

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

HONG KONG YU'EN
E-COMMERCE CO LIMITED,

Plaintiff,

v.

SHAPEBUS,

Defendant.

Case No.: 1:25-cv-11535-LCJ

Honorable Lindsay C Jenkins

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

Plaintiff Hong Kong Yu'En E-Commerce Co. Ltd. ("Plaintiff") hereby moves for entry of Default and Default Judgment against Defendant ShapebuS. Plaintiff files a Memorandum of Law in support. Plaintiff's Motion for Entry of Default and Default Judgment disposes of the case.

DATED: December 1, 2025

Respectfully submitted,

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

CERTIFICATE OF SERVICE

I hereby certify that on the 1st day of December 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 a third party.

By: /s/ Joseph W. Droter
Joseph W. Droter (Bar No. 6329630)
BAYRAMOGLU LAW OFFICES LLC

| Seller's Name | Seller's Contact |
|---------------|---------------------|
| ShapebuS | shapebus@aliyun.com |

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

HONG KONG YU'EN
E-COMMERCE CO LIMITED,

Plaintiff,

v.

SHAPEBUS,

Defendant.

Case No.: 1:25-cv-11535-LCJ

Honorable Lindsay C Jenkins

**PLAINTIFF'S MEMORANDUM OF LAW IN SUPPORT OF MOTION FOR ENTRY
OF DEFAULT AND DEFAULT JUDGMENT**

Plaintiff Hong Kong Yu'En E-Commerce 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 Defendant ShapeBus (the "Defaulting Defendant" or "Defendant"). Plaintiff's Motion is based on this Memorandum of Law, the Joseph W. Droter Declaration ("Droter Declaration"), the papers, and pleadings on file in this case. 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, in this matter on October 3, 2025 [Dkt. No. 21]. Plaintiff effectuated service on Defendant and filed a Return of Service on November 4, 2025 [Dkt. No. 25]. As set forth in the docket entry for the Return of Service, a response to Plaintiff's operative Complaint was due on or before November 25, 2025.

Pursuant to Federal Rule of Civil Procedure 12(a)(1)(A) ("Rule 12(a)(1)(A)"), the

Defaulting Defendants had twenty-one (21) days to answer or otherwise respond to Plaintiff's Complaint in this case. As of the filing of this Motion, approximately 27 days have passed since electronic service was made on the Defendant. (Droter Decl. ¶ 3.) To date, the Defaulting Defendant has not responded to Plaintiff's Complaint. (*Id.*). Therefore, the Clerk of the Court is required to enter default against the Defaulting Defendant under Rule 55(a).

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 Amended Complaint. [Dkt. No. 14]. These asserted counts include claims for Trademark Infringement and Counterfeiting (Count I), and Unfair Competition (Count II), False Designation of Origin (Count III), and violation of the Illinois Uniform Deceptive Trade Practices Act (the "Uniform Deceptive Trade Practices Act") (Count IV).

In connection with its claims for relief, Plaintiff seeks an award of statutory damages under 15 U.S.C. § 1117(c) against the Defaulting Defendant, which should be enhanced due to their willful infringement of the MODLILY Trademark, as evidenced by United States Registration Certificate 5,994,759 (the "Brand Trademark"). Plaintiff also requests that the Court issue a permanent injunction against the Defaulting Defendant. *See* 15 U.S.C. § 1116(d). Alternatively, Plaintiff requests a permanent injunction based on the Defaulting Defendant's willful violation of the Uniform Deceptive Trade Practices Act.

As alleged in the Complaint, the Defaulting Defendant has offered for sale and/or sold products, including clothing and other items, through the unauthorized use of the Brand Trademark (the "Counterfeit Products") on the online sales platform (the "Platform") to market and sell counterfeit items that resemble Plaintiff's authentic MODLILY brand products, thereby misleading consumers about the quality, nature, and source of the goods being purchased. These

facts clearly demonstrate that the Defaulting Defendant has willfully and intentionally infringed on Plaintiff's Brand Trademark, supporting the Plaintiff's request for enhanced statutory damages.

