1 2 3 4 5 6 UNITED STATES DISTRICT COURT WESTERN DISTRICT OF WASHINGTON 7 AT SEATTLE 8 NEXON KOREA CORPORATION, a Korean Case No.: 9 Corporation, **COMPLAINT FOR:** Plaintiff, 10 MISAPPROPRIATION OF TRADE SECRETS UNDER v. 11 DTSA, 18 U.S.C. § 1836; AND **COPYRIGHT INFRINGEMENT** IRONMACE CO., LTD., a Korean Corporation; 2. 12 JU-HYUN CHOI, individually; and TERENCE SEUNGHA PARK, individually, 13 **JURY DEMAND** Defendants. 14 15 Plaintiff NEXON Korea Corporation ("Plaintiff" or "Nexon") for its complaint ("Complaint") against Defendants IRONMACE Co., Ltd. ("Ironmace"), Ju-Hyun Choi ("Choi"), 16 and Terence Seungha Park ("Park") (collectively "Defendants") alleges as follows: 17 PRELIMINARY STATEMENT 18 1. The Complaint in this action seeks injunctive relief and damages arising from 19 Defendants' theft of Nexon's video game developed as part of a project called the "P3 Project" 20 (the video game shall be hereinafter referred to as "P3"). The individual defendants are former 21 22 employees of Nexon who worked on P3. In flagrant breach of their obligations to Nexon, the 23 individual defendants stole P3 source code, audiovisual, and other materials that Nexon 24 STOKES LAWRENCE, P.S. COMPLAINT FOR MISAPPROPRIATION OF TRADE 1420 FIFTH AVENUE, SUITE 3000 SECRETS AND COPYRIGHT INFRINGEMENT - 1 SEATTLE, WASHINGTON 98101-2393 (206) 626-6000 Case No.

developed through a substantial expenditure of time and money. Defendants used those materials to develop a substantially similar video game called "Dark and Darker" that Defendants seek to distribute through their newly-formed company Ironmace. Nexon brings this action to stop Defendants from continuing to profit from their unlawful actions, including through the distribution of Dark and Darker in the United States and elsewhere.

- 2. Nexon is a global developer of video games, and it developed P3 from August 2020 to July 2021. Defendant Choi is a former Nexon employee, and he was the director of the P3 Project for the entirety of the development process. While working for Nexon, Choi solicited the members of the P3 Project team to recreate P3 outside of Nexon, so that they could unfairly reap the benefits of Nexon's investment in P3 for themselves. Choi succeeded in recruiting nearly half of the P3 team, including, Defendant Park, the former director of game development at Nexon. Choi and Park formed Defendant Ironmace as the corporate vehicle to exploit the assets Choi stole.
- 3. At the same time Choi was soliciting P3 Project team members to create a game similar to P3 outside of Nexon, Choi, in violation of his employment agreement, company policies, and express instructions from Nexon, transferred 11,602 P3 Project files from Nexon to his own private servers. Defendants' access to these files and other trade secrets gave Defendants a significant commercial advantage once Choi and Park left Nexon to form Ironmace. While it normally takes a significant amount of time to develop a video game of P3's complexity from scratch, Ironmace was able to release a demo of P3—renamed "Dark and Darker"—just ten months after Ironmace was formed. The reason Defendants were able to release Dark and Darker so quickly was that they took advantage of the head start given to them by stealing Nexon's trade secrets—trade secrets that took a team of more than twenty people working for

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eleven months at Nexon's expense to develop.

- 4. In their haste to profit from Nexon's investment in P3, Defendants also stole Nexon's copyrighted expression. P3 and Dark and Darker are substantially the same game. Both games allow players to select from one of six character classes—Barbarian, Cleric, Tanker (also called Fighter¹), Wizard, Thief (also called Rogue²), and Ranger—in a player vs. player vs. environment setting where players hunt for items while fighting each other and the monsters in the game.
- 5. The look and feel of the two games are strikingly similar, and the similarities go far beyond those one might expect from games within the same genre. Dark and Darker incorporates gameplay, settings, and visual elements that are identical or substantially similar to the creative choices Nexon made in P3. That is no coincidence, as more than 10,900 of the files that Choi stole were visual data source files, while the remaining files include protectable source code that makes the game function.
- 6. Defendants had countless ways to make their own dungeon fantasy game. Instead of developing a new work of their own, Defendants repeatedly copied Nexon's creative expression embodied in P3, leaving no doubt that Defendants' game is an infringement of P3.
- 7. Condoning Defendants' conduct would threaten Nexon, the video game industry, and all of the consumers who enjoy playing sophisticated video games. Video game developers would not be able to invest years' worth of person-hours in developing video games if their employees could simply transfer their employer's project files to their personal servers and start a new

<sup>&</sup>lt;sup>1</sup> Character class label "Tanker" and "Fighter" are used interchangeably and refer to the same character.

<sup>&</sup>lt;sup>2</sup> Character class label "Thief" and "Rogue" are used interchangeably and refer to the same character.

company to exploit their employer's investment and creative works for themselves. Nexon, accordingly, files this Complaint to request that the Court enjoin Defendants from further acts of trade secret misappropriation and copyright infringement, compensate Nexon for the harm Defendants inflicted, and disgorge Defendants' ill-gotten gains.

#### **THE PARTIES**

- 8. Plaintiff Nexon is a global producer, developer, and operator of video games specializing in online virtual world games for personal computers ("PCs"), consoles, and mobile devices. Nexon is a corporation organized and existing under the laws of the Republic of Korea, with its principal place of business in Gyeonggi-do, Korea. Nexon is wholly owned by NEXON Co., Ltd., which was founded in 1994 and is headquartered in Japan. NEXON Co., Ltd. maintains offices for its subsidiaries and affiliates around the world, including the United States, Japan, Taiwan, and China. Popular games published by Nexon include "Dungeon & Fighter," "Maplestory," "KartRider," "Kingdom of the Winds," and "The First Descendant."
- 9. On information and belief, Defendant Ironmace is a corporation that is organized and existing under the laws of the Republic of Korea, with its principal place of business at 16, Pangyoyeok-ro 192 beon-gil, Bundang-gu, Seongnam-si, Gyeonggi-do, Republic of Korea. Ironmace was founded on October 20, 2021 by Park. Ironmace purports to have developed the video game titled "Dark and Darker."
- 10. On information and belief, Defendant Park is a U.S. citizen with a residence in Irvine, California. Park also maintains a residence in the Republic of Korea. Park is a former employee of Nexon who served as the head of a design team for a project called the "P3 Project," and is the co-founder and the CEO of Ironmace. Plaintiff is informed and believes, and on that basis alleges, that Park personally participated in, directed, managed, and/or oversaw all of the

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activities of Ironmace with respect to the development and distribution of Dark and Darker.

11. On information and belief, Defendant Choi is an individual residing in the Republic of Korea. Choi is a former employee of Nexon who was the director of the P3 Project. Choi is currently employed at Ironmace as its Managing Director. Plaintiff is informed and believes, and on that basis alleges, that Choi personally participated in, directed, managed, and/or oversaw all of the activities of Ironmace with respect to the development and distribution of Dark and Darker and possesses the controlling share of Ironmace.

# **JURISDICTION AND VENUE**

- 12. This is a civil action alleging misappropriation of trade secrets under the Defend Trade Secrets Act (the "DTSA"), 18 U.S.C. § 1836 *et seq.*, and copyright infringement under the Copyright Act, 17 U.S.C. § 501 *et seq.*
- 13. This Court has subject matter jurisdiction over these claims pursuant to 28 U.S.C. §§ 1331 & 1338(a), and 18 U.S.C. § 1836(c).
- 14. This Court has personal jurisdiction over Defendants pursuant to RCW 4.28.185 or Federal Rule of Civil Procedure 4(k)(2) because, based on the acts alleged herein, including specifically those set forth in paragraphs 170 to 182, *infra*, Defendants have purposefully directed their activities to the State of Washington and the United States, and have purposefully availed themselves of the privilege of conducting activities in Washington and the United States.
- 15. Venue is proper in this district under 28 U.S.C. § 1391(b) because a substantial part of the events giving rise to this action occurred in this district. Venue is also proper in this judicial district under 28 U.S.C. § 1391(c)(3) in that Choi, a resident of the Republic of Korea, may be sued in any judicial district in the United States.

