

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

Chung Ting Yu,)	
)	Case no.: 24-cv-08146
Plaintiff,)	
)	Judge: Thomas M. Durkin
v.)	
)	Mag. Judge: Maria Valdez
The Partnerships And)	
Unincorporated Associations)	
Identified On Schedule "A",)	
)	
Defendants.)	

**PLAINTIFF'S MOTION FOR PARTIAL DEFAULT JUDGMENT
PURSUANT TO FED.R.CIV.P. 55(a) AND 55(b)
AND INCORPORATED MEMORANDUM OF LAW**

Plaintiff Chung Ting Yu ("Plaintiff" or "Yu") by and through his counsel, Ford Banister LLC, moves this Honorable Court to enter Default Judgment pursuant to Fed.R.Civ.P. 55(a) and 55(b) against Defendants identified on the Amended Schedule A [Doc. 26] as No. 1-6 ("Defaulting Defendants" hereinafter). In support of this Motion, Plaintiff submits the following:

Factual and Procedural Background

On September 6, 2024, Plaintiff filed his Complaint alleging trademark infringement and counterfeiting (15 U.S.C. § 1114) [Doc. 1 at ¶¶ 38-50], false designation of origin (15 U.S.C. § 1125(a)) [*Id.* at ¶¶ 51-54], violation of the Illinois Uniform Deceptive Trade Practices Act. (815 ILCS § 510, et. seq.) [*Id.* at ¶¶ 55-58]. On January 3, 2025, Plaintiff filed his renewed Motion for Expedited Discovery (D.E. 18) and Motion for Electronic Service (D.E. 19) ("the Motions" hereinafter). On February 6, 2025, this Court granted Plaintiff's Motions and entered a sealed Order Granting Expedited Discovery and Electronic Service of Process. (D.E. 25, 29).

On April 4, 2025, Plaintiff filed a Return of Summons as to the Defendants. (D.E. 34). None of the Defaulting Defendants have entered an appearance or otherwise defended this action. *See* attached Exhibit One, Declaration of Lydia Pittaway at ¶14, (hereinafter, “the Pittaway Declaration”). Plaintiff is informed and believes that the Defaulting Defendants are not considered infants or incompetent persons. Plaintiff is informed and believes that the Service Members Civil Relief Act does not apply. *Id.*

At this time, Plaintiff respectfully requests that an entry of default under Fed.R.Civ.P. 55(a) be entered against Defaulting Defendants. In addition, Plaintiff respectfully requests for entry of a final judgment under Fed.R.Civ.P. 55(b), including an award of statutory damages as authorized by 15 U.S.C. § 1117(c), and a permanent injunction enjoining the Defaulting Defendants from further acts of trademark infringement and counterfeiting.

II. SUMMARY OF THE ARGUMENT

Jurisdiction and venue are proper in this court. Plaintiff has met the requirements for default and for an entry of final judgment. Plaintiff is entitled to an award of statutory damages for willful trademark counterfeiting. A high statutory damages award is appropriate and just. A permanent injunction must be granted to prevent any further acts of trademark infringement, counterfeiting, and false designation of origin as well as violations of the Illinois Uniform Deceptive Trade Practices Act by the Defaulting Defendants.

III. 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 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. This Court may properly

exercise personal jurisdiction over Defendants since each of the Defendants directly targets business activities toward consumers in the United States, including Illinois, through at least the fully interactive, commercial Internet stores operating under the Defaulting Defendants (D.E. 1 at ¶¶ 1-2, 4, 17); *uBID, Inc. v. GoDaddy Grp., Inc.*, 623 F.3d 421, 423-24 (7th Cir. 2010) (without the benefit of an evidentiary hearing, the 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).