Procedurally, Rule 55(b)(2) provides for a court-ordered default judgment that establishes, as a matter of law, that the defendant is liable to the 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 deemed true and cannot be challenged, and the defendants are liable as a matter of law for each cause of action alleged. *Black v. Lane*, 22 F.3d 1395, 1399 (7th Cir. 1994). The 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 case under the Lanham Act, 15 U.S.C. § 1051 et seq., 28 U.S.C. §§ 1338(a)-(b), and 28 U.S.C. § 1331. Venue is proper in this Court under 28 U.S.C. § 1391, and the Court can exercise personal jurisdiction over Defendants because they directly target business activities at consumers in Illinois and cause harm to the Plaintiff's business within this district. *See, uBID, Inc. v. GoDaddy Grp., Inc.*, 623 F.3d 421, 423-24 (7th Cir. 2010) (without an evidentiary hearing, the plaintiff only needs to make a prima facie case for personal jurisdiction; all offered facts should be accepted as true, and factual disputes should be resolved in its favor).

The Plaintiff properly alleges jurisdiction in the Amended Complaint, and the Amended Complaint is considered admitted by the Defendant's default. Therefore, it is clear that the Defaulting Defendants are subject to personal jurisdiction in this case.

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).

On September 30, 2025, the Plaintiff filed its Amended Complaint in this case, alleging, among other claims, Trademark Infringement and Counterfeiting (Count I), Unfair Competition (Count II), False Designation of Origin (Count III), and violation of the Illinois Uniform Deceptive Trade Practices Act (the “Uniform Deceptive Trade Practices Act”) (Count IV) as stated in the Amended Complaint. [Dkt. No. 14]. The Defendant, who was properly served with the Complaint and all supporting documents via electronic service on November 4, 2025 [Dkt. No. 25], and was explicitly required to answer or respond to the Complaint by November 25, 2025 [*Id.*] Accordingly, the Defaulting Defendant had twenty-one (21) days to respond to the Complaint under Rule 12(a)(1)(A). As of the filing of this Motion, approximately 27 days have passed since the Defendant was served electronically. (Droter Decl. ¶ 4.) To date, the Defaulting Defendant has not answered or responded to the Complaint. Therefore, the Court's Clerk is compelled to enter default and default judgment against the Defaulting Defendant under Rule 55.

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 the entry of a court-ordered default judgment against one or more defending parties who fail to appear, answer, or defend against allegations asserted against them. Fed.R.Civ.P. 55(b)(2). A default judgment establishes, as a matter of law, that unresponsive defendants named in the complaint are liable on each cause of action alleged. *Di Mucci*, 879 F.2d at 1497. When a court finds that a defendant is in default, the factual allegations of the complaint are accepted as true and cannot be challenged. The

defendants are legally liable for each cause of action alleged once default judgment is entered. *Black*, 22 F.3d at 1399.

More than twenty-one (21) days have elapsed since the Defendant was served, and the Defaulting Defendant has not filed an answer or any other responsive pleading. *See* Fed. R. Civ. P. 12(a)(1)(A). Therefore, a default judgment is appropriate, and the Plaintiff is entitled to entry of a default judgment pursuant to Rule 55(b)(2) against the Defaulting Defendant for Trademark Infringement and Counterfeiting, Unfair Competition, False Designation of Origin, and violation of the Uniform Deceptive Trade Practices Act as alleged in the Amended Complaint. [Dkt. No. 14.]

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 statutory damages pursuant to 15 U.S.C. § 1117(c)(1); (2) an award of enhanced statutory damages for willful infringement pursuant to 15 U.S.C. § 1117(c)(2); (3) entry of a permanent injunction pursuant to 15 U.S.C. § 1116(d); and (4) alternatively, entry of a permanent injunction pursuant to 815 ILCS § 510/3.

