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

HONG KONG LEYUZHEN TECHNOLOGY CO. LIMITED,

Plaintiff,

Case No. 1:25-cv-2830

COMPLAINT FOR COPYRIGHT INFRINGEMENT

v.

ABC Corporation, a Chinese Entity

Defendants.

JURY TRIAL DEMANDED

Plaintiff, Hong Kong Leyuzhen Technology Co. Limited, ("Plaintiff"), by and through its counsel, the Bayramoglu Law Offices, LLC, submits the following Complaint against ABC Corporation, **Corporation**, a Chinese entity ("Defendant") and hereby alleges as follows:

NATURE OF THE ACTION

1. Plaintiff is the owner of all rights, title and interest in and to the copyright registrations issued by the United States Copyright Office for certain images related to its Rotita Brand product line (the "Rotita Brand") used in connection with the promotion and sale of women's apparel, which bear the following federal registration numbers

2. Plaintiff has filed this action to combat the online copyright infringer who trades upon Plaintiff's reputation, goodwill and valuable copyrights, including the Copyright Protected Images, to sell counterfeit and/or knock-off products of inferior quality by representing them to be authentic Rotita Brand products through the unauthorized display of the Copyright Protected Images on their online temu.com storefront (the "Online Store") maintained on the temu sales

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platform. Defendant additionally offers its counterfeit and/or knock-off products at substantially reduced prices from the authentic Rotita Brand products offered by Plaintiff.

3. Plaintiff exclusively utilizes the Copyright Protected Images in connection with the advertising, display, and sale of its authentic Rotita Brand products on its wholly owned, operated, and controlled company website. Plaintiff does not advertise, market, display, or sell its authentic Rotita Brand products on the temu Online Platform.

4. Defendant likewise advertises, markets, and/or sells their knockoff products embodying Plaintiff's Copyright Protected Images by reference to the same photographs as associated with genuine Rotita Brand products, which causes further confusion and deception in the marketplace.

5. Plaintiff is forced to file this action to combat Defendant's unauthorized use of its Copyright Protected Images to sell inferior, counterfeit and/or knock-off products, as well as to protect unknowing consumers from purchasing knockoff products over the Internet. Plaintiff has been and continues to be irreparably damaged through consumer confusion, dilution, and tarnishment of the Rotita Brand's reputation and goodwill because of Defendant's actions, and therefore the company seeks injunctive and monetary relief.

JURISDICTION AND VENUE

6. This Court has original subject matter jurisdiction over the claims in this action pursuant to the provisions of the Federal Copyright Act, 17 U.S.C. § 101, et seq., 28 U.S.C. § 1338(a)–(b) and 28 U.S.C. § 1331.

7. This Court has jurisdiction over the unfair deceptive trade practices claim in this action that arise under the laws of the State of Illinois pursuant to 28 U.S.C. § 1367(a) because the

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state law claims are so related to the federal claims that they form part of the same case or controversy and derive from a common nucleus of operative facts.

8. Venue is proper in this Court pursuant to 28 U.S.C. § 1391, and this Court may properly exercise personal jurisdiction over Defendant, since directly targets consumers in the United States, including those within the State of Illinois, through at least the fully interactive commercial internet stores accessible through Defendant's temu storefront.

9. Specifically, Defendant is reaching out to do business with Illinois residents by operating at least one commercial, interactive internet store through which residents can purchase inferior products that are advertised for sale using, without authorization, Plaintiff's Copyright Protected Images. Defendant has targeted sales from Illinois residents by operating online stores that offer shipping to the United States, including to the State of Illinois, accept payment in United States currency, and, on information and belief, has used Plaintiff's Copyright Protected Images, without authorization, to sell competing, counterfeit/ knockoff products of lesser quality to residents of the State of Illinois.

10. Defendant is committing tortious acts in the State of Illinois, is engaging in interstate commerce, and has wrongfully caused Plaintiff substantial injury in the State of Illinois. Venue is proper in this Court pursuant to 28 U.S.C. §§ 1391(b)(2) and 1400(a) because Defendant has committed acts of copyright infringement in this judicial district and does business in the judicial district.

THE PARTIES

11. Plaintiff, Hong Kong Leyuzhen Technology Co. Limited is a corporation organized under the laws of the People's Republic of China ("China") and is the owner of the Copyright Protected Images asserted to have been infringed in this action by the Defendants. Attached hereto

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as Exhibit 1 are true and correct copies of the federal copyright registrations issued for the Copyright Protected Images and Copyright Public Records Data.