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#### FACTUAL BACKGROUND

# A. Nexon Takes Reasonable Measures to Protect its Trade Secrets

- 16. As a producer, developer, and distributor of video games, Nexon invests significant time, human and financial capital, and effort on its video games. Because these video games are Nexon's most valuable assets, Nexon takes great care to protect them, including the confidential data and intellectual property developed by its employees using company resources to create them.
- 17. In order to protect its proprietary information, Nexon maintains written company policies and guidelines that govern the protection of company data (collectively "Company Policies and Guidelines"). These Company Policies and Guidelines include:
  - a. "Security Guidelines for Nexon Employees," effective November 12, 2018;
  - b. "Security Guidelines for Service and Application Program Development and Operations," effective November 12, 2018;
  - c. "Security Guidelines for Information Security," effective November 12, 2018;
  - d. "Security Guidelines for Operation of Information System," effective November 12,
     2018;
  - e. "Service Guidelines," effective June 1, 2007;
  - f. "Guidelines for Protection of Personal Information," effective August 24, 2020; and
  - g. "In-House Security Procedures," effective November 12, 2018.
- 18. According to the Company Policies and Guidelines, Nexon's employees cannot use Nexon's proprietary information for personal gain. The Company Policies and Guidelines also emphasize the importance of confidentiality of proprietary information and security measures to prevent disclosure to third-parties. All of Nexon's employees receive company training on

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23 24 information security at least once a year. Additionally, the Company Policies and Guidelines, posted on the company's main groupware (https://webo.weboffice.co.kr), are easily accessible by all Nexon employees.

- 19. Nexon also requires its employees to sign an acknowledgement about work-related intellectual property ("Acknowledgement about Company IP"). Pursuant to the Acknowledgement about Company IP, any intellectual property rights in the company work product, created by Nexon's employees during the course of their employment, originate from and are vested in Nexon. Moreover, Nexon employees are prohibited from using or recreating any content that is similar or the same as the work-related inventions made at Nexon, even after the employees leave Nexon and join another employer.
- 20. Nexon requires its employees to sign an agreement specifically to protect data ("Data Protection Agreement"). The Data Protection Agreement:
  - limits the employees' use of information acquired from the company for work a. purposes only;
  - prohibits the employees from disclosing any trade secrets including technology information (e.g., source code, invention/patent, development, platform, etc.), gamerelated data (e.g., audiovisual, game update information, information not disclosed to the public, copyrighted materials, etc.), and other information that Nexon has dubbed confidential or would be categorized as confidential, without the company's prior written consent;
  - forbids the employees from reproducing any protected material other than for work purposes; and
  - d. prohibits the employees from falsifying or damaging any company information.

- 21. In the event the employees leave Nexon, the Data Protection Agreement expressly requires the employees to return or destroy all of the company's trade secrets and prohibits disclosure to a third party of the company's business secrets acquired during the course of their employment.
- 22. Nexon also enters into an employment salary agreement ("Employment Agreement") that prohibits its employees, without Nexon's authorization, from disclosing to a third-party the company's trade secrets or any information acquired during the course of their employment. The Employment Agreement also includes a one-year non-compete clause that prevents the employees from working in the same line of business that could potentially infringe on Nexon's trade secrets, without Nexon's prior consent.
- 23. Nexon also employs technical measures to maintain the security of its confidential data and information. Development, test, and operation servers are maintained on separate networks to increase security. Virtual Private Network ("VPN") access is required for all employees to connect to Nexon's network from outside of the company. Users are required to use Multi-Factor Authentication ("MFA") to access the VPN and all technology resources. MFA includes the usage of a user ID, network password, and a one-time password ("OTP") that is generated each time an authentication request is submitted. All passwords must be at least eight characters; combine alphabet, numbers, and symbols; and reset every 120 days.
- 24. Nexon implemented additional measures to maintain security when employees were working remotely during the Covid-19 pandemic. Nexon required remote VPN (Pulse Secure) access from remote PCs or mobile devices, including URL and internal Microsoft Active Directory. A user ID, network password, and an OTP, as well as a remote desktop connection and ID/password are required for authentication to a specific server.

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25. Nexon also routinely provides explicit verbal instructions that prohibit Nexon employees from disclosing confidential company information and trade secrets to third parties and from using such information, without company authorization, for any purpose other than the assigned work for Nexon. This obligation extends even after the employees leave Nexon.

26. With respect to the P3 Project in particular, the P3 Project team members were required to keep confidential all data related to the P3 Project, including source code, art resources, and build files. Furthermore, P3 and its related data, were not available to Nexon employees, unless they connected to the company server, which requires VPN connection and MFA authentication for access.

# B. Defendants Agreed to Respect Nexon's Trade Secrets

27. Nexon hired Defendant Choi on April 16, 2018.<sup>3</sup> Choi signed the Acknowledgement about Company IP on April 13, 2018, the Data Protection Agreement on April 18, 2018, and the Employment Agreement on January 1, 2021. Choi is fully aware of the company policies related to the confidentiality and protection of Nexon's work products.

28. Nexon hired Defendant Park on April 16, 2018.<sup>4</sup> Park signed the Acknowledgement about Company IP on April 13, 2018, the Data Protection Agreement on August 5, 2021, and the Employment Agreement on January 1, 2021. Park is fully aware of the company policies related to the confidentiality and protection of Nexon's work products.

# C. Choi and Park Learn Nexon's Trade Secrets While Developing P3

29. Nexon developed P3 from August 2020 to July 2021.

<sup>&</sup>lt;sup>3</sup> Prior to Choi's employment at Nexon, he worked at Nexon's subsidiary company Thingsoft from February 15, 2016 to April 15, 2018.

<sup>&</sup>lt;sup>4</sup> Prior to Park's employment at Nexon, he worked at Nexon's subsidiary company Thingsoft from May 1, 2010 to April 15, 2018.

30. Choi was the director of the P3 Project until his termination on July 21, 2021. As the director of the P3 Project, Choi's roles and responsibilities included creating project development plans; drafting the game design (e.g., setting balance values) and making technical decisions (e.g., determining the placement of source repository servers); reporting to superiors about project development; ensuring that the direction of game development aligned with requests; providing requested support through meetings with the Executive Producer (Vice President of Game Development); and assigning the roles and responsibilities of the P3 Project team members.

- 31. Park was the Director of Game Development at Nexon and the head of the P3 design team during the entirety of the P3 Project. His roles and responsibilities included planning the game concept and elements (including English explanations of the game concept); developing marketing strategies to target the Western market; and conducting research on low-budget marketing strategies used by independent game developers.
- 32. The stages of game development are generally divided into (a) pitching, (b) prototyping, (c) pre-production, (d) production, (e) post-production, and (f) launch (live):
  - a. At the pitching stage, developers brainstorm and propose ideas and concepts for a new game, conduct market research, and submit a project proposal to the game producers. The project proposal includes information such as core game elements, key differentiators and strengths of the game, development scale, target market, target sales, and external IP holders/licensors.
  - b. Once the game producers approve the project proposal, the project enters the prototyping stage. At the prototyping stage, a playable version of the game is produced to check the core fun and competitiveness elements to assess the

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possibility of success of the video game project. There is a high probability that video game projects fail at this stage.

- c. Depending on the result of the prototyping stage, the management approves the kickoff of the project and it officially enters the pre-production stage. At this stage, the team identifies the direction of game development, sets quantitative targets and detailed development plans, and plans distribution and servicing. Finally, the completed playable version of the game undergoes testing. The prototyping stage and the pre-production stage usually takes six months to one year.
- d. If the game passes the tests and the management approves the game, the project enters the production stage (which generally takes one or more years). In this stage, the developers integrate the various elements and make modifications based on feedback from milestone reviews (in-house alpha test, focus group test, beta test) in order to create a high-quality product that can be released to players.
- e. If the game passes the in-house alpha test and the management approves the game, the project enters the post-production stage, where external tests are conducted to correct errors and evaluate gaming conditions to increase the performance of the game. Additionally, the team drafts marketing plans, business projection reports, and content update reports.
- f. Upon management's approval, Nexon launches the game and it goes live.
- 33. During these eleven months of pitching, prototyping, and pre-production, Nexon invested an enormous amount of time and resources in P3. Over twenty Nexon employees worked exclusively on the P3 Project, including Nexon's director, the head of the planning department, level designer, content designer, game artist, character artists, environment artists,

gameplay animators, technical artist, UI designer, and game programmers. During this period, Nexon invested more than KRW 1.1 billion (USD 841,944) in the P3 Project.

