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

HONG KONG LEYUZHEN TECHNOLOGY	
CO. LIMITED,	Case No. 1:24-cv-07262-JIC-JC
Plaintiff,	
V.	
THE INDIVIDUALS, CORPORATIONS,	Honorable Judge Jeffrey I Cummings
LIMITED LIABILITY COMPANIES, PARTNERSHIPS AND UNINCORPORATED	Magistrate Jeffrey Cole
ASSOCIATIONS IDENTIFIED IN	
SCHEDULE "A" HERETO,	HEARING: April 4, 2025
	TIME: 9:00AM CST

Defendants.

MOTION FOR DEFAULT JUDGMENT AGAINST THE IDENTIFIED SCHEDULE "A" DEFENDANTS PURSUANT TO FRCP 55(B)(2)

NOW COMES Plaintiff, Hong Kong Leyuzhen Technology Co. Ltd., by and through counsel, and pursuant to Federal Rule of Civil Procedure 55(b)(2), hereby files its Motion for Default Judgment against the thirty-four (34) Schedule A Defendants identified and listed in Exhibit 1 to the Declaration of Joseph Droter, Esq., attached hereto. In support of this Motion, Plaintiff relies upon its Memorandum of Law, the Declaration of Joseph Droter, Esq., the Declaration of Liangjie Li, this Honorable Court's February 14, 2025 Order (*See*, Dkt. No. 38), the pleadings previously filed in this action, and any oral argument permitted or requested by this Court. If granted, Plaintiff's Motion for Default Judgment would dispose of all Defendants remaining at issue in the above-captioned matter.

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DATED: February 18, 2025

Respectfully submitted,

By: /s/ Joseph W. Droter

Joseph W. Droter (IL Bar No. 6329630) BAYRAMOGLU LAW OFFICES LLC 233 S. Wacker Drive, 44th Floor, #57 Chicago, IL 60606 Tel: (702) 462-5973 | Fax: (702) 553-3404 Joseph@bayramoglu-legal.com Attorneys for Plaintiff

CERTIFICATE OF SERVICE

I hereby certify that on the 18th day of February 2025, 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. Notice of this filing has been posted on undersigned counsel's website at http://blointernetenforcement.com, and both the notice and the URL above (posting said notice) have been sent to unrepresented parties directly via e-mail at the addresses listed below, such contact information having been provided by the seller platform and third-party entity, Temu.

By: <u>/s/ Joseph W. Droter</u> Joseph W. Droter (Il Bar No. 6329630)

No.	Seller	Seller's Contact Information
4	Plus Plus Mall ID: 4423587909696	17640627876@163.com
7	An inch of light Mall ID: 5244636459785	326046695@qq.com
8	Anneyep Mall ID: 634418211203094	601342213@qq.com
9	ASJPStyle Mall ID: 145999037757	28855301@qq.com
10	Bellycurve Mall ID: 4866191543952	1964586221@qq.com
11	BFER Mall ID: 634418210647619	372703624@qq.com
12	by one Mall ID: 634418212208334	254106656@qq.com
14	CCFF Mall ID: 634418212002052	626523558@qq.com
15	Curvy Mall ID: 146281689671	1964586221@qq.com
16	DANGIEN Mall ID: 4881531404106	1149909144@qq.com
18	DNEATER SWIMSUIT Mall ID: 6216470821533	1216269992@qq.com

No.	Seller	Seller's Contact Information
19	DTA Mall ID: 6296127049005	2307461270@qq.com
20	FOX CLAW PLUS Mall ID: 634418211480954	52157740@qq.com
23	Heavensent Mall ID: 49133591013	726860610@qq.com
25	Hui shangying clothing Mall ID: 4362225145628	506424237@qq.com
26	Huludao Sai Rui Er Garment Tra Mall ID: 2223672334193	694083498@qq.com
28	LINGDALIN Mall ID: 634418211502374	781244771@qq.com
30	LUO YU JING Mall ID: 5705735040747	569600877@qq.com
31	Maya fashion Mall ID: 5868919801118	66545254@qq.com
33	MGclothing Mall ID: 634418211375899	190897677@qq.com
34	Mini fox ladies Mall ID: 8459562903	471581517@qq.com
35	Monique Clothing Mall ID: 273121935835	3203276788@qq.com
36	Mymermaid Mall ID: 634418210752038	da701@sohu.com
38	PLUSWIM Mall ID: 5076387867820	wangyu6896@icloud.com
39	Qixi boutique clothing Mall ID: 5940220379781	2632181078@qq.com
40	Qlqlql Mall ID: 6202524309986	157922312@qq.com
41	QMswimwear Mall ID: 634418212090380	2218150100@qq.com
44	Tigers Mall ID: 236963522872	jiao2226@foxmail.com
46	VIVI Fashion Style Mall ID: 5687056444251	532224706@qq.com
47	Weinimeigongsi Mall ID: 634418210064916	361859782@qq.com
48	WZQBBC Mall ID: 634418211924532	823513531@qq.com

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No.	Seller	Seller's Contact Information
49	XWD girl new Mall ID: 52265631659	13427770661@163.com
50	Yashengyi Mall ID: 3039426956131	1260155020@qq.com
51	YHdress Mall ID: 634418211192966	1505135430@qq.com

