

IN THE UNITED STATES DISTRICT COURT  
FOR THE WESTERN DISTRICT OF OKLAHOMA

(1) GREAT WHITE PRESSURE CONTROL LLC,	)	
	)	
	)	
Plaintiff,	)	
	)	
v.	)	Case No. CIV-08-
	)	
(1) MTECH INDUSTRIES AND	)	
(2) MEHTAB (TAB) KHEHRA,	)	JURY TRIAL DEMANDED
	)	
Defendants.	)	INJUNCTIVE RELIEF REQUESTED

**COMPLAINT FOR DECLARATORY JUDGMENT AND DAMAGES**

Great White Pressure Control LLC (“Great White”) brings this complaint against MTech Industries (“MTech”) and Mehtab Khehra (collectively “Defendants”), alleging as follows:

**NATURE OF COMPLAINT**

1. This is an action for declaratory judgment, injunctive relief, and monetary damages arising out of, *inter alia*, Defendants’ false allegations that Great White has misappropriated Defendants’ intellectual property and Defendants’ threats of imminent litigation against Great White and its employees if Defendants do not receive a payment from Great White. Great White seeks a declaratory judgment that, contrary to Defendants’ assertions, Great White and its employees have not misappropriated or have otherwise used unlawfully any validly held intellectual property of Defendants, including but not limited to any rights Defendants may have under any applicable laws relating to patents, trademarks, copyright, or trade secrets. Great White also seeks damages,

attorneys' fees, costs, and all other general and equitable relief against the Defendants because Defendants have engaged in conversion, deceptive and unfair trade practices, bad faith breach of agreement, and breach of the covenant of good faith and fair dealing.

### **THE PARTIES**

2. Plaintiff Great White is an Oklahoma limited liability company with its principal place of business in Oklahoma City, Oklahoma.

3. Upon information and belief, Defendant MTech is a company based in Edmonton, Alberta, Canada.

4. Upon information and belief, Defendant Khehra is an individual domiciled in Edmonton, Alberta, Canada and is the president and an owner of MTech.

### **JURISDICTION AND VENUE**

5. Jurisdiction arises under the Federal Declaratory Judgment Act, 28 U.S.C. §§2201 and 2202, and 28 U.S.C. §§1331, 1338(a), and 1338(b), 1367 and/or 1332, in that the matter in controversy exceeds the sum or value of \$75,000, exclusive of interest and costs, and is between citizens of different states.

6. Venue is proper in the Western District of Oklahoma pursuant to 28 U.S.C. §1391.

### **FACTUAL BACKGROUND**

7. Great White is a multi-line company currently operating in Oklahoma City and Elk City, OK, and in Longview, TX. Service lines include nitrogen pumping and transport for oilfield fracturing and industrial uses, coil tubing and wireline, snubbing and

well control. Great White also manufactures much of its equipment through a plant in Oklahoma City.

8. Great White was formed in July 2006 and began operations shortly thereafter. In August 2006, Great White began investigating the purchase of equipment for its newly formed company from various equipment manufacturers, including Defendant MTech.

9. Defendant MTech is a company that manufactures and sells oilfield products, including snubbing equipment. Snubbing equipment is used to move tubulars in and out of wellbores.

10. On August 15, 2006, Defendant Khehra sent a quote to Great White in Oklahoma for the sale by MTech to Great White of two mini-snubbing units called the Mitey Titan. Under the terms of the quote, MTech agreed to deliver the units to Great White for a total price of \$375,800. The Defendants subsequently directed additional communications to Great White in Oklahoma to close the sale.

11. Great White ordered the two mini-snubbing units in late August 2006. However, upon inspecting the snubbing units, Great White learned of design flaws with the units. Great White then created a new design for Great White's snubbing units for the Defendants to build for Great White.

12. The designs and specifications Great White created for its snubbing units were unique and more cost effective by creating certain efficiencies in transportation. The designs were also different from any designs used by Great White's competitors, and

Great White gained a competitive advantage by the development of its designs and the fact that the designs were not readily assessable to its competitors.

13. Great White delivered its designs and specifications to the Defendants so that Defendants would build a prototype of this unit based on Great White's designs and deliver it to Great White. As part of this transaction, Defendants agreed and acknowledged that Great White's designs and specifications were confidential and proprietary information of Great White and that Defendants would not disclose this information to third parties, including specifically Great White's competitors.

14. Great White subsequently evaluated the prototype based on Great White's designs and concluded that some design flaws still existed. Great White created a new drawing of improvements to the unit and provided the drawing to the Defendants.

15. The design modifications and improvements Great White created and provided to Defendants units were unique, comprehensive, innovative, and transformative. MTech had never built snubbing units before in the manner set forth in Great White's designs. Great White's detailed designs and specifications for its new snubbing units were and are a proprietary trade secret of Great White.