- 34. With its investment of time, money, and effort, Nexon developed numerous types of information that derive independent economic value from not being generally known or being readily ascertainable through proper means ("Trade Secrets").
- 35. For instance, Nexon ran internal playtests of P3 where various target groups within the company played the game and completed a detailed survey to provide feedback on the "fun" elements of the game. Through the playtests, Nexon sought to find the appropriate difficulty level and learning curve (not too easy, but not impossible), balance challenges and rewards throughout the game, implement a player-friendly interface with a captivating game map, attract players with an interesting storyline, finetune high-quality graphics, and develop the overall look and feel of the game—all of which are important aspects of immersive gameplay.
- 36. After the P3 Project entered the pre-production stage, on May 13, 2021, Nexon ran another playtest of P3 with the director-level group in order to collect qualitative feedback on the strengths and weaknesses of P3, look and feel of the FPS perspective, proposed improvements to P3, and attractive features about P3. Through the testing, Nexon identified P3's strengths, including the implementation of PvPvE and fun psychological and combat situations; it also identified areas of improvement, including accelerating the speed and response time of characters' movement, increasing the quality of motions, and facilitating the steep learning curve of the game.
- 37. Based on the positive feedback and survey results showing that the game scored high on its "fun" elements, Nexon determined that P3 would likely be a commercial success.
  - 38. On May 11, 2021, the P3 Project team was notified that P3 received the greenlight for

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pre-production. On June 1, 2021 the P3 Project officially kicked-off its pre-production stage. By the time Choi and Park left Nexon in July and August, respectively, P3 was well into the pre-production stage.

- 39. In addition to these playtests, Nexon made significant advancements to P3 and also created substantial proprietary information, data, source code, art resources, key files, unique concepts, genre, plot, storyline, and characters. Nexon also developed knowledge and knowhow, including through trial-and-error, regarding game development in connection with P3.
- 40. Many of these Trade Secrets were saved as computer files on Nexon's secured company server.

# D. Choi Steals Trade Secrets While Working on the P3 Project

- 41. Throughout the Covid-19 pandemic, Nexon temporarily permitted its employees to work remotely and access company data with strict policies regarding what content could be accessed externally. Indeed, in March 2020, Nexon informed its employees that they could not use any external storage systems without express authorization from Nexon.<sup>5</sup>
- 42. On August 31, 2020, Choi requested permission from Nexon's Deputy Division Manager of New Development Division who is also in charge of IT security ("New Development Manager") to export P3 source code outside of Nexon to his private server (located in Seosan, Korea). Choi stated that exporting the source code was necessary to maximize efficiency while his team worked remotely during the pandemic. On information and belief, from August 2020 to January 2021, Choi installed "Git" on his external server to access the

<sup>&</sup>lt;sup>5</sup> In March 2021, Choi obtained permission to use an external storage systems on a temporary basis for a project unrelated to P3.

<sup>&</sup>lt;sup>6</sup> A Git is a version control system that allows software developers to track how the files they develop change over time.

exported P3 source code.

- 43. At this point in the development process, the P3 Project was only in the early pitching stage with minimal source code developed. Because storing minimal amounts of source code presented a low risk, the New Development Manager granted Choi *temporary* approval to export P3 source code for the purpose of testing the program.
- 44. Build files are files composed of source code, audiovisual data, and planning data that will result in an executable playable version of the game. The New Development Manager did not grant permission to Choi to export build files to an external server.
- 45. Starting in or around December 2020 through June 2021, Choi, without Nexon's authorization or knowledge, began transferring P3 build files via various methods; and beginning in April 2021, Choi instructed his right-hand man, Woo-min Yang (P3 program part leader)<sup>7</sup> to export build files. Export methods included transferring P3 build files from Nexon's internal Jenkins server to his external servers via remote desktop protocol (December 2020 to June 2021), via File Transfer Platform ("FTP") (February 2021 to April 2021), and via FTP by which Choi automated Nexon's internal Jenkins server to send build files to his private servers on a daily basis (April 2021 to June 2021).
- 46. By January 2021, Choi instructed the P3 Project team to write source code using an inhouse Git that Choi had installed and mirrored on his external server. Choi did not request or receive authorization from Nexon to install or mirror the Git on his external server.
- 47. By February 2021, the P3 Project was past the early prototyping stage. Therefore, Choi knew or should have known that the New Development Manager's temporary approval was no longer valid. In apparent recognition that his export of P3 source code was unauthorized, on

<sup>&</sup>lt;sup>7</sup> Not surprisingly, Mr. Yang also left Nexon to join Ironmace.

February 18, 2021, over a month *after* Choi set up the mirroring to his external server to export source code, Choi again requested authorization from Nexon's New Development Manager to export P3 source code. He expressly rejected Choi's request. When making his request, Choi did not inform the New Development Manager that he had already mirrored the Git to his external server to export P3 source code as well as transferred P3 build files.

- 48. In response to Choi's February 18, 2021 request to export P3 source code, the New Development Manager advised that Choi and his team needed to come into the office to work on P3 in person. While Choi had been granted temporary authorization to export source code during the prototyping phase, by this time, the P3 Project was in an advanced phase and had generated more valuable source code. Thus, to protect the source code, the New Development Manager advised Choi and his team that they needed to come into the office in-person, rather than export the source code and work on it from home. Choi agreed to do so.
  - 49. In April 2021, Choi set up an additional private server in his home in Seongnam.
- 50. Even though Choi had been explicitly instructed not to export or store P3 Project data outside of the company, Choi continued to do so through June 2021. In fact, from February to April 2021, Choi and Yoo-Seong Noh (P3 Project team member) transferred P3 files to Choi's external servers through various methods, including eight separate exports of P3 build files via FTP.
- 51. Starting on April 6, 2021—after the New Development Manager expressly told Choi he could not export P3 Project data—Choi doubled down on his theft. In addition to the source code mirroring that began in January 2021, Choi continued to download thousands of P3 build files. By doing so, Choi exported 2,747 P3 build files to his external server in Seosan between April 6, 2021 and June 18, 2021, and 1,719 P3 build files to his personal server in Seongnam

52. Despite Nexon's express instruction that Choi could not export P3 Project files, between May and June 2021, Choi connected to the in-house Git to download P3 source code on Nexon's

PC, and then exported the source code to his external servers.

from April 7, 2021 to May 13, 2021.

- 53. To minimize his conduct, Choi has dissembled in public statements that the use of his private servers was necessary to develop P3 during the period when Covid-19 prevented employees from working in Nexon's offices. But no such private servers were necessary because Choi, like other Nexon employees, had access to cloud resources through Nexon's arrangement with OneDrive/AWS that would have remedied any issues of connecting to the company server while working remotely.
- 54. Furthermore, of the twenty separate downloads of stolen P3 source code and art resources to Choi's server located in Seosan, eighteen downloads occurred *after* Nexon lifted its Covid-19 work from home policy on June 2, 2021. Moreover, no other team at Nexon in the similar stages of game development as P3 exported or transferred source code or any other proprietary information to external servers during the course of remote working.

#### E. Choi Plots to Steal P3 for Himself

- 55. At the same time Choi was transferring Nexon's P3 data and files to his private servers without company authorization, Choi was soliciting the P3 Project team members to leave Nexon and develop the P3 Project outside of Nexon.
- 56. According to interviews Nexon's internal audit team conducted with the P3 Project team members, Choi began approaching certain P3 Project team members in April 2021 and spoke with each team member individually in June 2021 to urge them to leave Nexon with him to recreate a game similar to P3 outside of Nexon.

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57. To persuade P3 Project team members to leave Nexon, Choi lied to them by telling them that Nexon had no intent to release P3 when Nexon had, in fact, approved of moving forward with P3. Choi further explained to P3 Project team members that, because they had created the game once before, they would be able to complete and release the game within one or one and a half years. According to interviews with the P3 Project team members, Choi told them that he had secured external venture financing for the new game–even while he was employed at Nexon.

#### F. Nexon Learns of Choi's Misconduct

- 58. Nexon first learned of Choi's misconduct in June 2021 when one of the P3 Project team members told the company of Choi's efforts to recruit the P3 Project team and make a game similar to P3 outside of Nexon. These reports caused Nexon to audit its server logs, leading to the discovery that Choi had been transferring data to his external servers without authorization.
- 59. As soon as Nexon learned of Choi's misconduct in June 2021, Nexon demanded that Choi turn over the stolen information stored on the external servers. Nexon also requested access to Choi's servers so that Nexon could assess whether the stolen information had been disclosed to any third parties and what steps Nexon needed to take to prevent further damage.

#### G. Choi Intentionally Spoliates Evidence

- 60. After Nexon confronted Choi about his unauthorized file transfers, Choi agreed to turn over his external servers to Nexon so that the company could determine whether the data was disclosed to a third party. In fact, Choi signed a written forensic agreement with Nexon to turn over his servers. However, Choi quickly changed his mind and refused.
- 61. Instead, according to Choi, he instructed an acquaintance to permanently delete the files on his personal servers. According to Choi, the server was wiped multiple times so that the data could not be recovered.

