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

HONG KONG LEYUZHEN TECHNOLOGY CO., LTD,

Plaintiff,

v.

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

Defendants.

Case No. 1:24-cv-02939-MFK.

JUDGE MATTHEW F KENNELLY

## PLAINTIFF'S EMERGENCY MOTION TO EXTEND TEMPORARY RESTRAINING ORDER

Plaintiff Hong Kong Leyuzhen Technology Co., Ltd, ("Plaintiff"), by and through its counsel, the Bayramoglu Law Offices, LLC, submits this emergency motion to extend the temporary restraining order including temporary injunction (the "TRO"), entered by this Court on May 6, 2024 [Dkt. No. 18] and which is set to expire up to and including May 20, 2024 (the "Motion"). Plaintiff seeks to extend the TRO fourteen (14) days to maintain the status quo until there is a ruling on Plaintiff's Motion for Entry of a Preliminary Injunction. Plaintiff's Motion is made and based upon the pleading on file in this action, including those made in support of its request for entry of a temporary restraining order, the Declaration of Shawn A. Mangano, Esq. (the "Mangano Decl."), the arguments contained herein and in the supporting memorandum of law, and any arguments of counsel entertained by this Court.

Absent an extension of the TRO, there is significant risk that Defendants will transfer assets from their U.S.-based financial accounts to off-shore accounts, modify the names of their internet

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stores, remove their internet stores from their current platform, and other conduct described in the supporting materials submitted herewith. The probability of harm to Plaintiff absent extension of the TRO is significant and continuing. Accordingly, Plaintiff is requesting a fourteen (14) day extension of the TRO.

Wherefore, Plaintiff respectfully requests that the TRO be extended for a period of fourteen (14) days up to and including June 3, 2024.

DATED: May 20, 2024

Respectfully submitted,

Attorneys for Plaintiff

By: /s/ Shawn A. Mangano
Shawn 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

#### I. <u>CERTIFICATE OF SERVICE</u>

I hereby certify that on the 20th day of May, 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 blointernetenforcement.com/, and distributed to ecommerce platform, Amazon.

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

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Defendants.

Case No. 1:24-cv-02939-MFK

JUDGE MATTHEW F KENNELLY

# MEMORANDUM IN SUPPORT OF PLAINTIFF'S EMERGENCY MOTION TO EXTEND TEMPORARY RESTRAINING ORDER

Plaintiff Hong Kong Leyuzhen Technology Co., Ltd, ("Plaintiff"), by and through its counsel, the Bayramoglu Law Offices, LLC, submits this Memorandum in Support of its Emergency Motion to Extend Temporary Restraining Order (the "Motion").

Plaintiff's Motion is made and based on the documents and previously submitted in support of its original *ex parte* request for entry of a temporary restraining order and renewed motion for entry of a temporary restraining order (Dkt. Nos. 7, 16), the Declaration of Shawn A. Mangano, Esq. (the "Mangano Decl.), letter submitted herewith, and any arguments of counsel entertained by the Court.

#### I. INTRODUCTION

Plaintiff brings the present action against the defendants identified on Schedule A to the Complaint (collectively, the "Defendants") for federal copyright infringement and counterfeiting (Count I), false designation of origin (Count II), and violate of the Illinois Uniform Deceptive

Trade Practices Act (Count III). As alleged in Plaintiff's Complaint [Dkt No. 1], the Defendants are promoting, advertising, distributing, offering for sale, and selling unauthorized and unlicensed products using infringing and counterfeit versions of the Rotita Brand Copyrights (the "Counterfeit Products") through various fully interactive e-commerce stores operating under the seller aliases identified in Schedule A to the Complaint (collectively, the "Seller Aliases").