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

HONG KONG LEYUZHEN TECHNOLOGY CO. LIMITED,	Case No. 1:24-cv-07262-JIC-JC
Plaintiff,	
v. THE INDIVIDUALS, CORPORATIONS,	Honorable Judge Jeffrey I Cummings
LIMITED LIABILITY COMPANIES, PARTNERSHIPS AND UNINCORPORATED	Magistrate Jeffrey Cole
ASSOCIATIONS IDENTIFIED IN SCHEDULE "A" HERETO,	HEARING: April 4, 2025
Defendants.	TIME: 9:00AM CST

PLAINTIFF'S MEMORANDUM OF LAW IN SUPPORT OF ITS MOTION FOR DEFAULT JUDGMENT AGAINST THE IDENTIFIED SCHEDULE "A" DEFENDANTS PURSUANT TO FRCP 55(B)(2)

Plaintiff Hong Kong Leyuzhen Technology Co. Ltd. ("Plaintiff") hereby submits this Memorandum of Law in support of its Motion for Default Judgment (the "Motion"), pursuant to Federal Rule of Civil Procedure 55(b)(2), against the thirty-four (34) Schedule "A" Defendants identified and listed in Exhibit 1 to the Declaration of Joseph Droter, Esq., attached hereto, stating as follows:

I. <u>INTRODUCTION</u>

On February 14, 2025, the Court granted Plaintiff's Motion for Entry of Clerk's Default against the thirty-four (34) Defendants remaining in this action (hereinafter, "Defaulted Defendants"). [Dkt. No. 38.] Pursuant to F.R.C.P. 55(b)(2), Plaintiff now respectfully moves this Court for default judgment against each of these Defaulted Defendants, finding them liable on all counts asserted in Plaintiff's First Amended Complaint. [Dkt. No. 11.] These asserted counts include claims for Copyright Infringement (Count I), False Designation of Origin under 35 U.S.C.

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§1125(a) (Count II), and violation of the Illinois Uniform Deceptive Trade Practices Act (the "Uniform Deceptive Trade Practices Act") (Count III). [Dkt. No. 11 at 8-13.]

In connection with its asserted claims for relief, Plaintiff seeks an award of statutory damages pursuant to 17 U.S.C. § 504(c) against all Defaulted Defendants, which should be enhanced for their willful infringement of the following federally registered copyright asserted in this action, VA0002379897 (the "Copyright Protected Images"). (Droter Decl. ¶ 5.) Plaintiff additionally requests the Court issue a permanent injunction against the Defaulted Defendants. *See* 17 U.S.C. § 502(a). Furthermore, Plaintiff requests an award of its attorneys' fees and costs for the Defaulted Defendants' willful infringement of Plaintiff's Copyright Protected Images pursuant to 17 U.S.C. § 505, or pursuant to Defendants' willful violation of the Uniform Deceptive Trade Practice Act.

As alleged in the Complaint, the Defaulted Defendants have displayed, without authorization, the Copyright Protected Images on the Temu.com online sales platform (the "Platform") to market and sell knockoff and counterfeit products resembling Plaintiff's authentic Rotita brand products, thereby deceiving public consumers as to the quality, nature, and source of goods being purchased. (Droter Decl. ¶ 6.) Moreover, the Defaulted Defendants are alleged to be operating as part of a coordinated, sophisticated counterfeit product network that utilizes a common supply chain and manufacturing source to fulfill consumer orders for knockoff Rotita brand products by displaying, without authorization, Plaintiff's Copyright Protected Images on their online storefronts. (Droter Decl. ¶ 8, 11-12.) These circumstances clearly demonstrate the Defaulted Defendants have willfully and intentionally infringed upon Plaintiff's Copyright Protected images, thus justifying an award of enhanced statutory damages plus attorneys' fees and

costs under either the Copyright Act (17 U.S.C. § 505) or the Uniform Deceptive Trade Practices Act (815 ILCS § 510/3). (*Id.*)

Procedurally, F.R.C.P. 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 default judgment as to each of the identified Defendants in the case at bar under Rule 55(b)(2).

II. <u>ARGUMENT</u>

On February 14, 2025, the Court granted Plaintiff's Motion for Entry of Clerk's Default. [Dkt. No. 38.] Thus, the Defaulted Defendants are precluded from appearing and contesting Plaintiff's claims for relief. *See Black*, 22 F.3d at 1399. Given this procedural posture, the present Motion seeks to establish the Defaulted Defendants' liability to Plaintiff on Plaintiff's claims for relief. *See* Fed.R.Civ.P. 55(b)(2).

Specifically, Plaintiff's Motion seeks default judgment against the Defaulted Defendants deeming them liable for Copyright Infringement (Count I), False Designation of Origin under 35 U.S.C. §1125(a) (Count II), and violation of the Uniform Deceptive Trade Practices Act (Count III) as asserted in the company's Complaint. [Dkt. No. 11 at 8-13.]. As discussed below, Plaintiff is entitled to entry of a default judgment against the Defaulted Defendants pursuant to Rule 55(b)(2), which awards the company enhanced statutory damages for willful copyright infringement, issuance of a permanent injunction for copyright infringement and/or violation of

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the Uniform Deceptive Trade Practices Act, and an award of attorneys' fees and costs for either willful copyright infringement or willful violation of the Uniform Deceptive Trade Practices Act.