- 62. If what Choi says is true, Choi's wiping of his personal servers thwarted Nexon's ability to directly confirm the full extent of the data he stole and to directly confirm whether Choi exported data from his personal servers to third parties or to another location where he could continue to access and use the stolen data.
- 63. Choi's admission that he willfully spoliated evidence raises an inference that his private servers contained evidence that he misappropriated and continues to misappropriate Nexon's Trade Secrets.
- 64. Although the full extent of Choi's theft cannot be fully known because Choi refused to turn over his servers, in July 2021, Nexon's internal audit team conducted an investigation that revealed that between December 2020 and June 2021, Choi acquired and transferred, without authorization, at least 11,602 key files of the P3 Project from Nexon's server to his private servers in 2020 and 2021. These 11,602 files contain P3 Trade Secrets that include, but are not limited to, source code, art resources, and build files.
  - 65. Below is a breakdown of the 11,602 files that Choi transferred without authorization:
    - a. 318 files of development production program;
    - b. 4,673 files of visual data source level and accessory elements;
    - c. 1,061 files of visual data source images;
    - d. 3,861 files of visual data source character and accessory elements;
    - e. 1,321 files of visual data source planning data such as game rule;
    - f. 260 files of program source code; and
    - g. 108 build files on game prototype.
- 66. Following disciplinary proceedings, Nexon terminated Choi for his egregious misconduct on July 12, 2021.

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#### H. Choi and Park Found Ironmace With Nexon's Trade Secrets As Their Main Asset

- 67. Following Choi's termination, Park left Nexon on August 9, 2021. Nine other P3 Project team members, representing nearly 50% of the team, followed suit and left Nexon. On information and belief, each of the P3 Project members who left Nexon and joined Ironmace had been solicited by Choi to leave Nexon's employ and join Ironmace prior to Choi's termination.
- 68. On October 20, 2021, only two months after Park left Nexon, he co-founded Ironmace and became the CEO. Choi as well as the nine former P3 Project members joined Ironmace shortly thereafter. On information and belief, Choi is the controlling shareholder of Ironmace.
- 69. With most of the key P3 Project team members gone, it was difficult for Nexon to continue the P3 Project.

#### I. Ironmace Completes a Demo of P3 and Renames it "Dark and Darker"

70. In August 2022, a mere ten months after Ironmace was formed, Defendants released a demo of P3, now renamed, "Dark and Darker" for download on Steam. As described below, Ironmace could not have developed Dark and Darker so rapidly, unless it used Nexon's Trade Secrets to do so.

#### J. Ironmace Benefitted from Nexon's Trade Secrets in Developing Dark and Darker

- 71. When Ironmace began developing Dark and Darker, it had no need to go through the concept and pre-production stage, the prototyping stage, and the early production stage of game development. All of that work had already been completed by more than twenty people working full-time for eleven months at Nexon's expense.
- 72. Indeed, in self-serving public statements, Ironmace has set forth a timeline that it contends shows there is nothing unusual in how quickly it was able to release a demo of Dark and Darker. Notably absent from that timeline is any reference to the pitching, prototyping, and pre-production stages of Dark and Darker. The reason those stages are absent from Ironmace's COMPLAINT FOR MISAPPROPRIATION OF TRADE 1420 FIFTH AVENUE, SUITE 3000 SECRETS AND COPYRIGHT INFRINGEMENT - 19 SEATTLE, WASHINGTON 98101-2393

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timeline is that they were performed by *Nexon*. Defendants simply misappropriated Nexon's Trade Secrets to skip over those stages.

73. By stealing Nexon's Trade Secrets, Defendants conferred significant economic advantages on themselves. For example, the majority of video games fail before they get past the prototyping stage. When a game fails at the end of the prototyping stage, every hour of human effort and every dollar of investment in the game is a loss.

74. Defendants, however, did not need to take any risk that Dark and Darker would be a failure before the prototyping stage. That is because Defendants knew that Nexon had already tested the game through the prototyping stage and determined it was likely to be a commercial success, something which was unknown to anyone other than Nexon's employees.

75. Furthermore, as the director of the P3 Project, Choi had knowledge of the results of the detailed surveys identifying what elements of the game made it enjoyable to testers, which was also unknown to anyone other than Nexon's employees. With this knowledge developed at Nexon's expense, Defendants had a significant advantage in developing Dark and Darker.

76. The more than 11,000 files that Choi transferred also gave Defendants a significant economic advantage. The following non-exhaustive examples are illustrative.

77. **P3Game/Binaries/Win64/UE4Editor-P3Game.dll files.** Choi exported to his private servers 318 files of game development data. These files contain a log of all 733 revisions to the program files for P3 over the eleven-month development process. By having a list of all 733 revisions to P3, Defendants had a step-by-step guide to recreate P3 at Ironmace and accelerate the development of Dark and Darker, avoiding the time and expense of the trial and error process that Nexon was required to engage in.

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78. **Visual Source Data – Level and Accessory Elements.** Choi exported to his private servers 4,673 files of visual data related to game levels and accessories.

- 79. Visual data was one of the most time consuming and labor intensive elements of P3 development. Each level took weeks or months to create. A planner designed the movement path and sequence of motion through the level. A concept artist created assets to be placed on each level and arranged the lighting. A programmer implemented and incorporated the various elements created by the members of the team.
- 80. The visual data for Dark and Darker levels corresponds closely to the visual data for P3. By copying P3's visual data, Defendants were able to save themselves months of work.
- 81. Indeed, the lighting alone for P3 required months of work. P3 has unique yellow-orange lighting with a warm-tone ambience that is unique for video games within P3's genre. Nexon spent months testing the temperature, saturation, brightness, and shadows, requiring much trial and error before getting the right look. Defendants did not need to go through months of trial and error to achieve nearly identical lighting. They simply stole the lighting data from Nexon and used it in Dark and Darker.
- 82. **Visual Source Data Images**. Choi exported to his private servers 1,061 image files of visual data relating to display information and effects. Of the numerous visual source data files stolen from Nexon, one example is the category of UI Compass-related art resource files (e.g., P3Game/Content/UI/InGame/HUD/WB\_Compass.uasset). These UI Compass-related files are important because they provide the cardinal direction for navigation and orientation purposes in P3 and Dark and Darker.
- 83. **Visual Source Data Character and Accessory Elements.** Choi exported to his private servers 3,861 visual source data files relating to the P3 characters.

- 84. Of the thousands of visual source data files, one example is the set of asset files that control the appearance and movement of the six player-controlled characters in the P3 (e.g., BP\_HeroCharacter.uasset). These files took significant time, money, and effort to develop because they contain detailed numerical information on character movement and environmental changes according to gaming conditions. The appearance, movement, and skills dictated by the character ability and gaming condition are substantially similar in P3 and Dark and Darker. Defendants thus bypassed months of development by using the character and accessory asset files from P3 to create Dark and Darker.
  - 85. **Planning Data.** Choi exported to his private servers 1,321 files of game planning data.
- 86. To develop this data, the P3 Project members planned and wrote out the rules for P3, which were then converted into data. The planning data is critical at every stage of game development because it assesses the overall balance of the game and evaluates each character component (e.g., skill, equipment) vis-à-vis each character.
- 87. Of the voluminous planning data that Choi exported, one example is the set of asset files that correspond to the rules of the game with respect to the items used by players (e.g., ItemWeightRule.uasset). Because the game rules, items used, and difficulty of the game directly affect the way players perceive how fun the game is, the P3 Project designers spent months to repeatedly test, revise, and adjust this type of planning data.
- 88. Based on the substantial similarity between P3 rules and Dark and Darker rules, it is apparent that Defendants used P3 planning data to create Dark and Darker.
- 89. **Build files (game prototype).** Choi exported to his private servers 108 build files of the P3 prototype.
  - 90. P3Game.exe is a build file that runs P3 and is a prototype playable version of the game

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that also shows the source code as a result of the build. The P3Game.exe is included in the
P3GameClient_448.zip file, a compressed version, that allows the player to unzip the file and run
the P3 game. P3Game-WindowsNoEditor.pak:Data are merged files for game clients that
package all of the data used in the game, including visual source data, planning data, and audio
data. It took Nexon eleven months to develop its prototype build files for P3.

91. These P3 build files are important because they contain game design, artworks, and planning data; they essentially serve as a blueprint for developing the game. Access to the P3 build files would dramatically expedite the planning and designing stages of game development. Because P3 build files would serve as a guide on the history of P3 development and planning direction, they would be useful to all Ironmace employees working on completing P3 under the name Dark and Darker. Moreover, with all of P3's packaged data at their fingertips, Ironmace could save significant amount of R&D time and resources by simply referring to the P3 build files of completed concept work and art designs.