12. Plaintiff founded its Rotita Brand in 2009, which is dedicated to women's fashion apparel and serves consumers in the United States and throughout the world.

13. Between 2021 and 2022, Plaintiff designed, caused to subsist in material form, and first published the Copyright Protected Images on its website located at the company's designated website employing the Rotita Brand in its URL and over the years has worked hard to establish success and recognition for high quality women's apparel internationally and in the United States.

14. Plaintiff has expended substantial time, money, and other resources in developing, advertising, and otherwise promoting its Rotita Brand and, specifically, the Copyright Protected Images. As a result, the Rotita Brand is widely recognized and exclusively associated by consumers, the public, and the trade as being quality products.

15. Plaintiff owns all rights, including without limitation, the rights to reproduce the Copyright Protected Images in copies, to prepare derivative works based upon the copyrighted works, and to distribute copies of the copyrighted works to the public by sale or other transfer of ownership, or by rental, lease, or lending, the protected works.

16. Plaintiff has neither licensed nor authorized Defendant to use the Copyright Protected Images and Defendant is not an authorized retailer of Plaintiff's genuine Rotita Brand products.

17. Defendant conducts business

throughout the United States, including within the State of Illinois and in this judicial district,

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through the operation of Defendant's Online temu Stores, and has offered to sell and, on information and belief, has sold and continues to sell counterfeit and/or knock-off Rotita Brand products, to consumers within the United States, including in the State of Illinois and in this judicial district, by displaying, without authorization, the Copyright Protected Images on its Online temu Stores.

DEFENDANTS' UNLAWFUL CONDUCT

18. The success of Plaintiff's Rotita Brand has resulted in counterfeiting and intentional copying of the company's products, and the sale and offering for sale of said products through the unauthorized use of the Copyright Protected Images. Upon information and belief, Defendant conducts their illegal operations through their Online Stores maintained on the Online temu Platform. Defendant targets consumers in the United States, including in the State of Illinois, and sells and offers for sale counterfeit products through the unauthorized use of the Copyright Protected Images.

19. In similar cases involving multiple counterfeiters, defendants operating internet stores intentionally conceal their identities and the full scope of their counterfeiting operations to deter plaintiffs and Courts from learning their true identity and the full extent of their illegal counterfeiting operations.

20. Upon information and belief, and at all times relevant hereto, Defendant has had full knowledge of Plaintiff's ownership of the Copyright Protected Images, including its exclusive right to use and license the Rotita Brand and the goodwill associated therewith.

21. Plaintiff has identified Defendant's Online Store, which is offering for sale, selling, and importing knockoff products to consumers in this judicial district and throughout the

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United States by using, without authorization, the Copyright Protected Images. Infringers on ecommerce platforms such as Defendants' Online Stores are estimated to receive tens of millions of visits per year and to generate over \$135 billion in annual online sales. According to an intellectual property rights seizures statistics report issued by the United States Department of Homeland Security, the manufacturer's suggested retail price ("MSRP") of goods seized by the U.S. government in fiscal year 2020 was over \$1.3 billion. Internet websites like Defendant's Online Stores are also estimated to contribute to tens of thousands of lost jobs for legitimate businesses and broader economic damages such as lost tax revenue every year.

22. On information and belief, Defendant sets up its seller accounts on the Online temu Platform using, without authorization, the Copyright Protected Images so that they appear to unknowing consumers to be authorized online retailers of genuine Rotita Brand products. Defendant's Online Stores accept payment in United States currency via credit cards and PayPal.

23. On information and belief, Defendant deceives unknowing consumers by using Plaintiff's Copyright Protected Images on Defendants' Online Stores without authorization to attract customers, and to sell counterfeit/ knockoff products resembling authentic Rotita Brand products.

24. On information and belief, Defendant conceals its identity by using fictitious names and addresses to register and operate its internet stores. It is common practice for counterfeiters to register accounts with incomplete information, randomly typed letters, or omitted cities or states; use privacy services that conceal the owners' identity and contact information; and regularly create new websites and online marketplace accounts on various platforms including Defendant's Online temu Store. Such internet store registration patterns are one of many common tactics counterfeiters

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use to conceal their identities, the full scope and interworking of their massive counterfeiting operation, and to avoid being shut down.