D. Plaintiff is Entitled to the Relief Requested.

By entering default, the Plaintiff has established that the Defaulting Defendant: (1) is liable for intentionally and willfully infringing the Brand Trademark; (2) is liable for Unfair Competition; (3) is liable for False Designation of Origin; and (4) has willfully violated the Uniform Deceptive Trade Practices Act. Therefore, the only remaining issues to be adjudicated through the Motion are: (1) the Plaintiff's entitlement to an award of statutory damages for trademark infringement; (2) the request to enhance any statutory damage award based on the Defaulting Defendant's willful infringement; and (3) the Plaintiff's right to a permanent injunction against the Defaulting Defendant.

1. Plaintiff is entitled to statutory damages under 15 U.S.C. § 1117(c).

Turning first to the request for an award of statutory damages under 15 U.S.C. § 1117(c) against the Defaulting Defendant. Plaintiff is entitled to such relief for the Defaulting Defendant's infringement of the company's Brand Trademark, which it maintains was done willfully and intentionally. [Dkt. No. 1]

Pursuant to the statutory damages provision of the Lanham Act, 15 U.S.C. § 1117(c), a plaintiff in a case involving the use of a counterfeit mark may elect to receive "not less than \$1,000 or more than \$200,000 per counterfeit mark per type of goods or services sold, offered for sale, or distributed, as the court considers just." 15 U.S.C. § 1117(c)(1). When the counterfeiting is found to be willful, 15 U.S.C. § 1117(c)(2) provides for statutory damages of up to "\$2,000,000 per counterfeit mark per type of goods or services sold, offered for sale, or distributed, as the court considers just." 15 U.S.C. § 1117(c)(2). "[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).

Although 15 U.S.C. § 1117(c) specifies the dollar range for possible statutory damages, the only guidance the statute provides for determining an award within that range is "as the court considers just." 15 U.S.C. § 1117(c). Courts interpreting this section have compared it to the statutory damage provision in the Copyright Act, found in 17 U.S.C. § 504(c). *See Lorillard Tobacco Co.*, 2004 U.S. Dist. LEXIS 22563, *10; *Sara Lee v. Bags of New York, Inc.*, 36 F. Supp. 2d 161, 166 (S.D.N.Y. 1999). In *Sara Lee*, 36 F. Supp. 2d at 170, the court awarded \$750,000 in statutory damages after estimating the defendants' illicit gains and tripling the amount to "delineate

how courts determine damages".

First, the Defaulting Defendant was notified of these proceedings and, apparently, deliberately chose not to appear and defend. (Droter Decl. ¶ 7). Due to the Defaulting Defendant's intentional decision not to participate, Plaintiff has been deprived of a meaningful opportunity to evaluate the true extent of its damages. (*Id.*).

Additionally, the Plaintiff has invested significant capital in securing the registration of the Brand Trademark and promoting its brand in the United States and the State of Illinois. This includes spending approximately \$8,000,000 to \$12,000,000 annually on advertising and promoting its Modlily brand across the United States.

Finally, an important factor is whether infringing sales took place online, as Internet sales tend to increase the award amount by making the infringement more widely accessible. The lack of information about Defaulting Defendants' sales and profits makes statutory damages particularly appropriate for default cases like this one. *See Petmed Express, Inc. v. medpets.com, Inc.*, 336 F. Supp. 2d 1213, 1220 (S.D. Fla. 2004).

Courts have also recognized that statutory damages can be awarded without the need for an evidentiary hearing. *See Lorillard Tobacco Co. v. Montrose Wholesale Candies & Sundries, Inc.*, 2008 U.S. Dist. LEXIS 31761, *11 (N.D. Ill. Apr. 17, 2008).

2. Plaintiff is entitled to enhanced statutory damages.

Next, the circumstances of the Defaulting Defendant's infringement clearly justify awarding an enhanced statutory damages award against them. Simply put, the Defaulting Defendant's infringing conduct in this case is unquestionably willful, which warrants additional damages under 15 U.S.C. § 1117(e).