#### K. Dark and Darker Infringes Nexon's Copyrights

- 92. Nexon is the owner of nine copyright registrations related to P3 (the "Nexon Copyrights"). The Nexon Copyrights are as follows:
  - a. Project P3 Codes (computer program) is registered with the U.S. Copyright office under registration no. TXu 2-355-124.
  - b. Project P3 (audiovisual video game material) is registered with the U.S. Copyright office under registration no. PAu 4-169-661.
  - Project P3 Playtest (audiovisual material and spoken commentary) is registered with the U.S. Copyright office under registration no. PAu 4-166-909.
  - d. Project P3 Character Cleric (2D artwork) is registered with the U.S. Copyright

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office under registration no. VAu 1-491-714	4.
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- e. Project P3 Character Ranger (2D artwork) is registered with the U.S. Copyright office under registration no. VAu 1-491-715.
- f. Project P3 Character Barbarian (2D artwork) is registered with the U.S. Copyright office under registration no. VAu 1-491-716.
- g. Project P3 Character Tanker (2D artwork) is registered with the U.S. Copyright office under registration no. VAu 1-491-717.
- h. Project P3 Character Thief (2D artwork) is registered with the U.S. Copyright office under registration no. VAu 1-491-719.
- i. Project P3 Character Wizard (2D artwork) is registered with the U.S. Copyright office under registration no. VAu 1-491-720.

# 1. Source Code Copyright

- 93. The registration for Project P3 Code (computer program) covers the source code for P3. Source code is human-readable instructions that tell a computer how to execute a computer program.
- 94. Although in self-serving public statements Ironmace has portrayed itself as having nothing to hide and has offered to share its source code for Dark and Darker so that Ironmace can clear its name, Ironmace has, in fact, never shared its source code with Nexon. Ironically, Ironmace contends its source code is a trade secret. On information and belief, Ironmace's source code is substantially similar to Nexon's, and the fact of substantial similarity will be revealed when Ironmace is required to disclose its source code in discovery.
- 95. Developing source code for a game as complex as Dark and Darker takes a significant amount of time and resources. It is implausible that Defendants could have written new, non-

infringing source code from scratch in the short time that Ironmace has been in existence. It is much more plausible that Defendants used Nexon's P3 source code as a base, which they refined and augmented to develop the source code for Dark and Darker.

- 96. The inference that Defendants copied Nexon's source code is supported by the fact that Choi formulated a plan to do exactly that. Choi solicited the P3 Project team members to recreate P3 outside of Nexon. At the same time Choi was soliciting team members, he clandestinely transferred at least 260 separate source code files to his private servers.
- 97. Dark and Darker, which is substantially the same game as P3, is the culmination of Choi's plan to steal Nexon's source code so that he could recreate P3 at Ironmace.

#### 2. Audiovisual Copyrights

- 98. The registration for Project P3 (audiovisual game material) covers the audiovisual aspects of the P3 Game.
- 99. The registration for Project P3 Playtest (audiovisual material and spoken commentary) is a video recording of a play-through of the P3 Game.
- 100. As part of the P3 Project team, Choi and Park had access to these copyrighted materials. Indeed, Choi transferred these materials to his private servers as part of a plan to recreate P3 outside of Nexon.
- 101. The audiovisual aspects of P3 and Dark and Darker are substantially similar for the reasons described below.

#### a. The Idea of the Games

- 102. P3 and Dark and Darker are based on an identical idea.
- 103. Both games are set in a player vs. player vs. environment ("PvPvE"). This means that players battle each other (player vs. player), as well as their environment, such as monsters

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controlled by the computer.

104. Both games are first-person shooter ("FPS") games. This means that the player sees the game from the first-person perspective of the character he or she controls. The player aims and shoots weapons, such as a bow and arrow, to damage human-controlled players or the monsters that populate the environment.

105. Both games have role-playing game ("RPG") elements. This means, for example, that a player's hit points (the amount of damage the player can sustain before dying) increase as the players "level-up" by gaining more experience.

106. Both games occur in a medieval setting inspired by the classic board game Dungeons and Dragons.

107. While Nexon does not claim to own the idea of a PvPvE, FPS, RPG game inspired by Dungeons and Dragons, it does own the copyright in the particular expression of that idea embodied in the P3 audiovisual copyrights. Dark and Darker copies P3's expression of that idea such that the games as a whole are substantially similar, even when one excludes non-protectable ideas from the analysis. Because it is not possible to fully explain all the similarities of a threedimensional and dynamic video games in a two-dimensional and static legal pleading, Nexon provides an illustrative and non-exhaustive set of examples of the similarities between the games as follows.

# b. The Selection of Player-Controlled Character Classes

108. In the core editions of Dungeons and Dragons, players can choose from twelve classes of characters: (1) Barbarian, (2) Bard, (3) Cleric, (4) Druid, (5) Fighter, (6) Monk, (7) Paladin, (8) Ranger, (9) Rogue, (10) Sorcerer, (11) Warlock, and (12) Wizard. Some editions of Dungeons and Dragons have additional classes beyond those core twelve classes.

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109. In P3, players can choose from one of six character classes: (1) the Cleric, (2) the Ranger, (3) the Barbarian, (4) the Tanker/Fighter, (5) the Thief/Rogue, and (6) the Wizard.

110. In Dark and Darker, players can also choose from one of six character classes: (1) the Cleric, (2) the Ranger, (3) the Barbarian, (4) the Fighter, (5) the Rogue, and (6) the Wizard. This set of characters is identical to P3's set of characters.

111. There is nothing inherent to Dungeons and Dragons-inspired video games that would compel a developer to select precisely the same six character classes that P3 selected. Indeed, there are more than 900 unique combinations of six character classes that a game developer could select from a set of twelve. When one considers that a game developer is not limited to choosing exactly six classes, but could also choose one class, or fourteen classes, or any number in between, that results in thousands, upon thousands, of alternative choices.

112. Thus, for example, "Octopath Traveler" has eight character classes with only the Cleric, Wizard, and Ranger in common with the characters in P3. "Diablo 3" has six character classes with only the Wizard and Barbarian in common with the characters in P3. "World of Warcraft" has thirteen character classes with only the Rogue, Fighter (Warrior), and Priest (Cleric) in common with P3.

113. Nexon's choice of the six character classes in P3 was a creative choice, similar to the choice a screenwriter makes when deciding the main characters to include in a film. Defendants copied Nexon's creative choice wholesale.

#### c. Appearance of the Player-Controlled Character Classes

114. Not only did Defendants select the same set of player-controlled character classes as Nexon, but Defendants also substantially copied the visual appearance of those characters.

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115. At the outset of the game, P3 contains a menu where players can choose their character class at the outset of the game. This menu displays artwork representing each of the six classes.

Nexon is the author of this artwork, and Nexon created this artwork specifically for P3.

116. Like P3, Dark and Darker displays representations of each character class when players select their character class. Dark and Darker's representation of the character classes is substantially similar to P3's.

117. For example, the 2D image below depicts the P3 Barbarian and the Dark and Darker Barbarian.



118. The Dark and Darker Barbarian has a Northern European-style Viking metal helmet that covers the top half of the face and Viking-inspired thicket of long, curly beard, rucksack and pockets to safekeep the items/objects from the game, and a general appearance that combines a dwarf and a Viking-all of which are near replicas of the elements in P3.

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119. These visual similarities are not the inevitable result of both Plaintiff and Defendants relying on stock depictions of barbarians. To illustrate, below is a three-way comparison of barbarians from P3, Dark and Darker, and the D&D Beyond website operated by non-party Wizards of the West Coast, LLC ("Wizards of the West Coast") which owns the Dungeons and Dragons brand. As is readily apparent to the eye, the Wizards of the West Coast Barbarian is entirely distinct from the P3 and Dark and Darker Barbarian.



120. Dark and Darker's Cleric is also substantially similar to P3's Cleric. As depicted below, both characters have pouch bags and a rucksack intended to hold the items/objects, holstered belt with a thick spell book, and frayed tunic, as well as a tight hood revealing facial hair, colorful neck scarf, round shield, metal staff, and armored sleeves.



121. The similarities between the P3 and Dark and Darker Clerics are not the result of generic features of clerics. The three-way comparison with Wizards of the West Coast Cleric illustrates the point.



122. The appearance of the P3 Tanker/Fighter and Dark and Darker Fighter are also substantially similar. As depicted below, both characters have an open-face helmet with a curved roof, frayed neck scarf draped over ragged armor, hanging pouches and a bulky sack to

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cuisses, and armor with leather straps.

hold items from the game, an old and beaten wooden-metal shield, as well as a breastplate,



123. Again, as shown by a three-way comparison with the Wizards of the West Coast Fighter, these similarities are not the result of generic attributes of a Fighter.

Р3	Dark and Darker	Wizards of the West Coast

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124. Dark and Darker's Wizard is substantially similar to P3's Wizard. As depicted below, both Wizards have baggy pouch bags to store loot from the game, a thick spell book hanging at their waist (to reflect the Wizard's tendency to reach for the spell book), as well as threadbare black/gray robes, and a wooden staff with a crystal ball at the center.



