

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

HONG KONG LEYUZHEN TECHNOLOGY
CO. LIMITED,

Plaintiff,

v.

MGclothing,

Defendant.

Case No.: 1:25-cv-02870-LCJ-BWJ

Honorable Lindsay C. Jenkins

Magistrate Beth W. Jantz

**PLAINTIFF’S MOTION FOR ENTRY OF DEFAULT
AND DEFAULT JUDGMENT AGAINST DEFENDANT**

Plaintiff Hong Kong Leyuzhen Technology Co. Ltd. (“Plaintiff”) hereby moves for entry of Default and Default Judgment against the Defendant, MGclothing. Plaintiff files herewith a Memorandum of Law in support, Declaration of Katherine M. Kuhn and Declaration of Liangjie Li. Plaintiff’s Motion for entry of Default and Default Judgment disposes of the case.

DATED: May 19, 2025

Respectfully submitted,

By: /s/ Joseph W. Droter

Joseph W. Droter (IL Bar No. 6329630)

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CERTIFICATE OF SERVICE

I hereby certify that on the 19th day of May 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.

By: /s/ Joseph W. Droter
Joseph W. Droter (IL Bar No. 6329630)

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

HONG KONG LEYUZHEN TECHNOLOGY
CO. LIMITED,

Plaintiff,

v.

MGclothing,

Defendant.

Case No.: 1:25-cv-02870-LCJ-BWJ

Honorable Lindsay C. Jenkins

Magistrate Beth W. Jantz

**PLAINTIFF’S MEMORANDUM OF LAW IN SUPPORT OF MOTION FOR
ENTRY OF DEFAULT AND DEFAULT JUDGMENT AGAINST DEFENDANT**

Plaintiff Hong Kong Leyuzhen Technology Co. Ltd. (“Plaintiff”) hereby submits this Memorandum of Law in support of its Motion for Entry of Default and Default Judgment (the “Motion”) pursuant to Federal Rule of Civil Procedure 55 (“Rule 55”) against the Defendant, MGclothing, (the “Defaulting Defendant” or “Defendant”). Plaintiff’s Motion is made and based upon this Memorandum of Law, the Kuhn Declaration, the Declaration of Liangjie Li (the “Li Decl.”), the papers and pleadings on file in this action, and any argument of counsel the Court may entertain. Plaintiff’s Motion for entry of Default and Default Judgment disposes of the case.

I. INTRODUCTION

Plaintiff’s request for entry of default is straightforward, the Court authorized electronic service of process on the Defendant via email as part of issuing a Temporary Restraining Order (the “TRO”) in this matter on March 25, 2025 [Dkt. No. 19]. Plaintiff effectuated service on Defendant and filed a Return of Service on April 2, 2025 [Dkt. No. 24]. Defendant filed an appearance and was granted an extension of time to May 14, 2025, to respond to the complaint [Dkt. No. 36]

Pursuant to Federal Rule of Civil Procedure 12(a)(1)(A) (“Rule 12(a)(1)(A)”), the Defaulting Defendant had twenty-one (21) days to answer or otherwise respond to Plaintiff’s Complaint in this action, which was then extended up to May 14, 2025. To date, the Defaulting Defendant has not answered or otherwise responded to Plaintiff’s Complaint. (Kuhn Decl. ¶ 4.) Accordingly, the Clerk of the Court is compelled to enter default pursuant to Rule 55(a) against the Defaulting Defendant.

Pursuant to Rule 55(b)(2), Plaintiff now also respectfully moves this Court for entry of a default judgment finding the Defaulting Defendant liable on all counts asserted in Plaintiff’s Complaint. [Dkt. No. 13.] These asserted counts include claims for Copyright Infringement (Count I), and violation of the Illinois Uniform Deceptive Trade Practices Act (the “Uniform Deceptive Trade Practices Act”) (Count II).

In connection with its asserted claims for relief, Plaintiff seeks an award of statutory damages pursuant to 17 U.S.C. § 504(c) against Defaulting Defendant, which should be enhanced, for their willful infringement of the following federally registered copyrights asserted in this action: VA0002379894 (the “Copyright Protected Images”). (Kuhn Decl. ¶ 5.) Plaintiff additionally requests the Court issue a permanent injunction against the Defaulting Defendant. *See* 17 U.S.C. § 502(a). Furthermore, Plaintiff requests an award attorneys’ fees and costs for the Defaulting Defendant’s willful infringement of the company’s Copyright Protected Images pursuant to 17 U.S.C. § 505. Alternatively, Plaintiff requests issuance of a permanent injunction and an award of attorneys’ fees and costs based on the Defaulting Defendant’s willful violation of the Uniform Deceptive Trade Practices Act.

