# IN THE UNITED STATES DISTRICT COURT NORTHERN DISTRICT OF ILLINOIS EASTERN DIVISION

HONG KONG LEYUZHEN TECHNOLOGY CO. LIMITED,	Case No.: 1:24-cv-01652-JCD-KLHH
Plaintiff, v.	Honorable Jeremy C. Daniel Magistrate Keri L. Holleb Hotaling
THE INDIVIDUALS, CORPORATIONS, LIMITED LIABILITY COMPANIES, PARTNERSHIPS AND UNINCORPORATED ASSOCIATIONS IDENTIFIED IN SCHEDULE "A" HERETO,	Hearing Date: October 29, 2024 Hearing Time: 9:30am
Defendants.	

# PLAINTIFF'S MOTION FOR ENTRY OF DEFAULT JUDGMENT AGAINST THE IDENTIFIED DEFAULTED SCHEDULE "A" DEFENDANTS PURSUANT TO FRCP 55(b)(2)

Plaintiff Hong Kong Leyuzhen Technology Co. Ltd. ("Plaintiff") hereby moves this Honorable Court for entry of Default Judgment (the "Motion") pursuant to Federal Rule of Civil Procedure 55(b)(2) ("Rule 55(b)(2)") against the identified Schedule "A" Defendants (the "Defaulted Defendants"), which have been separately listed in Exhibit 1 to the accompanying Declaration of Shawn A. Mangano, Esq. (the "Mangano Decl."). Plaintiff's Motion is made and based upon the supporting Memorandum of Law, the Mangano Declaration, the Declaration of Liangjie Li (the "Li Decl."), the papers and pleadings on file in this action, and any argument of counsel the Court may entertain.

On July 11, 2024, the Court granted Plaintiff's Motion for Entry of Clerk's Default against the Defaulted Defendants. [Dkt. No. 50.] Pursuant to Rule 55(b)(2), Plaintiff now respectfully moves this Court for entry of a default judgment finding the Defaulted Defendants liable on all

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counts asserted in Plaintiff's Complaint. [Dkt. No. 1.] These asserted counts include claims for Copyright Infringement (Count I), False Designation of Origin under 35 U.S.C. §1125(a) (Count II), and violation of the Illinois Uniform Deceptive Trade Practices Act (the "Uniform Deceptive Trade Practices Act") (Count III). [Dkt. No. 1 at 8-13.]

In connection with its asserted claims for relief, Plaintiff seeks an award of statutory damages against all Defaulted Defendants, and a finding of willful infringement, for their intentional infringement of the following federally registered copyrights asserted in this action: (1) VA0002379911; (2) VA0002379895; (3) VA0002380492; (4) VA0002379904; (5) VA0002379881; (6) VA0002379894; and (7) VA0002379934 (the "Copyright Protected Images"). *See* 17 U.S.C. § 504(c). As alleged in the Complaint, the Defaulted Defendants have displayed, without authorization, the Copyright Protected Images on the Walmart.com online sales platform (the "Platform") to market and sell knockoff, counterfeit products resembling Plaintiff's authentic Rotita brand products, thereby deceiving public consumers as to the quality, nature, and source of goods being purchased. Plaintiff's Motion unquestionably establishes that the effective date of registration for each of the Copyright Protected Works is prior to commencement of the Defaulted Defendants' infringement, and within three months of their publication, thereby qualifying the company for the recovery of statutory damages. *See* 17 U.S.C. § 504(c).

Procedurally, Rule 55(b)(2) provides for a court-ordered default judgment which establishes, as a matter of law, that defendants are liable to plaintiff on each cause of action alleged in the complaint. *United States v. Di Mucci*, 879 F.2d 1488, 1497 (7th Cir. 1989). When the Court determines that a defendant is in default, the factual allegations of the complaint are taken as true and may not be challenged, and the defendants are liable as a matter of law as to each cause of

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action alleged in the complaint. *Black v. Lane*, 22 F.3d 1395, 1399 (7th Cir. 1994). Plaintiff meets the requirements for entry of the requested default judgment under Rule 55(b)(2).

As stated above, Plaintiff seeks the recovery of statutory damages for the Defaulted Defendants' willful copyright infringement of the Copyright Protected Images. In addition to the recovery of statutory damages for the Defaulted Defendants' willful copyright infringement, Plaintiff seeks an award of attorneys' fees and costs incurred in prosecuting this action based on the recovery of statutory damages for the Defaulted Defendants' willful copyright infringement. *See* 17 U.S.C. § 505. Furthermore, Plaintiff seeks issuance of a permanent injunction against the Defaulted Defendants. *See* 17 U.S.C. § 502.

Regarding Plaintiff's other asserted claims, the company seeks, to the extent not granted in connection with its statutory damage copyright infringement requested relief, issuance of an injunction pursuant to Uniform Deceptive Trade Practices Act. *See* 815 ILCS § 510/3. Moreover, to the extent not otherwise awarded under its statutory damage copyright infringement claim, Plaintiff seeks an award of attorneys' fees and costs. *See* 815 ILCS § 510/3.

DATED: October 11, 2024

Respectfully submitted,

By: <u>/s/ Shawn A. Mangano</u> Shawn A. Mangano (Bar No. 6299408) **BAYRAMOGLU LAW OFFICES LLC** 1540 West Warm Springs Road Ste. 100 Henderson, NV 89014 Tel: (702) 462-5973 | Fax: (702) 553-3404 shawnmangano@bayramoglu-legal.com *Attorneys for Plaintiff* 

# **CERTIFICATE OF SERVICE**

I hereby certify that on the 11th day of October 2024, I electronically filed the foregoing using the electronic case filing system. Notice of this filing is provided to unrepresented parties for whom contact information is listed below and provided via email and by posting the filing on a URL contained on our website http://blointernetenforcement.com, and a link to said website in the email provided by third-party, Walmart.

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By: <u>/s/ Shawn A. Mangano</u> Shawn A. Mangano (Bar No. 6299408)

# IN THE UNITED STATES DISTRICT COURT NORTHERN DISTRICT OF ILLINOIS

HONG KONG LEYUZHEN TECHNOLOGY	
CO. LIMITED,	Case No.: 1:24-cv-01652-JCD-KLHH
Plaintiff,	
V.	
	Honorable Jeremy C. Daniel
THE INDIVIDUALS, CORPORATIONS,	Magistrate Keri L. Holleb Hotaling
LIMITED LIABILITY COMPANIES,	5
PARTNERSHIPS AND	
UNINCORPORATED ASSOCIATIONS	Hearing Date: October 29, 2024
IDENTIFIED IN SCHEDULE "A" HERETO,	Hearing Time: 9:30am
Defendants.	

MEMORANDUM IN SUPPORT OF MOTION FOR ENTRY OF DEFAULT JUDGMENT Plaintiff Hong Kong Leyuzhen Technology Co. Ltd. ("Plaintiff") submits the following memorandum in support of Plaintiff's Motion for Entry of Default Judgment (the "Motion") pursuant to Federal Rule of Civil Procedure 55(b)(2) ("Rule 55(b)(2)") against the previously Defaulted Defendants [Dkt. No. 50] identified in the Amended Schedule "A" (collectively, the "Defaulted Defendants").

Plaintiff's Motion seeks entry of a default judgment against the Defaulted Defendants determining them liable for Copyright Infringement (Count I), False Designation of Origin under 35 U.S.C. §1125(a) (Count II), and violation of the Illinois Uniform Deceptive Trade Practices Act (the "Uniform Deceptive Trade Practices Act") (Count III) as asserted in the company's Complaint. [Dkt. No. 1 at 8-13.]. Plaintiff's Motion requests an award of statutory damages for copyright infringement, issuance of a permanent injunction for copyright infringement and/or violation of the Uniform Deceptive Trade Practices Act, and an award of attorneys' fees and costs for copyright infringement and/or the willful violation of the Uniform Deceptive Trade Practices Act, and an award of attorneys' fees and costs for copyright infringement and/or the willful violation of the Uniform Deceptive Trade Practices Act, and an award of attorneys' fees and costs for copyright infringement and/or the willful violation of the Uniform Deceptive Trade Practices Act, and an award of attorneys' fees and costs for copyright infringement and/or the willful violation of the Uniform Deceptive Trade Practices Act. [*Id.*] As argued below, Plaintiff is entitled to entry of a default judgment against the Defaulted Defendants and issuance of the requested relief pursuant to Rule 55(b)(2).

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### I. <u>INTRODUCTION</u>

On July 11, 2024, the Court granted Plaintiff's Motion for Entry of Clerk's Default against the Defaulted Defendants. [Dkt. No. 50.] Pursuant to Rule 55(b)(2), Plaintiff now respectfully moves this Court for entry of a default judgment finding the Defaulted Defendants liable on all counts asserted in Plaintiff's Complaint. [Dkt. No. 1.] These asserted counts include claims for Copyright Infringement (Count I), False Designation of Origin under 35 U.S.C. §1125(a) (Count II), and violation of the Illinois Uniform Deceptive Trade Practices Act (the "Uniform Deceptive Trade Practices Act") (Count III). [Dkt. No. 1 at 8-13.]

In connection with its asserted claims for relief, Plaintiff seeks an award of statutory damages against all Defaulted Defendants, and a finding of willful infringement, for their intentional infringement of the following federally registered copyrights asserted in this action: (1) VA0002379911; (2) VA0002379895; (3) VA0002380492; (4) VA0002379904; (5) VA0002379881; (6) VA0002379894; and (7) VA0002379934 (the "Copyright Protected Images"). *See* 17 U.S.C. § 504(c). As alleged in the Complaint, the Defaulted Defendants have displayed, without authorization, the Copyright Protected Images on the Walmart.com online sales platform (the "Platform") to market and sell knockoff, counterfeit products resembling Plaintiff's authentic Rotita brand products, thereby deceiving public consumers as to the quality, nature, and source of goods being purchased. (Mangano Decl. ¶ 6.) Plaintiff's Motion unquestionably establishes that the effective date of registration for each of the Copyright Protected Images is prior to commencement of the Defaulted Defendants' infringement, and within three months of their publication, thereby qualifying the company for the recovery of statutory damages. *See* 17 U.S.C. § 412(2).

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Procedurally, Rule 55(b)(2) provides for a court-ordered default judgment which establishes, as a matter of law, that defendants are liable to plaintiff on each cause of action alleged in the complaint. *United States v. Di Mucci*, 879 F.2d 1488, 1497 (7th Cir. 1989). When the Court determines that a defendant is in default, the factual allegations of the complaint are taken as true and may not be challenged, and the defendants are liable as a matter of law as to each cause of action alleged in the complaint. *Black v. Lane*, 22 F.3d 1395, 1399 (7th Cir. 1994). Plaintiff meets the requirements for entry of the requested default judgment under Rule 55(b)(2).

As stated above, Plaintiff seeks the recovery of statutory damages for the Defaulted Defendants' willful copyright infringement of the Copyright Protected Images. In addition to the recovery of statutory damages for the Defaulted Defendants' willful copyright infringement, Plaintiff seeks an award of attorneys' fees and costs incurred in prosecuting this action based on the recovery of statutory damages for the Defaulted Defendants' willful copyright infringement. *See* 17 U.S.C. § 505. Furthermore, Plaintiff seeks issuance of a permanent injunction against the Defaulted Defendants. *See* 17 U.S.C. § 502.

Regarding Plaintiff's other asserted claims, the company seeks, to the extent not granted in connection with its statutory damage copyright infringement requested relief, issuance of an injunction pursuant to Uniform Deceptive Trade Practices Act. *See* 815 ILCS § 510/3. Moreover, to the extent not otherwise awarded under its statutory damage copyright infringement claim, Plaintiff seeks an award of attorneys' fees and costs. *See* 815 ILCS § 510/3.

### II. <u>ARGUMENT</u>

As mentioned earlier, the Court has previously granted Plaintiff's Motion for Entry of Clerk's Default. [Dkt. No. 50.] Thus, the Defaulted Defendants' right to appear in this action and contest Plaintiff's asserted claims for relief have been precluded. Given this procedural posture,

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the present Motion seeks to establish the Defaulted Defendants' liability for Plaintiff's asserted claims for relief against them.

Specifically, Plaintiff's Motion seeks entry of a default judgment against the Defaulted Defendants determining them liable for Copyright Infringement (Count I), False Designation of Origin under 35 U.S.C. §1125(a) (Count II), and violation of the Illinois Uniform Deceptive Trade Practices Act (the "Uniform Deceptive Trade Practices Act") (Count III) as asserted in the company's Complaint. [Dkt. No. 1 at 8-13.]. As discussed below, Plaintiff is entitled to entry of a default judgment pursuant to Rule 55(b)(2) against the Defaulted Defendants that awards the company statutory damages for copyright infringement, issuance of a permanent injunction for copyright infringement and/or violation of the Uniform Deceptive Trade Practices Act, and an award of attorneys' fees and costs for copyright infringement and/or the willful violation of the Uniform Deceptive Trade Practices Act.

### A. <u>Plaintiff has met the Requirements for Entry of a Default Judgment</u>

Rule 55(b)(2) of the Federal Rules of Civil Procedure generally provides for entry of a courtordered default judgment against one or more defending parties that failure to appear, answer, and/or defendant allegations asserted against them. Fed. R. Civ. P. 55(b)(2). A default judgment establishes, as a matter of law, that named, unresponsive, defendants are liable on each cause of action alleged against them in the complaint. *Di Mucci*, 879 F.2d at 1497. When a court determines that a defendant is in default, the factual allegations of the complaint are taken as true and may not be challenged, and the defendants are liable as a matter of law as to each cause of action alleged in the complaint upon entry of default judgment. *Black*, 22 F.3d at 1399.

As noted above, on July 11, 2024, the Court granted Plaintiff's Motion for Entry of Clerk's Default against the Defaulted Defendants. [Dkt. No. 50.] Thus, default has already been entered

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against the Defaulted Defendants. Given the Court's entry of Default, Plaintiff is entitled to entry of a default judgment pursuant to Rule 55(b)(2) against the Defaulted Defendants for copyright infringement, false designation of origin, and violation of the Uniform Deceptive Trade Practice Act as asserted in the Complaint. [Dkt. No. 1 at 8-13.]

As argued below, Plaintiff is entitled to the following remedies through the issuance of a default judgment against the Defaulted Defendants: (1) an award of statutory damages for copyright infringement under 17 U.S.C. § 504(c)(1); (2) an award of enhanced statutory damages for willful copyright infringement under 17 U.S.C. § 504(c)(2); (3) an award of attorneys' fees and costs pursuant to 17 U.S.C. § 505; (4) entry of a permanent injunction pursuant to 17 U.S.C. § 502(a); (5) entry of a permanent injunction pursuant to 815 ILCS § 510/3; and (6) an award of attorneys' fees and costs pursuant for willful engagement of deceptive trade practices under 815 ILCS § 510/3. Plaintiff does not seek any relief related to its false designation of origin claim for relief in this action given the extent of the foregoing relief requested by entry of a default judgment.