A. <u>Plaintiff is Entitled to Entry of the Requested 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 February 14, 2025, the Court granted Plaintiff's Motion for Entry of Clerk's Default against the Defaulted Defendants. [Dkt. No. 38.] Thus, default has already been entered against the thirty-four (34) 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. 11 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 and profits for copyright infringement under 17 U.S.C. § 504(c)(1); (2) an award of enhanced statutory damages for willful infringement pursuant to 17 U.S.C. § 504(c)(2); (3) entry of a permanent injunction pursuant to 17 U.S.C. § 502(a); (4) alternatively, entry of a permanent injunction pursuant to 815 ILCS § 510/3; and (5) an award of attorneys' fees and costs pursuant to 17 U.S.C.

§ 505 for willful copyright infringement and/or for willful violation of the Uniform Deceptive Trade Practices Act pursuant to 815 ILCS § 510/3. Plaintiff does not seek any relief related to its false designation of origin claim that such relief would be duplicative of the relief requested for willful copyright infringement and for violation of the Uniform Deceptive Trade Practices Act.

B. <u>Plaintiff is Entitled to the Relief Requested.</u>

By virtue of this Court's entry of default as to these Defendants [Dkt. No. 38], Plaintiff has established that all Defaulted Defendants: (1) are liable for intentionally and willfully infringing the Copyright Protected Images; (2) are liable for false designation of origin; and (3) have willfully violated the Uniform Deceptive Trade Practices Act. [Dkt. No. 11 at 8-13.] As such, the only the following issues remain to be adjudicated through the Motion: (1) Plaintiff's entitlement to an award of statutory damages for infringement of the Copyright Protected Images; (2) the company's request that any statutory damage award be enhanced based on the Defaulted Defendants' willful copyright infringement; (3) the company's right to issuance of a permanent injunction against the Defaulted Defendants; and (4) the propriety of an award of attorneys' fees and costs for the Defaulted Defendants' willful infringement of the Copyright Protected Images and/or their willful violation of the Uniform Deceptive Trade Practices Act. Plaintiff asserts that it is entitled to all relief requested through its Motion.

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

Plaintiff is entitled to an award of statutory damages under 17 U.S.C. § 504(c)(1) against the Defaulted Defendants by virtue of Defendants' infringement of the company's Copyright Protected Images, which was willful and intentional. (Droter Decl. ¶¶ 8, 11-12.)

A copyright owner is entitled to recover the actual damages suffered for infringement **and** any profits of the infringer that are attributable to the infringement and are not taken into account

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in computing the actual damages. 17 U.S.C. § 504(b). In establishing the infringer's profits, the copyright owner is required to present proof only of the infringer's gross revenue, and the infringer is required to prove his or her deductible expenses and the elements of profit attributable to factors other than the copyrighted work. 17 U.S.C. § 504(b). "[S]tatutory damages have been held to be appropriate on a motion for default judgment because the defaulting party has the information needed to prove actual damages." *White v. Marshall*, 771 F.Supp.2d 952, 956 (E.D. Wis. 2011); *see also Wondie v. Mekuria*, 742 F.Supp.2d 118, 124-25 (D.D.C. 2010); *Lifted Research Grp., Inc. v. Behdad, Inc.*, 591 F.Supp.2d 3, 8 (D.D.C. 2008).

First, Plaintiff has asserted a viable claim for infringement of the Copyright Protected Images. To prove copyright infringement, a plaintiff must show: "(1) ownership of a valid copyright; and (2) copying of constituent elements of the work that are original." *JWC Invs., Inc. v. Novelty, Inc.,* 482 F.3d 910, 914 (7th Cir. 2007). A certificate of copyright registration provides a *prima facie* presumption of validity. *Mid. American Title Co. v. Kirk,* 59 F.3d 719, 721 (7th Cir. 1995). Here, Plaintiff has demonstrated its ownership of the asserted Copyright Protected Images by its Complaint [Dkt. No. 11 at 9] and by supplying the Court with a summary of all registrations issued by the United States Copyright Office [Dkt. No. 11, Ex. 1]. Moreover, Plaintiff has set forth considerable factual allegations establishing the Defaulted Defendants have infringed the company's Copyright Protected Images. [Dkt. Nos. 11 at 15-34, 19-2, 22.] Accordingly, Plaintiff has established that the Defaulted Defendants have infringed the company's Copyright Protected Images.

Next, Plaintiff is entitled to an award of statutory damages given the circumstances in this action. An award of statutory damages is appropriate because actual damages "are often virtually impossible to prove..." *White,* 771 F.Supp.2d at 956. In awarding statutory damages, the court is

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not required to follow any rigid formula. (*Id.*, citing *Chi-Boy Music v. Charlie Club*, *Inc.*, 930 F.2d 1224, 1229 (7th Cir. 1991)). Instead, the court enjoys wide discretion in setting a statutory damage award within the prescribed range from \$750 to \$30,000 per infringement. *Broadcast Music, Inc. v. Star Amusements, Inc.*, 44 F.3d 485, 489 (7th Cir. 1995). The court may consider such factors as the difficulty or impossibility of proving actual damages, the circumstances of the infringement, and the efficacy of the damages as a deterrent to future copyright infringement. *Chi-Boy Music*, 930 F.2d at 1229.