16. Specific instructions were given by Great White to the Defendants and specific representations were made by Defendants to Great White that Great White's drawings, designs, and specifications would be kept confidential and would not be disclosed to third parties or Great White's competitors.

17. Great White ordered two of its newly designed snubbing units from MTech at a cost of \$300,000 per unit.

18. After Great White submitted its new designs to Defendants, Defendants contacted Great White and informed Great White that Defendants planned to meet with one of Great White's competitors to discuss the possible sale of MTech's Mitey Titan snubbing units. At that time, Great White stated that Defendants were not to reveal Great White's designs to Great White's competitor, and Defendants agreed.

19. After Great White made payment to Defendants and received delivery of its units in Oklahoma, Great White learned that Defendants misappropriated, used, and disclosed Great White's proprietary trade secrets and highly confidential and proprietary designs related to the snubbing units. Specifically, Defendants met with Great White's competitors and disclosed Great White's designs for its snubbing units, including detailed specifications, modifications, and measurements.

20. Defendants have damaged Great White by disclosing Great White's highly confidential, proprietary, and commercially sensitive information to its competitor.

21. Defendants have also damaged Great White by providing knowingly false information regarding Great White, its employees, and the development of Great White's snubbing units.

22. Specifically, Defendants falsely represented that a Great White employee, Steve Winters, prepared and mailed design documents to MTech in July 2006, a month before Mr. Winters came to work at Great White.

23. Defendants' unlawful disclosure of Great White's designs and specifications and Defendants' false representations regarding Great White and its employees were made knowingly and in bad faith.

24. Recently, on June 18, 2008, Defendants wrote to Great White alleging that (1) they have intellectual property rights, including possible patent rights, in snubbing equipment, and (2) Great White has prospered from use of Defendants' intellectual property in equipment designs. Defendants notified Great White that Defendants have been in consultation with law firms in the United States and Canada and have stated that they are now ready to go ahead with filing a lawsuit against Great White. Defendants have threatened to sue Great White and its employees and any affiliated companies for unlawful use of its intellectual property unless Defendants receive a monetary payment. Defendants gave Great White until June 30, 2008 to respond.

25. Defendants' allegations of unlawful conduct on the part of Great White and its employees are baseless, and Great White seeks a declaratory judgment Great White and its employees have not misappropriated or have otherwise used unlawfully any validly held intellectual property of Defendants, including but not limited to any rights Defendants may have under any applicable laws relating to patents, trademarks, copyright, or trade secrets. Great White also seeks damages, attorneys' fees, costs, and all other general and equitable relief against the Defendants for their unlawful conduct.

#### **COUNT 1: DECLARATORY JUDGMENT**

26. Great White's foregoing allegations are incorporated herein and Great White further pleads as follows:

27. Defendants have alleged that Great White and its employees are engaged in the unlawful use of Defendants' intellectual property and have threatened to sue Great White and its employees unless Defendants receive an undefined payment.

28. An actual case or controversy exists between the parties concerning unlawful use of Defendants' intellectual property, patents, trademarks, copyright, or trade secrets.

29. Great White seeks a declaratory judgment that (1) Great White owns or lawfully uses the intellectual property associated with its business operations, (2) Great White and its employees have not misappropriated, unlawfully used, or otherwise infringed, either directly or indirectly, any intellectual property rights of the Defendants, including but not limited to rights in patents, trademarks, copyright, or trade secrets, and/or (3) any intellectual property right alleged by Defendants to be infringed by Great White and its employees is invalid, unenforceable, and void.

**COUNT 2: UNFAIR TRADE PRACTICES AND UNFAIR COMPETITION**

30. Great White's foregoing allegations are incorporated herein and Great White further pleads as follows:

31. Defendants' conduct toward Great White and its employees constitutes business conduct which is contrary to honest practice in industrial and commercial matters.

32. Defendants have engaged in illegal acts that have interfered with Great White's ability to conduct its business.

33. Defendants improperly misappropriated a competitive design that belongs to Great White and which Defendants did not create independently. Great White's design constitutes a confidential and proprietary trade secret. Defendants have benefited from the use of Great White's confidential information without Great White's permission.

34. To further its own interests, and to the detriment of Great White, Defendants made knowingly false statements regarding Defendants' intentions and conduct to keep Great White's proprietary information confidential and not to disclose that information to third parties, including Great White's competitors. Defendants have also made knowingly false statements regarding Great White's independent development and ownership of its designs. The foregoing practices and the unauthorized disclosure of Great White's proprietary information for Defendants' own pecuniary interests, in breach of both a confidence and an agreement, constitutes unfair trade practices in violation of law. Defendants' conduct also constitutes breaches of the covenants of good faith and fair dealing.