### B. <u>Plaintiff is Entitled to Statutory Damages for Willful Copyright Infringement</u>

Plaintiff has established that all named Schedule "A" Defendants have infringed the Copyright Protected Images as reflected through the Court's issuance of temporary injunctive relief [Dkt. No. 19] and preliminary injunctive relief [Dkt. No. 30]. As such, the only issues that remain are Plaintiff's entitlement to statutory damages for its copyright infringement claim against the Defaulted Defendants, the company's entitlement to enhanced damages based on the Defaulted Defendants' willful copyright infringement, and its right to recovery attorneys' fees and costs.

## 1. Plaintiff is entitled to statutory damages under 17 U.S.C. § 504(c)(1).

As set forth above, Plaintiff is clearly entitled to entry of a default judgment against the Defaulted Defendants for copyright infringement in this action pursuant to Rule 55(b)(2). Having established entitlement to entry of a default judgment pursuant to Rule 55(b)(2), the inquiry next

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turns to Plaintiff's right to an award of statutory damages under 17 U.S.C. § 504(c)(1) against the Defaulted Defendants. Plaintiff is unquestionably entitled to such an award.

A plaintiff in a copyright infringement case is permitted to elect to receive statutory damages in an amount, per infringed work, of "not less than \$750 or more than \$30,000 as the court deems just." 17 U.S.C. § 504(c)(1). An award of statutory damages in copyright infringement cases is intended to compensate the plaintiff and both deter and punish the infringing party. *See Deckers Outdoor Corp. v. Australian Leather Pty. Ltd.*, Case No. 16-cv-03676, 2020 WL 4723980, at \*4 (N.D. Ill. July 13, 2020). "Indeed, district courts enjoy wide discretion in awarding [statutory] fees and may consider various factors such as "the difficulty or impossibility of proving actual damages, the circumstances of the infringement, and the efficacy of damages as a deterrent to future copyright infringement." *Chi-Boy Music v. Charlie Club, Inc.*, 930 F.2d 1224, 1229 (7<sup>th</sup> Cir. 1991) (citing *F.E.L. Publications v. Catholic Bishop of Chicago*, 754 F.2d 216, 219 (7th Cir. 1985) (citations omitted)). "Moreover, when the infringement is willful, the statutory damages award may be designed to penalize the infringer and to deter future violations." *Id.* at 1229-30.

To qualify for statutory damages for copyright infringement, the asserted works must have an "effective date" of publication (which generally constitutes the copyright application filing date) before commencement of the alleged acts of infringement. 17 U.S.C. § 412(2). Next, for published works, the alleged commencement of infringement must have occurred within three months of publication. *Id.* Here, Plaintiff meets these requirements for issuance of statutory damages against the Defaulted Defendants.

First, all asserted, infringed Copyright Protected Images have an "effective date" of publication that is well before the asserted commencement of the Defaulted Defendants' infringing conduct. (Mangano Decl. ¶ 8, Ex. 2, which provides a summary of the infringed Copyright

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Protected Images per Defaulted Defendant, the publication date for the Copyright Protected Images, the effective registration date for the Copyright Protected Images, and the date of the initial acts of infringement.) Moreover, Plaintiff's date of publication of the Copyright Protected Images is well within three months of the Defaulted Defendants' infringement. (*Id.*) Thus, having complied with the statutory requirements of 17 U.S.C. § 412(2), Plaintiff is entitled to an award of statutory damages pursuant to 17 U.S.C. § 504(c)(1), thereby entitling the company to a base award of not less than \$750 to a maximum of \$30,000 per Defaulted Defendant per infringed Copyright Protected Image. *See* 17 U.S.C. § 504(c)(1).

Plaintiff is entitled to a statutory damage award of \$30,000 per Defaulted Defendant per infringed Copyright Protected Image in this action. (Mangano Decl. ¶ 9, Ex. 2.) First, the Defaulted Defendants were provided with notice of these proceedings and, apparently, intentionally elected not to appear and defend, which resulted in the Court ordering Entry of Clerk's Default against them. [Dkt. No. 50.] As a result of the Defaulted Defendants' intentional decision not to appear and defend this action, Plaintiff has been deprived of a meaningful opportunity to assess the true nature of its actual damages. This uncertainty supports Plaintiff's requested statutory damages. *See Chi-Boy Music*, 930 F.2d at 1229.

Next, the circumstances of the Defaulted Defendants' infringement clearly support awarding the requested maximum statutory damage award against them. *See id.* It is without question that the Defaulted Defendants have engaged in the intentional misappropriation and unauthorized use of the Copyright Protected Images. In this regard, Plaintiff's Copyright Protected Images, often representing recent product releases, have almost instantaneously appeared on the Defaulted Defendants' online stores maintained with the Platform (the "Online Stores"). (Li Decl. ¶ 7.) Moreover, the Defaulted Defendants have unquestionably been operating their Online Stores

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using the misappropriated Copyright Protected Images through a sophisticated counterfeit network utilizing a highly developed supply chain capable of supplying thousands of knockoff products featuring an array of Plaintiff's textile patterns and designs that could not otherwise be accomplished on an individual basis. (*Id.*) In fact, defendants' counsel in a parallel action pending before Judge Kennelly admitted during a preliminary injunction hearing that their clients were provided both Plaintiff's infringed copyright protected images and the knockoff products from the same manufacturing source. *See Hong Kong Leyuzhen Tech. Co., Ltd. v. P'ships & Unincorporated Ass'ns Identified on Schedule "A"*, Case No. 1:24-cv-02939-MFK-BWJ [Dkt. No. 80.]

In addition, defendants in multiple copyright enforcement actions in this judicial district, which includes the Defaulted Defendants, have been acting through their counterfeit network to actively monitor and post information on the Plaintiff's pending cases on the website www.SellerDefense.Cn. (Mangano Decl. ¶ 10.) This has apparently been done to advise defendants in all pending actions of Plaintiff's successful prosecution of its claims, and the viability of appearing and asserting potential defenses. (*Id.*) These circumstances reveal an overall strategy by all non-appearing defendants, including the Defaulted Defendants, to simply cut their losses where Plaintiff has a high likelihood of success, abandon any online platform restrained funds, and bask in the security that any judgment issued against them will almost certainly not be collectable in the Republic of China. (*Id.*) Such circumstances support awarding Plaintiff the maximum statutory damages in this action. *See Chi-Boy Music*, 930 F.2d at 1229.

The facts presented further support awarding the maximum statutory damages against the Defaulted Defendants on the grounds that they should serve as a deterrent to future conduct. *Id.* at 1229-30. Simply put, the Defaulted Defendants are watching the results of Plaintiff's copyright

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infringement enforcement actions in this judicial district. (Mangano Decl. ¶ 10.) At first, all named defendants in Plaintiff's copyright enforcement actions would vigorously fight the allegations against them, which resulted in Judge Kennelly stating that he felt compelled to set an in person hearing on the company's request for a preliminary injunction because "he had never seen the number of filings by opposing counsel in any other Schedule "A" case before him." (Mangano Decl. ¶ 11.) Since Plaintiff prevailed in obtaining preliminary injunctive relief in its case before Judge Kennelly, the named Schedule "A" defendants in other pending actions have either elected to settle or, as with the Defaulted Defendants, simply failed to appear and have apparently taken the position that any recovery issued by a court is only executable against their restrained asserts on the named online platform. (Id.) This conduct demonstrates an intentional wiliness to ignore the Court's authority to impose significant statutory damages in this action to send a message to the Defaulted Defendants, and all other similar infringers, that they will incur substantial liability for their actions. In doing so, hopefully the Defaulted Defendants, or other similar infringers monitoring this case, will post this anticipated reward on the www.SellersDefense.Cn website as notice of the consequences for their intentional, and orchestrated actions.

Moreover, to maximize the deterrent effect of the Court's anticipated default judgment, Plaintiff is asking that statutory damages be imposed on each individual Defaulted Defendant for each alleged infringement of the Copyright Protected Images. (Mangano Decl. ¶ 12.) Such an award precludes the Defaulted Defendants from shielding themselves from monetary responsibility for the collective infringement of common Copyright Protected Images under the guise of joint and several liability under 17 U.S.C. § 504(c)(1); accord *Desire, LLC v. Manna Textiles, Inc.,* 986 F.3d 1253, 1264-1272 (9th Cir. 2021). Rather, Plaintiff expressly requests that

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each of the Defaulted Defendants, individually, be assessed the maximum statutory damage award of \$30,000 for each infringement of the Copyright Protected Images. (Mangano Decl. ¶ 12.)

Based on the foregoing, Plaintiff respectfully requests the Court award the maximum statutory damages of \$30,000 against each of the Defaulted Defendants for each infringement of the Copyright Protected Images. As set forth in Plaintiff's supporting documentation, the fourteen (14) Defaulted Defendants in this action should be found liable for \$750,000 because of their twenty-five (25) independent infringements of the Copyright Protected Images. (Mangano Decl. ¶ 13, Ex. 2.) Accordingly, Plaintiff respectfully requests the Court entered such a based award of statutory damages for copyright infringement under 17 U.S.C. § 504(c)(1).

### 2. Plaintiff is entitled to maximum enhanced damages for willful infringement.

Plaintiff's Complaint has expressly alleged that the Defaulted Defendants have willfully infringed its Copyright Protected Images. [Dkt. No. 1 ¶¶ 19, 31, 45, 48.] Given the Court's entry of Clerk's Default [Dkt. No. 50], the above referenced allegations in Plaintiff's Complaint must be accepted as true. *See* Fed. R. Civ. P. 8(b)(6); *accord American Taxi Dispatch, Inc. v. American Metro Taxi Limo Co.*, 582 F.Supp.2d 999, 1004 (N.D. III. 2008). Even in the absence of doing so, Plaintiff has more than sufficient evidence to demonstrate issuance of an enhanced statutory damage award of \$150,000 per Defaulted Defendant per infringement is justified. *See* 17 U.S.C. § 504(c)(2).

"[A] finding of willfulness is justified if the infringer knows that its conduct is an infringement or if the infringer has acted in reckless disregard of the copyright owner's right." *Wildlife Express Corp. v. Carol Wright Sales, Inc.,* 18 F.3d 502, 511 (7th Cir. 1994) (internal quotations omitted). Thus, the defendant's knowledge does not need to be proven directly for a finding of willfulness, but it can be inferred from a defendant's conduct. *Lorillard Tobacco Co. v. S & M Central Services Corp.,* Case No. 03-cv-04986, 2004 WL 2534378, at \* 7 (N.D. Ill. 2004).

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Here, Plaintiff has alleged, and has offered proof, that the Defaulted Defendants have not only engaged in the intentional infringement of the Copyright Protected Images, but they have done so through a highly sophisticated counterfeit network. (Mangano Decl. ¶ 14.) In fact, defendants in a parallel action pending in this judicial district admitted, through counsel, that they had obtained Plaintiff's Copyright Protected Images from a common source that also provided them with manufactured, knockoff products to sell on their online stores. (Id. ¶ 11.) Moreover, the basic nature of the copyright infringement scheme employed demonstrates that the Defaulted Defendants not only knew of the impropriety of their conduct but had to implement their counterfeit scheme through sophisticated sources and established supply chains. (Id. ¶ 14; Li Decl. ¶ 8.) This is the only possible scenario under which the Defaulted Defendants could immediately procure, without authorization, Plaintiff's new copyright protected product images and offer them for sale through their Online Stores. (Ibid.) In addition, the Defaulted Defendants have intentionally used the Copyright Protected Images for soliciting counterfeit, knockoff Rotita product sales on a Platform that Plaintiff does not, and has not, utilized to sell its authentic products. (Li Decl. ¶ 8.) Simply put, these facts not only establish the Defaulted Defendants' knowledge and intentional infringement of Plaintiff's Copyright Protected Images. Accordingly, Plaintiff should be awarded enhanced damages in the amount of \$150,000 per Defaulted Defendant per infringed work for a total award of \$3,750,000 pursuant to 17 U.S.C. § 504(c)(2). (Mangano Decl. ¶ 15, Ex. 2.)

# 3. Plaintiff is entitled to issuance of a permanent injunction.

Plaintiff is next entitled to entry of a permanent injunction against the Defaulted Defendants consistent with the Preliminary Injunction Order currently in place in this action. [Dkt. No. 30.] The facts presented above to this Court in granting such relief, along with those presented in connection with the Court's decision to issue temporary injunctive relief [Dkt. No. 19].

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Accordingly, the Court should grant Plaintiff's request for entry of permanent injunctive relief pursuant to 17 U.S.C. § 502(a).

## 4. Plaintiff is entitled to an award of attorneys' fees and costs.

In addition to the foregoing relief, Plaintiff is entitled to an award of attorneys' fees and costs pursuant to 17 U.S.C. § 505. As set forth above, Plaintiff has demonstrated that the Defaulted Defendants intentionally and willfully infringed the company's Copyright Protected Images. Moreover, the Defaulted Defendants' conduct warrants issuance of maximum statutory damages under 17 U.S.C. § 505(c)(1). Thus, Plaintiff should be entitled to recover its attorneys' fees and costs in this action.

# C. <u>Alternatively, and in Addition, Plaintiff is Entitled to Entry of a Permanent</u> <u>Injunction and an Award of Attorneys' Fees and Costs for the Defaulted</u> <u>Defendants' Violation of the Uniform Deceptive Practices Act</u>

While Plaintiff has more than sufficiently demonstrated its entitlement to issuance of permanent injunctive relief and an award of attorneys' fees and costs based on the Defaulted Defendants' willful copyright infringement, the company also has a basis to seek such relief for violation of the Uniform Deceptive Trade Practices Act on an alternative ground. In short, the Defaulted Defendants procedurally admitted conduct establishes their liability under the Uniform Deceptive Trade Practices Act. *See, e.g.*, 815 ILCS § 510/2(a)(1)-(3). As such, Plaintiff is entitled to entry of permanent injunctive relief. *See* 815 ILCS § 510/3. Moreover, given Plaintiff's demonstration that the Defaulted Defendants' conduct was willful, the company is also entitled to recover its attorneys' fees and costs. *See id.* Accordingly, Plaintiff's request for issuance of permanent injunctive relief and for an award of attorneys' fees and costs is not only warranted for the Defaulted Defendants' willful copyright infringement, but it is also warranted for their intentional and willful violation of the Uniform Deceptive Trade Practices Act.