25. Upon receiving notice of a lawsuit, counterfeiters in similar cases will often register new domain names or online marketplace accounts under new aliases.¹ Counterfeiters also typically ship products in small quantities via international mail to minimize detection by U.S. Customs and Border Protection. A 2021 U.S. Customs and Border Protection ("CBP") report on seizure statistics indicated that e-commerce sales accounted for 13.3% of total retail sales with second quarter of 2021 retail e-commerce sales estimated at \$222.5 billion.² In FY 2021, there were 213 million express mail shipments and 94 million international mail shipments. *Id.* Nearly 90 percent of all intellectual property seizures occur in the international mail and express environments. *Id.* at 27. The "overwhelming volume of small packages also makes CBP's ability to identify and interdict high risk packages difficult." *Id.* at 23.

26. Further, counterfeiters often operate multiple credit card merchant accounts and third-party accounts behind layers of payment gateways so that they can continue operating despite enforcement efforts. Upon information and belief, Defendants maintain offshore bank accounts and regularly move funds from their Online Platform accounts to offshore bank accounts outside the jurisdiction of this Court particularly since it is believed that Defendants reside in China or Hong Kong.

 ¹ https://www.ice.gov/news/releases/buyers-beware-ice-hsi-and-cbp-boston-warn-consumersaboutcounterfeit-goods-during (counterfeiters are "very adept at setting up online stores to lure the public intothinking they are purchasing legitimate good on legitimate websites") (last visited Apr. 6, 2022).
² U.S. Customs and Border Protection, Intellectual Property Right Seizure Statistics, FY 2021 (https://www.cbp.gov/sites/default/files/assets/documents/2022-Sep/202994%20-

^{%20}FY%202021%20IPR%20Seizure%20Statistics%20BOOK.5%20-%20FINAL%20%28508%29.pdf) at 23.

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27. Defendant's unlawful use of Plaintiff's Copyright Protected Images to promote knockoff and/or counterfeit products for sale on Defendants' Online Stores, bear similarities and indicia of interrelatedness, suggesting they are manufactured by and come from a common source. Notable features common to Defendants' Online Stores include lack of contact information, same or similar products for sale, identically or similarly priced items and sales discounts, shared hosting service, similar name servers, and their common infringement of Plaintiff's Copyright Protected Images.

28. Defendant's use of Plaintiff's Copyright Protected Images in connection with the advertising, marketing, distribution, offering for sale and the sale of competing products of inferior quality is likely to cause and has caused confusion, mistake and deception by and among consumers and is irreparably harming the Rotita Brand. Defendant has manufactured, imported, distributed, offered for sale and sold its inferior products using the Copyright Protected Images without authorization to do so and will continue to do so unless restrained temporarily, preliminarily, and permanently by this Court.

29. Defendant, without authorization or license from Plaintiff, knowingly and willfully used and continues to use the company's Copyright Protected Images in connection with the advertisement, offer for sale and the sale of counterfeit and/or knockoff Rotita Brand products through, *inter alia*, its Online Store.

30. Defendant's unauthorized use of the Copyright Protected Images in connection with the advertising, distribution, offering for sale, and the sale of poor-quality products in the United States and specifically into the State of Illinois, is likely to cause and has caused confusion, mistake, and deception by and among consumers and is irreparably harming the goodwill and intrinsic value of Plaintiff's Rotita Brand.

<u>COUNT I</u> COPYRIGHT INFRINGEMENT (17 U.S.C. § 101, et seq.)

31. Plaintiff repeats, realleges and incorporates by reference herein its allegations contained in paragraphs 1 through 30, above.

32. Plaintiff's Copyright Protected Images have significant value and have been produced and created at considerable expense.

33. Plaintiff owns all exclusive rights, including without limitation the rights to reproduce the Copyright Protected Images in copies, to prepare derivative works based upon the copyrighted work, and to distribute copies of the copyrighted work to the public by sale or other transfer of ownership, or by rental, lease, or lending, the copyright protected works.

34. Defendant has sold, offered to sell, marketed, distributed, and advertised, and are still selling, offering to sell, marketing, distributing, and advertising products using the Copyright Protected Images without Plaintiff's permission, authorization, consent, or license.

35. Upon information and belief, Defendant has directly copied the Copyright Protected Images and used them, without authorization, to advertise, promote, offer for sale, and sell competing products of low quality and at a fraction of the price.

36. As examples, Defendants deceive unknowing consumers by using, without authorization, the Copyright Protected Images on Defendants' Online Stores to attract customers as follows:





37. Defendant's unauthorized exploitation of Copyright Protected Images to advertise, offer for sale and sell inferior products on Defendant's Online t e m u Stores constitutes copyright infringement.

38. On information and belief, Defendant's infringing acts were willful, deliberate, and committed with prior notice and knowledge of the Copyright Protected Images.