As alleged in the Complaint, the Defaulting Defendant has displayed, without authorization, the Copyright Protected Images on the Temu.com online sales platform (the

“Platform”) to market and sell knockoff, counterfeit products resembling Plaintiff’s authentic Rotita brand products, thereby deceiving public consumers as to the quality, nature, and source of goods being purchased. (Kuhn Decl. ¶ 6.) Moreover, the Defaulting Defendant is 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 its online storefronts. (Kuhn Decl. ¶¶ 8, 11-12.) These circumstances clearly demonstrate the Defaulting Defendant has willfully and intentionally infringed Plaintiff’s Copyright Protected images, thereby supporting the company’s request for enhanced statutory damages and its entitlement to an award of 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, Rule 55(b)(2) provides for a court-ordered default judgment which establishes, as a matter of law, that defendants are liable to plaintiff on each cause of action alleged in the complaint. *United States v. Di Mucci*, 879 F.2d 1488, 1497 (7th Cir. 1989). When the Court determines that a defendant is in default, the factual allegations of the complaint are taken as true and may not be challenged, and the defendants are liable as a matter of law as to each cause of action alleged in the complaint. *Black v. Lane*, 22 F.3d 1395, 1399 (7th Cir. 1994). Plaintiff meets the requirements for entry of the requested default judgment under Rule 55(b)(2).

II. ARGUMENT

A. Jurisdiction And Venue Are Proper in This Court

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. [Dkt. No. 1] Venue is proper in this Court pursuant to 28 U.S.C. § 1391, and

this Court may properly exercise personal jurisdiction over Defendant since the Defendant directly targets business activities toward consumers in Illinois and causes harm to Plaintiff's business within this judicial district. [*Id.*]; see also *uBID, Inc. v. GoDaddy Grp., Inc.*, 623 F.3d 421, 423-24 (7th Cir. 2010) (without benefit of an evidentiary hearing, plaintiff bears only the burden of making a prima facie case for personal jurisdiction; all of plaintiff's asserted facts should be accepted as true and any factual determinations should be resolved in its favor).

In addition to the foregoing, the Court has determined that it can properly exercise specific personal jurisdiction over the Defendant, in issuing the TRO on March 25, 2025 [Dkt. No. 19]. Moreover, the Court additionally issued a Preliminary Injunction on April 14, 2025, further solidifying this determination. [Dkt. No. 29.] Accordingly, it is unquestionable that the Defaulting Defendant is subject to personal jurisdiction in this action.

B. Plaintiff Has Met the Requirements for Entry of Default Under Rule 55(A)

Pursuant to Rule 55(a), “when a party against whom a judgment for affirmative relief is sought has failed to plead or otherwise defend, and that failure is shown by affidavit or otherwise, the clerk must enter the party's default.” Fed. R. Civ. P. 55(a). Plaintiff clearly meets these requirements.

On March 19, 2025, Plaintiff filed its Complaint in this action alleging, among other claims, Copyright Infringement (Count I), and violation of the Uniform Deceptive Trade Practices Act (Count II) as asserted in the company's Complaint. [Dkt. No. 13]. Defendant, which includes the was properly served with the Complaint, TRO, all supporting documents via electronic service on April 2, 2025. [Dkt. No. 24.] Specifically, the Defaulting Defendant was required to answer or otherwise respond to the Complaint on or before April 23, 2025. [*Id.*]. Defendant was granted an extension of time to respond up to May 14, 2025. [*Id.*] As such, the Defaulting Defendant had

until May 14, 2025, to answer or otherwise respond to Plaintiff's complaint. However, as of the filing of this Motion, Defaulting Defendant has not answered or otherwise responded to Plaintiff's Complaint in this action. (Kuhn Decl. ¶ 4.) Accordingly, the Clerk of the Court is compelled to enter default and default judgment pursuant to Rule 55 against the Defaulting Defendant.

C. Plaintiff is Entitled to Entry of the Requested Default Judgment.

Rule 55(b)(2) of the Federal Rules of Civil Procedure generally provides for entry of a court-ordered default judgment against one or more defending parties that failure to appear, answer, and/or defend 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.

No response was timely filed on May 14, 2025, and no answer or other responsive pleading has been filed by the Defaulting Defendant. *See* Fed. R. Civ. P. 12(a)(1)(A). Thus, default judgment is appropriate, and Plaintiff is entitled to entry of a default judgment pursuant to Rule 55(b)(2) against the Defaulting Defendant for copyright infringement, and violation of the Uniform Deceptive Trade Practice Act as asserted in the Complaint. [Dkt. No. 1 at 31-54.]