### D. Plaintiff is Entitled to an Award of Reasonable Attorneys' Fees and Costs

As argued above, Plaintiff asserts that it is entitled to an award of reasonable attorneys' fees and costs pursuant to either 17 U.S.C. § 505 and/or under 815 ILCS § 510/3. As such, Plaintiff is submitting the below arguments in support of its requested award of attorneys' fees and costs in anticipation of the Court granting its request under 17 U.S.C. § 505 and/or 815 ILCS § 510/3. Given that Plaintiff's request for attorneys' fees and costs is being made in connection with a motion for entry of default judgment pursuant to Rule 55(b)(2) it is uncontested and likely exempt from the requirements of LR 54.3. However, should the Court feel otherwise, Plaintiff is willing to submit a separate "Fee Motion" under LR 54.3.

# 1. Standards governing Plaintiff's attorneys' fees and costs request.

A court's analysis of an award of reasonable attorneys' fees begins by determining the "lodestar": "the number of hours reasonably expended on the litigation multiplied by a reasonable hourly rate." *Hensley v. Eckerhart*, 461 U.S. 424, 433 (1983). The moving party bears the burden of proving the reasonableness of "the hours worked and the hourly rates claimed." *Spegon v. Catholic Bishop of Chicago*, 175 F.3d 544, 550 (7th Cir. 1999). A party moving for an award of reasonable attorneys' fees must exercise "billing judgment," meaning that they must "exclude from a fee request hours that are excessive, redundant, or otherwise unnecessary." *Hensley*, 461 U.S. at 434. A party's request for an award of reasonable attorneys' fees may also include the recovery of reasonable time expended by paralegal staff. *See Connoly v. J.T. Ventures*, 851 F.2d 930, 935-36 (7th Cir. 1988); *Spanish Action Comm. Of Chicago v. City of Chicago*, 811 F.2d 1129, 1138 (7th Cir. 1987); *see also Pepsico, Inc. v. Ortiz Mexi-Products, Inc.*, 2000 WL 198843, at \*3 (N.D. Ill. Feb. 14, 2000).

As for hourly rates, the reasonable hourly rate for an attorney is the market rate for his or her services. *See Fogle v. William Chevrolet/Geo Inc.*, 275 F.3d 613, 615 (7th Cir. 2001). The

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attorney's actual billing rate is "'presumptively appropriate to use as the market rate.'" *Muzikowski v. Paramount Pictures Corp.*, 477 F.3d 899, 909 (7th Cir. 2007) (quoting *People Who Care v. Rockford Bd. of Educ. Sch. Dist. No. 205*, 90 F.3d 1307, 1310 (7th Cir. 1996)). Similarly, the reasonable hourly rates for paralegals are also the market rates for their services. *Spegon*, 175 F.3d at 556. Only if the court is unable to determine the attorney's true billing rate, such as when he or she maintains a contingency fee or public interest practice, should the court look to the next best evidence – the rate charged by lawyers in the community of reasonably comparable skill, experience, and reputation. *Muzikowski*, 477 F.3d at 909.

Application of the foregoing standards to Plaintiff's attorneys' fees and costs requests justifies that it is reasonable, appropriate, and justified.

### 2. Plaintiff's counsel spent a reasonable amount of hours prosecuting this case.

As set forth above, the first set in the Court's "lodestar" analysis is to determine whether the number of hours expended in prosecuting the action that are sought to be recovered are reasonable. *See Hensley*, 461 U.S. at 433. Here, the number of hours requested by Plaintiff's litigation counsel and its paralegals are clearly reasonable given this was a highly complex Schedule "A" copyright infringement case involving eighty-nine named Defendants. (Mangano Decl. ¶ 16.)

Specifically, Plaintiff seeks an award reflecting a total of 146.8 hours of attorney services and a total of 85.9 hours of paralegal services. (*Id.* ¶ 17, Exs. 3-5.) This includes a total of 61 hours billed by Mr. Mangano as lead counsel, 85.8 total hours billed by Mr. Droter as lead associate, and 48.7 paralegal hours billed by Heather Ikerd as lead paralegal and 37.2 paralegal hours billed by Elizabeth Cummings as senior paralegal. (*Id.*) These hours reflect the combined efforts of these professionals expended in investigating the merits of the asserted claims for relief, capturing and preserving pre-filing infringement evidence, drafting the Complaint, seeking *ex parte* relief for

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entry of a temporary restraining order, preparing related motions to seal the proceedings, drafting a motion, and supporting papers, for entry of a preliminary injunction, facilitating the voluntary dismissal of seventy-five (75) Defendants, preparing a consent judgment to enable the release of funds restrained by the Platform for settlement purposes, appearing a multiple in-person hearings, and generally managing a large, complex, intellectual property enforcement against involving a significant number of Defendants. (Mangano Decl. ¶ 18.) In support of Plaintiff's request for an award of attorneys' fees in this action, counsel has prepared a Fee Itemization chart that generally summarizes the time billed for Mr. Mangano, Mr. Droter, Mrs. Cummings, and Ms. Ikerd for each substantive filings in this action. (*Id.*, Ex. 6.)

To narrowly tailor the hours seeking to be recovered, Plaintiff's counsel has intentionally omitted considerable hours expended by a prior associate that is no longer with its firm and has also omitted the hours expended by another senior attorney, Nihat Deniz Bayramoglu, even though an ample basis exists to recover fees for their efforts in this action. (*Id.* ¶ 19.) This has been done to demonstrate that Plaintiff's counsel has used its best efforts to employ "billing judgment" in seeking to recover the hours billed by the firm's attorneys of record and paralegals. *See Hensley*, 461 U.S. at 434. Accordingly, Plaintiff submits that the total number of hours billed by its attorneys (146.8 hours) and the total number of hours billed by its paralegals (85.9 hours) is reasonable under the first prong of the Court's "lodestar" analysis. (*Id.*)

# 3. *Plaintiff's counsel's hourly rates are reasonable.*

The next inquiry under the Court's "lodestar" analysis is to determine whether the hourly rates charged by the moving party's counsel and paralegals are reasonable. *See Hensley*, 461 U.S. at 433. As noted above, the attorney's actual billing rate is "presumptively appropriate to use as the market rate." *Muzikowski*, 477 F.3d at 909 (quoting *People Who*, 90 F.3d at 1310). As

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submitted, Plaintiff's counsel's and paralegal's hourly rates are clearly reasonable given their level of expertise and experience.

Plaintiff's request for an award of attorneys' fees and costs is supported by the declarations of Shawn A. Mangano, Esq. and Joseph Droter, Esq., litigation counsel in this action. Mr. Mangano's declaration establishes that he has billed his services at the reasonable hourly rate of \$500 per hour as lead counsel in this action with over twenty-six (26) years of intellectual property and complex business litigation experience, and who is admitted to practice in the State of Illinois, the State of California, the State of Nevada, multiple United States Courts of Appeals, and numerous federal district courts. (Mangano Decl. ¶ 20.) In addition, Mr. Mangano has billed, and clients have paid, for his services at this rate in numerous cases, which includes the Plaintiff in this action. (Id. ¶ 21; Li Decl. ¶ 9.) In fact, Mr. Mangano's hourly rate in this action is \$300 per hour less than that deemed reasonable in another action pending in this judicial district for counsel with only a year or less of additional practice experience. See Bigfoot 4x4, Inc. v. The Individuals, Case No. 1:22-cv-06758, 2024 WL 1214749, at \*3-4 (N.D. Ill. Mar. 21, 2024) (finding an adjusted \$800 hourly rate reasonable for counsel with twenty-seven (27) years of practice experience). Accordingly, Plaintiff submits that Mr. Mangano's hourly rate of \$500 in this action is more than reasonable given his experience and expertise, actual payment of this rate by his clients, and in view of a much higher rate being deemed reasonable for similarly situated counsel in another action from this judicial district.

Mr. Mangano's co-counsel, Mr. Droter, is a highly skilled fourth-year associate that bills services at the rate of \$400 per hour, which is a rate that multiple clients have paid for his services – including Plaintiff in this action. (Mangano Decl. ¶ 22 Li Decl. ¶ 9.) Mr. Droter handles all of Plaintiff's in-person appearances in some fourteen (14) pending copyright infringement

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enforcement actions pending in this judicial district. (Mangano Decl. ¶ 22.) In doing so, Mr. Droter has appeared and substantively argued several issues before multiple district court judges in this judicial district on behalf of Plaintiff. (*Id.*) In fact, Mr. Droter successfully argued and obtained issuance of a preliminary injunction on behalf of Plaintiff before Judge Kennelly, which the court deemed one of the most highly contested Schedule "A" proceedings it had ever experienced. (*Id.* ¶ 11.) Mr. Droter's hourly rate of \$400 is also well within the rates of \$510 and \$425 per hour deemed recently to be reasonable in this judicial district. *See Bigfoot 4x4, Inc.,* 2024 WL 1214749, at \*3 (hourly rates of \$510 and \$425 conceded as being reasonable in contested attorneys' fees request). Accordingly, Mr. Droter's \$400 per hour rate should be deemed reasonable given his experience, contributions to this and other actions related to Plaintiff's copyright enforcement efforts and given that his hourly rate is significantly below the hourly rate recently deemed reasonable in this judicial district.

In addition, Plaintiff's counsel's paralegal staff's rates are objectively reasonable. There are only two paralegals assigned to this case – Heather Ikerd and Elizabeth Cummings. (Mangano Decl. ¶ 23.) Both Ms. Ikerd and Mrs. Cummings bill at the same hourly rate of \$275. (*Id.* ¶, Ex. 5.) These individuals have significant experience managing, facilitating, and supporting complex intellectual property cases throughout the United States – including multiple Schedule "A" cases pending in this judicial district, and cases pending in such jurisdictions, for example, as the Central District of California, the Eastern District of New York, the Southern District of Florida, and the Western District of Wisconsin. (*Id.*) These hourly rates are more than reasonable given the nature of this case, their obligation to manage the administration of a case involving eighty-four Defendants, facilitating the voluntary dismissal of seventy-five (75) of the named Defendants, effectuating numerous filings, and coordinating the calendaring of multiple hearings. (*Id.*)

Moreover, Plaintiff and other similarly situated clients have remitted payment for their services at the requested hourly rate of \$275. (*Id.*; Li Decl.  $\P$  9.)

Based on the foregoing, Plaintiff submits that it is entitled to an award of \$88,442.50 in attorneys' fees incurred in prosecuting this action. (Mangano Decl. ¶ 24.) This amount represents attorneys' fees of \$64,820.00, which represents 61 hours billed by Mr. Mangano at the reasonable hourly rate of \$500 and 85.8 hours billed by Mr. Droter at the reasonable hourly rate of \$400. (*Id.*, Ex. 3-4.) Moreover, this requested fee award includes \$23,622.50 in paralegal fees incurred, which represents 48.7 hours billed by Ms. Ikerd at the reasonable hourly rate of \$275 and 37.2 hours billed by Mrs. Cummings at the reasonable hourly rate of \$275. (*Id.*, Ex. 5.) Accordingly, Plaintiff respectfully requests the Court grant its request for an award of \$88,442.50 in attorneys' fees, including paralegal fees, reasonably incurred in this case as authorized by 17 U.S.C. § 505 and/or 815 ILCS § 510/3, which should be assessed jointly and severally against all Defaulted Defendants based on Plaintiff being the "prevailing party" and/or the company's demonstration that the alleged, admitted conduct was willful.

### 4. *Plaintiff is entitled to recover all reasonable costs incurred in this action.*

In addition to the above reasonable attorneys' fees, Plaintiff has incurred reasonable, normally anticipated, litigation costs in this matter totaling \$961.34. (Mangano Decl. ¶ 25, Ex. 6.) These litigation costs generally include filing fees, bond fees, costs related to acquiring evidence of infringing products, and costs associated with attending hearings in this matter. (*Id.*) Accordingly, Plaintiff requests a total award of attorneys' fees and costs of \$89,403.84 incurred in this action against the Defaulted Defendants pursuant to 17 U.S.C. § 505 and/or 815 ILCS § 510/3. (*Id.* ¶ 26.) Plaintiff additionally requests that the Defaulted Defendants be jointly and severally liable for the award of \$89,403.84 in attorneys' fees and costs incurred in this action as the

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"prevailing party" against all Defaulted Defendants under 17 U.S.C. § 505 and/or for a finding of that the Defaulted Defendants' conduct was willful under 815 ILCS § 510/3. (*Id.*)

# III. <u>CONCLUSION</u>

Based on the foregoing, Plaintiff respectfully requests that the Court enter default judgment against each Defaulted Defendant as follows:

1. An award of \$30,000 in statutory damages pursuant to 17 U.S.C. § 504(c)(1) against each Defaulted Defendant for each infringement of the Copyright Protected Images;

2. Enhancement of the requested statutory damages to the maximum amount of \$150,000 against each Defaulted Defendant and for each infringement of the Copyright Protected Images pursuant 17 U.S.C. § 504(c)(2);

Entry of a permanent injunction pursuant to 17 U.S.C. § 502(a) and/or 815 ILCS § 510/3;

4. An award of attorneys' fees and costs under 17 U.S.C. § 505 and/or 815 ILCS § 510/3 in the amount of \$89,403.84, which shall be assessed jointly and severally against all Defaulted Defendants based on Plaintiff being a "prevailing party" against each of them and/or that the admitted conduct by each of them was willful; and

5. Such other relief as the Court deems just and proper.

DATED: October 15, 2024

Respectfully submitted,

By: <u>/s/ Shawn A. Mangano</u> Shawn A. Mangano (Bar No. 6299408) **BAYRAMOGLU LAW OFFICES LLC** 1540 West Warm Springs Road Ste. 100 Henderson, NV 89014 Tel: (702) 462-5973 | Fax: (702) 553-3404 shawnmangano@bayramoglu-legal.com *Attorneys for Plaintiff* 

### **CERTIFICATE OF SERVICE**

I hereby certify that on the 15th day of October 2024, I electronically filed the foregoing using the electronic case filing system. Notice of this filing is provided to unrepresented parties for whom contact information is listed below and provided via email and by posting the filing on a URL contained on our website http://blointernetenforcement.com, and a link to said website in the email provided by third-party, Walmart.