Through fully interactive commercial Defendants' Internet Stores, Illinois residents can purchase counterfeit products that are sold and advertised on online marketplaces by the Defaulting Defendants to the Plaintiff's damage. In the Complaint, Plaintiff alleged that the Defendants hold themselves out as willing and able to sell the Accused Products to Illinois and platform production confirmed sales into the Northern District of Illinois. [*Id.* at ¶¶ 3; D.E. 27] Therefore, personal jurisdiction is proper because each of the Defendants are committing tortious acts in Illinois, are engaging in interstate commerce, and have wrongfully caused Plaintiff substantial injury in the State of Illinois. [*Id.*]

b) Plaintiff Meets the Requirements for Fed.R.Civ.P. 55(a) Entry of Default

Each Defendant was served on April 4, 2025. [Doc. 34]. Plaintiff is informed and believes that the Defaulting Defendants are not considered as infants or incompetent persons. *See* Exh. One. Plaintiff is informed and believes that the Service Members Civil Relief Act does not apply. The time allowed for Defaulting Defendants to respond to the Complaint has expired. Neither Plaintiff nor the Court has granted Defaulting Defendants an extension of time to respond to the Complaint. The Defaulting Defendants have failed to answer or otherwise respond

to the Complaint, and failed to serve a copy of an Answer or other response upon Plaintiff's attorney of record. This Court should enter default under 55(a).

c) Plaintiff Meets the Requirements for Fed.R.Civ.P. 55(b) Entry of Final Default Judgment

Rule 55(b)(2) of the Federal Rules of Civil Procedure provides for a court-ordered default judgment. A default judgment 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). On April 4, 2025, Plaintiff served Defendants with the Summons and Complaint. (D.E. 34). More than twenty-one (21) days have passed since the Defaulting Defendants were served, and no answer or other responsive pleading has been filed by any of the Defaulting Defendants. *See* Fed. R. Civ. P. 12(a)(1)(A).

Plaintiff requests an award of statutory damages as authorized by 15 U.S.C. § 1117(c)(2) for willful trademark infringement and counterfeiting against each of the Defaulting Defendants for use of infringing and counterfeit imitations of Plaintiff's trademark in connection with products marketed, offered for sale and sold through the Defendants' Internet Stores. Plaintiff also seeks entry of a permanent injunction prohibiting Defaulting Defendants from selling Counterfeit/Infringing Products and that all assets in Defaulting Defendants' financial accounts operated by Amazon, Payoneer, Paypal, PingPong, LianLian Global, LL Pay U.S., LLC, and Lianlian Yintong Electronic Payment Co. Ltd. ("LianLian"), and Stripe and other financial institutions and any newly identified accounts be transferred to Plaintiff.

Accordingly, Plaintiff having properly set out his claims, as addressed in detail below, entry of default judgment is appropriate.

i. Plaintiff Has Properly Pled a Claim for Trademark Infringement and Counterfeiting

To properly plead a claim of trademark infringement and counterfeiting pursuant to the Lanham Act, a plaintiff must allege that (1) the mark is distinctive enough to be worthy of protection, (2) defendants are not authorized to use the mark; and (3) defendant's use of the mark causes a likelihood of confusion as to the origin or sponsorship of defendant's products. *Neopost Industrie B.V. v. PFE Int'l Inc.*, 403 F. Supp. 2d 669, 684 (N.D. Ill. 2005) (citing *Bliss Salon Day Spa v. Bliss World LLC*, 268 F.3d 494, 496-97 (7th Cir. 2001)).

Plaintiff alleged in his Complaint (D.E. 1) that he owns registered Trademark (D.E. 1 at 5), that Defaulting Defendants have knowledge of Plaintiff's rights in the registered trademark, (*Id.* ¶42) that Defaulting Defendants are not authorized to use the registered Trademark (*Id.* ¶¶ 6, 28, 30) and that Defaulting Defendants' use of the registered Trademark causes a likelihood of confusion. (*Id.* ¶¶ 52, 56). Defaulting Defendants' failure to respond or otherwise plead in this matter requires the Court to accept the allegations of Plaintiff's Complaint as true. Fed. R. Civ. P. 8(b)(6); *see also Allied Van Lines, Inc. v. iMove, Inc.*, Case No. 17-cv-08021 (N.D. Ill., January 25, 2018)(citing *Am. Taxi Dispatch, Inc., v. Am. Metro Taxi & Limo Co.*, 582 F. Supp. 2d 999, 1004 (N.D. Ill. 2008)). Accordingly, Plaintiff is entitled to entry of judgment in his favor with respect to Count I for willful infringement and counterfeiting of his registered trademark against the Defaulting Defendants.