39. Defendant, either knew, or should have reasonably known, that the Copyright Protected Images are subject to federal copyright protection. Further, Defendant continues to infringe upon Plaintiff's rights in and to the Copyright Protected Images.

40. As a direct and proximate result of their unauthorized and infringing conduct, Defendant has obtained and continues to realize direct and indirect profits and other benefits rightfully belonging to Plaintiff, and that Defendant would not otherwise have realized but for its infringement of Plaintiff's Copyright Protected Images.

41. The foregoing acts of infringement constitute facts that have been willful, intentional, and in disregard of and with indifference to the rights of the Plaintiff.

42. Accordingly, Plaintiff seek an award of damages pursuant to 17 U.S.C. § 504.

43. In addition to actual damages, Plaintiff is entitled to receive the profits made by Defendant from its wrongful acts, pursuant to 17 U.S.C. § 504(b). Defendant should be required to account for all gains, profits, and advantages derived by Defendant from its acts of infringement.

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44. In the alternative, Plaintiff is entitled to, and may elect to choose statutory damages pursuant to 17 U.S.C. § 504(c), which should be enhanced by 17 U.S.C. § 504(c)(2) because of Defendant's willful copyright infringement.

45. Plaintiff is entitled to, and may elect to choose injunctive relief under 17 U.S.C. § 502, enjoining any use or exploitation by Defendant **of** its infringing work and for an order under 17 U.S.C. § 503 that any of Defendant's infringing products be impounded and destroyed.

46. Plaintiff seeks and is also entitled to recover reasonable attorneys' fees and costs of suit pursuant to 17 U.S.C. § 505.

47. If Defendant's actions do not cease, Plaintiff will continue to suffer irreparable harm to the reputation and goodwill of their well-known Rotita Brand.

48. The conduct of Defendant is causing and, unless restrained by this Court, will continue to cause Plaintiff great and irreparable injury that cannot fully be compensated or measured monetarily. As such, Plaintiff has no adequate remedy at law. Pursuant to 17 U.S.C. §§502 and 503, Plaintiff is entitled to injunctive relief prohibiting Defendant from further infringing the Copyright Protected Images and ordering that each Defendant destroy all unauthorized copies. Defendants' copies, plates, and other embodiments of the copyrighted works from which copies can be reproduced, if any, should be impounded and forfeited to Plaintiff as instruments of infringement, and all infringing copies created by Defendants should be impounded and forfeited to Plaintiff, under 17 U.S.C §503.

COUNT II

VIOLATION OF ILLINOIS UNIFORM DECEPTIVE TRADE PRACTICES ACT (815 ILCS § 510/1, et seq.)

49. Plaintiff repeats, realleges and incorporates by reference herein its allegations contained in paragraphs 1 through 30, above.

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50. Defendant has engaged in acts violating Illinois law including, but not limited to, passing off their knockoff products as those of Plaintiff's Rotita Brand products through the unauthorized use of the Copyright Protected Images, thereby causing a likelihood of confusion and/or misunderstanding as to the source of their goods, causing a likelihood of confusion and/or misunderstanding as to an affiliation, connection, or association with genuine Rotita Brand products, falsely representing that their products have Plaintiff's approval when they do not, and engaging in other conduct which creates a likelihood of confusion or misunderstanding among the public.

51. Moreover, Defendant has used, without authorization, Plaintiff's Copyright Protected Images in promoting Defendant's Online Stores by displaying them in connection with offering for sale knockoff and/or inferior products by deceiving consumers into believing said products are authentic Rotita Brand products.

52. The foregoing acts of Defendant constitutes a willful violation of the Illinois Uniform Deceptive Trade Practices Act, 815 ILCS § 510/1, et seq.

53. Plaintiff is entitled to the recovery of damages and attorneys' fees as authorized by statute.

54. Plaintiff has no adequate remedy at law, and Defendant's conduct has caused Plaintiff to suffer damage to its Rotita Brand's reputation and goodwill. Unless ceased by the Court, Plaintiff will continue to suffer future irreparable harm as a direct result of Defendant's unlawful activities.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff prays for judgment against Defendant as follows:

