I place professionals in many sectors with a focus on:

- Software Engineering
- Electronics
- Manufacturing
- Medical Device
- Aerospace & Defense
- Architecture & Engineering
- Civil Engineering
- Construction Management
- Geotechnical and Field Services
- Engineering & Sciences

See Exhibit C.

28. Dalton copied his Aerotek biographic profile and posted it as his Bio on Jobot's web site. Dalton holds himself out as an Aerotek employee, associating himself with the history, reputation and good will of Aerotek. The Bio directs candidates to what appear to be Aerotek postings but are in fact Jobot requisitions.

29. In his Bio, Dalton refers to AEROTEK®, AEROTEK CE®, and ALLEGIS GROUP®. His statements include:

a. "Aerotek® Inc. is a leading provider of ... recruiting and staffing services;"

Case 1:22-cv-00599 Document 1 Filed 07/29/22 Page 8 of 17

b. "We are part of Allegis Group Inc.®, the second largest staffing company in the United States;"

c. "Visit our website at <u>www.aerotek.com;</u>"

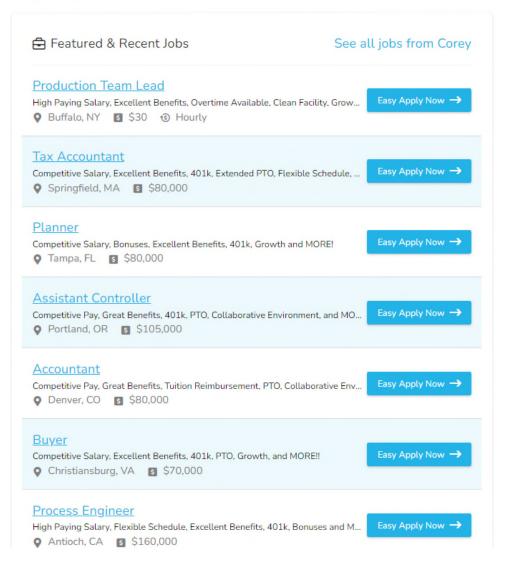
d. "I specialize in technical staffing through Aerotek CE®, a division of Aerotek."

See Exhibit C. Dalton's use of the AEROTEK Marks, especially with the ® symbol, in the present tense give the undeniable impression that Aerotek is his current employer.

30. The Bio goes on to list "Featured & Recent Jobs" and a link to "See all jobs from Corey:"

Geotechnical and Field Services

Engineering & Sciences



These postings appear to be Aerotek jobs as they immediately follow from the Aerotek information

and there is no indication whatsoever of any connection with Jobot. See Exhibit C.

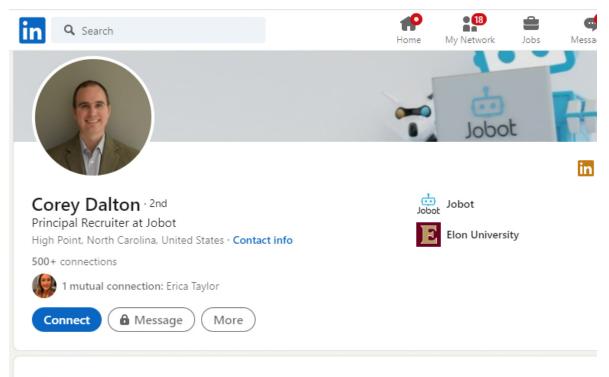
31. Aerotek and Allegis Group discovered the use of the AEROTEK and ALLEGIS

GROUP Marks on the Bio on July 12, 2022, while investigating a claim for payment made by

Dalton pursuant to an Investment Growth Plan for Key Employees.

32. In addition to his Bio, Dalton's LinkedIn page contains the same information about

Aerotek:



About

Aerotek® Inc. is a leading provider of technical, professional and industrial recruiting and staffing services. We are part of Allegis Group® Inc., the second largest staffing company in the United States.

Aerotek is your direct source to find qualified & skilled employees and locate great career opportunities with industry leading companies. Aerotek operates a network of more than 180 non-franchised offices throughout the United States, Canada and Puerto Rico. To learn more about Aerotek and see a complete list of our locations, visit our website at www.aerotek.com.

Specialties: I specialize in technical staffing through Aerotek CE®, a division of Aerotek. I place professionals in many sectors with a focus on:

- Software Engineering
- Electronics
- Manufacturing
- Medical Device
- Aerospace & Defense
- Architecture & Engineering
- Civil Engineering
- Construction Management
- Geotechnical and Field Services
- Engineering & Sciences

See Exhibit C.