#### II. STATEMENT OF FACTS

On May 6, 2024, this Court granted Plaintiff's Renewed Motion for Entry of a Temporary Restraining Order (the "TRO") and set a telephonic preliminary injunction hearing for May 20, 2024. [Dkt No. 18]. At the telephonic hearing held today, During the hearing the Court expressed dissatisfaction with Plaintiff's counsel's appear failure to disclose the Plaintiff's identity in its sealed Complaint [Dkt. No.12] and its apparent failure to disclose whether the copyrights at issue were registered or "common law" copyrights. Based on these identified concerns, the Court instructed Plaintiff to file an unsealed version of the Complaint that included its identity, and to file a new motion for preliminary injunction and supporting materials that further identified the Plaintiff's identity. As a result of the Court setting a new hearing on Plaintiff's Motion for Preliminary Injunction on Wednesday, May 29th, at 9:00 a.m., an Emergency Motion to Extend the Temporary Restraining Order is necessary given the Temporary Restraining Order entered on May 6, 2024 [Dkt. No. 18] expires today. Further complicating matters, the Court's Minute Order issued today [Dkt. No. 34] suggests that Plaintiff's Motion to Extend the TRO, which was never before the Court, was denied. This has resulted in numerous Defendants contacting Plaintiff's counsel requesting the asset restraint entered against them be immediately released.

Plaintiff wishes to clarify the apparent misunderstanding concerning the sealed Complaint [Dkt. No. 12] filed in this action. The sealed Complaint [Dkt. No. 12] filed in this action incorrectly

failed to include Plaintiff's identity as noted by the Court. However, Plaintiff wishes to advise the Court that it did previously disclose Plaintiff's identity in the sealed version of its Motion to Seal [Dkt. No. 4]. Plaintiff's identity was also included in the search results contained the declaration supporting the Motion to Seal [Dkt. No. 4-1], as well as in the search terms and results listed in the associated exhibit [Dkt. No. 4-2] submitted to the Court. Moreover, Plaintiff submitted an exhibit to the sealed Complaint [Dkt. No. 12-1] that contains a list of all ten (10) asserted federally registered copyrights at issue in the case, along with another seal exhibit [12-4] that lists each federally registered copyright, a photographic image of each copyright protected work, the infringing image displayed by the identified Defendant, and a link to Defendant's online store where the infringing image located. The foregoing identified filings should address the Court's concerns raised at today telephonic hearing. Finally, Plaintiff has effectuated the filing of the unsealed Complaint as directed by the Court [Dkt. No. 35].

Substantively, the TRO authorized a freeze of Defendant's online store accounts maintained through the Amazon sales platform. If the TRO, which expires today, is not extended, these asset freezes, which are essential to providing Plaintiff with any meaningful way to enforce its federally protected copyright registrations would no longer be effective. Once they are no longer effective, every named Defendant will transfer the funds out of these accounts and to some offshore financial entity over which the Court lacks jurisdiction. Moreover, Defendants would start to immediately delete all online store links to their operations, which essentially destroys all sales information related to these online stores. Accordingly, Plaintiff respectfully requests that Court extend the TRO for 14-days or at least until the Court can rule on its renewed motion for preliminary injunction. A telephonic hearing is currently set for Wednesday, May 29, 2024, at 9:00 a.m. on this motion.

#### III. ARGUMENT

# a. There is Good Cause to Extend the Temporary Restraining Order Until There is a Ruling on the Motion for Preliminary Injunction

Plaintiff seeks to extend the TRO to maintain the status quo until there is a ruling on Plaintiff's Motion for Entry of a Preliminary Injunction. Rule 65 dictates that under ordinary circumstances, a temporary restraining order cannot exceed 14 days, although the court may extend it "for a like period" for good cause. Fed. R. Civ. Pr. 65(b)(2). However, in H-D Mich., LLC v. Hellenic Duty Free Shops S.A., the Seventh Circuit affirmed that allowing a TRO to remain in effect until a decision on a motion for preliminary injunction was proper. 694 F.3d 827, 843-45 (7<sup>th</sup> Cir. 2012). In affirming the TRO extension, the Seventh Circuit explicitly recognized that there will be cases where the maximum 28-day limit does not give the parties sufficient time to prepare for a preliminary injunction hearing. *Id.* If the extension exceeds the maximum duration for a TRO under Rule 65(b), the extension "becomes in effect a preliminary injunction that is appealable, but the order remains effective." Id. at 844. See also, Christian Dior Couture, S.A. v. The Partnerships, et al., No. 21-cv-04861 (N.D. III. Nov. 19, 2021) (Docket Entry 32) (further extending TRO to and including the date on which the Court would adjudicate the motion for preliminary injunction, exceeding the maximum duration for a TRO under Rule 65(b)); Luxottica Group S.p.A., et al. v. rbzxr.com, et al., No. 20-cv-02297 (N.D. III. May 12, 2020) (Docket Entry 52) (same).