Plaintiff has established unquestionably viable copyright infringement claims in this case. Most notably, Plaintiff secured entry of a preliminary injunction in this case. [Dkt. No. 29.] This ruling is consistent with Judge Kennelly's issuance of preliminary injunctive relief in Plaintiff's favor against defendants engaged in identical acts of intentional copyright infringement on the same Platform in what he considered to be one of the most contested Schedule "A" cases he had encountered in recent memory. (Droter Decl. ¶ 9.) Following Judge Kennelly's decision, defendants in other pending actions brought by Plaintiff, including the Defaulted Defendants in this action, have simply failed to appear and defend. (*Id.*) The Defaulted Defendants' refusal to appear and defend against the asserted claims, however, has deprived Plaintiff of the ability to present evidence concerning verifiable infringing sales or costs associated with such sales. (*Id.* ¶ 7.)

Specifically, Plaintiff has neither obtained, nor are the Defaulted Defendants participating in these proceedings, so that the Court can be provided with the infringers' deductible expenses related to the sale of the counterfeit products associated with the unauthorized use and display of the company's Copyright Protected Images. *See* 17 U.S.C. § 504(b). As such, there is no verifiable information concerning the Defaulted Defendants' gross infringing sales of their knockoff

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products or the associated deductible expenses from same. (Droter Decl. ¶ 7.) Moreover, while Plaintiff can estimate the range of the Defaulted Defendants' net profits from their infringing sales, this estimate is highly speculative and cannot affirmatively account for the advertising expenses saved through the unauthorized use and display of the company's Copyright Protected Images for which is has created at considerable expense. (Li Decl. ¶ 11.) Accordingly, an award of statutory damages is appropriate because actual damages are "virtually impossible to prove…" in this case. *See White*, 771 F.Supp.2d at 956.

Given the foregoing circumstances, and the nature of the Defaulted Defendants' conduct, Plaintiff is entitled to an award of statutory damages in the amount of \$5,000.00 USD per Defaulted Defendant, per infringed Copyright Protected Image. (Droter Decl. ¶ 12, Ex. 1.) 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. 38.] As a result of the Defaulted Defendants' 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. (Droter Decl. ¶ 7.) Moreover, Plaintiff has expended considerable capital in securing registration of the Copyright Protected Images and advertising its brand in the United States and specifically in the State of Illinois. (Li. Decl. ¶ 10.) This includes spending over \$80,000 to secure Plaintiff's copyright registrations with the United States Copyright Office and spending approximately \$8,000,000 to \$12,000,000 annually to advertise and promote its Rotita brand within the country. (Li Decl. ¶ 10.) These facts unquestionably support Plaintiff's request for an award of \$5,000.00 in statutory damages per infringed Copyright Protected Image per Defaulted Defendant.

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Next, the circumstances of the Defaulted Defendants' infringement clearly support awarding the requested statutory damage award against them. 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. (Li Decl. ¶ 7.) 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. (Droter Decl. ¶¶ 8, 11.) Accordingly, there is no dispute that Defaulted Defendants intentionally, and willfully, infringed Plaintiff's Copyright Protected Images to sell their knockoff products, which in turn justifies an award of statutory damages.

Based on the foregoing, Plaintiff respectfully requests the Court award \$5,000.00 in statutory damages against each of the Defaulted Defendants per each infringement of the Copyright Protected Images. (Droter Decl. ¶ 12, Ex. 1.) Accordingly, Plaintiff respectfully requests the Court an award of statutory damages for copyright infringement under 17 U.S.C. 504(c)(1) in an amount not less than \$5,000.00 per Defaulted Defendant per infringed Copyright Protected Image. (Droter Decl. ¶ 12, Ex. 1)

2. Plaintiff is entitled to enhanced statutory damages.

Next, the circumstances of the Defaulted Defendants' infringement clearly support awarding an enhanced statutory damage award of, at least, treble damages against them. Simply

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put, the Defaulted Defendants' infringing conduct in this action is unquestionably willful, thereby justifying enhanced damages under 17 U.S.C. § 504(c)(2).

Defaulted Defendants have intentionally misappropriated and used without authorization the Copyright Protected Images. (Droter Decl. ¶¶ 8, 11-12.) 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. (Li Decl. ¶ 7.) Moreover, the Defaulted Defendants have clearly 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. (Droter Decl. ¶¶ 8, 11-12.)

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. (Droter Decl. \P 8.) 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. (Droter Decl. \P 8.) Such circumstances support awarding Plaintiff enhanced statutory damages in this action. *See Chi-Boy Music*, 930 F.2d at 1229.

The facts presented further support awarding the enhanced 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 actively monitoring the outcome of Plaintiff's copyright infringement enforcement actions in this judicial district. (Droter Decl. ¶ 8.) At the outset of litigation, all named defendants in Plaintiff's copyright enforcement actions would vigorously fight the allegations against them until Judge Kennelly issued a preliminary injunction in Plaintiff's favor after a highly contested in-person hearing, which has resulted the Defaulted Defendants, and defendants in other pending actions commenced by Plaintiff, electing not to appear and defend. (Id. \P 9.) Simply put, the Defaulted Defendants, as with other similarly-situated defendants, have simply taken the apparent 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.