ii. Plaintiff Has Properly Pled a Claim For False Designation of Origin

In order to establish liability for false designation of origin under 15 U.S.C. § 1125(a),

Plaintiff must show that: (1) the registered mark is a protectable trademark; and (2) a likelihood of confusion will exist as to the origin of Plaintiff's products. *Johnny Blastoff, Inc. v. Los Angeles Rams Football Co.*, 188 F. 3d 427, 436 (7th Cir. 1999)) citing *International Kennel Club of Chicago, Inc. v. Mighty Star, Inc.*, 846 F.2d 1079, 1084 (7th Cir. 1988). This is the same test that is used for bringing a trademark infringement claim under the Lanham Act. *Id.*

Plaintiff properly pled a claim for false designation of origin in the Complaint. [Doc. 1 at ¶¶ 51-54] Therefore, Plaintiff is entitled to entry of judgment in his favor with respect to Count II for false designation of origin of his registered trademark against the Defaulting Defendants.

iii. Plaintiff Has Properly Pled a Claim for Violation of the Uniform Deceptive Trade Practices Act

The Uniform Deceptive Trade Practices Act codifies the common-law tort of unfair competition. *McGraw-Edison Co. v. Walt Disney Prods.*, 787 F.2d 1163, 1173 n.9 (7th Cir. 1986) In order to show a violation of the Act, Plaintiff must first allege that a defendant made some form of communication to the public regarding the plaintiff's services that is "false, misleading, or deceptive." *Lynch Ford, Inc. v. Ford Motor Co.*, 957 F.Supp. 142, 147 (N.D. Ill. 1997). Second, Plaintiff must allege that defendant's action led to confusion in the marketplace. *Hooker v. Columbia Pictures Indus., Inc.*, 551 F.Supp. 1060, 1064 (N.D. Ill. 1982) "Likelihood of confusion" under the Deceptive Trade Practices Act has the same meaning as it does in trademark infringement cases. *See McGraw-Edison Co.*, 787 F.2d at 1174; *Rock-A-Bye Baby, Inc. v. Dex Prods., Inc.*, 867 F.Supp. 703, 713 (N.D. Ill. 1994). Having properly alleged each required element of his UDTPA claim, (D.E. 1 at ¶¶ 55-58), Plaintiff is entitled to entry of judgment in his favor with respect to Count III against the Defaulting Defendants.

d) Plaintiff Is Entitled to an Award of Statutory Damages

“The most corrosive and irreparable harm attributable to trademark infringement is the inability of the victim to control the nature and quality of the defendants’ goods.” *Int’l Kennel Club of Chicago, Inc. v. Mighty Star, Inc.*, 846 F.2d 1079, 1092 (7th Cir. 1988). “Damages occasioned by trademark infringement are by their very nature ... not susceptible of adequate measurement for remedy at law.” *Trans Union LLC v. Credit Research, Inc.*, 142 F.Supp.2d 1029, 1046 (N.D. Ill. 2001) (quoting *Processed Plastic Co. v. Warner Communications, Inc.*, 675 F.2d 852, 858 (7th Cir. 1982). Thus, “district courts enjoy wide discretion in awarding fees and may consider various factors such 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 v. Charlie Club*, 930 F.2d 1224, 1229 (7th Cir. 1991) (citations omitted)