Unquestionably, the Defaulting Defendant has engaged in the intentional misappropriation

and unauthorized use of the Brand Trademark, which is assumed through default. “Willful infringement may be attributed to the defendant’s actions when he knew that his conduct constituted infringement or showed a reckless disregard for the owner’s rights.” *Lorillard Tobacco Co. v. S & M Cent. Serv. Corp.*, 2004 LEXIS 22563, *19-20 (N.D. Ill. Feb. 25, 2005). Therefore, direct proof of knowledge is unnecessary, as it can be inferred from a defendant’s conduct. *Id.* at 20.

Furthermore, the Defaulting Defendant has evidently been operating their online stores using the misappropriated Brand Trademark via a sophisticated counterfeit network employing a highly developed supply chain capable of providing thousands of knockoff products featuring a variety of Plaintiff’s textile patterns and designs that would be impossible to produce on an individual basis.

Finally, District Courts have deemed counterfeiting willful when defendants default. *See Estee Lauder Cosmetics Ltd. & Make-up Art Cosmetics Inc. v. Ali-Beauties Store Store, et al.*, No. 1:19-cv-04579 (N.D. Ill. Sept. 12, 2019) (unpublished) (Dkt. No. 49); *Bose Corp. v. Amilineinc, et al.*, No. 1:19-cv-05347 (N.D. Ill. Oct. 9, 2019) (unpublished) (Dkt. No. 44); *Eye Safety Systems, Inc. v. ICN7085, et al.*, No. 1:19-cv-06005 (N.D. Ill. Nov. 19, 2019) (unpublished) (Dkt. No. 49); *Levi Strauss & Co. v. Acinth Girl Hy Store, et al.*, No. 1:19-cv-06200 (N.D. Ill. Nov. 19, 2019) (unpublished) (Dkt. No. 48).

In similar cases involving willful Internet-based counterfeiting, courts in this district have awarded substantial damages, including the maximum allowed by law, to the plaintiff to serve the following purposes: (1) deterring the defendant and others like him from introducing counterfeit goods into commerce, (2) compensating the plaintiff for damages caused by the defendant’s infringement, and (3) punishing the defendant appropriately for his counterfeiting activities. *See,*

e.g., Burberry Limited, et al. v. The Partnerships And Unincorporated Associations Identified On Schedule "A", No. 1:14-cv-04824 (N.D. Ill. Sep. 25, 2014) (unpublished) (Docket No. 38) (awarding \$2,000,000 in statutory damages per defendant); *Calvin Klein Trademark Trust et al. v. Chen Xiao Dong, et al.*, No. 15-cv-2224 (N.D. Ill. May 12, 2015) (unpublished) (Docket No. 45) (awarding \$2,000,000 in statutory damages per defendant.)

Courts in this district have also recognized the substantial value of a plaintiff's brand and the efforts to protect, promote, and improve that brand when determining the appropriate dollar amount for damages. *Lorillard Tobacco Co.*, 2004 U.S. Dist. LEXIS 22563, *16. Given the Court's clear discretion in setting the correct amount of statutory damages within the limits of 15 U.S.C. § 1117(c), Plaintiff respectfully requests the Court to award one hundred thousand dollars (\$100,000). Additionally, the remedy mandated by the statute must offer a strong deterrent to prevent further infringing conduct. *See, Sands, Taylor & Wood v. Quaker Oats Co.*, 34 F.3d 1340, 1348 (7th Cir. 1994).

For example, in *Phillip Morris USA Inc. v. Marlboro Express*, the Court stated that due to "the size of the potential profit given the quantities of [counterfeit goods] involved, and the need for a substantial deterrent to future misconduct by Defendants and other counterfeit traffickers ... plaintiff is entitled to the maximum statutory award under 15 U.S.C. § 1117(c)(2)." 2005 U.S. Dist. LEXIS 40359, *28 (E.D.N.Y. Aug. 26, 2005).

Finally, in determining an appropriate damages award, this Court should be guided by the *Lorillard* case and consider the "significant value of [the Plaintiff] brand and the efforts taken to protect, promote, and enhance that brand." *Lorillard Tobacco Co.*, 2004 U.S. Dist. LEXIS 22563, *16. Therefore, the Plaintiff's request for a statutory damages award of one hundred thousand dollars (\$100,000) against Defendant should be given favorable consideration given the efforts to

protect, promote, and enhance the Modlily brand.