Based on the foregoing, Plaintiff respectfully requests the Court award enhanced statutory damages of not less than treble the requested statutory damages of \$5,000.00 per Defaulted Defendant per infringement of the Copyright Protected Work, which represents an award of \$15,000.00 as against each Defaulted Defendant. As set forth in Plaintiff's supporting documentation, the Defaulted Defendants in this action should be found liable for \$15,000 each because of their willful infringement for each of the three (3) Copyright Protected Images. (Droter

Decl. ¶ 12, Ex. 1) Accordingly, Plaintiff respectfully requests the Court enter an award of \$5,000.00 in statutory damages per Defaulted Defendant per infringed Copyright Protected Image, which should be enhanced for willful infringement to \$15,000.00 per Defaulted Defendant per infringed Copyright Protected Work, pursuant to 17 U.S.C. § 504(c)(2).

3. Plaintiff is entitled to a permanent injunction.

Next, Plaintiff is entitled to entry of a permanent injunction against the Defaulted Defendants. This request is justified under either 17 U.S.C. § 502(a) or, alternatively, under the Uniform Deceptive Practices Act pursuant to 815 ILCS § 510/3.

First, the Court has already determined that Plaintiff is entitled to preliminary injunctive relief in this action, which includes issuance against the Defaulted Defendants. [Dkt. No. 29.] Nothing has occurred since entry of the preliminary injunction that would alter or prohibit entry of a permanent injunction against the non-appearing Defaulted Defendants. In short, the compelling fact presented to the Court that justified entry of preliminary injunctive relief stand unchallenged by the Defaulted Defendants and, subsequently, their right to appear and contest this decision has been cut-off by entry of default. [Dkt. No. 38.] As such, Plaintiff's right to permanent injunctive relief under 17 U.S.C. § 502(a) or, alternatively, under the Uniform Deceptive Practices Act pursuant to 815 ILCS § 510/3, is uncontested and supported by the substantial evidentiary record previously provided to the Court when preliminary injunctive relief was issued. Accordingly, Plaintiff is entitled to issuance of permanent injunctive relief against the Defaulted Defendants.

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

Plaintiff is also entitled to an award of attorneys' fees and costs against the Defaulted Defendants. Such relief should be granted pending Plaintiff moving the Court for a specific award pursuant to its submission of a "Fee Award" pursuant to LR 54.3.

Plaintiff's request for an award of attorneys' fees and costs is two-fold. First, such an award is warranted based on issuance of enhanced statutory damages based on the Defaulted Defendants' willful infringement of the company's Copyright Protected Images. *See* 17 U.S.C. § 505. Second, and alternatively, Plaintiff is entitled to an award of attorneys' fees and costs based on the Defaulted Defendants' willful violation of the Uniform Deceptive Trade Practices Act. *See* 815 ILCS § 510/3. Under either statutory provision, the facts presented clearly justify the willful infringement and violation of Plaintiff's federally secured rights in and to the Copyright Protected Images, which have been done to deceive the consuming public. (Droter Decl. ¶¶ 8, 11-12.) Accordingly, Plaintiff is entitled to an award of attorneys' fees and costs, subject to the company filing a "Fee Award" pursuant to LR 54.3

III. <u>CONCLUSION</u>

Based on the foregoing, Plaintiff respectfully request entry of default judgment against the Defaulted Defendants pursuant to Rule 55(b)(2). In granting its request, Plaintiff asks the Court to award the following: (1) statutory damages in the amount of \$5,000.00 per Defaulted Defendant per infringed Copyright Protected Image pursuant to 17 U.S.C. § 504(c)(1); (2) enhanced statutory damages of \$15,000.00 per Defaulted Defendant per infringed Copyright Protected Image based on their willful infringement pursuant to 17 U.S.C. § 504(c)(2); (3) issuance of a permanent injunction against the Defaulted Defendants pursuant to 17 U.S.C. § 502(a) or, alternatively, under the Uniform Deceptive Practices Act pursuant to 815 ILCS § 510/3; (4) an award of attorneys'

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fees and costs pursuant 17 U.S.C. § 505 and/or 815 ILCS § 510/3 based on the Defaulted Defendants' willful conduct in an amount to be determined upon submission of a "Fee Award" under LR 54.3; and (5) such other relief as the Court deems just and proper.

DATED: February 18, 2025

Respectfully submitted,

By: <u>/s/ Joseph W. Droter</u> Joseph W. Droter (Bar No. 6329630) **BAYRAMOGLU LAW OFFICES LLC** 1540 West Warm Springs Road Ste. 100 Henderson, NV 89014 Tel: (702) 462-5973 | Fax: (702) 553-3404 Joseph@bayramoglu-legal.com *Attorneys for Plaintiff*

CERTIFICATE OF SERVICE

I hereby certify that on the 18th day of February 2025, 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. Notice of this filing is provided to unrepresented parties for whom contact information is listed below and has been 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, temu.