#6 ByteLegendLimited: denghuixia@wholeeprime.com RM 1904A,19/F., LUCKY COMMERCIAL CENTRE, NO.103 DES VOEUX ROAD WEST HONGKONG, 999077 #11 ChuangXi Co.Ltd: anmfschuangxi@163.com Nanhai qu Danzao zhen Dawogufenhezuojingjilianheshe Danhengluxididuan Wengyibinchejianerlou08shi, Foshan, Guangdong, 528216 #41 Jingdong E-Commerce (Trade) Hong Kong Corporation Limited Dba Joybuy Marketplace: wmt02@jd.com 12884 S FRONTRUNNER BLVD, DRAPER, Utah 84020 (86) 13240942544 663634622 Dba Joybuy Marketplace: wmt05@jd.com 675 E Middlefiled Rd., Mountain View, CA #42 94043 #53 LMLYSoH: boyongzhao2711@163.com shanghaishijiadinggongyequyechenglu912haoJ3300shi, shanghai, Shanghai 201821 #59 Pai Ou Co. Ltd. paioukeji@163.com Nanhai qu Guicheng jiedao Haiwu lu 28hao, Foshan, Guangdong, 528000 Pick Your Look Co Limited pylfashion@163.com FLAT/RM 225-06, 2/F Mega Cube, No.8 Wang #62 Kwong Road, KL, Kowloon City, 999077 QELUS LIGHT CO LIMITED qelusus@163.com UNIT 1-2 8/F. BLOCK B, PO YIP BUILDING, 62-#65 70 TEXACO ROAD, Tsuen Wan 999077 QUYUON <u>naqksw1@126.com</u> LongHuaQu LongHuaJieDao XuRiXiaoQu DongXuDaSha202A, #66 ShenZhenShi, Guangdong 518131 Rosnek Home Co. Ltd rosnekltd@163.com FLAT/RM 225-06, 2/F Mega Cube, No.8 Wang Kwong #68 Road, KLN, Kowloon City, 999077 #74 Tong Ling E-commerce CO., LTD amtonglingus@hotmail.com Nan Hai Qu Dan Zao Zhen Da Wo Gu Fen He Zuo Jing Ji Lian He She, FOSHAN, Guangdong 528000 #79 WEIDAJUNGONG pipuzhe5623@163.com Room 1403, Block A, Space-time Plaza, Xueyuan Road, Qinlou Street, Donggang, Rizhao City, Shandong Province, 276800 Wyongtao #81 ZNU shengyaoltdus@hotmail.com Room 02 first floor Weng Yibin workshop section Danheng Road #88 West dawuo joint stock cooperative econ Foshan Guangdong 528000

By: /s/ Shawn A. Mangano

Shawn A. Mangano (Bar No. 6299408)

# IN THE UNITED STATES DISTRICT COURT NORTHERN DISTRICT OF ILLINOIS EASTERN DIVISION

HONG KONG LEYUZHEN TECHNOLOGY CO. LIMITED,	Case No.: 1:24-cv-01652-JCD-KLHH
Plaintiff, v.	Honorable Jeremy C. Daniel Magistrate Keri L. Holleb Hotaling
THE INDIVIDUALS, CORPORATIONS, LIMITED LIABILITY COMPANIES, PARTNERSHIPS AND UNINCORPORATED ASSOCIATIONS IDENTIFIED IN SCHEDULE "A" HERETO,	Hearing Date: October 29, 2024 Hearing Time: 9:30am
Defendants.	

# DECLARATION OF SHAWN A. MANGANO IN SUPPORT OF MOTION FOR DEFAULT JUDGMENT

I, Shawn A. Mangano, of the City of Las Vegas, in the State of Nevada, declare as follows:

1. Except as otherwise expressly stated to the contrary, this declaration is based upon my personal knowledge of the following facts and, if called as a witness, I could and would competently testify to the statements made herein.

- 2. I make this declaration in support of Plaintiff's Motion for Default and for Default Judgment against the non-appearing Defendants Identified in Schedule "A" (the "Motion") against which the Court has previously granted Entry of Clerk's Default [Dkt. No. 50] against said Defendants (the "Defaulted Defendants) a true and correct list of said Defendants are attached hereto as Exhibit 1.
- 3. I am an attorney at law, duly admitted to practice before the Courts of the State of Illinois and the United States District Court for the Northern District of Illinois. I am lead

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counsel for Plaintiff Hong Kong Leyuzhen Technology Co. Ltd. ("Plaintiff"). I make this declaration from my matters within my own knowledge unless stated otherwise.

4. I hereby certify that the Defaulted Defendants (as defined in the accompanying Memorandum) have failed to plead or otherwise defend this action within the allotted time in violation of Federal Rule of Civil Procedure 12(a)(1)(A). As a result, the Court ordered Entry of Clerk's Default on July 11, 2024 against the Defaulted Defendants. [Dkt. No. 50.] Accordingly, the Defaulted Defendants are deemed liable to Plaintiff for its asserted claims for relief for Copyright Infringement (Count I), False Designation of Origin under 35 U.S.C. §1125(a) (Count II), and violation of the Illinois Uniform Deceptive Trade Practices Act (the "Uniform Deceptive Trade Practices Act") (Count III). [Dkt. No. 1 at 8-13.]

5. Plaintiff's asserted claims for relief in this action involve the intentional, willful infringement of the following federally registered copyright protected images: (1) VA0002379911; (2) VA0002379895; (3) VA0002380492; (4) VA0002379904; (5) VA0002379881; (6) VA0002379894; and (7) VA0002379934 (the "Copyright Protected Images").

6. As alleged in the Complaint, the Defaulted Defendants have displayed, without authorization, the Copyright Protected Images on the Walmart.com online sales platform (the "Platform") to market and sell knockoff, counterfeit products resembling Plaintiff's authentic Rotita brand products through their online stores (the "Online Stores"), thereby deceiving public consumers as to the quality, nature, and source of goods being purchased.

7. Plaintiff's Motion unquestionably establishes that the effective date of registration for each of the Copyright Protected Images is prior to commencement of the Defaulted Defendants'

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infringement, and within three months of their publication, thereby qualifying the company for the recovery of statutory damages. *See* 17 U.S.C. § 412(2).

8. Specifically, all asserted, infringed Copyright Protected Images have an "effective date" of publication that is well before the asserted commencement of the Defaulted Defendants' infringing conduct. As set forth in Exhibit 2 attached hereto, which represents a true and correct compilation of publicly available and other independently verifiable information assembled by Plaintiff's counsel, Plaintiff's date of publication of the Copyright Protected Images is well within three months of the Defaulted Defendants' infringement.

9. Plaintiff is entitled to a statutory damage award of \$30,000 per Defaulted Defendant per infringed Copyright Protected Image in this action. First, the Defaulted Defendants were provided with notice of these proceedings and, apparently, intentionally elected not to appear and defend, which resulted in the Court ordering Entry of Clerk's Default against them. [Dkt. No. 50.] As a result of the Defaulted Defendants' intentional decision not to appear and defend this action, Plaintiff has been deprived of a meaningful opportunity to assess the true nature of its actual damages. This uncertainty supports Plaintiff's requested statutory damages.

10. In addition, defendants in multiple copyright enforcement actions in this judicial district, which includes the Defaulted Defendants, have been acting through their counterfeit network to actively monitor and post information on the Plaintiff's pending cases on the website www.SellerDefense.Cn. This has apparently been done to advise defendants in all pending actions of Plaintiff's successful prosecution of its claims, and the viability of appearing and asserting potential defenses. These circumstances reveal an overall strategy by all non-appearing defendants, including the Defaulted Defendants, to simply cut their losses where Plaintiff has a high likelihood of success, abandon any online platform restrained funds, and bask in the security that any

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judgment issued against them will almost certainly not be collectable in the Republic of China. Simply put, the Defaulted Defendants are watching the results of Plaintiff's copyright infringement enforcement actions in this judicial district.

11. At first, all named defendants in Plaintiff's copyright enforcement actions would vigorously fight the allegations against them, which resulted in Judge Kennelly stating that he felt compelled to set an in person hearing on the company's request for a preliminary injunction because "he had never seen the number of filings by opposing counsel in any other Schedule "A" case before him." *See Hong Kong Leyuzhen Tech. Co., Ltd. v. P'ships & Unincorporated Ass'ns Identified on Schedule "A"*, Case No. 1:24-cv-02939-MFK-BWJ [Dkt. No. 80.] Oral argument in this case was handled exclusively by Joseph Droter, Esq. Since Plaintiff prevailed in obtaining preliminary injunctive relief in its case before Judge Kennelly, the named Schedule "A" defendants in other pending actions have either elected to settle or, as with the Defaulted Defendants, simply failed to appear and have apparently taken the position that any recovery issued by a court is only executable against their restrained asserts on the named online platform.

12. To maximize the deterrent effect of the Court's anticipated default judgment, Plaintiff is asking that statutory damages be imposed on each individual Defaulted Defendant for each alleged infringement of the Copyright Protected Images. Such an award precludes the Defaulted Defendants from shielding themselves from monetary responsibility for the collective infringement of common Copyright Protected Images under the guise of joint and several liability under 17 U.S.C. § 504(c)(1); accord *Desire, LLC v. Manna Textiles, Inc.,* 986 F.3d 1253, 1264-1272 (9th Cir. 2021). Rather, Plaintiff expressly requests that each of the Defaulted Defendants, individually, be assessed the maximum statutory damage award of \$30,000 for each infringement of the Copyright Protected Images.

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13. Plaintiff respectfully requests the Court award the maximum statutory damages of \$30,000 against each of the Defaulted Defendants for each infringement of the Copyright Protected Images. As set forth in Plaintiff's supporting documentation, the fourteen (14) Defaulted Defendants in this action should be found liable for \$750,000 because of their twenty-five (25) independent infringements of the Copyright Protected Images.

14. Plaintiff has alleged, and has offered proof, that the Defaulted Defendants have not only engaged in the intentional infringement of the Copyright Protected Images, but they have done so through a highly sophisticated counterfeit network. Moreover, the basic nature of the copyright infringement scheme employed demonstrates that the Defaulted Defendants not only knew of the impropriety of their conduct but had to implement their counterfeit scheme through sophisticated sources and established supply chains. This is the only possible scenario under which the Defaulted Defendants could immediately procure, without authorization, Plaintiff's new copyright protected product images and offer them for sale through their Online Stores.

15. The presented facts not only establish the Defaulted Defendants' knowledge and intentional infringement of Plaintiff's Copyright Protected Images. Accordingly, Plaintiff should be awarded enhanced damages in the amount of \$150,000 per Defaulted Defendant per infringed work for a total award of \$3,750,000 pursuant to 17 U.S.C. § 504(c)(2).

16. Plaintiff's counsel has performed a "lodestar" analysis for its request of an award of reasonable attorneys' fees and costs incurred in this action. Here, the number of hours requested by Plaintiff's litigation counsel and its paralegals are clearly reasonable given this was a highly complex Schedule "A" copyright infringement case involving eighty-nine named Defendants.

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17. Specifically, Plaintiff seeks an award reflecting a total of 146.8 hours of attorney services and a total of 85.9 hours of paralegal services. This includes a total of 61 hours billed by me as lead counsel, 85.8 total hours billed by Mr. Droter as lead associate, and 48.7 paralegal hours billed by Heather Ikerd as lead paralegal and 37.2 paralegal hours billed by Elizabeth Cummings as senior paralegal. Attached as Exhibit 3 is a true and correct copy of the attorney billing summary in this action for me. Attached as Exhibit 4 is a true and correct copy of the attorney billing summary in this action for Mr. Droter. Attached as Exhibit 5 is a true and correct copy of the attorney billing summary in this action for Mr. Droter. Attached as Exhibit 5 is a true and correct copy of the topy of the combined paralegal billing summary in this action for Ms. Ikerd and Mrs. Cummings. I have personally verified the independent paralegal hours billed by Ms. Ikerd and Mrs. Cummings as set forth in Exhibit 5.

18. The hours billed by Plaintiff's counsel and paralegal staff reflect the combined efforts of these professionals expended in investigating the merits of the asserted claims for relief, capturing and preserving pre-filing infringement evidence, drafting the Complaint, seeking *ex parte* relief for entry of a temporary restraining order, preparing related motions to seal the proceedings, drafting a motion, and supporting papers, for entry of a preliminary injunction, facilitating the voluntary dismissal of seventy-five (75) Defendants, preparing a consent judgment to enable the release of funds restrained by the Platform for settlement purposes, appearing a multiple in-person hearings, and generally managing a large, complex, intellectual property enforcement against involving a significant number of Defendants. In support of Plaintiff's request for an award of attorneys' fees in this action, counsel has prepared a Fee Itemization chart that generally summarizes the time billed for Mr. Mangano, Mr. Droter, Mrs. Cummings, and Ms. Ikerd for each substantive filings in this action. A true and correct copy of Plaintiff's Fee Itemization chart is attached hereto as Exhibit 6.

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19. To narrowly tailor the hours seeking to be recovered, Plaintiff's counsel has intentionally omitted considerable hours expended by a prior associate that is no longer with its firm and has also omitted the hours expended by another senior attorney, Nihat Deniz Bayramoglu, even though an ample basis exists to recover fees for their efforts in this action. This has been done to demonstrate that Plaintiff's counsel has used its best efforts to employ "billing judgment" in seeking to recover the hours billed by the firm's attorneys of record and paralegals. Accordingly, Plaintiff submits that the total number of hours billed by its attorneys (146.8 hours) and the total number of hours billed by its paralegals (85.9 hours) is reasonable under the first prong of the Court's "lodestar" analysis.

20. I have billed my services in this case at the reasonable hourly rate of \$500 per hour as lead counsel in this action with over twenty-six (26) years of intellectual property and complex business litigation experience. In this regard, I am admitted to practice in the State of Illinois, the State of California, the State of Nevada, the United States Courts of Appeals for the Ninth Circuit, the United States Courts of Appeals for the Second Circuit, and the United States Courts of Appeals for the Federal Circuit. I have also been admitted to practice before all United States District Courts in the State of California, the States District Court for the Northern District of Illinois, and numerous other federal district courts.

21. Our firm's clients have been billed, and those clients have paid, for my legal services at the rate of \$500 per hour in numerous cases, which includes the Plaintiff in this action.

22. My co-counsel in this action, Mr. Joseph Droter, is a highly skilled fourth-year associate that bills services at the rate of \$400 per hour, which is a rate that multiple clients have paid for his services – including Plaintiff in this action. I personally supervise Mr. Droter's

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litigation services in this action and in other actions on behalf of the firm. Mr. Droter handles all of Plaintiff's in-person appearances in some fourteen (14) pending copyright infringement enforcement actions pending in this judicial district. In doing so, Mr. Droter has appeared and substantively argued several issues before multiple district court judges in this judicial district on behalf of Plaintiff.

23. In addition, Plaintiff's counsel's paralegal staff's rates are objectively reasonable. There are only two paralegals assigned to this case – Heather Ikerd and Elizabeth Cummings. Both Ms. Ikerd and Mrs. Cummings bill at the same hourly rate of \$275. Attached hereto as Exhibit 5 is a true and correct copy of a billing summary for Ms. Ikerd and Mrs. Cummings for their paralegal services rendered in this action. Ms. Ikerd and Mrs. Cummings have significant experience managing, facilitating, and supporting complex intellectual property cases throughout the United States – including multiple Schedule "A" cases pending in this judicial district, and cases pending in such jurisdictions, for example, as the Central District of California, the Eastern District of New York, the Southern District of Florida, and the Western District of Wisconsin. Their hourly rates are more than reasonable given the nature of this case, their obligation to manage the administration of a case involving eighty-four Defendants, facilitating the voluntary dismissal of seventy-five (75) of the named Defendants, effectuating numerous filings, and coordinating the calendaring of multiple hearings. (*Id.*) Moreover, Plaintiff and other similarly situated clients have remitted payment for their services at the requested hourly rate of \$275.