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 15 U.S.C. § 1116 or, alternatively, under the Uniform Deceptive Practices Act pursuant to 815 ILCS § 510/3.

The issuance of permanent injunctive relief remains unchallenged by the Defaulting Defendant. Therefore, the Plaintiff's right to permanent injunctive relief under 15 U.S.C. § 1116 or, alternatively, under the Uniform Deceptive Practices Act pursuant to 815 ILCS § 510/3, is uncontested and backed by the substantial evidence previously presented when the preliminary relief was requested. Accordingly, the Plaintiff is entitled to a permanent injunction against the Defaulting Defendant.

III. CONCLUSION

Based on the foregoing, Plaintiff respectfully requests 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 of \$100,000.00 against Defaulting Defendant per infringed Trademark based on their willful infringement pursuant to 15 U.S.C. § 1117(c); (2) issuance of a permanent injunction against the Defaulting Defendant pursuant to 15 U.S.C. § 1116 or, alternatively, under the Uniform Deceptive Practices Act pursuant to 815 ILCS § 510/3; and (3) such other relief as the Court deems just and proper.

DATED: December 1, 2025

Respectfully submitted,

By: /s/ Joseph W. Droter
Joseph W. Droter (Bar No. 6329630)
BAYRAMOGLU LAW OFFICES LLC
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Attorneys for Plaintiff

| Seller's Name | Seller's Contact |
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| ShapebuS | shapebus@aliyun.com |

CERTIFICATE OF SERVICE

I hereby certify that on the 1st day of December 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 a third party.

By: /s/ Joseph W. Droter
Joseph W. Droter (Bar No. 6329630)
BAYRAMOGLU LAW OFFICES LLC

**IN THE UNITED STATES DISTRICT COURT
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HONG KONG YU'EN
E-COMMERCE CO LIMITED,

Plaintiff,

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Case No.: 1:25-cv-11535-LCJ

Honorable Lindsay C Jenkins

**DECLARATION OF JOSEPH W. DROTER IN SUPPORT OF
PLAINTIFF'S MOTION FOR ENTRY OF DEFAULT JUDGMENT**

I, Joseph W. Droter, of Chicago, Illinois, declare as follows:

1. I am an attorney duly licensed to practice before this Court, I am counsel for Plaintiff, Hong Kong Yu'En E-Commerce Co. Limited ("Plaintiff") in the above-captioned matter. I make this Declaration, which is filed in support of Plaintiff's Motion for Entry of Default Judgment, and I could and would testify competently to the matters set forth herein.

2. On September 30, 2025, Plaintiff filed its Amended Complaint and Jury Demand [Dkt. No. 14] against Defendant, ShapeBus.

3. On November 4, 2025, Defendant was served with their respective Summons and copies of the Complaint via electronic mail ("e-mail") and website posting pursuant to the Court's Order authorizing alternate service of process. (*See* Dkt. No. 25 Return of Service on file with the Court.)

4. The deadline to respond to the Amended Complaint and Jury Demand (the "Complaint") [Dkt. No.1] was November 25, 2025.

5. Defendant has not been granted an extension of time to respond to the Complaint.

6. As of the filing of this Motion, approximately twenty-seven days (27) have expired since electronic service was effectuated on Defendants.

7. Defendant has failed to answer or otherwise respond to the Complaint or appear in the action.

8. I have reviewed the data provided by Amazon. The Seller Name used by the Defendant is ShapeBus, Amazon Seller ID number is AEEVQX2I0NDGH, and email shapebus@aliyun.com.

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

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

Executed on December 1, 2025, in Chicago, Illinois.

Respectfully Submitted,

By: /s/ Joseph W. Droter

JOSEPH W. DROTER

CERTIFICATE OF SERVICE

I hereby certify that on the 1st day of December 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 a third party.

By: /s/ Joseph W. Droter
Joseph W. Droter (Bar No. 6329630)
BAYRAMOGLU LAW OFFICES LLC

| Seller's Name | Seller's Contact |
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