As argued below, Plaintiff is entitled to the following remedies through the issuance of a default judgment against the Defaulting Defendant: (1) an award of \$30,000 in statutory damages and profits for copyright infringement under 17 U.S.C. § 504(c)(1); (2) an award of \$90,000 in 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.

D. Plaintiff is Entitled to the Relief Requested.

Through entry of default, Plaintiff has established that all Defaulting Defendant: (1) is liable for intentionally and willfully infringing the Copyright Protected Images; and (2) has willfully violated the Uniform Deceptive Trade Practices Act. 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 Defaulting Defendant's willful copyright infringement; (3) the company's right to issuance of a permanent injunction against the Defaulting Defendant; and (4) the propriety of an award of attorneys' fees and costs for the Defaulting Defendant's 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).

Turning first to the request for an award of statutory damages under 17 U.S.C. § 504(c)(1) against the Defaulting Defendant. Plaintiff is entitled to such relief for the Defaulting Defendant's infringement of the company's Copyright Protected Images, which it maintains was done willfully and intentionally. (Kuhn Decl. ¶¶ 7, 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 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 alleged its ownership of the asserted. Copyright Protected Images in its Complaint [Dkt. No. 1] and has supplied the Court with a summary of all registrations issued by the United States Copyright Office [Dkt. No. 13, Ex. 1]. Moreover, Plaintiff has set forth considerable factual allegations establishing the Defaulting Defendant has infringed the company's Copyright Protected Images. Accordingly, Plaintiff has established that the Defaulting Defendant has 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 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.] The Defaulting Defendant's refusal 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, the Defaulting Defendant has stopped 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 Defaulting Defendant's gross infringing sales of their knockoff products or the associated deductible expenses from same. (Kuhn Decl. ¶ 7.) Moreover, while Plaintiff can estimate the range of the Defaulting Defendant's 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.) Plaintiff has calculated an unverified total infringing sales amount of \$69,522.48 across one infringing product listing and attached its analysis as **Exhibit 1** to the Kuhn Declaration filed herewith. (Kuhn Decl., Exhibit 1).

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 Defaulting Defendant’s conduct, Plaintiff asserts that it is entitled to an award of statutory damages in the amounts requested in **Exhibit 1** of the Kuhn Declaration in this action. (Kuhn Decl. ¶ 7, 12, Exhibit. 1.) First, the Defaulting Defendant was provided with notice of these proceedings, filed an appearance, was provided an extension of time by the Court to answer, and apparently still intentionally elected not to defend. (Kuhn Decl. ¶ 7). As a result of the Defaulting Defendant’s intentional decision to not defend this action, Plaintiff has been deprived of a meaningful opportunity to assess the true nature of its actual damages. (*Id.*)

Moreover, Plaintiff has expended considerable capital in securing registration of the Copyright Protected Images and advertising its brand in the United States and in the State of Illinois. (Li. Decl. ¶ 10.) This includes spending over \$80,000 to secure the company’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 in the United States. (Li Decl. ¶ 10.) These facts unquestionably support Plaintiff’s request for an award of statutory damages.

Next, the circumstances of the Defaulting Defendant’s infringement clearly support awarding the requested statutory damage award against them. It is without question that the Defaulting Defendant has 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 appeared on the Defaulting Defendant’s online stores maintained with the Platform. (Li Decl. ¶ 7.) Moreover, the Defaulting Defendant has 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. (Kuhn Decl. ¶¶ 8, 11.) Accordingly, the Defaulting Defendant unquestionably intentionally, and willfully, infringed Plaintiff's Copyright Protected Images to sell their knockoff products, thereby justifying an award of statutory damages.

Based on the foregoing, Plaintiff respectfully requests the Court award statutory damages against the Defaulting Defendant for each Temu infringing goods id, which shows infringement of the Copyright Protected Images. As set forth in Plaintiff's supporting documentation, the Defaulting Defendant in this action should be found liable for \$30,000.00, which should be treble enhanced to \$90,000.00 because of their infringements of the Copyright Protected Images. (Kuhn 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 \$30,000 against Defaulting Defendant. (Kuhn Decl. ¶ 12)

2. Plaintiff is entitled to enhanced statutory damages.

Next, the circumstances of the Defaulting Defendant's infringement clearly support awarding an enhanced statutory damage award of, at least, treble damages against them. Simply put, the Defaulting Defendant's infringing conduct in this action is unquestionably willful, thereby justifying enhanced damages under 17 U.S.C. § 504(c)(2).