By: <u>/s/ Joseph W. Droter</u> Joseph W. Droter (Bar No. 6329630)

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10	Bellycurve Mall ID: 4866191543952	1964586221@qq.com
11	BFER Mall ID: 634418210647619	372703624@qq.com
12	by one Mall ID: 634418212208334	254106656@qq.com
14	CCFF Mall ID: 634418212002052	626523558@qq.com
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16	DANGIEN Mall ID: 4881531404106	1149909144@qq.com

No.	Seller	Seller's Contact Information
18	DNEATER SWIMSUIT Mall ID: 6216470821533	1216269992@qq.com
19	DTA Mall ID: 6296127049005	2307461270@qq.com
20	FOX CLAW PLUS Mall ID: 634418211480954	52157740@qq.com
23	Heavensent Mall ID: 49133591013	726860610@qq.com
25	Hui shangying clothing Mall ID: 4362225145628	506424237@qq.com
26	Huludao Sai Rui Er Garment Tra Mall ID: 2223672334193	694083498@qq.com
28	LINGDALIN Mall ID: 634418211502374	781244771@qq.com
30	LUO YU JING Mall ID: 5705735040747	569600877@qq.com
31	Maya fashion Mall ID: 5868919801118	66545254@qq.com
33	MGclothing Mall ID: 634418211375899	190897677@qq.com
34	Mini fox ladies Mall ID: 8459562903	471581517@qq.com
35	Monique Clothing Mall ID: 273121935835	3203276788@qq.com
36	Mymermaid Mall ID: 634418210752038	da701@sohu.com
38	PLUSWIM Mall ID: 5076387867820	wangyu6896@icloud.com
39	Qixi boutique clothing Mall ID: 5940220379781	2632181078@qq.com
40	Qlqlql Mall ID: 6202524309986	157922312@qq.com
41	QMswimwear Mall ID: 634418212090380	2218150100@qq.com
44	Tigers Mall ID: 236963522872	jiao2226@foxmail.com
46	VIVI Fashion Style Mall ID: 5687056444251	532224706@qq.com
47	Weinimeigongsi Mall ID: 634418210064916	361859782@qq.com

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No.	Seller	Seller's Contact Information
48	WZQBBC Mall ID: 634418211924532	823513531@qq.com
49	XWD girl new Mall ID: 52265631659	13427770661@163.com
50	Yashengyi Mall ID: 3039426956131	1260155020@qq.com
51	YHdress Mall ID: 634418211192966	1505135430@qq.com

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

HONG KONG LEYUZHEN TECHNOLOGY CO. LIMITED,	Case No. 1:24-cv-07262-JIC-JC
Plaintiff,	
V.	
THE INDIVIDUALS, CORPORATIONS,	Honorable Judge Jeffrey I Cummings
LIMITED LIABILITY COMPANIES, PARTNERSHIPS AND UNINCORPORATED	Magistrate Jeffrey Cole
ASSOCIATIONS IDENTIFIED IN	
SCHEDULE "A" HERETO,	HEARING: April 4, 2025 TIME: 9:00AM CST
	I INE: 9:00AN COL

Defendants.

DECLARATION OF JOSEPH W. DROTER IN SUPPORT OF MOTION FOR DEFAULT JUDGMENT

I, Joseph W. Droter, of the City of Chicago, in the State of Illinois, 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 Judgment against the thirty-four (34) non-appearing Defendants Identified in Schedule "A" (the "Motion") whom the Court defaulted on February 14, 2025 (the "Defaulted Defendants"). [See, Dkt. No. 38].

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.

4. I hereby certify that the Defaulted Defendants (as identified and listed in Exhibit 1 to this Declaration) have failed to plead or otherwise defend this action within the allotted time in

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violation of Federal Rule of Civil Procedure 12(a)(1)(A). As a result, the Court ordered Entry of Clerk's Default against these Defendants on February 14, 2025. [Dkt. No. 38.] 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 VA0002379897 (the "Copyright Protected Images").

6. As alleged in the Complaint, the Defaulted Defendants have displayed, without authorization, the Copyright Protected Images on the temu 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 is entitled to a statutory damage award of \$5,000.00 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. 38.] 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 against the Defaulted Defendants.

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8. 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 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.

9. At first, all named defendants in Plaintiff's copyright enforcement actions would vigorously fight the allegations against them, which resulted in Judge Kennelly in a parallel copyright enforcement action brough by Plaintiff concerning a similar online sales platform that he felt compelled to set an in person hearing on the company's request for a preliminary injunction because "this Court had never seen the number of filings by opposing counsel in any other Schedule 'A' case before him." *Hong Kong Leyuzhen Technology Co. Ltd. v. The Partnerships,* Case No. 1:24-cv-02939-MFK-BWJ [Dkt. No. 80]. Oral argument in that case was handled exclusively by me. Since Plaintiff prevailed in obtaining preliminary injunctive relief in its case pending 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.

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10. 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. *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 a statutory damage award of \$5,000 for their infringement of the Copyright Protected Images.

11. Plaintiff has alleged, and has offered proof, that the Defaulted Defendants have not only engaged in the 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.

12. The presented facts not only establish the Defaulted Defendants' knowledge and intentional infringement of Plaintiff's Copyright Protected Images. Accordingly, Plaintiff should be awarded statutory damages in the amount of \$5,000 with treble the enhancement to \$15,000 per Defaulted Defendant per infringed work based their willful infringement of the Copyright Protected Images. Attached hereto as Exhibit "1" is a chart listing all Defaulted Defendants, the infringed Copyright Protected Image, the statutory damage amount requested per infringement, and the amount requested based on the Defaulted Defendant' willful infringement.