33. As the owner of the www.jobot.com web site, Jobot is responsible for the information is posted thereon, including Dalton's Bio and the unauthorized and misleading use of the AEROTEK and ALLEGIS GROUP Marks. Jobot has knowledge of the web site content by

virtue of creating, reviewing and controlling the web site content, including approving and modifying the content, and intended to cause confusion or mistake or to deceive consumers concerning its affiliation with Aerotek and Allegis Group.

34. Upon information and belief, Dalton and Jobot have intentionally and deliberately used, and continue to use, the AEROTEK and ALLEGIS GROUP Marks for the purpose of misleading consumers into believing that Dalton's and Jobot's services emanate from, or otherwise are sponsored by or affiliated with Aerotek and Allegis Group.

35. Defendants are exploiting and trading upon the substantial goodwill and reputation engendered by Aerotek and Allegis Group by using the AEROTEK and ALLEGIS GROUP Marks in connection with the business of Jobot.

COUNT I - TRADEMARK INFRINGEMENT (Under Section 32 Of The Lanham Act)

36. Plaintiffs reallege and incorporate by reference the allegations in the foregoing Paragraphs 1 through 35 as if fully set forth herein.

37. Aerotek owns all right, title and interest in and to the AEROTEK Marks. Allegis Group owns all right, title and interest in and to the ALLEGIS GROUP Marks.

38. Defendants are improperly and willfully infringing AEROTEK and ALLEGIS GROUP Marks in interstate commerce through the advertising, promotion and sale of their services.

39. Defendants' use of the marks AEROTEK and ALLEGIS GROUP in connection with offering and providing employment recruiting and placement services has caused and is likely to continue to cause confusion among consumers who believe, contrary to fact, that Defendants' services are provided by or emanate from, or are otherwise sponsored by or affiliated with, Plaintiffs.

40. Defendants' use of the registered AEROTEK and ALLEGIS GROUP marks infringes on Plaintiffs' exclusive rights in these registered marks within the meaning of § 32 of the Lanham Act, 15 U.S.C. § 1114. Clients with job openings and candidates for those jobs are likely to purchase Defendants' placement and recruiting services believing them to be those of Plaintiffs, thereby resulting in a loss of goodwill, reputation, and sales to Plaintiffs.

41. Defendants' conduct constitutes trademark infringement, and/or induces or contributes to acts of trademark infringement, in violation of Section 32 of the Lanham Act, 15 U.S.C. § 1114.

42. As a direct and proximate result of Defendants' conduct, Plaintiffs have been, and are likely to continue to be, substantially injured in their business including irreparable harm to their goodwill and reputation and the loss of revenues and profits.

43. Unless enjoined by this Court, Defendants will continue to infringe upon Plaintiffs' AEROTEK and ALLEGIS GROUP Marks, thereby creating the likelihood of consumer confusion, deceiving the public, and causing Plaintiffs immediate and irreparable injury, including loss of goodwill and reputation, for which they have no adequate remedy at law.

COUNT II - UNFAIR COMPETITION

(Unfair Competition Under Section 43(a) Of The Lanham Act)

44. Plaintiffs reallege and incorporate by reference the allegations in the foregoing Paragraphs 1 through 43 as if fully set forth herein.

45. The AEROTEK and ALLEGIS GROUP Marks, including without limitation AEROTEK, AEROTEK CE, and ALLEGIS GROUP, operate as indicators of source or origin, and have incontestable status by virtue of many years of continuous and uncontested use.

46. The terms AEROTEK and ALLEGIS GROUP are distinctive and recognized the minds of the relevant consumers of Plaintiffs' services as being associated exclusively with Plaintiffs.

47. Defendants, through use of the terms AEROTEK®, AEROTEK CE® and ALLEGIS GROUP®, have, without authorization, in connection with their services in commerce, made false designations of origin, false or misleading descriptions of fact, and/or false or misleading representations of fact, which are likely to continue to cause confusion or mistake or to deceive consumers as to the affiliation, sponsorship or association of Defendants with Plaintiffs, and/or as to the origin, sponsorship or approval of Defendants' goods and/or services, in violation of Section 43(a)(1)(A) of the Lanham Act (15 U.S.C. § 1125(a)(1)(A)).

48. Consumers are likely to engage Defendants' services offered as Aerotek, an affiliate of Allegis Group, believing that Defendants are affiliated, sponsored by, or associated with Plaintiffs, resulting in a loss of goodwill to Plaintiffs.

49. Defendants' acts were committed in bad faith and with the intent to cause confusion, mistake or to deceive.

50. As a direct and proximate result of Defendants' conduct, Plaintiffs have been, and are likely to continue to be, substantially and irreparably injured in their business including harm to their goodwill and reputation and loss of revenues and profits.