125. As shown by a three-way comparison with Wizards of the West Coast's Wizard, these similarities are not the result of the generic attributes of a Wizard.

Р3	Dark and Darker	Wizards of the West Coast

126. The Dark and Darker Rogue is substantially similar to the P3 Thief/Rogue. As depicted below, both are costumed with a small brown pouch bag to hold items/objects from the game (unlike other characters, no bulky bag to slow down the character), keys to emphasize its unique talent of picking locks, the draped hood, and leather belt with a holstered hand knife.



127. As shown by a three-way comparison with the Wizards of the West Coast Thief, these similarities are not the result of shared generic attributes of a Thief or Rogue.

Р3	Dark and Darker	Wizards of the West Coast

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128. The Dark and Darker Ranger is substantially similar to the P3 Ranger. As depicted below, both wear folded knee-high boots, carry a metal trap, and are outfitted in a loosely hooded cape and brown leather gauntlet.



129. As shown by a three-way comparison with the Wizards of the West Coast Rogue, these similarities are not the result of shared generic attributes of Rangers.

Р3	Dark and Darker	Wizards of the West Coast

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# d. Unique Character Skills

130. To make its expression of the six standard character classes unique, Nexon gave the character classes a unique skill not shared by any other character class.

- 131. For example, the Barbarian in P3 has the ability to break down dungeon doors with his axe. No other character in P3 has the ability to break down doors.
- 132. The Ranger in P3 can set traps to injure his enemies. No other character in P3 has this ability.
- 133. The Thief/Rogue in P3 has the ability to pick locked chests without a lockpick. No other character in P3 has this ability.
- 134. Dark and Darker copied these expressive elements wholesale. In Dark and Darker, only the Barbarian can break down doors; only the Ranger can set traps; and only the Rogue can pick locks.
- 135. These elements are unique to P3. There is no existing trope in Dungeons and Dragons or video games that only Barbarians can break doors, only Rangers can set traps, and only Thieves/Rogues can pick locks. Those are unique aspects of P3 characters that Defendants unimaginatively copied in Dark and Darker.

#### e. Selection of Unreal Engine Marketplace Assets

136. Nexon purchased many assets from the Unreal Engine Marketplace when developing P3. The Unreal Engine Marketplace is an online marketplace where video game developers can purchase ready-made assets to save on the costs of development. For example, if a game calls for a 3D werewolf character, a game developer can expend the time and resources to make an animated 3D model of a werewolf from scratch. Alternatively, a developer can go to the Unreal Engine Marketplace and purchase an already existing 3D model of a werewolf. The game

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developer can use the purchased werewolf as is, off the shelf, or the developer can modify and customize it.

137. Many other types of assets can be purchased in addition to 3D models of characters. Other assets include items, such as torches and treasure chests; non-player characters like monsters; assets to establish settings, such as doors and castle walls; and animations, such as a hand movement to wield a sword.

138. The Unreal Engine Marketplace contains a vast selection of assets. Nexon was required to use creativity to select the assets that best expressed its idea for P3. Defendants copied this creative selection.

139. Indeed, Nexon conducted a comparison of the file names underlying P3 and Dark and Darker and discovered the games have 2,338 identical file names, including file names embodying assets purchased from the Unreal Engine Marketplace.

140. As a result of Defendants' unimaginative copying of Nexon's selection of Unreal Engine Marketplace assets, the games have a strikingly similar appearance. The examples discussed below are illustrative, but not exhaustive.

# i. Non-Player Characters

141. In gaming, a Non-Player Character ("NPC") is a character controlled by the computer, rather than a human player. Both P3 and Dark and Darker feature scary monster NPCs that attack human-controlled characters.

142. A developer using the Unreal Engine Marketplace has an unfathomably large selection of pre-existing monsters from which to choose. Instead of selecting a unique set of monsters for Dark and Darker, Defendants largely copied the choices Nexon made in P3.

143. For example, P3 and Dark and Darker both feature the same fleshy, bald zombie with

eyes that light up.

P3

Dark and Darker

Zombie

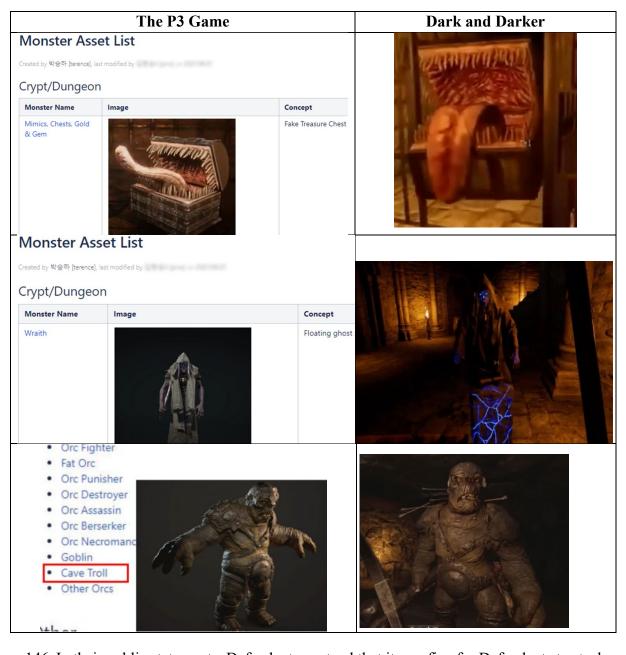
144. Both P3 and Dark and Darker contain a skeleton wizard that is hooded and carries a wooden staff.



145. Likewise, both games contain identical monsters, including the "Mimic" chest, "Wraith," and cave troll.<sup>8</sup>

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<sup>&</sup>lt;sup>8</sup> At the time the P3 Project was suspended, these assets had not been implemented into the playable version of P3. However, the selection of these assets—by Defendant Park himself—was complete.



146. In their public statements, Defendants contend that it was fine for Defendants to steal Nexon's selection of assets because each individual asset is, by itself, owned by the Unreal Engine Marketplace. Defendants' contention is contrary to the Copyright Act, which protects "a work formed by the collection and assembling of preexisting materials or of data that are selected, coordinated, or arranged in such a way that the resulting work as a whole constitutes an original work of authorship." 17 U.S.C. § 101 (emphasis added).

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147. The Copyright Act's position is sensible. Defendants' position is not. If Defendants' were correct, any developer who purchased assets from the Unreal Engine Marketplace would have no protection for the overall look and feel of their games. No matter how creative a developer's selection of assets, the selection could be copied at will by any other developer. Works of enormous creativity would be left unprotected by copyright simply because the building blocks of the work came from the Unreal Engine Marketplace.

148. The law does not treat other creative works in this manner. English language books are protected by copyright, even though they are built from the same twenty-six letters of the alphabet owned by nobody. Most of Western music is built by arranging twelve notes owned by nobody, but songwriters receive broad protection for their works. The Copyright Act does not provide for any lesser protection to video games.

# ii. Settings

149. In addition to copying the player characters and NPCs, Defendants also copied the visual appearance of the games setting.

150. For example, Nexon selected the door below on the left for P3 from the Unreal Engine Marketplace but customized it by making it wider than the stock door. Defendants selected exactly the same door as Nexon for Dark and Darker and, on information and belief, widened it in the same manner.



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154. Dark and Darker also includes the torch-related game feature, that allows the players to adjust visibility by "turning on" or "turning off" the torch. In both games, the outline of the

torch lights up in yellow when the function is activated.

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151. In P3, players can sit at a campfire to congregate with other players and replenish their health. In Dark and Darker, players rest in front of a campfire in an identical sitting position.



152. As noted above, P3 takes place in a unique yellow-orange lighting. In addition to taking months of trial and error to perfect, choosing this lighting required more than the minimal level of creativity to be protected as authorship. Dark and Darker chose precisely the same lighting.



153. One of the main themes in P3 is the juxtaposition of light and dark. Thus, P3 introduces torch-related game features that allow players to illuminate or extinguish the torches installed in the dungeons to increase or decrease visibility.

# f. Unique Action and Movement

155. When developing P3, Nexon developed distinctive forms of action and movement that exceeded the minimal level of creativity required for a work of authorship.

156. For example, players in P3 can open treasure chests. In most other games, as in real life, that action would consist of reaching for the lid and physically lifting it with a hand. In P3, however, characters move their hands in a distinctive circular motion over the chests without physically touching the chest. Similarly, characters in P3 can bandage their wounds by using a distinctive circular hand motion. As depicted in the snapshots below, Defendants copied the same motions in Dark and Darker.