Defendants have notice of this case, they have been provided with a briefing schedule to oppose the renewed motion for preliminary injunction, and they have not, nor could they, present any meaningful evidence of hardship that they would suffer by keeping the TRO in place. (Mangano Decl. ¶ 13.) In addition, Plaintiff respectfully submits that there is good cause to extend

the TRO, since there is a high probability that the Defendants will continue to harm Plaintiff

without the TRO in place, especially since Defendants have notice of this case. (Mangano Decl. ¶

13.) Specifically, Defendants will likely attempt to move any assets from their financial accounts

to offshore bank accounts without the TRO in place while this Motion is pending. (Id.).

As demonstrated above, Plaintiff's request to extend the TRO for an additional fourteen

(14) days or until there is a ruling on the preliminary injunction is supported by a clear showing of

good cause. As such, the TRO should be extended by the Court for an additional fourteen (14)

days up to and including June 3, 2024, or until there is a ruling on the preliminary injunction.

IV. <u>CONCLUSION</u>

Based on the foregoing, Plaintiff respectfully requests that the TRO be extended for a

period of fourteen (14) days up to and including June 3, 2024, and maintain the status quo until

there is a ruling on Plaintiff's Motion for Entry of a Preliminary Injunction.

DATED: May 20, 2024

Respectfully submitted,

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

CASE NO.1:24-cv-02939-MFK

Attorneys for Plaintiff

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I. CERTIFICATE OF SERVICE

I hereby certify that on the 20th day of May 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 blointernetenforcement.com/, and

distributed to ecommerce platform, Amazon.

By: /s/ Shawn A. Mangano

Shawn A. Mangano (Bar No. 6299408)

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HONG KONG LEYUZHEN TECHNOLOGY CO., LTD,

Plaintiff,

v.

**Honorable Matthew F. Kennelly** 

Case No. 1:24-CV-02939-MFK

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

Defendants.

# DECLARATION OF SHAWN A. MANGANO, ESQ. IN SUPPORT OF PLAINTIFF'S EMERGENCY MOTION TO EXTEND TEMPORARY RESTRAINING ORDER

- 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 Emergency Motion to Extend Temporary Restraining Order (the "Motion").
- 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 one of the attorneys for Plaintiff Hong Kong Leyuzhen Technology Co., Ltd ("Plaintiff"). I make this declaration from my matters within my own knowledge unless stated otherwise herein.

4. Plaintiff filed its sealed Complaint [Dkt. No. 12] and sealed Exhibits 1 and 2 on April 12, 2024, along with sealed Exhibits 1 - 5, wherein Exhibit 1 lists Plaintiff's identity "Hong Kong Leyuzhen Technology Co., Ltd" on the bottom of listed Page 1, also sealed notification of affiliates Exhibit 5 lists Plaintiff's identity [Dkt Nos. 12, 12-1 through 12-5]. Plaintiff additionally filed a sealed version of its Motion to Seal [Dkt. No. 4] that included the Plaintiff's identity, as did the supporting declaration [Dkt. No. 4-1] and the exhibit associated with the declaration also included the Plaintiff's name in the search term and search results [Dkt. No. 4-2]. Moreover, Exhibit 1 to the Complaint [Dkt. No. 12-1] contained a complete listing of all federal copyright registrations at issue in this action. Furthermore, Plaintiff submitted an exhibit to the sealed Complaint [Dkt. No. 12-1] that contains a list of all ten (10) asserted federally registered copyrights at issue in the case, along with another seal exhibit [12-4] that lists each federally registered copyright, a photographic image of each copyright protected work, the infringing image displayed by the identified Defendant, and a link to Defendant's online store where the infringing image located.