1. That Defendant, its affiliates, officers, agents, servants, employees, attorneys, confederates, and all persons acting for, with, by, through, under, or in active concert with them be temporarily, preliminarily, and permanently enjoined and restrained from:

a. using Plaintiff's Copyright Protected Images or any reproductions, counterfeit copies, or colorable imitations thereof in any manner in connection with the distribution, marketing, advertising, offering for sale, or sale of any product that is not a genuine Rotita Brand product or is not authorized by Plaintiff to be sold in connection with its registered copyrights;

b. passing off, inducing, or enabling others to sell or pass off any product as a genuine Rotita Brand product or any other product produced by Plaintiff by using the Copyright Protected Images to sell and offer for sale such products that are not Plaintiff's or not produced under the authorization, control, or supervision of Plaintiff and approved by Plaintiff;

c. committing any acts calculated to cause consumers to believe that Defendants' inferior products are those sold under the authorization, control, or supervision of Plaintiff, or are sponsored by, approved by, or otherwise connected with Plaintiff or its Rotita Brand;

d. further infringing the Copyright Protected Images and damaging Plaintiff's Rotita Brand's reputation and goodwill;

e. otherwise competing unfairly with Plaintiff through the unauthorized use of the Copyright Protected Images in any manner;

f. shipping, delivering, holding for sale, transferring, or otherwise moving, storing, distributing, returning, or otherwise disposing of, in any manner, products or inventory sold or offered for sale through the unauthorized use of the Copyright Protected Images;

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g. using, linking to, transferring, selling, exercising control over, or otherwise owning the Defendants' stores on Defendants' Online Stores or the Online Platform, or any other domain name or online marketplace account that is being used to sell or is the means by which Defendants could continue to sell knockoff Rotita Brand products through the unauthorized use of the Copyright Protected Images; and

h. operating and/or hosting websites at the Defendants' Internet stores and any other domain names registered or operated by Defendants that are involved with the distribution, marketing, advertising, offering for sale, or sale of any product through the unauthorized use of the Copyright Protected Images.

2. That Defendant, within fourteen (14) days after service of judgment with notice of entry thereof upon them, be required to file with the Court and serve upon Plaintiff a written report under oath setting forth in detail the manner and form in which Defendants have complied with paragraph 1 above;

3. Entry of an Order that, upon Plaintiff's request, those in privity with Defendants and those with notice of the injunction, including AliExpress, Walmart, Amazon, DHgate, eBay, Temu, and Wish, social media platforms such as Facebook, YouTube, LinkedIn, Twitter, Internet search engines such as Google, Bing and Yahoo, web hosts for the Defendant's Online temu Stores, and domain name registrars, shall:

a. disable and cease providing services for any accounts through which Defendant engages in the sale of knockoff Rotita Brand products by using, without. authorization, the Copyright Protected Images, including any accounts associated with the Defendant;

b. disable and cease displaying any advertisements used by or associated with Defendant that display the Copyright Protected Images; and

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c. take all necessary steps to prevent links to Defendant's Online Stores from displaying in search results, including, but not limited to, removing links to Defendant's domain names from any search index.

4. That Defendant accounts for and pays to Plaintiff all profits realized by them through the unauthorized use of the Copyright Protected Images.

5. In the alternative, that Plaintiff be awarded statutory damages of not less than \$750 and not more than \$30,000 for each and every infringement of the Copyright Protected Images pursuant to 17 U.S.C. § 504(c), which should be enhanced to a sum of not more than \$150,000 by 17 U.S.C. § 504(c)(2) because of Defendants' willful copyright infringement.

6. That Defendants, to the extent not enjoined for violation of the Copyright Act, be temporarily, preliminarily, and permanently enjoined under 815 ILCS § 510/1, et seq.

7. That Plaintiff be awarded attorneys' fees and costs damages as authorized by statute under 815 ILCS § 510/1, et seq.

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8. That Plaintiff be awarded its reasonable attorneys' fees and costs; and

9. Award any and all other relief that this Court deems just and proper.

DEMAND FOR JURY TRIAL

Plaintiff also demands a trial by jury of all issues so triable pursuant to Federal Rule of

Civil Procedure 38.

Dated: March 18, 2025

Respectfully Submitted

By: <u>/s/ Katherine M. Kuhn</u> Katherine M. Kuhn (Bar No. 6331405) Nihat Deniz Bayramoglu (NV Bar No. 14030) Gokalp Bayramoglu (NV Bar No. 15500) Joseph Droter (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 Katherine@bayramoglu-legal.com deniz@bayramoglu-legal.com Joseph@bayramoglu-legal.com *Attorneys for Plaintiff* Case: 1:25-cv-02830 Document #: 1-1 Filed: 03/18/25 Page 1 of 1 PageID #:17

EXHIBIT 1 FILED UNDER SEAL

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EXHIBIT 2 FILED UNDER SEAL