24. Based on the foregoing, Plaintiff submits that it is entitled to an award of \$88,442.50 in attorneys' fees incurred in prosecuting this action. This amount represents attorneys' fees of \$64,820.00, which represents 61 hours billed by Mr. Mangano at the reasonable hourly rate of \$500 and 85.8 hours billed by Mr. Droter at the reasonable hourly rate of \$400. Moreover, this

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requested fee award includes \$23,622.50 in paralegal fees incurred, which represents 48.7 hours billed by Ms. Ikerd at the reasonable hourly rate of \$275 and 37.2 hours billed by Mrs. Cummings at the reasonable hourly rate of \$275. Accordingly, Plaintiff respectfully requests the Court grant its request for an award of \$88,442.50 in attorneys' fees, including paralegal fees, reasonably incurred in this case as authorized by 17 U.S.C. § 505 and/or 815 ILCS § 510/3, which should be assessed jointly and severally against all Defaulted Defendants based on Plaintiff being the "prevailing party" and/or the company's demonstration that the alleged, admitted conduct was willful.

25. Plaintiff has incurred reasonable, normally anticipated, litigation costs in this matter totaling \$961.34. Attached hereto as Exhibit 7 is a true and correct copy of a billing summary reflecting all costs incurred by Plaintiff in this action. These litigation costs generally include filing fees, bond fees, costs related to acquiring evidence of infringing products, and costs associated with attending hearings in this matter.

26. Plaintiff requests a total award of attorneys' fees and costs of \$89,403.84 incurred in this action against the Defaulted Defendants pursuant to 17 U.S.C. § 505 and/or 815 ILCS § 510/3. Plaintiff additionally requests that the Defaulted Defendants be jointly and severally liable for the award of \$89,403.84 in attorneys' fees and costs incurred in this action as the "prevailing party" against all Defaulted Defendants under 17 U.S.C. § 505 and/or for a finding of that the Defaulted Defendants' conduct was willful under 815 ILCS § 510/3.

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27. My office, with assistance from our client and those assisting our client, investigated the infringing activities of the Defaulted Defendants, including attempting to identify their contact information. Our investigation confirmed that the Defaulted Defendants are primarily domiciled in Asia. As such, I am informed and believe that the Defaulted Defendants are not active-duty members of the U.S. armed forces.

I declare under penalty of perjury that the foregoing is true and correct.

DATED: October 11, 2024

Respectfully submitted,

By: <u>/s/ Shawn A. Mangano</u> Shawn A. Mangano (Bar No. 6299408) **BAYRAMOGLU LAW OFFICES LLC** 1540 West Warm Springs Road Ste. 100 Henderson, NV 89014 Tel: (702) 462-5973 | Fax: (702) 553-3404 shawnmangano@bayramoglu-legal.com *Attorneys for Plaintiff* 

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#### **CERTIFICATE OF SERVICE**

I hereby certify that on the 11th day of October 2024, I electronically filed the foregoing using the electronic case filing system. Notice of this filing is provided to unrepresented parties for whom contact information is listed below and provided via email and by posting the filing on a URL contained on our website http://blointernetenforcement.com, and a link to said website in the email provided by third-party, Walmart.

#6	ByteLegendLimited: <u>denghuixia@wholeeprime.com</u> RM 1904A,19/F., LUCKY COMMERCIAL CENTRE, NO.103 DES VOEUX ROAD WEST HONGKONG, 999077
#11	ChuangXi Co.Ltd: <u>anmfschuangxi@163.com</u> Nanhai qu Danzao zhen Dawogufenhezuojingjilianheshe Danhengluxididuan Wengyibinchejianerlou08shi, Foshan, Guangdong, 528216
#41	Jingdong E-Commerce (Trade) Hong Kong Corporation Limited Dba Joybuy Marketplace: wmt02@jd.com 12884 S FRONTRUNNER BLVD, DRAPER, Utah 84020 (86) 13240942544
#42	663634622 Dba Joybuy Marketplace: <u>wmt05@jd.com</u> 675 E Middlefiled Rd., Mountain View, CA 94043
#53	LMLYSoH: <u>boyongzhao2711@163.com</u> shanghaishijiadinggongyequyechenglu912haoJ3300shi, shanghai, Shanghai 201821
#59	Pai Ou Co. Ltd. <u>paioukeji@163.com</u> Nanhai qu Guicheng jiedao Haiwu lu 28hao, Foshan, Guangdong, 528000
#62	Pick Your Look Co Limited <u>pylfashion@163.com</u> FLAT/RM 225-06, 2/F Mega Cube, No.8 Wang Kwong Road, KL, Kowloon City, 999077
#65	QELUS LIGHT CO LIMITED <u>qelusus@163.com</u> UNIT 1-2 8/F. BLOCK B, PO YIP BUILDING, 62-70 TEXACO ROAD, Tsuen Wan 999077
#66	QUYUON <u>naqksw1@126.com</u> LongHuaQu LongHuaJieDao XuRiXiaoQu DongXuDaSha202A, ShenZhenShi, Guangdong 518131
#68	Rosnek Home Co. Ltd <u>rosnekltd@163.com</u> FLAT/RM 225-06, 2/F Mega Cube, No.8 Wang Kwong Road, KLN, Kowloon City, 999077
#74	Tong Ling E-commerce CO., LTD <u>amtonglingus@hotmail.com</u> Nan Hai Qu Dan Zao Zhen Da Wo Gu Fen He Zuo Jing Ji Lian He She, FOSHAN, Guangdong 528000
#79	WEIDAJUNGONG <u>pipuzhe5623@163.com</u> Room 1403, Block A, Space-time Plaza, Xueyuan Road, Qinlou Street, Donggang, Rizhao City, Shandong Province, 276800
#81	Wyongtao
#88	ZNU <u>shengyaoltdus@hotmail.com</u> Room 02 first floor Weng Yibin workshop section Danheng Road West dawuo joint stock cooperative econ Foshan Guangdong 528000

By: <u>/s/ Shawn A. Mangano</u> Shawn A. Mangano (Bar No. 6299408) Case: 1:24-cv-01652 Document #: 58-3 Filed: 10/11/24 Page 1 of 2 PageID #:844

#### Case: 1:24-cv-01652 Document #: 58-3 Filed: 10/11/24 Page 2 of 2 PageID #:845

#### HONG KONG LEYUZHEN TECHNOLOGY CO. LIMITED v. THE INDIVIDUALS, CORPORATIONS, LIMITED LIABILITY COMPANIES, PARTNERSHIPS AND UNINCORPORATED ASSOCIATIONS IDENTIFIED IN SCHEDULE "A" HERETO

Case No. 1:24-cv-01652-JCD-KLHH

DEFENDANT NO.	CONTACT
#6	ByteLegendLimited: denghuixia@wholeeprime.com RM 1904A,19/F., LUCKY COMMERCIAL CENTRE, NO.103 DES VOEUX ROAD WEST HONGKONG, 999077
#11	ChuangXi Co.Ltd: anmfschuangxi@163.com Nanhai qu Danzao zhen Dawogufenhezuojingjilianheshe Danhengluxididuan Wengyibinchejianerlou08shi, Foshan, Guangdong, 528216
#41	Jingdong E-Commerce (Trade) Hong Kong Corporation Limited Dba Joybuy Marketplace: wmt02@jd.com 12884 S FRONTRUNNER BLVD, DRAPER, Utah 84020 (86) 13240942544
#42	663634622 Dba Joybuy Marketplace: wmt05@jd.com 675 E Middlefiled Rd., Mountain View, CA 94043
#53	LMLYSoH: boyongzhao2711@163.com shanghaishijiadinggongyequyechenglu912haoJ3300shi, shanghai, Shanghai 201821
#59	Pai Ou Co. Ltd. paioukeji@163.com Nanhai qu Guicheng jiedao Haiwu lu 28hao, Foshan, Guangdong, 528000
#62	Pick Your Look Co Limited pylfashion@163.com FLAT/RM 225-06, 2/F Mega Cube, No.8 Wang Kwong Road, KL, Kowloon City, 999077
#65	QELUS LIGHT CO LIMITED qelusus@163.com UNIT 1-2 8/F. BLOCK B, PO YIP BUILDING, 62-70 TEXACO ROAD, Tsuen Wan 999077
#66	QUYUON naqksw1@126.com LongHuaQu LongHuaJieDao XuRiXiaoQu DongXuDaSha202A, ShenZhenShi, Guangdong 518131
#68	Rosnek Home Co. Ltd rosnekltd@163.com FLAT/RM 225-06, 2/F Mega Cube, No.8 Wang Kwong Road, KLN, Kowloon City, 999077
#74	Tong Ling E-commerce CO., LTD amtonglingus@hotmail.com Nan Hai Qu Dan Zao Zhen Da Wo Gu Fen He Zuo Jing Ji Lian He She, FOSHAN, Guangdong 528000
#79	WEIDAJUNGONG pipuzhe5623@163.com Room 1403, Block A, Space-time Plaza, Xueyuan Road, Qinlou Street, Donggang, Rizhao City, Shandong Province, 276800
#81	Wyongtao
#88	ZNU shengyaoltdus@hotmail.com Room 02 first floor Weng Yibin workshop section Danheng Road West dawuo joint stock cooperative econ Foshan Guangdong 528000

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#### HONG KONG LEYUZHEN TECHNOLOGY CO. LIMITED v.

THE INDIVIDUALS, CORPORATIONS, LIMITED LIABILITY COMPANIES, PARTNERSHIPS AND UNINCORPORATED ASSOCIATIONS IDENTIFIED IN SCHEDULE "A" HERETO Case No. 1:24-cv-01652-JCD-KLHH

### **CALCULATION OF DAMAGES**

Seller Name	Work	Publication Date	Known Start of Infringement	Statutory Damage Claim	Willful	Total Requested
#6 ByteLegendLimited 10001108431	VA0002379911	11/12/2023	Late January 2024 to early February 2024	\$30,000 Willful \$150,000	Yes	\$150,000.00
#11 ChuangXi Co.Ltd 10001195313	VA0002379911	11/12/2023	Late January 2024 to early February 2024	\$30,000 Willful \$150,000	Yes	\$150,000.00
#41 Jingdong E- Commerce (Trade) Hong Kong Corporation Limited Dba Joybuy Marketplace 10000020145	VA0002379911 VA0002379895 VA0002380492 VA0002379904 VA0002379881	11/12/2023 11/12/2023 1/24/2024 11/12/2023 11/12/2023	Late January 2024 to early February 2024	\$30,000 Willful \$150,000 both per infringed work	Yes	\$750,000.00
#42 663634622 Dba Joybuy Marketplace 10001137366	VA0002379911 VA0002379881	11/12/2023 11/12/2023	Late January 2024 to early February 2024	\$30,000 Willful \$150,000 both per infringed work	Yes	\$300,000.00
#53 LMLYSoH 10001517540	VA0002379894	11/12/2023	Late January 2024 to early February 2024	\$30,000 Willful \$150,000	Yes	\$150,000.00
#59 Pai Ou Co. Ltd. 10001144643	VA0002379911 VA0002379881 VA0002379894 VA0002379934 VA0002379904	11/12/2023 11/12/2023 11/12/2023 12/20/2023 11/12/2023	Late January 2024 to early February 2024	\$30,000 Willful \$150,000 both per infringed work	Yes	\$750,000.00
#62 Pick Your Look Co Limited 10001248190	VA0002379894	11/12/2023	Late January 2024 to early February 2024	\$30,000 Willful \$150,000	Yes	\$150,000.00
#65	VA0002379911	11/12/2023	Late January 2024 to early	\$30,000	Yes	\$150,000.00

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#### HONG KONG LEYUZHEN TECHNOLOGY CO. LIMITED v. THE INDIVIDUALS, CORPORATIONS, LIMITED LIABILITY COMPANIES, PARTNERSHIPS AND UNINCORPORATED ASSOCIATIONS IDENTIFIED IN SCHEDULE "A" HERETO Case No. 1:24-cv-01652-JCD-KLHH

### **CALCULATION OF DAMAGES**

Seller Name	Work	Publication Date	Known Start of Infringement	Statutory Damage Claim	Willful	Total Requested
QELUS LIGHT CO LIMITED 10001143052			February 2024	Willful \$150,000		
#66 QUYUON 10001207302	VA0002379894	11/12/2023	Late January 2024 to early February 2024	\$30,000 Willful \$150,000	Yes	\$150,000.00
#68 Rosnek Home Co. Ltd 10001241220	VA0002379911	11/12/2023	Late January 2024 to early February 2024	\$30,000 Willful \$150,000	Yes	\$150,000.00
#74 Tong Ling E- commerce CO., LTD 10001143259	VA0002379911 VA0002379881 VA0002379894	11/12/2023 11/12/2023 11/12/2023	Late January 2024 to early February 2024	\$30,000 Willful \$150,000 both per infringed work	Yes	\$450,000.00
#79 WEIDAJUNGONG 10001602009	VA0002379881	11/12/2023	Late January 2024 to early February 2024	\$30,000 Willful \$150,000	Yes	\$150,000.00
#81 Wyongtao	VA0002379894	11/12/2023	Late January 2024 to early February 2024	\$30,000 Willful \$150,000	Yes	\$150,000.00
#88 ZNU 10001123150	VA0002379911	11/12/2023	Late January 2024 to early February 2024	\$30,000 Willful \$150,000	Yes	\$150,000.00
	TOTAL					\$3,750,000.00

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Bayramoglu Law Offices LLC United States 702-462-5973 Bayramoglu Law Offices LLC