- 5. Plaintiff filed its Motion for *Ex Parte* Temporary Restraining Order and renewed Motion for Temporary Restraining Order including a Temporary Injunction, a Temporary Asset Restraint, Expedited Discovery, and Service of Process by E-Mail and/or Electronic Publication on April 11, 2024, and May 1, 2024. [Dkt. Nos. 7, 16].
- 6. The Court granted Plaintiff's motion and issued a signed, sealed temporary restraining order on May 6, 2024 [Dkt. No. 17, the "TRO"] for a period of fourteen (14) days which is set to expire on May 20, 2024. Plaintiff requests an additional fourteen (14) day extension of the TRO or until there's a ruling on the Preliminary Injunction to maintain the status quo.

7. Plaintiff's operative Complaint in this action is but one piece in a multi-action copyright enforcement campaign that seeks to dismantle a criminal network that operates through six (6) of the largest online retail platforms in existence and includes over 2,500 named Schedule "A" Defendants. These named Schedule "A" Defendants are alleged to be 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.

8. The sophistication of Defendants' online, counterfeit sales network is further demonstrated by the skill with which they identify Schedule "A" plaintiffs, their allegedly infringed products or brands, and then immediately disseminating this information throughout their network by posting on online websites such as "SellerDefense.cn." The dissemination of this information then immediately results in the named Defendants siphoning off all illicit funds held in their online accounts. (*Id.*) This results in plaintiffs being deprived of any meaningful opportunity to redress the harm caused by Defendants' infringing conduct by attacking their financial resources.

9. As also previously argued to this Court in support of its request for entry of a temporary restraining order, Plaintiff would unquestionably suffer irreparable harm absent entry of injunctive relief through the spoliation of essential evidence and Defendants absconding with significant ill-gotten gains derived from their intentional infringement of Plaintiff's federally

secured copyright protected works. These facts still exist today and support Plaintiff's request to extend the TRO.

10. Substantively, the TRO authorized and directed Plaintiff to provide notice of these proceedings and the preliminary injunction hearing to Defendants by electronically publishing a link to the Complaint, the TRO, and other relevant documents on a website, together with effectuating electronic service by email transmission to any addresses provided for Defendants by third party online platforms. [Dkt. No. 17 ¶ 7.] Plaintiff has complied with these requirements by serving the designated online platform with a copy of the TRO and the related subpoena requesting information, including that required to effectuate electronic service, for the named Defendants.

11. On May 14, 2024, the designated online platform provided Plaintiff with the requested email addresses associated with Defendants' online accounts necessary to effectuate electronic service of process. The same day, Plaintiff completed electronic service of process by e-mail on the named Schedule "A" Defendants as required by the TRO.

12. Since and pursuant to entry of the TRO, financial accounts associated with the Seller Aliases have been frozen.

13. Plaintiff's request to extend the TRO issued in this action for an additional 14-days is fully supported by good cause. Defendants have notice of this case and this pending Motion and have presented no evidence of hardship that would occur by keeping the TRO in place. In addition, Plaintiff respectfully submits that there is good cause to extend the TRO, since there is a high probability that the Defendants will continue to harm Plaintiff without the TRO in place, especially since Defendants have notice of this case. Specifically, Defendants will likely attempt to move any assets from their financial accounts to offshore bank accounts without the TRO in place while this Motion is pending.

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14. This is Plaintiff's first motion to extend the TRO.

15. The Court's Minute Order [Dkt. No. 34] mistakenly refers to denying the Plaintiff's

request for an extension of the TRO. This issue was never before the Court because the telephonic

hearing was to consider Plaintiff's Motion for Preliminary Injunction. As of the filing of this

Motion, numerous Defendants have contacted Plaintiff's counsel and have requested they be

relieved from the TRO requirements based on the language of the Court's Minute Order.

I declare under penalty of perjury under the laws of the United States of America the

foregoing is true and correct.

Executed on May 20, 2024 in Las Vegas, Nevada.

By: /s/ Shawn A. Mangano

SHAWN A. MANGANO, ESQ.

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**CERTIFICATE OF SERVICE** 

I hereby certify that on the 20th day of May, 2024, I electronically filed the foregoing

document with the clerk of the court for the U.S. District Court, Northern District of Illinois,

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By: /s/ Shawn A. Mangano

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1540 West Warm Springs Road Ste. 100

Henderson, NV 89014

Tel: (702) 462-5973 Fax: (702) 553-3404 shawnmangano@bayramoglu-legal.com

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Attorneys for Plaintiff