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13. 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: February 18, 2025

By: <u>/s/ Joseph W. Droter</u> Joseph W. Droter, Esq. (Bar No. 6329630) BAYRAMOGLU LAW OFFICES, LLC

CERTIFICATE OF SERVICE

I hereby certify that on the 18th day of February 2025, 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. Notice of this filing is provided to unrepresented parties for whom contact information is listed below and has been provided via email and by posting the filing on a URL contained on our website http://blointernetenforcement.com, and a link to said website sent to the parties' e-mail addresses as provided by third-party, Temu.

By: <u>/s/ Joseph W. Droter</u>		
Joseph W. Droter (Bar No. 6329630)		

No.	Seller	Seller's Contact Information
4	Plus Plus Mall ID: 4423587909696	17640627876@163.com
7	An inch of light Mall ID: 5244636459785	326046695@qq.com
8	Anneyep Mall ID: 634418211203094	601342213@qq.com
9	ASJPStyle Mall ID: 145999037757	28855301@qq.com
10	Bellycurve Mall ID: 4866191543952	1964586221@qq.com
11	BFER Mall ID: 634418210647619	372703624@qq.com
12	by one Mall ID: 634418212208334	254106656@qq.com
14	CCFF Mall ID: 634418212002052	626523558@qq.com
15	Curvy Mall ID: 146281689671	1964586221@qq.com
16	DANGIEN Mall ID: 4881531404106	1149909144@qq.com
18	DNEATER SWIMSUIT Mall ID: 6216470821533	1216269992@qq.com
19	DTA Mall ID: 6296127049005	2307461270@qq.com

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No.	Seller	Seller's Contact Information
20	FOX CLAW PLUS Mall ID: 634418211480954	52157740@qq.com
23	Heavensent Mall ID: 49133591013	726860610@qq.com
25	Hui shangying clothing Mall ID: 4362225145628	506424237@qq.com
26	Huludao Sai Rui Er Garment Tra Mall ID: 2223672334193	694083498@qq.com
28	LINGDALIN Mall ID: 634418211502374	781244771@qq.com
30	LUO YU JING Mall ID: 5705735040747	569600877@qq.com
31	Maya fashion Mall ID: 5868919801118	66545254@qq.com
33	MGclothing Mall ID: 634418211375899	190897677@qq.com
34	Mini fox ladies Mall ID: 8459562903	471581517@qq.com
35	Monique Clothing Mall ID: 273121935835	3203276788@qq.com
36	Mymermaid Mall ID: 634418210752038	da701@sohu.com
38	PLUSWIM Mall ID: 5076387867820	wangyu6896@icloud.com
39	Qixi boutique clothing Mall ID: 5940220379781	2632181078@qq.com
40	Qlqlql Mall ID: 6202524309986	157922312@qq.com
41	QMswimwear Mall ID: 634418212090380	2218150100@qq.com
44	Tigers Mall ID: 236963522872	jiao2226@foxmail.com
46	VIVI Fashion Style Mall ID: 5687056444251	532224706@qq.com
47	Weinimeigongsi Mall ID: 634418210064916	361859782@qq.com
48	WZQBBC Mall ID: 634418211924532	823513531@qq.com
49	XWD girl new Mall ID: 52265631659	13427770661@163.com
50	Yashengyi Mall ID: 3039426956131	1260155020@qq.com

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No.	Seller	Seller's Contact Information	
51	YHdress Mall ID: 634418211192966	1505135430@qq.com	

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Exhibit 1

No	Name	Infringement	Amount Requested for Each Infringement	Enhanced x3 for Willful Infringement Total Requested
4	Plus Plus Mall ID: 4423587909696	VA0002379897	\$5,000.00	Total: \$15,000.00
7	An inch of light Mall ID: 5244636459785	VA0002379897	\$5,000.00	Total: \$15,000.00
8	Anneyep Mall ID: 634418211203094	VA0002379897	\$5,000.00	Total: \$15,000.00
9	ASJPStyle Mall ID: 145999037757	VA0002379897	\$5,000.00	Total: \$15,000.00
10	Bellycurve Mall ID: 4866191543952	VA0002379897	\$5,000.00	Total: \$15,000.00
11	BFER Mall ID: 634418210647619	VA0002379897	\$5,000.00	Total: \$15,000.00
12	by one Mall ID: 634418212208334	VA0002379897	\$5,000.00	Total: \$15,000.00
14	CCFF Mall ID: 634418212002052	VA0002379897	\$5,000.00	Total: \$15,000.00
15	Curvy Mall ID: 146281689671	VA0002379897	\$5,000.00	Total: \$15,000.00
16	DANGIEN Mall ID: 4881531404106	VA0002379897	\$5,000.00	Total: \$15,000.00
18	DNEATER SWIMSUIT Mall ID: 6216470821533	VA0002379897	\$5,000.00	Total: \$15,000.00
19	DTA Mall ID: 6296127049005	VA0002379897	\$5,000.00	Total: \$15,000.00
20	FOX CLAW PLUS Mall ID: 634418211480954	VA0002379897	\$5,000.00	Total: \$15,000.00
23	Heavensent Mall ID: 49133591013	VA0002379897	\$5,000.00	Total: \$15,000.00
25	Hui shangying clothing Mall ID: 4362225145628	VA0002379897	\$5,000.00	Total: \$15,000.00
26	Huludao Sai Rui Er Garment Tra Mall ID: 2223672334193	VA0002379897	\$5,000.00	Total: \$15,000.00
28	LINGDALIN Mall ID: 634418211502374	VA0002379897	\$5,000.00	Total: \$15,000.00
30	LUO YU JING Mall ID: 5705735040747	VA0002379897	\$5,000.00	Total: \$15,000.00