35. Defendants deliberately, willfully, and in bad faith committed the aforementioned actions in violation of Section 43(a) of the Lanham Act, 15 U.S.C. §1125(a), the Oklahoma Deceptive Trade Practices Act, 85 O.S. §§51-55, and common law entitling Great White to an award of actual, consequential and punitive damages.

36. Great White has suffered and continues to suffer immediate and irreparable injury, loss, harm and damage, and will continue to do so until Defendants are restrained from their present conduct. Great White has lost a competitive edge and has been commercially damaged as a result of Defendants willful and intentional misconduct. Great White has suffered actual damages in an amount to be proved at trial.

37. Defendants' actions in this regard have been willful, malicious and taken in bad faith. Accordingly, Great White also seeks recovery of punitive and exemplary



damages as allowed by law. Great White also seeks prejudgment and postjudgment interest and court costs.

**COUNT 3: BREACH OF AGREEMENT**

38. Great White's foregoing allegations are incorporated herein and Great White further pleads as follows:

39. On multiple occasions, Defendants explicitly agreed that Great White's drawings and designs would be kept confidential and would not be disclosed to third parties or Great White's competitor.

40. Defendants breached their agreements with Great White. Defendants' actions were made in bad faith and constitutes breaches of the covenants of good faith and fair dealing.

41. Great White has suffered and continues to suffer immediate and irreparable injury, loss, harm and damage, and will continue to do so until Defendants are restrained from their present conduct. Great White has suffered actual damages in an amount to be proved at trial.

42. Defendants' actions in this regard have been willful, malicious and taken in bad faith. Accordingly, Great White also seeks recovery of punitive and exemplary damages as allowed by law. Great White also seeks prejudgment and postjudgment interest and court costs.

**COUNT 4: CONVERSION**

43. Great White's foregoing allegations are incorporated herein and Great White further pleads as follows:

44. Defendants' unauthorized use and disclosure of Great White's designs, drawings, and specifications constitutes unlawful conversion. Defendants have wrongfully exerted acts and control over Great White's property in denial of and inconsistent with Great White's rights therein. Defendants' illegal taking and wrongful assuming of right to Great White's property is actionable and constitutes wrongful possession, defiance of Great White's property rights, and unauthorized and injurious use.

45. Defendants' actions in this regard were willful, malicious and taken in bad faith. Accordingly, Great White also seeks recovery of punitive and exemplary damages as allowed by law. Great White also seeks prejudgment and postjudgment interest and court costs.

#### **JURY DEMAND**

46. Great White hereby demands a jury trial as to all claims that may be tried by a jury.

#### **INJUNCTIVE RELIEF**

47. Great White's additional allegations are incorporated herein and, alternatively and concurrently, Great White pleads as follows:

48. Great White seeks preliminary and permanent injunction ordering that Defendants (1) return all written materials related to Great White's designs, drawings, and/or specifications for its equipment, (2) destroy any electronically stored data relating to Great White's designs, drawings, and/or specifications for its equipment, and (3)

identify all parties to whom Defendants have disclosed any of Great White's designs, drawings, and/or specifications for its equipment.

49. Great White also seeks preliminary and permanent injunction restraining Defendants from, at the very least, from using and disclosing Great White's confidential and proprietary information, including designs, drawings, and/or specifications for its equipment, and from otherwise engaging in unfair trade against Great White.

### **PRAYER**

WHEREFORE, PREMISES CONSIDERED, Great White prays that judgment be entered against Defendants and in favor of Great White, and that Great White be awarded the following:

1. Actual damages, in the past and in the future, in an amount to be shown at trial;
2. Compensatory damages for harm to Great White's reputation, in the past and in the future, in an amount to be shown at trial;
3. Disgorgement of any benefits, revenue, or profits derived by Defendants as a result of the unlawful conduct alleged herein;
4. Consequential, exemplary and punitive damages in an appropriate amount to be determined by the trier of fact;
5. Interest before and after judgment at the legal rate provided therefore until paid;
6. Costs of suit;
7. Preliminary and permanent injunctive relief as requested above;

- 8 A declaratory judgment as requested above; and
9. Such other and further relief to which Great White may be justly entitled.

Dated this 30th day of June, 2008.

**s/ Charles L. McLawhorn, III**

Jeff L. Todd, OBA #17713

Charles L. McLawhorn, III, OBA #19523

McAFEE & TAFT

Tenth Floor, Two Leadership Square

211 North Robinson Ave.

Oklahoma City, Oklahoma 73102

Telephone: 405-235-9621

Facsimile: 405-235-0439

Email: jeff.todd@mcafeetaft.com

Email: chad.mclawhorn@mcafeetaft.com

**ATTORNEYS FOR PLAINTIFF**

**GREAT WHITE PRESSURE CONTROL**