#### HONG KONG LEYUZHEN TECHNOLOGY CO. LIMITED

Balance Invoice # Invoice Date Payment Terms Due Date

\$30,500.00 369051 October 9, 2024

#### **ROTITA v. Schedule A: Part 2 SAM**

#### **Time Entries**

Date	EE	Activity	Description	Rate	Hours	Line Total
02/22/2024	SM	Review and finalize	Review and approve Complaint, TRO, and all supporting documents for filing pending resolution of China team's issues.	\$500.00	0.7	\$350.00
02/22/2024	SM	Draft Documents	Draft new motion to seal and supporting declaration of NDB	\$500.00	0.8	\$400.00
02/27/2024	SM	Review and Finalize Documents	Review and approve Walmart redacted and sealed documents for filing	\$500.00	1.1	\$550.00
04/26/2024	SM	Draft Documents	Draft supplemental brief in support of Motion to Seal and permit Plaintiff to proceed anonymously	\$500.00	2.4	\$1,200.00
04/26/2024	SM	Draft Documents	Draft SAM declaration in support of supplemental brief re: Motion to Seal and permit Plaintiff to proceed anonymously	\$500.00	1.5	\$750.00
05/14/2024	SM	Meeting	Meeting with J. Droter re: preparation for TRO hearing and arguments related to same	\$500.00	0.5	\$250.00
05/24/2024	SM	Review and revise	Review and revise memorandum ISO of motion for preliminary injunction	\$500.00	2.8	\$1,400.00
05/24/2024	SM	Draft Documents	Draft Declaration in support of motion for preliminary injunction	\$500.00	2.7	\$1,350.00
05/24/2024	SM	Review and revise	Review and revise motion and notice of motion re: entry of preliminary injunction	\$500.00	1.1	\$550.00
05/24/2024	SM	Communication	Miscellaneous ]communications with Rotita team re: TRO extension filing, and securing samples of infringing products	\$500.00	0.7	\$350.00
06/04/2024	SM	Review Court Orders and Notices	Review Court Minute Order granting Motion for Preliminary Injunction; review signed Order for same; communications with J. Droter re: hearing results	\$500.00	0.5	\$250.00

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06/04/2024	SM	Communication	Communications with Court administrator in response to last minute request by counsel to telephonically participate in preliminary injunction hearing	\$500.00	0.2	\$100.00
06/06/2024	SM	Communication	Communications with J. Droter re: ability to direct released funds to firm; review communications with platform re: same	\$500.00	0.5	\$250.00
06/10/2024	SM	Review document from opposing side	Review motion to dismiss for lack of personal jurisdiction filed by AU defendants; communications with team re: Illinois sales data by AU defendants; communications with team re: presentment procedures	\$500.00	2.7	\$1,350.00
06/11/2024	SM	Review document from opposing side	Review motion to reduce frozen assets filed by AU defendants; communications with team re: information needed to oppose same	\$500.00	1.8	\$900.00
07/03/2024	SM	Review and approve	Review and approve motion for clerk's entry of default, memorandum in support of motion for default, declaration is support of same, and accompanying exhibit of defendants subject to motion	\$500.00	2.3	\$1,150.00
07/08/2024	SM	communication with opposing counsel	Communications with Frank Niu re: extension of time to answer	\$500.00	0.4	\$200.00
07/08/2024	SM	Review document from opposing side	Review unopposed motion for extension of time to answer filed by Frank Niu's clients	\$500.00	0.3	\$150.00
09/03/2024	SM	Review Court Orders and Notices	Review Court Minute Order re: motion for presentment of motion for consent judgment	\$500.00	0.4	\$200.00
09/05/2024	SM	Review Court Orders and Notices	Review Court Minute Order granting Consent Judgment	\$500.00	0.3	\$150.00
09/13/2024	SM	Research	Research re: availability of statutory damages for copyright infringement claim	\$500.00	1.8	\$900.00
09/27/2024	SM	Research	Research re: default judgment issues	\$500.00	1.3	\$650.00
10/03/2024	SM	Review and revise	Begin reviewing and revising Motion for Default Judgment	\$500.00	1.7	\$850.00
10/03/2024	SM	Review and revise	Review and revise Memorandum in Support of Motion for Default Judgment	\$500.00	3.1	\$1,550.00
10/03/2024	SM	Research	Research re: statutory damage requirements in copyright infringement cases, enhanced damages for willful infringement, and the recovery of attorney fees.	\$500.00	2.7	\$1,350.00
10/03/2024	SM	Research	Research re: requirements for and remedies available for false designation of origin under 35 U.S.C. section 1125(a)	\$500.00	1.3	\$650.00
10/03/2024	SM	Research	Research re: remedies available under the Illinois Deceptive Trade Practices Act, including the recovery of attorneys' fees	\$500.00	1.2	\$600.00
10/04/2024	SM	Draft Documents	Begin drafting memorandum to team re: available remedies for statutory and non-statutory copyright infringement damages, modifications to future complaints, and remedies available under Illinois Deceptive Trade Practices Act	\$500.00	1.6	\$800.00
10/04/2024	SM	Research	Perform additional research re: entitlement to statutory damages in copyright infringement cases	\$500.00	2.5	\$1,250.00
10/04/2024	SM	Review and analyze	Review and analyze damages exhibit and necessary elements based on statutory requirements for the recovery of copyright statutory damages; draft email containing revisions to same to team	\$500.00	1.5	\$750.00

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10/04/2024	SM	Draft Documents	Finalize memorandum re: copyright damages and related relief for asserted claims	\$500.00	1.5	\$750.00
10/04/2024	SM	Review and revise	Review and revise Motion for Default Judgment based on statutory damages claim	\$500.00	1.3	\$650.00
10/05/2024	SM	Draft Documents	Continue drafting memorandum in support of motion for default judgment	\$500.00	2.8	\$1,400.00
10/05/2024	SM	Review and finalize	Review and finalize memorandum re: damage recovery in copyright default and other cases for Rotita	\$500.00	1.7	\$850.00
10/06/2024	SM	Draft Documents	Continue drafting memorandum in support of motion for default judgment	\$500.00	3.5	\$1,750.00
10/07/2024	SM	Review and revise	Review and revise memorandum in support of motion for default judgment; perform research re: Lodestar analysis for the recovery of reasonable attorneys' fees and costs	\$500.00	2.8	\$1,400.00
10/08/2024	SM	Review and revise	Review and revise Memorandum in Support of Motion for Default Judgment	\$500.00	2.5	\$1,250.00
10/08/2024	SM	Research	Research and review case law cited in E. Heim's memo re: reasonable attorneys' fee hourly rates	\$500.00	0.7	\$350.00
10/08/2024	SM	Review and analyze	Review and analyze E. Heim memo re: reasonable hourly attorney rates for recovery in connection with a request for attorneys' fees	\$500.00	0.5	\$250.00
10/08/2024	SM	Draft Documents	Draft preliminary overview of required Fee Itemization document in support of request for attorneys' fees; review case docket entries to prepare same	\$500.00	1.3	\$650.00

Totals: 61.0 \$30,500.00

Time Entry Sub-Total:	\$30,500.00
Sub-Total:	\$30,500.00
Total:	\$30,500.00
Amount Paid:	\$0.00
Balance Due:	\$30,500.00

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Bayramoglu Law Offices LLC United States 702-462-5973 Bayramoglu Law Offices LLC

#### HONG KONG LEYUZHEN TECHNOLOGY CO. LIMITED

Balance\$Invoice #3Invoice Date0Payment Terms0Due Date0

\$34,320.00 369049 October 9, 2024

### **ROTITA v Schedule A: Attorney Fee Tracking**

#### **Time Entries**

Date	EE	Activity	Description	Rate	Hours	Line Total
04/30/2024	JD	Review and prepare documents	Reviewed previous filed complaint/documents on the court docket and prepared draft order granting TRO.	\$400.00	1.0	\$400.00
05/02/2024	JD	Draft Documents	Drafted subpoena, letter to the platform, and request for production.	\$400.00	1.0	\$400.00
05/08/2024	JD	Prepare documents	Prepare beginning of status report	\$400.00	1.5	\$600.00
05/09/2024	JD	Prepare documents	Draft status report and review exhibits from the filed suit	\$400.00	2.7	\$1,080.00
05/10/2024	JD	Prepare documents	Prepare seller urls and find infringing photo urls and updating them in the status report, continuing to prepare full status report	\$400.00	2.7	\$1,080.00
05/13/2024	JD	Prepare documents	Continued to prepare status report	\$400.00	3.0	\$1,200.00
05/14/2024	JD	Review and analyze	Reviewed docket binder with motions in preparation for 5/15 hearing	\$400.00	1.5	\$600.00
05/15/2024	JD	Attend Court Hearing	Review, Travel to/from and attend motion hearing	\$400.00	3.0	\$1,200.00
05/16/2024	JD	Email drafting and sending	Prepared email to Walmart TRO team with relevant docs.	\$400.00	0.7	\$280.00
05/16/2024	JD	Prepare documents	Finished Walmart status report with updated data up to today	\$400.00	3.4	\$1,360.00
05/17/2024	JD	Email drafting and sending	Emailing back and forth with Walmart TRO email address. Sending docs requested and sending over TRO, waiting on compliance	\$400.00	0.5	\$200.00
05/22/2024	JD	Email drafting and sending	Drafted follow up email to Walmart TRO team	\$400.00	0.1	\$40.00
05/22/2024	JD	Review and analyze	Reviewed entire defendant store lists to see if any products are still being sold. Had independent Illinois resident purchase infringing items from 2 defendant stores	\$400.00	0.8	\$320.00

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05/23/2024	JD	Email drafting and sending	Drafted email and supporting docs to serve defs for walmart case	\$400.00	0.6	\$240.00
05/23/2024	JD	Billing	Travel to/from court house to deliver bond to Clerk	\$400.00	1.9	\$760.00
05/23/2024	JD	Draft Documents	Drafted motion for preliminary injunction, declaration, memorandum ISO	\$400.00	2.5	\$1,000.00
05/24/2024	JD	Draft Documents	Drafted notice of compliance of TRO	\$400.00	0.3	\$120.00
05/24/2024	JD	Draft Documents	Drafted emergency motion to extend, declaration, memorandum ISO, notice	\$400.00	1.5	\$600.00
05/24/2024	JD	Call with Court	Calls to chambers re motions and pending filings/status	\$400.00	0.2	\$80.00
05/24/2024	JD	Draft Documents	Drafted notice of compliance	\$400.00	0.4	\$160.00
05/24/2024	JD	Draft Documents	Drafted notice of preliminary injunction hearing	\$400.00	0.4	\$160.00
05/30/2024	JD	Prepare documents	Prepared exhibits of websites/receipts/purchases/photos of infringing items and drafted declarations ISO items bought/shipped to IL	\$400.00	2.5	\$1,000.00
06/03/2024	JD	Review Pleadings	Reviewed Plaintiff's pleadings/motion/declarations in preparation for motion to enter preliminary injunction hearing	\$400.00	1.3	\$520.00
06/04/2024	JD	Prepare and attend the hearing	Reviewed materials for PI hearing, travel to and from court, attending PI motion hearing.	\$400.00	3.5	\$1,400.00
06/05/2024	JD	Review and prepare documents	Reviewed client infringing links and screenshots to provide china team requested information	\$400.00	1.1	\$440.00
06/06/2024	JD	Email drafting and sending	Drafting and sending email to TRO email to inquire about paying via restrained assets	\$400.00	0.2	\$80.00
06/14/2024	JD	Prepare documents	Prepared motion for default, declaration, memorandum	\$400.00	1.8	\$720.00
06/14/2024	JD	Review Document	Reviewed TRO data from Walmart to report	\$400.00	0.2	\$80.00
06/17/2024	JD	Email drafting and sending	Drafted excel list of all defendants dismissed on 6/15. Prepared email that included full list of store names, Seller ID's and sent email to Amazon to have stores released/frozen funds returned.	\$400.00	1.0	\$400.00
06/17/2024	JD	Review Court Orders and Notices	Reviewed MTD and MTM from Defendants and preparing documents to bring to hearing	\$400.00	1.2	\$480.00
06/17/2024	JD	communication with opposing counsel	Email review/sending re motion hearing 6/18	\$400.00	0.2	\$80.00
06/18/2024	JD	Attend Court Hearing	Travel to/from and attending court hearing in person	\$400.00	3.0	\$1,200.00
06/20/2024	JD	Review and revise	Reviewed current Motion for default and supporting docs, revised and edited to update motion and docs for soon filing.	\$400.00	1.2	\$480.00
06/28/2024	JD	communication with opposing counsel	Email from Opposing Counsel Adam U. re motion to dismiss after sending him sales data. Reviewed sales data again and sent over order numbers in correspondence	\$400.00	0.5	\$200.00
06/28/2024	JD	communication with opposing counsel	Email from opposing counsel confirming withdrawal of their motion, followed up with an email to have assets restrained reduced to the TRO Walmart email.	\$400.00	0.2	\$80.00
07/03/2024	JD	Email drafting and sending	Prepared release email with dismissals from the 7- 1 dismissals with seller ids and store names to the TRO email.	\$400.00	0.3	\$120.00

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07/05/2024	JD	Review and finalize	Reviewed final version of motion for default and accompanying docs, approved for heather to file and notice up	\$400.00	1.5	\$600.00
07/10/2024	JD	Review and analyze	Reviewed Motion for Default and supporting documents, motions for extension and preparing binder for hearing.	\$400.00	1.0	\$400.00
07/11/2024	JD	Prepare and attend the hearing	Reviewed motions and organized exhibit. Travel to/from court house and attending the motion hearing	\$400.00	3.5	\$1,400.00
07/11/2024	JD	Draft Documents	Drafted proposed order granting Default motion and updated exhibit 1.	\$400.00	0.6	\$240.00
07/16/2024	JD	Email drafting and sending	Preparing list of defendants to release with platform and sending to TRO email to have stores released.	\$400.00	0.4	\$160.00
08/02/2024	JD	Email drafting and sending	Prepared release email with dismissals from the 8- 1 dismissals with seller ids and store names to the TRO email.	\$400.00	0.3	\$120.00
08/19/2024	JD	Email drafting and sending	Preparing and sending email to Walmart inquiring about defs paying from frozen amounts. Receiving response, reviewing and notifying group	\$400.00	0.2	\$80.00
08/22/2024	JD	Draft Documents	Review other court filings from other schedule A cases, drafted motion to enter consent judgment and consent judgment	\$400.00	2.0	\$800.00
08/27/2024	JD	Research and draft	Research motions for default judgment on other NDIL cases, reviewing language and finding disgorgement of profit language to be able to add for our motion for default judgment. Drafting first edits of motion for default judgment, memo ISO, declaration	\$400.00	4.5	\$1,800.00
08/28/2024	JD	Review and finalize	Reviewed and edited/finalized motion to enter consent judgment, consent judgment, edits to settlement agreement adding language and sent to china team.	\$400.00	1.5	\$600.00
08/28/2024	JD	Prepare and attend the hearing	Reviewed case and filings, travel to/from court to attend status hearing	\$400.00	3.3	\$1,320.00
09/04/2024	JD	Review Document	Reviewed signed consent judgment and motion in prep for hearing tomorrow.	\$400.00	0.5	\$200.00
09/05/2024	JD	Attend Court Hearing	Travel to/from courthouse and attending the motion to enter consent judgment.	\$400.00	3.0	\$1,200.00
09/06/2024	JD	Research and draft	Continued research into 504(b) disgorgement of profits and how to apply to this case. Review of preserved evidence on remaining defs and reviews per item/amount to create another profits analysis. Edits to motion/decl/memorandum. Review and creating excel doc with profits data	\$400.00	5.5	\$2,200.00
09/09/2024	JD	Email drafting and sending	Emailing deputy clerk for Judge Daniel re entering of consent judgment, received response with copy. Prepared email to walmart TRO team with attachments and bank info so platform deduction of settlement can be performed. Email back to deputy clerk regarding status.	\$400.00	0.4	\$160.00
09/11/2024	JD	Research	1.5 research motions for default judgment for statutory damages, drafting motion to follow same rough draft	\$400.00	1.5	\$600.00
09/11/2024	JD	Research Case Law	Research caselaw about copyright claims and IL case law claims in the same suit and that copyright claims barr IL state claims in the seventh circuit	\$400.00	0.6	\$240.00
09/20/2024	JD	Draft Documents	Prepared and drafted statutory motion for default judgment, declaration of SAM, declaration Li, memo ISO and uploaded to mycase	\$400.00	3.0	\$1,200.00