No	Name	Infringement	Amount Requested for Each Infringement	Enhanced x3 for Willful Infringement Total Requested
31	Maya fashion Mall ID: 5868919801118	VA0002379897	\$5,000.00	Total: \$15,000.00
33	MGclothing Mall ID: 634418211375899	VA0002379897	\$5,000.00	Total: \$15,000.00
34	Mini fox ladies Mall ID: 8459562903	VA0002379897	\$5,000.00	Total: \$15,000.00
35	Monique Clothing Mall ID: 273121935835	VA0002379897	\$5,000.00	Total: \$15,000.00
36	Mymermaid Mall ID: 634418210752038	VA0002379897	\$5,000.00	Total: \$15,000.00
38	PLUSWIM Mall ID: 5076387867820	VA0002379897	\$5,000.00	Total: \$15,000.00
39	Qixi boutique clothing Mall ID: 5940220379781	VA0002379897	\$5,000.00	Total: \$15,000.00
40	Qlqlql Mall ID: 6202524309986	VA0002379897	\$5,000.00	Total: \$15,000.00
41	QMswimwear Mall ID: 634418212090380	VA0002379897	\$5,000.00	Total: \$15,000.00
44	Tigers Mall ID: 236963522872	VA0002379897	\$5,000.00	Total: \$15,000.00
46	VIVI Fashion Style Mall ID: 5687056444251	VA0002379897	\$5,000.00	Total: \$15,000.00
47	Weinimeigongsi Mall ID: 634418210064916	VA0002379897	\$5,000.00	Total: \$15,000.00
48	WZQBBC Mall ID: 634418211924532	VA0002379897	\$5,000.00	Total: \$15,000.00
49	XWD girl new Mall ID: 52265631659	VA0002379897	\$5,000.00	Total: \$15,000.00
50	Yashengyi Mall ID: 3039426956131	VA0002379897	\$5,000.00	Total: \$15,000.00
51	YHdress Mall ID: 634418211192966	VA0002379897	\$5,000.00	Total: \$15,000.00
	\$510,000.00			

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

HONG KONG LEYUZHEN TECHNOLOGY CO. LIMITED,

Case No. 1:24-cv-07262-JIC-JC

Plaintiff,

V.

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

Honorable Judge Jeffrey I Cummings

Magistrate Jeffrey Cole

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").

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.

 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-07262-JIC-JC

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, Walmart, Alibaba, eBay, Aliexpress, and Temu (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 one (1) federally registered copyright asserted in this action: (1) VA0002379897 (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 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. 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 Katie M. Kuhn's, 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, over fourteen (14) 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 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.

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DECLARATION OF LIANGJIE LI ISO MOTION FOR DEFAULT JUDGMENT

CASE NO. 1:24-cv-07262-JIC-JC

11. Plaintiff expects to earn a net profit of approximately 30% on the sale of its Rotita brand products. This figure, however, includes substantial advertising expenses that the Defaulted Defendants would not have to pay since they are largely capitalizing on Plaintiff's advertising efforts by misappropriating its copyright protected images and imbedding the term "Rotita" in their Temu.com search engine optimization. Doing so causes their online stores to be displayed whenever someone searches for "Rotita" on Temu.com despite Plaintiff not selling authentic "Rotita" brand products on the platform. Based on the foregoing, I would estimate that the Defaulted Defendants' Online Stores operate at a net profit of between 40% to 50%. I believe that a disgorgement of the Defaulted Defendants' profits would fall within the net profit range. However, it is impossible to definitively calculate the Defaulted Defendants' total sales on the Platform through their Online Stores or to ascertain their expenses related to their infringing sales because they have failed to appear, defend, or otherwise participate in this action.

12. The Defaulted 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 Defaulted Defendants. Simply put, Plaintiff maintains that the Defaulted 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

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DECLARATION OF LIANGJIE LI ISO MOTION FOR DEFAULT JUDGMENT CASE NO. 1:24-cv-07262-JIC-JC

common source associated with manufacturing the counterfeit products being sold on the Defaulted Defendants' Platform storefronts.

13. Plaintiff has suffered, and continues to suffer, irreparable harm through the Defaulted 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.

Executed on February 18, 2025, in Hong Kong.

By: Liangje Li

CERTIFICATE OF SERVICE

I hereby certify that on the 18th day of February 2025, 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, TEMU.

By: /s/ Joseph W. Droter

Joseph W. Droter (Bar No. 6329630) BAYRAMOGLU LAW OFFICES LLC 1540 West Warm Springs Road Ste. 100 Henderson, NV 89014 Tel: (702) 462-5973 Fax: (702) 553-3404 Joseph@bayramoglu-legal.com Attorneys for Plaintiff

DECLARATION OF LIANGJIE LI ISO MOTION FOR DEFAULT JUDGMENT CASE NO. 1:24-cv-07262-JIC-JC