157. P3 also contains a "stealth" mode where players can hide from other players and their environment. While the idea of a stealth mode is not unique to P3, P3 uniquely expresses that idea by turning the gameplay screen in grayscale. As depicted below, Dark and Darker

replicates this expressive element.



158. In both games, the characters have various ways to "buff" or shield themselves from offensive spells and attacks. One example is the "buff bubble" which is illustrated in a way that is unique to the P3. When the buff bubble is activated, the character is encapsulated in a sheer, protective, red bubble with a thicker outline. Dark and Darker copied the creative expression for the identical "buff" ability; the only difference is the color of the buff bubble.



159. In both games, there are potions that provide restorative powers. In P3, the potion flask

lights up and is fastened to the character's waist. While restorative potions are a common feature in dungeon crawler games, the light-up feature and the placement of the flask are unique to P3. Moreover, returning to the theme of light and darkness in P3, Nexon's developers consciously added the light up feature – which illuminates the surrounding setting. Defendants copied the unique potion flask that lights up and the placement of the flask at the characters' waists in Dark and Darker.



g. Narrative Elements

160. P3 contains several unique narrative elements that immerse the player in the unique world. Dark and Darker substantially copies these elements.

161. For example, players in P3 commence the game in a tavern. Players in the tavern can communicate with each other. They may also use their weapons on each other for fun, but the weapons do not actually inflict damage in the tavern or otherwise affect the outcome or score of the game. Once players form a party in the tavern, they are transported to a dungeon where weapons can inflict damage and the intense gameplay begins. The tavern is a unique feature of P3.

162. Defendants copied the tavern in Dark and Darker. While Defendants renamed the tavern the "Gathering Hall," the Gathering Hall serves the same narrative purposes as the tavern.

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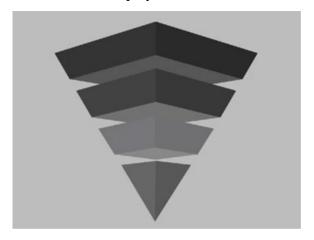
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163. Similarly, as noted above, players in P3 can rest and restore their health while sitting around a campfire. In Dark and Darker, players can rest and restore their health by sitting around a campfire in identical poses as in P3.

164. Both P3 and Dark and Darker take the players through a similarly structured dungeon basement. Specifically, the P3 Project team built a five-level dungeon that resembles an inverted pyramid structure. On information and belief, this multi-level inverted pyramid structure dungeon is replicated in the Dark and Darker. Defendants have announced that the first level of the dungeon will be revealed in the fifth playtest.



165. Due to the nature of P3 where players venture through the dungeon to collect items and fight monsters, the players are scattered throughout the dungeon. The P3 team thought long and hard about how to bring together the players scattered about in the dungeon to a central location so that the players could combat one another. Ultimately, Nexon implemented a creative solution of a spatial control feature in P3, in the form of "poison fog" that would guide the players to a certain location of the dungeon where the other players are located. Defendants implemented the same spatial control feature (renamed "dark swarm") that forces players to a certain location in the dungeon in Dark and Darker.

166. Finally, the premise of both P3 and Dark and Darker involves adventurers who hear a rumor that they may find riches, and they form a quest party to embark on an adventure into the COMPLAINT FOR MISAPPROPRIATION OF TRADE 1420 FIFTH AVENUE, SUITE 3000 SECRETS AND COPYRIGHT INFRINGEMENT - 44 SEATTLE, WASHINGTON 98101-2393

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dungeons filled with monsters and treasures.

167. The two games even share a similar game description. The description of P3 (translated into English) is as follows:

"Despite the danger, many adventurers venture into the unknown dungeon after hearing rumors of great fortune in the dungeon. Adventurers form a party with other trusted members and venture into the dark and dangerous dungeon. They may find themselves in danger upon encountering monsters or discovering valuable loot and treasure. Adventurers can keep everything they have plundered if they can escape the dungeon safely and avoid the countless dangers such as traps, monsters, and other players."

The description of Dark and Darker is as follows:

"Unfathomable fortune awaits the brave and the foolish willing to delve into the devasted depths of an ancient citadel. Band together with your friends and use your courage, wits, and cunning to uncover mythical treasures, defeat gruesome monsters, while staying one step ahead of the other devious treasure-hunters. Once you've plundered your riches, now comes the hard part, getting out alive."

# h. Overall Effect

168. As a result, Defendants' copying of character classes, the appearance of character classes, the appearance of NPCs, the appearance of the game settings, unique actions and movements, narrative elements, and other audiovisual aspects of P3, Dark and Darker is substantially similar to Nexon's audiovisual copyrights.

#### 3. 2D Artwork Copyrights

169. Nexon's remaining copyright registrations cover 2D artwork for the six classes of characters in P3. For the reasons discussed in Paragraphs 112 through 129 the appearance of the

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six character classes in Dark and Darker is substantially similar to Nexon's copyrighted 2D artwork.

# L. Defendants Target the Western District of Washington and the United States

170. After completing a demo version of Dark and Darker, Defendants purposefully directed their misappropriation and infringement to Washington and the United States and, in doing so, purposefully availed themselves of the privilege of conducting their activities in Washington and the United States.

171. In particular, Defendants made Dark and Darker available for playtests on Steam on (i) August 19-21, 2022, (ii) September 23-28, 2022, (iii) October 28-November 2, 2022, and (iv) February 6-16, 2023. Steam is an online platform that provides game developers with a lowrisk way to test their games. Steam is owned by Valve Corporation. which is headquartered in Bellevue, Washington.

172. On information and belief, Steam would readily permit Defendants to block players in the United States from participating in the Dark and Darker playtests. Defendants, however, did not block access in the United States.

173. To the contrary, Park admitted in a Discord post that at least the September 2022 playtest was "meant to test basic online gameplay for the North America region." Although people from other regions could join the playtest, it was not directed to them. Indeed, Park stated that "[f]or players outside of North America, please let us know where you are coming from in order to help us plan and expand our regions for future playtest."

174. The September 2022 playtest was so successful in the United States that it overwhelmed all of the capacity for the "US East server." Accordingly, Park used his Discord account to encourage players in the Eastern United States to choose the "US West" or "EU" servers to

permit more people in the United States to participate in the playtest.

175. Further confirming Defendants' intentional targeting of the U.S. market, a third party named GameCharts keeps statistics that estimate the demographics of Steam users. According to GameCharts' data, the United States was, by far, the most significant market for the Dark and Darker playtests. As of January 2023, 38.67% of all Dark and Darker players were from the United States. That percentage dwarfs the next-most popular market, Japan, at 7.94%. The Republic of Korea, accounted for just 4.56% of players. Worldwide, more than 2 million people participated in the four playtests. In light of the U.S. market share at 38.67%, at least 773,400 players in the United States downloaded the infringing game developed using Nexon's Trade Secrets.

176. Defendants also engaged in a public relations strategy that targeted the United States. For example, during one of the playtests, Ironmace posted on Discord and Twitter that "[t]here is something out there waiting for you..." and directed players to a message with an image of "Rat Rock," a codename for Central Park in Manhattan, New York. There, players found a QR code glued under a bench located in Central Park, with the password "wakeup." Ironmace instructed the players in the United States to find the password and send Ironmace a direct message of the password once discovered.

177. Defendants also used English-language social media to target players in the United States. Ironmace communicated with Dark and Darker players about the playtests via Twitter, posting exclusively in English on an account with over 40,000 followers. Defendants maintained an English-language presence on Reddit. For example, the subreddit r/DarkAndDarker is

<sup>&</sup>lt;sup>9</sup> Ironmace's post available at https://twitter.com/IronmaceGames/status/1619727304938389504 [https://perma.cc/ARR8-S7JC].

moderated by a user named u/LongJonSiIver, and it promotes interest in Dark and Darker. The moderator of r/DarkAndDarker posted to r/DarkAndDarker what purports to be Ironmace's official response to Nexon's allegations of misappropriation and infringement. Another user named u/krapst78 has actively posted information on DarkAndDarker in English in the r/DarkAndDarker subreddit. On information and belief, u/krapst78 is the account of Defendant Park.

178. Park also conducted interviews with YouTube channels targeted to U.S. gamers, including "Onepeg" on October 22, 2022<sup>10</sup> and February 2, 2023<sup>11</sup> in English; "Pestily" on November 24, 2022 in English, <sup>12</sup> and "Jonah Veil Gaming" from the United States on February 6, 2023 in English. <sup>13</sup> In these interviews, Park discusses the background of Ironmace, playtests, details about Dark and Darker, and future plans including new features, early access, cost estimate, etc. To Nexon's knowledge, Park and Ironmace did not conduct any interviews in Korean or market the game in ways that would have targeted a Korean audience.