It is without question that the Defaulting Defendant has engaged in the intentional misappropriation and unauthorized use of the Copyright Protected Images. (Kuhn Decl. ¶¶ 8, 11-12.) In this regard, Plaintiff's Copyright Protected Images, often representing recent product releases, have appeared on the Defaulting Defendant's online stores maintained with the Platform.

(Li Decl. ¶ 7.) Moreover, the Defaulting Defendant has clearly been operating their online store 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. (Kuhn Decl. ¶¶ 8, 11-12.)

In addition, defendants in multiple copyright enforcement actions in this judicial district, which includes the Defaulting Defendant, has been acting through their counterfeit network to actively monitor and post information on the Plaintiff's pending cases on the website www.SellerDefense.cn. (Kuhn Decl. ¶ 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, non-defending, defendants, including the Defaulting Defendant, 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. (Kuhn Decl. ¶ 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 Defaulting Defendant on the grounds that they should serve as a deterrent to future conduct. *Id.* at 1229-30. Simply put, the Defaulting Defendant is watching the results of Plaintiff's copyright infringement enforcement actions in this judicial district. (Kuhn Decl. ¶ 8.) Simply put, the Defaulting Defendant, 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 Defaulting Defendant, and all other similar infringers, that they will incur substantial liability for their actions. In doing so, hopefully the Defaulting Defendant, 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 \$30,000.00, which represents an award of \$90,000.00 against Defendant 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 Defaulting Defendant. 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 Defaulting Defendant. [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 Defaulting Defendant. In short, the compelling fact presented to the Court that justified entry of preliminary injunctive relief stand unchallenged by the Defaulting Defendant. 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 Defaulting Defendant.

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 Defaulting Defendant. 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 Defaulting Defendant's 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 Defaulting Defendant's 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. (Kuhn 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. CONCLUSION

Based on the foregoing, Plaintiff respectfully request entry of default and default judgment against the Defaulting Defendant pursuant to Rule 55. In granting its request, Plaintiff asks the Court to award the following: (1) statutory damages in the amount of \$30,000.00 against Defaulting Defendant pursuant to 17 U.S.C. § 504(c)(1); (2) enhanced statutory damages of \$90,000.00 against Defaulting Defendant based on their willful infringement pursuant to 17 U.S.C. § 504(c)(2); (3) issuance of a permanent injunction against the Defaulting Defendant 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' fees and costs pursuant 17 U.S.C. § 505 and/or 815 ILCS

§ 510/3 based on the Defaulting Defendant's 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: May 19, 2025

Respectfully submitted,

By: /s/ Joseph W. Droter
Joseph W. Droter (IL Bar No. 6329630)
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Attorneys for Plaintiff

CERTIFICATE OF SERVICE

I hereby certify that on the 19th day of May 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.

By: /s/ Joseph W. Droter
Joseph W. Droter (IL Bar No. 6329630)

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

HONG KONG LEYUZHEN TECHNOLOGY
CO. LIMITED,

Plaintiff,

v.

MGclothing,

Defendant.

Case No.: 1:25-cv-02870-LCJ-BWJ

Honorable Lindsay C. Jenkins

Magistrate Beth W. Jantz

**DECLARATION OF KATHERINE M. KUHN IN SUPPORT OF
MOTION FOR ENTRY OF DEFAULT AND DEFAULT JUDGMENT**

I, Katherine M. Kuhn, 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 and Default Judgment against the Defendant (the "Defaulting Defendant" or "Defendant").

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 Defaulting Defendant (as defined in the accompanying Memorandum) has failed to plead or otherwise defend this action within twenty-one (21) days after being served with the Summons and Complaint in this action in violation of Federal Rule of Civil Procedure 12(a)(1)(A). Specifically, Defendant was served with copies of the Summons and

Complaint via electronic service authorized by the Court on April 2, 2025, which is reflected in the Return of Summons filed in this case. [Dkt. No. 24.] Defendant was granted an extension of time until May 14, 2025, to answer. [Dkt. No. 36]. However, as of the filing of this Motion, Defaulting Defendant has not answered or otherwise responded to Plaintiff's Complaint in this action.

5. Plaintiff's asserted claims for relief in this action involve the intentional, willful infringement of the following federally registered copyright protected images: VA0002379894 (the "Copyright Protected Images").

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

7. Plaintiff is entitled to statutory damages in this action as described in **Exhibit 1** to this Declaration, which shows the Infringing Temu Goods ID, Number of Infringing Units Sold (provided by Temu), Estimated Infringement Revenue, and Statutory Damages Request based on the estimated sales. First, the Defaulting Defendant was provided with notice of these proceedings and, even after appearing and receiving an extension of time, intentionally elected not to answer or defend this action. As a result of the Defaulting Defendant's intentional decision not to 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 Defaulting Defendant.