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10/01/2024	JD	Prepare and attend the hearing	preparation for 10/1 hearing Prepared for hearing, travel to/from hearing and attending 10/1 status hearing	\$400.00	3.0	\$1,200.00
09/30/2024	JD	Review Prosecution File History	Reviewed mycase files, onedrive, minute orders and previous court dates. Prepared calendar via docketbird to ensure no deadlines were missed in	\$400.00	1.0	\$400.00
09/20/2024	JD	Review and revise	Reviewed and revised draft motion for default judgment and attachments, adding in language for exhibit 1 to show sales	\$400.00	0.6	\$240.00

Time Entry Sub-Total:	\$34,320.00
Sub-Total:	\$34,320.00
Total:	\$34,320.00
Amount Paid:	\$0.00
Balance Due:	\$34,320.00

Case: 1:24-cv-01652 Document #: 58-7 Filed: 10/11/24 Page 1 of 5 PageID #:858

Bayramoglu Law Offices LLC United States 702-462-5973 Bayramoglu Law Offices LLC

#### HONG KONG LEYUZHEN TECHNOLOGY CO. LIMITED

BalanceSInvoice #SInvoice DateSPayment TermsDue Date

\$23,622.50 369050 October 9, 2024

### ROTITA: HONG KONG LEYUZHEN TECHNOLOGY CO. LIMITED v. Walmart

#### **Time Entries**

Date	EE	Activity	Description	Rate	Hours	Line Total
02/08/2024	EC	Document Preparation	Continue to obtain and preserve evidence. Continue to review and revise documents.	\$275.00	6.2	\$1,705.00
02/12/2024	н	Research	Research, clean up, organize Defendants list, links and Schedule A.	\$275.00	6.0	\$1,650.00
02/14/2024	EC	Document Preparation	Continue to collect and preserve evidence.	\$275.00	1.0	\$275.00
02/15/2024	EC	Document Organization	Review and organize files.	\$275.00	0.5	\$137.50
02/16/2024	EC	Meeting	Internal discussion re issues with declaration and status of other cases and exhibits.	\$275.00	0.2	\$55.00
02/16/2024	EC	Review and revise	Continue to review and revise documents for all platform filings.	\$275.00	2.0	\$550.00
02/21/2024	EC	Document Preparation	Continue reviewing, revising and preparing documents for filings	\$275.00	3.0	\$825.00
02/27/2024	EC	Prepare documents	Review and revise walmart pleadings for filing.	\$275.00	5.6	\$1,540.00
03/05/2024	EC	Docket Entries	Walmart Review, organize, and docket pleadings; update MyCase notes, calendar, and tasks.	\$275.00	1.2	\$330.00
04/15/2024	EC	Prepare documents	Prepare draft notice of withdrawal for D. Silver.	\$275.00	0.1	\$27.50
04/30/2024	ні	E-Filing	Assist Attorney Mangano in efiling Statement (Supplemental Brief) ISO Motion to Seal Docket 4. Review, revise, prepare for filing	\$275.00	1.3	\$357.50
05/01/2024	EC	Research	Walmart Review judge's procedures and flag compliance issue for notice of presentment.	\$275.00	0.2	\$55.00
05/09/2024	н	Document Preparation	Prepare binder for Attorney Droter's in person hearing	\$275.00	2.0	\$550.00
05/10/2024	н	Document Preparation	Finalize prepare for mailing and send Hearing Binder	\$275.00	1.0	\$275.00
05/16/2024	EC	Prepare documents	Prepare summons; prepare documents for website.	\$275.00	0.5	\$137.50

# Case: 1:24-cv-01652 Document #: 58-7 Filed: 10/11/24 Page 3 of 5 PageID #:860

05/16/2024	EC	Prepare documents	Prepare and send form and communications to bond company for issuance.	\$275.00	0.3	\$82.50
05/16/2024	EC	Docket Entries	Review, file and docket pleadings and orders; update MyCase notes and calendar.	\$275.00	0.2	\$55.00
05/21/2024	ні	Document Preparation	Prepare documents to send bond. Cover letter, TRO, signed bond, bond invoice, registry deposit information form.	\$275.00	0.7	\$192.50
05/21/2024	EC	Document Preparation	Prepare external share links with sealed documents.	\$275.00	0.1	\$27.50
05/24/2024	н	E-Filing	Review, polish and efile; Notice of PI, Motion for Preliminary Injunction, Memo ISO Motion for PI, Dec of SAM ISO Motion for PI, submit proposed order for PI to Chambers, Emergency Motion to Extend TRO, Memo ISO Motion to Extend TRO, Dec of SAM ISO Motion to Extend TRO, and submit proposed order to chambers.	\$275.00	3.0	\$825.00
05/24/2024	EC	Review and finalize	Prepare return of summons. Review and finalize notice of compliance re TRO.	\$275.00	0.5	\$137.50
05/24/2024	EC	E-Filing	efile return of summons and notice of compliance	\$275.00	0.4	\$110.00
05/29/2024	EC	Docket Entries	Review, file and docket pleadings; update MyCase notes and calendar and tasks. Review and update progress report.	\$275.00	0.5	\$137.50
05/30/2024	ні	Admin	Update Status Report for China team with copyright registration numbers	\$275.00	0.5	\$137.50
05/30/2024	EC	Communication	Review and file case communications re settlement terms and agreement.	\$275.00	0.2	\$55.00
05/30/2024	EC	Service of documents	Prepare and send subpoena package for service.	\$275.00	0.2	\$55.00
05/31/2024	EC	Communication	Review and file case communications re settlement terms and agreement.	\$275.00	0.2	\$55.00
06/03/2024	EC	Communication	Review and file case communications re settlement terms and agreement.	\$275.00	0.2	\$55.00
06/04/2024	EC	Communication	Review and file case communications re settlement terms and agreement. Review and obtain requested evidence. Discuss internally.	\$275.00	0.2	\$55.00
06/05/2024	EC	Document Organization	Review and file case communications re settlement terms and agreement. Review and obtain requested evidence. Discuss internally.	\$275.00	0.3	\$82.50
06/05/2024	EC	Docket Entries	Review, file and docket proof of service on platforms.	\$275.00	0.1	\$27.50
06/06/2024	EC	Prepare documents	Prepare motion for leave to withdraw N. Wijetille	\$275.00	0.2	\$55.00
06/06/2024	EC	Docket Entries	Review and enter defendant names per court order.	\$275.00	1.0	\$275.00
06/06/2024	EC	Communication	Review and file case communications re settlement terms and agreement. Review and obtain requested evidence. Discuss internally.	\$275.00	0.2	\$55.00
06/06/2024	EC	Docket Entries	Review, file and docket pleadings; update MyCase calendar, notes and tasks. Update litigaiton notes. Prepare documents for website.	\$275.00	0.5	\$137.50
06/07/2024	EC	Communication	Review and file case communications re settlement terms and agreement. Review and obtain requested evidence. Discuss internally.	\$275.00	0.2	\$55.00
06/10/2024	EC	Communication	Review and file case communications re settlement terms and agreement. Review and obtain requested evidence. Discuss internally.	\$275.00	0.3	\$82.50
06/11/2024	н	Document Preparation	Create Exhibit for response to Attorney Urbanczyk's Motions. Research and compile sales data.	\$275.00	3.6	\$990.00

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06/11/2024	EC	Research	Review and obtain evidence needed for settlement terms	\$275.00	0.2	\$55.00
06/11/2024	EC	Document Organization	Review, file and docket pleadings; review and update MyCase notes, calendar, tasks; review and file case communications re settlement and terms; litigation discussions; prepare update for website.	\$275.00	1.0	\$275.00
06/13/2024	ні	Document Preparation	Work on preparing dismissals for filing.	\$275.00	2.0	\$550.00
06/14/2024	н	E-Filing	Pull settlements, draft review, polish dismissal, motion to amend schedule a and amended schedule a, and efile Dismissal work on 6/15/24	\$275.00	1.6	\$440.00
06/14/2024	ні	Document Preparation	Pull settlements, draft, review, and polish; dismissal, motion to amend schedule A, and amended schedule A, and prepare for efiling.	\$275.00	1.4	\$385.00
06/14/2024	EC	Document Organization	Review, file and docket pleadings; review and update MyCase notes, calendar, tasks; review and file case communications re settlement and terms; litigation discussions; prepare update for website.	\$275.00	0.8	\$220.00
06/17/2024	ні	Document Preparation	Prepare sales data for Frank Niu and Adam Urbanczyk Settlement	\$275.00	1.0	\$275.00
06/17/2024	EC	Document Organization	Review, file and docket pleadings; review and update MyCase notes, calendar, tasks; review and file case communications re settlement and terms; litigation discussions; prepare update for website.	\$275.00	1.0	\$275.00
06/18/2024	EC	Document Organization	Assist with preparing for hearing; update response deadlines; review, file and docket pleadings' Update MyCase Calendar, notes and tasks.	\$275.00	0.5	\$137.50
06/21/2024	EC	Docket Entries	Review, file and docket pleadings; review and update MyCase notes, calendar, tasks; review and file case communications re settlement and terms; litigation discussions; prepare update for website. Review, prepare and update progress and status reports.	\$275.00	1.0	\$275.00
06/24/2024	EC	E-Filing	Review, revise finalize and efile motion to withdraw N. Wijetilleke [All but Temu & eBay]	\$275.00	0.2	\$55.00
06/25/2024	EC	Docket Entries	Review, file and docket pleadings; update MyCase notes, calendar, docket page and tasks. Review and file case communications re same.	\$275.00	0.8	\$220.00
07/01/2024	ні	E-Filing	Cleaning up settlements, reviewing, polishing and efiling Dismissal.	\$275.00	2.1	\$577.50
07/05/2024	ні	E-Filing	Polish and efile Motion for entry of default, memorandum ISO entry for default, declaration of SAM ISO entry of default, Exhibit 1 and Notice of presentment.	\$275.00	1.9	\$522.50
07/15/2024	н	E-Filing	Review, pull settlements, properly file settlements, prepare Dismissals, efile Dismissals, share Dismissals with team.	\$275.00	1.0	\$275.00
07/30/2024	ні	Document Preparation	Prep Notice of Dismissal, Motion to Amend Schedule A and Amended Schedule A for efiling on 8/1/24.	\$275.00	1.2	\$330.0
08/01/2024	ні	E-Filing	Prepping, polishing and e-filing Notice of Dismissal for Settlements.	\$275.00	1.3	\$357.50
08/19/2024	EC	Research	Research exemplar for default judgment	\$275.00	0.8	\$220.00
08/20/2024	EC	Troubleshooting	Review and prepare website documents for troubleshooting website rebuilding issue.	\$275.00	0.2	\$55.00
08/28/2024	EC	Document Review	Assist with preparing for hearing.	\$275.00	0.1	\$27.50

# Case: 1:24-cv-01652 Document #: 58-7 Filed: 10/11/24 Page 5 of 5 PageID #:862

				Totals:	85.9	\$23,622.50
10/09/2024	EC	Document Organization	Review case and docket activity; update case calendar, tasks and notes. Review and file case communications re settlement terms and conditions. Review and prepare documents for website and troubleshoot issues.	\$275.00	0.1	\$27.50
08/22/2024	HI	Review Document	Thinking about consent to judgement	\$0.00	0.5	\$0.00
Non-billable	Time En	tries:	· · · · · · · · · · · · · · · · · · ·	•	•	
10/04/2024	ні	Meeting	Guidance with attorney Mangano for Damage Assessment.	\$275.00	0.5	\$137.50
10/03/2024	ні	Document Preparation	finishing and sending Walmart Docs for approval and finalizing to lead attorney.	\$275.00	0.5	\$137.5
10/03/2024	ні	Document Preparation	Create Exhibits and polish Default Judgement Docs.	\$275.00	4.3	\$1,182.5
10/03/2024	EC	Docket Entries	Review case activity; update MyCase notes, tasks and calendars.	\$275.00	0.4	\$110.0
10/03/2024	EC	Service of documents	Prepare and serve clerk's entry of default on defendants.	\$275.00	0.5	\$137.5
10/03/2024	EC	Research	Research case law for default judgment	\$275.00	1.8	\$495.0
10/02/2024	ні	Document Preparation	Exhibits for Walmart Default	\$275.00	1.5	\$412.5
09/30/2024	HI	Document Preparation	Prepare exhibits and filing for Default Judgement	\$275.00	3.0	\$825.0
09/11/2024	EC	Docket Entries	Review, file and docket case activity; update MyCase notes, tasks and calendars. Review and prepare for internal discussions. Review and prepare any documents for website publishing.	\$275.00	0.8	\$220.0
09/10/2024	ні	Document Preparation	Pulling attorney fees, opening up a "fee" case in MyCase to prepare fees as exhibits, and find better way of pulling fees.	\$275.00	1.8	\$495.0
09/10/2024	ні	Research	Researching Attorney Fees for Default, trying to find better system for pulling fees in My Case.	\$275.00	1.6	\$440.0
09/10/2024	HI	Research	Researching Statutory Damages for remaining defendants, communicating to attorneys	\$275.00	0.7	\$192.5
09/06/2024	HI	Research	Assist attorney Droter in Default Judgment	\$275.00	1.4	\$385.0
09/03/2024	EC	Review and revise	Review and revise consent order.	\$275.00	0.3	\$82.5
09/03/2024	ні	E-Filing	Prepare and efile Motion to Enter Consent Judgment, Proposed Order and Notice of Presentment. Submit Proposed order to chambers	\$275.00	1.5	\$412.5
09/01/2024	ні	Admin	Verify no Dismissals for September 1, and prepare invoice for client	\$275.00	0.1	\$27.5
08/29/2024	н	Admin	Calendar next hearing.	\$275.00	0.2	\$55.0
8/28/2024	EC	Research	Continue with research default judgment exemplars with statutory damages for disgorgement of profit	\$275.00	0.5	\$137.5