51. Unless enjoined by this Court, Defendants will continue to compete unfairly with Plaintiffs, thereby deceiving the public, creating the likelihood of consumer confusion, and causing Plaintiffs immediate and irreparable injury for which they have no adequate remedy at law.

COUNT III – UNFAIR AND DECEPTIVE TRADE PRACTICES (Unfair Competition Under North Carolina GC Chapter 75-1.1)

52. Plaintiffs reallege and incorporate by reference the allegations in the foregoing Paragraphs 1 through 51 as if fully set forth herein.

53. Defendants' conduct as alleged herein was in and affecting commerce.

54. The acts and conduct of Defendants constitute unfair and deceptive acts and practices and unfair competition in violation of N.C.G.S. §75-1.1 *et seq*.

55. As a direct and proximate result of Defendants' unfair and deceptive conduct, Plaintiffs have suffered and will continue to suffer damages in an amount to be proved at trial.

56. Defendants' conduct entitles Plaintiffs to recover actual damages, plus treble the amount fixed by any verdict or judgment pursuant to N.C.G.S. § 75-16.

57. Plaintiffs are entitled to recover their reasonable costs and attorneys' fees pursuant to N.C.G.S. § 75-16.1.

58. Because Plaintiffs have suffered and will continue to suffer irreparable harm as a result of Defendants' actions, for which Plaintiffs have no adequate remedy at law, Plaintiffs are entitled to preliminary and permanent injunctive relief.

PRAYER FOR RELIEF

WHEREFORE, Plaintiffs respectfully pray that:

(1) The Court enter a preliminary injunction against Defendants' use of the marks AEROTEK, AEROTEK CE, and ALLEGIS GROUP, or any confusingly similar term or terms in connection with offering or providing their services, or any services related to such services;

(2) The Court enter judgment that:

(a) Defendants have infringed Plaintiffs' exclusive rights in their registered service marks under § 32 of the Lanham Act, 15 U.S.C. § 1114;

(b) Defendant has competed unfairly with Plaintiffs under § 43(a) of the Lanham Act, 15 U.S.C. § 1125(a);

(c) Defendant has violated the North Carolina Unfair and Deceptive Trade Practices Act, N.C. Gen. Stat. § 75- 1.1 *et. seq.*

(3) The Court enter a permanent injunction against Defendants' use of the marks AEROTEK, AEROTEK CE, and ALLEGIS GROUP, or any confusingly similar term or terms in connection with offering or providing their services, or any services related to such services;

(4) The Court award damages as against Defendants in an amount to be proven at trial.

(5) The Court enter judgment:

(a) awarding Plaintiffs such actual damages as they have sustained by reason of Defendants' acts of trademark infringement in violation of Section 32 of the Lanham Act (15 U.S.C. §1114) (including, but not limited to, a disgorgement of Defendants' revenues and compensation, Plaintiffs' lost revenues, and the costs of this action);

(b) awarding treble damages for such trademark infringement;

(c) awarding Plaintiffs their attorneys' fees in bringing and maintaining this action, which should be deemed exceptional, for such trademark infringement; and

(d) requiring Defendants to account to Plaintiffs for any and all revenues derived by Dalton during the entire period that his Bio or LinkedIn page referred to AEROTEK and to compensate Plaintiffs for all damages sustained by reason of such trademark infringement and the other acts complained of herein; all pursuant to Section 35 of the Lanham Act (15 U.S.C. §1117).

(6) For such other and further relief as this Court deems just and proper.

VERIFICATION:

I, Thomas B. Kelly, declare as follows:

1. I am the President of Plaintiff Aerotek, Inc.

2. If called upon to testify, I would testify competently as to the matters set forth in the foregoing Verified Complaint for Injunctive Relief and Damages.

3. I verify under penalty of perjury under the laws of the United States of America that the factual statements in this Verified Complaint for Injunctive Relief and Damages concerning Aerotek, Inc. and Allegis Group, Inc. are true and correct to the best of my knowledge and understanding. 28 U.S.C. § 1746.

Executed on July 29, 2022

By:

Name: Thomas B. Kelly Title: President, Aerotek, Inc.

Date: July 29, 2022.

/s/ Jeffrey D. Patton

Jeffrey D. Patton Spilman Thomas & Battle 110 Oakwood Dr. #500 Winston-Salem, NC 27103 Counsel for Plaintiffs Aerotek, Inc. and Allegis Group, Inc.

Of Counsel:

Sherry H. Flax Saul Ewing Arnstein & Lehr LLP 1001 Fleet Street – 9th Floor Suite 900 | Baltimore, MD 21202 Tel: 410.332.8784 | Fax: 410.332.8785 sherry.flax@saul.com