8. In addition, defendants in multiple copyright enforcement actions in this judicial district, which includes the Defaulting Defendant, 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 Defaulting Defendant, 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 Defaulting Defendant is watching the results of Plaintiff's copyright infringement enforcement actions in this judicial district.

9. To maximize the deterrent effect of the Court's anticipated default and default judgment, Plaintiff is asking that enhanced statutory damages be imposed on the Defaulting Defendant for the alleged infringement of the Copyright Protected Images.

10. Such an award precludes the Defaulting Defendant 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 the Defaulting Defendant, be assessed an enhanced statutory damage award as described in **Exhibit 1** to this Declaration for their infringement of the Copyright Protected Images.

11. Plaintiff has alleged, and has offered proof, that the Defaulting Defendant has 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 Defaulting Defendant 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 Defaulting Defendant 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 Defaulting Defendant's knowledge and intentional infringement of Plaintiff's Copyright Protected Images. Accordingly, Plaintiff should be awarded statutory damages in the amount of 30,000.00, as described in **Exhibit 1** to this Declaration, with treble the enhancement to \$90,000.00 against Defaulted Defendant based on their willful infringement of the Copyright Protected Images. Attached is **Exhibit 1** showing the infringing sales data provided by Temu, price per unit, and total unverified revenue (\$69,522.48) calculated by Plaintiff.

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

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

DATED: May 19, 2025

By: /s/ Katherine M. Kuhn
Katherine M. Kuhn (Bar No. 6331405)
BAYRAMOGLU LAW OFFICES, LLC

CERTIFICATE OF SERVICE

I hereby certify that on the 19th day of May 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.

By: /s/ Joseph W. Droter
Joseph W. Droter (IL Bar No. 6329630)

Exhibit 1

Hong Kong Leyuzhen Technology Co. Limited v. MGclothing 1:25-cv-02870

Defendant: MGclothing

Temu mall id: 634418211375899

Email: 190897677@qq.com

Copyrights Infringed: VA0002379894

Temu infringing goods id (MGclothing)	the number of infringing units sold (data from Temu)	Price Per Unit	Estimated Infringing Revenue	Statutory Request Amount	Treble Enhanced for Willful Infringement Request
601099527170505	2,676	\$25.98	\$69,522.48	\$ 30,000	\$ 90,000
				TOTAL:	\$ 90,000

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

HONG KONG LEYUZHEN TECHNOLOGY
CO. LIMITED,

Plaintiff,

v.

MGclothing,

Defendant.

Case No.: 1:25-cv-02870-LCJ-BWJ

Honorable Lindsay C. Jenkins

Magistrate Beth W. Jantz

**DECLARATION OF LIANGJIE LI IN SUPPORT OF PLAINTIFF'S
MOTION FOR DEFAULT AND 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.

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

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

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

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 the defaulted Defendant per copyright infringing product link (the “Defaulting Defendant”) in this action. The Defaulting Defendant is accused of intentionally and willfully infringing Plaintiff’s following federally registered copyright asserted in this action: VA0002379894 (the “Copyright Protected Images”).

7. It is without question that the Defaulting Defendant has 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 Defaulting Defendant’s online store maintained with the Platform (the “Online Stores”). Moreover, the Defaulting Defendant has unquestionably been operating their Online Store 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 Defaulting Defendant 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 Defaulting Defendant could procure, without authorization, Plaintiff’s new copyright protected product images and offer them for sale through their Online Stores. In addition, the Defaulting Defendant has 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 Defaulting Defendant's knowledge and intentional infringement of Plaintiff's Copyright Protected Images.

9. Plaintiff has paid the rate of \$500 per hour for Katherine 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.

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 Defaulting 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 Defaulting Defendant's' Online Stores operate at a net profit of between 40% to 50%. I believe that a disgorgement of the Defaulting Defendants' profits would fall within the net profit range. However, it is impossible to definitively calculate the Defaulting 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 Defaulting Defendant named in the company's copyright infringement enforcement actions are engaged in the practice of copying Plaintiff's copyright protected product images 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 Defaulting Defendant. Simply put, Plaintiff maintains that the Defaulting Defendant is acting, 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 a common source associated with manufacturing the counterfeit products being sold on the Defaulting Defendant's Platform storefronts.

13. Plaintiff has suffered, and continues to suffer, irreparable harm through the Defaulting Defendant's 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 May 19, 2025, in Hong Kong.

By: /s/ Liangjie Li
LIANGJIE LI

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