“Statutory damages are ‘most appropriate’ when an infringer's nondisclosure makes actual damages uncertain.” *Luxottica USA LLC v. The Partnerships*, Case No. 2014-cv-09061 at *4 (N.D. Ill. June 18, 2015) (citing *Sara Lee Corp. v. Bags of N.Y., Inc.*, 36 F.Supp.2d 161, 165 (S.D.N.Y. 1999)). Damages awards limited to lost profits are typically ineffective deterrents because “[a] counterfeiter must fear more than just having to turn over his ill-gotten gains to the rightful owners.” *Lorillard Tobacco Co. v. S & M Cent. Serv. Corp.*, Case No. 03-cv-4986 *11 (N.D. Ill. Nov. 5, 2004). Here, none of the Defaulting Defendants have appeared and/or provided Plaintiff with information from which Plaintiff might determine Defendants’ sales. Thus, an award of statutory damages is particularly appropriate in the instant case.

e) Defendants' Acts of Infringement and Counterfeiting Were Willful

As alleged in Plaintiff's Complaint (D.E. 1), the Defendants create numerous Defendant Internet Stores and design them to appear to be selling genuine Plaintiff products, while selling inferior imitations of Plaintiff's products. (*Id.* at ¶6). Plaintiff further alleged that Defendants' conduct was a willful violation of each stated cause of action. [*Id.* at ¶¶ 26, 36, 42-44, 57]. Here, given the Defendants' default, the allegations of the complaint are taken as true and a finding of willfulness is therefore warranted. *See Scholz Design, Inc. v. Campbell Signature Homes, LLC*, No. 08-1087 at *2 (C.D. Ill. Feb. 12, 2009) ("The Court finds that Campbell's copyright infringement was knowing, willful and intentional, because Scholz made this allegation in its Complaint."); *Kinsey v. Jambow, Ltd.*, 76 F. Supp. 3d 708, 712 (N.D. Ill. 2014). Even without reliance upon Defendant's default, it is clear that Defaulting Defendants' counterfeiting was willful. "Willful infringement may be attributed to the defendant's actions where he had knowledge that his conduct constituted infringement or where he showed a reckless disregard for the owner's rights." *Lorillard Tobacco Co.*, Case No. 03-cv-4986 at 13 (citation omitted). Defaulting Defendants clearly had knowledge that their activities constituted infringement or at least displayed a reckless disregard for Plaintiff's rights in his registered Trademark.

In addition, Plaintiff alleged in his Complaint that "Defendants have engaged in fraudulent conduct when registering the Defendant Internet Stores by providing false, misleading and/or incomplete information to Internet based e-commerce platforms." [*Id.* at ¶21]. Pursuant to 15 U.S.C. § 1117(e), this creates a rebuttable presumption of willfulness. *Int'l Typeface Corp. v. Shellabarger*, No. 06-CV-0260 (HLM), 2008 WL 11333693, at *8 (N.D. Ga. June 30, 2008) (applying the presumption where the defendant "provid[ed] false contact information to his domain name registrar, . . . ma[king] himself inaccessible to . . . [the plaintiffs'] efforts to notify

him of trademark infringement”). Courts in this judicial district routinely find counterfeiting willful when defendants default. *See ABC LLC v. Partnerships and Unincorporated Associations Identified on Schedule A*, Case No. 1:24-CV-03436 (N.D.Ill. Aug. 30, 2024)(Bucklo, J.)(Doc. 58 at 2); *ABC Corporation v. The Partnerships and Unincorporated Associations Identified On Schedule A*, Case No. 1:23-cv-00854 (N.D.II. July 26, 2023) (Doc. 130 at 42)(J. Gottschall)(“Pursuant to 15 U.S.C. § 1117(c)(2), Plaintiff is awarded statutory damages from each of the Defaulting Defendants in the amount of five hundred thousand dollars (\$500,000) for willful use of counterfeit reproductions of the Fortnite Trademarks in connection with the sale of products through at least Defaulting Defendants’ Seller Aliases.”); *Colourpop Cosmetics, LLC and Seed Beauty, LLC. v. The Individuals, Corporations, Limited Liability Companies, Partnerships, and Unincorporated Associations Identified on Schedule A to the Complaint*, Case No. 23-cv-03230 (N.D. Ill. May 1, 2024) (Cummings, J.) (Doc. 104)(awarding statutory damages in the amount of \$125,000); *Bad Vibes Forever, LLC v. The Partnerships and Unincorporated Associations Identified on Schedule A*, Case No. 1:22-cv-02590 (N.D. Ill. August 22, 2019) (Tharp, J.) (Doc. 34); *Luxottica Group S.p.A. v. Uzilol Store, et al.*, Case No. 21-cv-05458 (N.D. Ill. Jan. 18, 2022) (Shah, J.) (Docs. 44; 45).