Time Entry Sub-Total:	\$23,622.50
Sub-Total:	\$23,622.50 \$23,622.50
Total:	\$23,622.50 \$0.00
Amount Paid:	\$0.00
Balance Due:	\$23,622.50

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#### Case: 1:24-cv-01652 Document #: 58-8 Filed: 10/11/24 Page 2 of 3 PageID #:864

#### HONG KONG LEYUZHEN TECHNOLOGY CO. LIMITED v. THE INDIVIDUALS, CORPORATIONS, LIMITED LIABILITY COMPANIES, PARTNERSHIPS AND UNINCORPORATED ASSOCIATIONS IDENTIFIED IN SCHEDULE "A" HERETO Case No. 1:24-cv-01652-JCD-KLHH

### FEE ITEMIZATION CHART

1. <u>Complaint and Motion to Seal:</u> Complaint [Dkt. No. 1], Motion to Seal Complaint [Dkt. No. 8])

PROFESSIONAL	EST. HOURS	HOURLY RATE	TOTAL FEES
Shawn A. Mangano	6.5	\$500	\$3,250
Joseph W. Droter	2	\$400	\$800
Elizabeth A. Cummings	2.5	\$275	\$552
Heather Ikerd	15.6	\$275	\$2,557.50

 Ex Parte Motion for Temporary Restraining Order: (Motion [Dkt. No. 7], Supporting Declarations [Dkt. Nos. 7-1-7-8], Motion for Leave to File Excess Page Limits [Dkt. No. 6], Proposed Temporary Restraining Order [Dkt. No. 19], Supplemental Brief re: Joinder [Dkt. No. 15], Declaration in Support of Supplemental Brief, Motion to Deposit Funds [Dkt. No. 20], Bond Acquisition [Dkt. No. 21], Platform Compliance with TRO and Service on Defendants [Dkt. Nos. 23-24])

PROFESSIONAL	EST. HOURS	HOURLY RATE	TOTAL FEES
Shawn A. Mangano	1.2	\$500	\$600
Joseph W. Droter	6.3	\$400	\$1,720
Elizabeth A. Cummings	3	\$275	\$1,842.50
Heather Ikerd	6.7	\$275	\$825

3. <u>Motion for Preliminary Injunction</u>: (Motion for Preliminary Injunction [Dkt. No. 25], Declaration in Support of Motion [Dkt. No. 25-2], Notice of Motion [Dkt. No. 26], Preliminary Injunction Order [Dkt. No. 30])

PROFESSIONAL	EST. HOURS	HOURLY RATE	TOTAL FEES
Shawn A. Mangano	7.3	\$500	\$3,650
Joseph W. Droter	10.2	\$400	\$3,080
Elizabeth A. Cummings	3	\$275	\$825
Heather Ikerd	3	\$275	\$825

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#### Case: 1:24-cv-01652 Document #: 58-8 Filed: 10/11/24 Page 3 of 3 PageID #:865

HONG KONG LEYUZHEN TECHNOLOGY CO. LIMITED v. THE INDIVIDUALS, CORPORATIONS, LIMITED LIABILITY COMPANIES, PARTNERSHIPS AND UNINCORPORATED ASSOCIATIONS IDENTIFIED IN SCHEDULE "A" HERETO Case No. 1:24-cv-01652-JCD-KLHH

### FEE ITEMIZATION CHART

Motion to Dismiss and Motion to Modify Asset Restraint: (Motion to Dismiss [Dkt. No. 31]); Motion to Modify Asset Restraint [Dkt. No. 32]; Adam Urbanczyk Eleven [11] Defendants.

PROFESSIONAL	EST. HOURS	HOURLY RATE	TOTAL FEES
Shawn A. Mangano	4.5	\$500	\$2,250
Joseph W. Droter	4.2	\$400	\$1,680
Elizabeth A. Cummings	0.5	\$275	\$137.50
Heather Ikerd	4.6	\$275	\$1,265

 Motion for Entry of Default: (Motion for Entry of Default [Dkt. No. 44], Memorandum in Support [Dkt. No. 44-1], Declaration in Support [Dkt. No. 44-2], Notice of Motion [Dkt. No. 45]).

PROFESSIONAL	EST. HOURS	HOURLY RATE	TOTAL FEES
Shawn A. Mangano	2.3	\$500	\$1,150
Joseph W. Droter	9.6	\$400	\$3,840
Elizabeth A. Cummings	0.6	\$275	\$165
Heather Ikerd	1.9	\$275	\$522.50

6. <u>Motion to Approve Consent Judgment: (Motion [Dkt No. 54]</u>, Proposed Order [Dkt. No. 54-1], Notice of Motion [Dkt. No. 55], Consent Judgment [Dkt. No. 57]).

PROFESSIONAL	EST. HOURS	HOURLY RATE	TOTAL FEES
Shawn A. Mangano	1.2	\$500	\$600
Joseph W. Droter	5.5	\$400	\$2,200
Elizabeth A. Cummings	0.3	\$275	\$82.50
Heather Ikerd	1.5	\$275	\$412.50

7. Motion for Default Judgment: (Motion, Declarations, Exhibits [Dkt No. 58]).

PROFESSIONAL	EST. HOURS	HOURLY RATE	TOTAL FEES
Shawn A. Mangano	37.3	\$500	\$18,650
Joseph W. Droter	17.2	\$400	\$6,880
Elizabeth A. Cummings	1.3	\$275	\$357.50
Heather Ikerd	17.1	\$275	\$4,702.50

Case: 1:24-cv-01652 Document #: 58-9 Filed: 10/11/24 Page 1 of 2 PageID #:866

**Bayramoglu Law Offices LLC** United States 702-462-5973

Bayramoglu Law Offices LLC

#### HONG KONG LEYUZHEN TECHNOLOGY CO. LIMITED

Costs

Balance \$961.34 Invoice # 369048 Invoice Date **Payment Terms** Due Date

October 9, 2024

### **ROTITA: HONG KONG LEYUZHEN TECHNOLOGY CO. LIMITED v. Walmart**

#### **Expenses**

Date	EE	Activity	Description	Cost	Quantity	Line Total
02/27/2024	HI	E-Filing	Filing Fee for Walmart	\$405.00	1.0	\$405.00
05/13/2024	ні	Mailing Documents	FedEx Mailing for Binder for Rotita v. Walmart Motion Hearing	\$124.26	1.0	\$124.26
05/20/2024	н	Processing Fees	Bond for TRO, \$5,000.00 Bond, \$180.00 Fee JurisCO Bond # S-953019	\$180.00	1.0	\$180.00
05/22/2024	н	Mailing Documents	Overnight FedEx Bond to be filed with the court by Attorney Droter	\$60.66	1.0	\$60.66
06/01/2024	ні	Service of documents	Personal service of subpoena on Walmart platform. Service paid 5/29/24	\$145.00	1.0	\$145.00
06/25/2024	HI	Court Hearing	Parking Fee to attend Court Hearing	\$21.10	1.0	\$21.10
09/09/2024	ні	Court Hearing	Court Hearing on 8/29/24. Billed in September Parking to attend hearing.	\$25.32	1.0	\$25.32

Expense Total: \$961.34

Expense Sub-Total:	\$961.34
Sub-Total:	\$961.34
Total:	\$961.34
Amount Paid:	\$0.00
Balance Due:	\$961.34

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#### IN THE UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF ILLINOIS EASTERN DIVISION

#### HONG KONG LEYUZHEN TECHNOLOGY CO. LIMITED,

Plaintiff,

Case No.: 1:24-cv-01652-JCD

ν.

THE INDIVIDUALS, CORPORATIONS, LIMITED LIABILITY COMPANIES, PARTNERSHIPS AND UNINCORPORATED ASSOCIATIONS IDENTIFIED IN SCHEDULE "A" HERETO,

Honorable Jeremy C. Daniel

Defendants.

#### DECLARATION OF LIANGJIE LI IN SUPPORT OF PLAINTIFF'S MOTION FOR DEFAULT JUDGMENT

I, Liangjie Li, of Hong Kong, a special administrative region of the People's Republic of China, declare as follows:

1. Except as otherwise expressly stated to the contrary, this declaration is based upon my personal knowledge of the following facts and, if called as a witness, I could and would competently testify to the statements made herein.

 I make this declaration in support of Plaintiff's Motion for Default Judgment (the "Motion").

3. I am the Chief Operations Officer for Plaintiff Hong Kong Leyuzhen Technology Co. Ltd. ("Plaintiff"). I make this declaration from my matters within my own personal knowledge unless stated otherwise.

4. Plaintiff markets and sells women's clothing and related items under the "Rotita" brand name ("Rotita").

#### DECLARATION OF LIANGJIE LI ISO MOTION FOR DEFAULT JUDGMENT

CASE NO. 1:24-cv-01652-JCD

5. Rotita is an extremely well-known source of women's clothing in the United States and has been the subject of rampant counterfeit sales through online platforms such as Amazon, Temu, Alibaba, eBay, Aliexpress, and Walmart (the "Platform"), which is the online sales platform at issue in this action. These are the six largest online retailers in the World – and Plaintiff does not sell its products through any one of them. Rather, Plaintiff only sells its genuine Rotita brand products through its website rotita.com.

6. Plaintiff seeks an award of statutory damages against all defaulted Schedule "A" Defendants (the "Defaulted Defendants") in this action. The Defaulted Defendants are accused of intentionally and willfully infringing Plaintiff's following federally registered copyrights asserted in this action: (1) VA0002379911; (2) VA0002379895; (3) VA0002380492; (4) VA0002379904;
(5) VA0002379881; (6) VA0002379894; and (7) VA0002379934 (the "Copyright Protected Images").

7. It is without question that the Defaulted Defendants have engaged in the intentional misappropriation and unauthorized use of the Copyright Protected Images. In this regard, Plaintiff's Copyright Protected Images, often representing recent product releases, have almost instantaneously appeared on the Defaulted Defendants' online stores maintained with the Platform (the "Online Stores"). Moreover, the Defaulted Defendants have unquestionably been operating their Online Stores using the misappropriated Copyright Protected Images through a sophisticated counterfeit network utilizing a highly developed supply chain capable of supplying thousands of knockoff products featuring an array of Plaintiff's textile patterns and designs that could not otherwise be accomplished on an individual basis.

8. The basic nature of the copyright infringement scheme employed demonstrates that the Defaulted Defendants not only knew of the impropriety of their conduct but had to implement

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their counterfeit scheme through sophisticated sources and established supply chains. This is the only possible scenario under which the Defaulted Defendants could immediately procure, without authorization, Plaintiff's new copyright protected product images and offer them for sale through their Online Stores. (*Ibid.*) In addition, the Defaulted Defendants have intentionally used the Copyright Protected Images for soliciting counterfeit, knockoff Rotita product sales on a Platform that Plaintiff does not, and has not, utilized to sell its authentic products. Simply put, these facts not only establish the Defaulted Defendants' knowledge and intentional infringement of Plaintiff's Copyright Protected Images.

9. Plaintiff has paid the rate of \$500 per hour for Shawn A. Mangano, Esq.'s legal services in this action and in other pending actions. Plaintiff has also paid the rates of \$400 per hour for Joseph W. Droter, Esq.'s legal services in this action and in other pending actions. Plaintiff has also paid the rate of \$275 per hour for paralegal services provided by Heather Ikerd and Elizabeth Cummings in this action and in other pending actions.

10. Plaintiff's rough estimated gross revenue from United States sales likely exceeds \$20,000,000 USD per year. Of this amount, Plaintiff roughly estimates that over \$1,000,000 is derived from sales in the State of Illinois. Moreover, Plaintiff spends roughly anywhere from \$8,000,000 to \$12,000,000 USD each year to specifically advertise its Rotita brand in the United States through such online advertising sources as Google Ads, Facebook, and Bing. Furthermore, the company has spent more than \$80,000 in filing fees paid to the United States Copyright Office just to secure registration of copyright protected works being asserted in, currently, eleven (11) enforcement actions initiated in this judicial district. Simply put, Plaintiff is an extremely successful company that earns millions of dollars from product sales in the United States including

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within the State of Illinois. To do so, Plaintiff annually spends tens of millions of dollars advertising in the United States to promote the sale of its brand.

11. The defendants named in the company's copyright infringement enforcement actions are engaged in the practice of copying Plaintiff's copyright protected product images almost instantaneously after they are first displayed on the company's website and then associating these images with sale and promotion of unauthorized, counterfeit products of substandard quality, thereby deceiving consumers – including the citizens of the State of Illinois. Moreover, given the nature of Plaintiff's goods, such large-scale sales operations over multiple online retail platforms require considerable supply chain coordination that could not reasonably be accomplished independently by any of the named Defendants. Simply put, Plaintiff maintains that Defendants are acting in concert, pursuant to a common scheme, whereby they independently copy the company's copyright protected images, without authorization, from its website or such unauthorized images are being provided by the same common source associated with manufacturing the counterfeit products being sold on the Defendants' Platform storefronts.

12. Plaintiff has suffered, and continues to suffer, irreparable harm through the Defendants' unauthorized use of its federally registered copyright protected images asserted in this action. This results in the direct harm to Plaintiff's brand reputation and loss of consumer goodwill, both of which are harms that are virtually impossible to ascertain the resulting economic loss.

I declare under penalty of perjury under the laws of the United States of America the foregoing is true and correct.

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Executed on October 10, 2024, in Hong Kong.

By: Liongie Li

DECLARATION OF LIANGJIE LI ISO MOTION FOR DEFAULT JUDGMENT CASE NO. 1:24-cv-01652-JCD

#### CERTIFICATE OF SERVICE

I hereby certify that on the 11th day of October 2024, I electronically filed the foregoing document with the clerk of the court for the U.S. District Court, Northern District of Illinois, Eastern Division, using the electronic case filing system. The electronic case filing system sent a "Notice of Electronic Filing" to the attorneys of record who have consented in writing to accept this Notice as service of this document by electronic means. Notice of this filing is provided to unrepresented parties for whom contact information has been provided via email and by posting the filing on a URL contained on our website https://blointernetenforcement.com/, and distributed to ecommerce platform, Walmart.

By: /s/ Shawn A. Mangano

Shawn A. Mangano (Bar No. 6299408) BAYRAMOGLU LAW OFFICES LLC 1540 West Warm Springs Road Ste. 100 Henderson, NV 89014 Tel: (702) 462-5973 Fax: (702) 553-3404 shawnmangano@bayramoglu-legal.com Attorneys for Plaintiff



DECLARATION OF LIANGJIE LI ISO MOTION FOR DEFAULT JUDGMENT CASE NO. 1:24-cv-01652-JCD

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