179. On information and belief, Defendants also participated in the Dark and Darker Discord community to target players in the United States with English-language discussions about Dark and Darker. For example, on March 5, 2023, a "Discord Q&A" with Defendant Ironmace's main developer with the ID name "SDF" was posted on Google Documents. On information and belief, "SDF" is Defendant Choi. The document includes detailed questions and answers about

<sup>&</sup>lt;sup>10</sup> Interview available at https://www.youtube.com/watch?v=B9UpmeHDgIc [https://perma.cc/JKP6-AM67].

<sup>&</sup>lt;sup>11</sup> Interview available at https://www.youtube.com/watch?v=CsemYNS6n\_8&t=600s [https://perma.cc/5TRF-BMUD].

<sup>&</sup>lt;sup>12</sup> Interview available at https://www.youtube.com/watch?v=B\_tYY0B3OrA&t=63s [https://perma.cc/Z2G3-L9Z9].

<sup>&</sup>lt;sup>13</sup> Interview available at https://www.youtube.com/watch?v=8xpzCTvaNBQ [https://perma.cc/A9ZX-SQC3].

the new features of Dark and Darker and the future plans of Ironmace. <sup>14</sup> In the document, which is entirely in English, Choi admits he is "not familiar with English," but chose to communicate in English anyway "to reach as many people as possible."

180. Defendants also purposefully availed themselves of the privilege of conducting their activities in Washington and the United States. For instance, according to Steam's website, <sup>15</sup> anyone seeking to distribute games through Steam must agree to the Steam Subscriber Agreement. <sup>16</sup> By its terms, the Steam Subscriber Agreement is "deemed to have been made and executed in the State of Washington, U.S.A., and Washington law, excluding conflict of law principles and the Convention on Contracts for the International Sale of Goods, governs all claims arising out of or relating" to the agreement and other related matters. Furthermore, any dispute under the agreement not subject to arbitration is subject to exclusive jurisdiction in the state and federal courts of King County, Washington. Thus, by distributing Dark and Darker through Steam, Defendants availed themselves of the privilege of entering into contracts in Washington and the United States and availed themselves of the protection of the laws of Washington and the United States.

181. Furthermore, Defendants hosted the playtests on Amazon Web Service ("AWS") servers. According to the AWS Customer Agreement, <sup>17</sup> for customers located in the Republic of Korea (or the United States), all disputes under the agreement are subject to binding arbitration under the United States Federal Arbitration Act. Furthermore, the "Governing Laws" under the

Discord Q&A available at https://docs.google.com/document/d/1LMBS8k7I9gXt\_q2A9yH kmsa8iA63ttxC10tVmyTnREs/edit [https://perma.cc/AQ7T-NKMQ].

<sup>&</sup>lt;sup>15</sup> Available at https://partner.steamgames.com/steamdirect [https://perma.cc/QCM3-ZXG5].

<sup>&</sup>lt;sup>16</sup> Available at https://store.steampowered.com/subscriber\_agreement/ [https://perma.cc/RW22-B6T4].

<sup>&</sup>lt;sup>17</sup> Available at https://aws.amazon.com/agreement/ [https://perma.cc/5W8C-5C7W].

agreement are the laws of Washington, and the "Governing Courts" with exclusive jurisdiction are the state and federal courts of King County, Washington. Accordingly, Defendants purposefully availed themselves of the privilege of entering into contracts in Washington and the United States and availed themselves of the protection of the laws of Washington and the United States.

182. Accordingly, Defendants have purposefully availed themselves of the privileges of conducting their activities in Washington and the United States and have purposefully directed their wrongful activities to these locations, and thus the exercise of jurisdiction in Washington and the United States is reasonable. Indeed, there is no forum in the world more suitable than the Western District of Washington for resolving claims that Defendants misappropriated trade secrets under the United States Defend Trade Secrets Act and infringed copyrights under the United States Copyright Act by using a Washington-based distribution platform to purposefully target consumers in the United States.

# FIRST CLAIM FOR RELIEF

Misappropriation of Trade Secrets Under the Defend Trade Secrets Act 18 U.S.C. § 1836(b)(1)
(Against All Defendants)

- 183. Nexon incorporates all previous paragraphs here.
- 184. Nexon is the owner of the Trade Secrets.
- 185. Nexon intended to use the Trade Secrets in interstate and foreign commerce.
- 186. Nexon has taken reasonable measures to keep the Trade Secrets secret.
- 187. The Trade Secrets derive independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable through proper means by, another person who can obtain economic value from the disclosure or use of the information. In particular, it took significant time, money, and effort to develop the Trade Secrets. The Trade

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Secrets derive value from not being known because a person with access to the Trade Secrets

could develop a video game at a greatly accelerated pace with less costs and risks than a person

188. Ironmace misappropriated the Trade Secrets because it acquired the Trade Secrets with

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189. All Defendants misappropriated the Trade Secrets because they disclosed and used the Trade Secrets without Nexon's express consent, and at the time of disclosure and use, knew or had reason to know that the Trade Secrets were derived from or through a person who had used improper means to acquire the Trade Secrets, acquired under circumstances giving rise to a duty to maintain the secrecy of the Trade Secrets and limit the use of the Trade Secrets, and/or derived from or through a person who owed a duty to Nexon to maintain the secrecy of the Trade Secrets and limit their use.

190. Defendants' misappropriation has caused actual loss to Nexon.

knowledge or reason to know that they were acquired by improper means.

191. Defendants' misappropriation was willful and malicious.

who had no access to the Trade Secrets.

- 192. On information and belief, Defendants will continue their misappropriation unless enjoined by this Court.
- 193. Absent injunctive relief, Nexon will suffer irreparable harm, including, but not limited to, irreversible loss of market share.
- 194. On information and belief, Defendants have or will be unjustly enriched caused by their misappropriation.
- 195. Accordingly, Nexon is entitled to (1) preliminary and permanent injunctive relief; (2) an award of damages for actual loss; (3) an award of damages for unjust enrichment; (4) a reasonable royalty; (5) exemplary damages in an amount of two times the damages awarded; and

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(6) an award of its attorney's fees.

### SECOND CLAIM FOR RELIEF

Copyright Infringement 17 U.S.C. § 501, et seq. (Against All Defendants)

- 196. Nexon incorporates all previous paragraphs here.
- 197. Nexon is the owner of valid copyright registrations in the Nexon Copyrights.
- 198. By the acts alleged herein, Defendants directly or secondarily infringed Nexon's exclusive right to reproduce the Nexon Copyrights, prepare copied works based upon the Nexon Copyrights, distribute the Nexon Copyrights, publicly perform the Nexon Copyrights, and publicly display the Nexon Copyrights.
- 199. Nexon has been damaged by Defendants' infringement in an amount to be proven at trial.
- 200. On information and belief, Defendants will continue their infringement unless enjoined by the Court.
- 201. Absent injunctive relief, Nexon will suffer irreparable harm, including, but not limited to, irreversible loss of market share.
- 202. Accordingly, Nexon is entitled to (1) preliminary and permanent injunctive relief; (2) Nexon's actual damages; (3) Defendants' additional profits; and (4) impoundment of all copies of the Nexon Copyrights made or used in violation of Nexon's exclusive rights.

# PRAYER FOR RELIEF

WHEREFORE, Plaintiff prays that this Court enter judgment in its favor on each and every claim for relief set forth above and award it relief including, but not limited to, an Order:

A. Preliminary and permanently enjoining Defendants, their officers, employees, agents, subsidiaries, representatives, distributors, dealers, members, affiliates, internet service

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providers, and all persons acting in concert or participation with them from misappropriating Plaintiff's P3 and infringing Plaintiff's copyrighted works, including by copying, marketing, distributing, or publicly performing Dark and Darker or any game substantially similar to the P3 Game.

- B. Requiring Defendants to deliver to Plaintiff all copies of P3 materials unlawfully stolen from Nexon or that violate any of Plaintiff's rights described herein.
- C. Requiring Defendants to deliver to Plaintiff all copies of P3 materials that infringe or violate Plaintiff's rights described herein.
- D. Awarding Plaintiff monetary relief including damages sustained by Plaintiff in an amount not yet determined and disgorgement of Defendants' ill-gotten gains.
- E. Awarding Plaintiff its costs of suit and attorney's fees.
- F. Awarding such other and further relief as this Court may deem just and appropriate.

# JURY DEMAND

Pursuant to Fed. R. Civ. P. 38(b), Plaintiff NEXON Korea Corporation hereby demands trial by jury of all issues so triable that are raised herein or which hereinafter may be raised in this action.

[signatures of counsel appear on the following page]

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1	DATED this 14th day of April, 2023.	
2		
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COMPLAINT FOR MISAPPROPRIATION OF TRADE SECRETS AND COPYRIGHT INFRINGEMENT - 54 Case No. \_\_\_\_\_

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