f) Plaintiff’s Ongoing Investment in Marketing and Promotion and Brand Protection Efforts Justify a High Statutory Damages Award

Courts may also take into account the value of the plaintiff’s brand and the efforts taken to protect, promote, and enhance that brand. *Lorillard Tobacco Co.*, Case No. 03-cv-4986 at *9-10. The success of the registered trademark has resulted in significant counterfeiting by individuals and entities who unlawfully use the trademark and goodwill built by Plaintiff to sell cheap imitation counterfeits. [Doc. 1 at ¶¶44,58]. Plaintiff has had to expend resources in policing his registered trademark. To date, Plaintiff has had to bring three other lawsuits against

defendants to police his registered trademark. *See Chung Ting Yu v. The Partnerships, Individuals and Unincorporated Associations Identified on Schedule "A"*, Case Nos: 24-cv-12692 (N.D.Ill. —)(Alexakis, J.); 25-cv-00062 (N.D.Ill. —)(Bucklo, J.); 5-cv-3936 (N.D.Ill. —)(Hunt, J.).

g) A High Statutory Damages Award is Justified Due to the Acts of Infringement and Counterfeiting Having Taken Place on the Internet

Many Courts, in this district and elsewhere, have awarded high damages where the predicate acts of infringement took place on the internet. *See Monster Energy Company v. Jing, et al.*, Case No. 2015-cv-00277 at * 7 (N.D. Ill. July 6, 2015) (“The internet platform defendants used, AliExpress.com, is a busy website that provides the potential to reach a vast customer base.”); *Luxottica Group S.p.A. v. Hao Li, et al.*, Case No. 16-cv-00487 at *16 (N.D. Ill. Feb. 15, 2017) (“But even putting aside any evidence of defendant selling multiple products through multiple online sales platforms, defendant can reach a worldwide customer base on eBay alone.”); *Coach, Inc. v. Ocean Point Gifts*, Case No. 09-4215 (JBS) at *14-15 (D.N.J. Jun. 14, 2010) (finding high damage awards in counterfeit cases were “due in part to the wide market exposure that the Internet can provide”).

In addition to the fact that the internet permits wide market exposure, as Plaintiff sets out in his Complaint, “third party service providers like those used by Defendants do not adequately subject new sellers to verification and confirmation of their identities, allowing counterfeiters to routinely use false or inaccurate names and addresses when registering with these e-commerce platforms.” (D.E. 1 at ¶20) (citation omitted). This point is particularly well illustrated here where Plaintiff has been persistently plagued by overseas counterfeiters doing business on the same platforms of Amazon and Walmart. (D.E. 8 at ¶15). The audacity of counterfeiters in attempting to deceive courts as to their identity and avoid liability has also been demonstrated in

this judicial district. *See Camelbak Products LLC v. The Partnerships and Unincorporated Associations Identified On "Schedule A"*, 1:20-cv-01544 (N.D. Ill. January 5, 2021) (Doc. 105 at 3) ("[T]he Court does not believe that the identification card submitted in support of [defendant]'s motion to vacate the default judgment is the actual identification card for the person who owns and operates [defendant]. It is either a fake identification card, or it is someone else's identification card.").

As discussed herein, *supra* subsection (f), the extent of damage to Plaintiff is significant, as Plaintiff has had to bring four separate suits against Defendants to police his registered trademark. Without sufficient deterrence, Plaintiff will not be able to regain control over the unbridled infringement and damage to his goodwill.

h) The Award of Statutory Damages Should be Sufficient to Compensate Plaintiff and to Deter Further Acts of Infringement and Counterfeiting

When the infringement is willful, the statutory damages award may be designed to penalize the infringer and to deter future violations. *See Illinois Bell Tel. Co. v. Haines & Co.*, 905 F.2d 1081, 1089 (7th Cir. 1990); *Bulgari, S. P.A. v. Xiaohong*, Case No. 15-cv-05148 at *5 (N.D. Ill., October 15, 2015) (Coleman, J.) ("This Court's award, moreover, must be adequate to deter future infringement, intentional or unintentional, by the defendant and others similarly situated."). Plaintiff's registered mark is not a mere pattern or even a logo but a highly stylized image which each Defaulting Defendant displayed prominently in unauthorized online listings. [Doc. 1 at ¶5]. Each infringing sale made by the Defaulting Defendants results in a direct loss to Plaintiff. [Doc. 8 at ¶¶ 27-29] As the illegal marketplace for Plaintiff's Products grows on the Internet, the legitimate marketplace for Plaintiff's Products shrinks. (*See generally* D.E. 8 at ¶¶ 24-28). A high statutory damages award will serve to both compensate Plaintiff and to deter the Defaulting Defendants and others who are either now or may in the future infringe upon the

registered mark. Without sufficient deterrence, Plaintiff will not be able to regain control over the unbridled infringement and damage to his goodwill.

i) Plaintiff Is Entitled to a Permanent Injunction Preventing Further Acts Of Infringement and Counterfeiting of His Registered Mark

In addition to the foregoing relief, Plaintiff respectfully requests entry of a permanent injunction enjoining Defaulting Defendants from infringing or otherwise violating Plaintiff's registered trademark rights in his registered mark. "Without a permanent injunction, the defendants will likely continue their infringing conduct..." *Kinsey v. Jambow, Ltd.*, 76 F. Supp. 3d 708, 714 (N.D. Ill. 2014). Further, prevention of additional acts of infringement and counterfeiting of Plaintiff's registered trademark serves the public interest. See *Miyano Mach., USA, Inc. v. MiyanoHitec Mach, Inc.*, 576 F.Supp.2d 868, 889 (N.D. Ill. 2008) ("The public interest is generally served by the enforcement of trademark laws as such laws prevent confusion among and deception of consumers ...") (citation omitted). This Court and others in this judicial district routinely grant permanent injunctive relief to prevailing plaintiffs in trademark cases.

j) The Court Should Authorize Immediate Execution Upon this Final Judgment Order

To the extent that it may be necessary for Plaintiff to utilize state law collections devices, Plaintiff respectfully requests that the Court dissolve the stay on execution contained in and as authorized by Fed.R.Civ.P. 62(a). See Fed. R. Civ. P. 62, Advisory Committee's Notes (2018) ("Amended Rule 62(a) expressly recognizes the court's authority to dissolve the automatic stay One reason for dissolving the automatic stay may be a risk that the judgment debtor's assets will be dissipated.").

IV. CONCLUSION

Plaintiff respectfully requests that the Court enter default judgment against each Defaulting Defendant, award statutory damages in the amount of two million dollars (\$2,000,000) per Defaulting Defendant pursuant to 15 U.S.C. § 1117(c) and enter a permanent injunction order prohibiting Defaulting Defendants from selling counterfeit or infringing products using Plaintiff's federally registered mark. A proposed order, embodying the relief requested herein and identifying Defendants to be defaulted, is submitted herewith.

Respectfully submitted this 2nd of May, 2025,

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