

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

JUSTIN ALEXANDER, INC.)
)
 Plaintiff,) Case No. 1:15-cv-10089
)
 v.) **Judge Sharon Johnson Coleman**
)
 JACK CHAN, et al.,) **Magistrate Judge Michael T. Mason**
)
 Defendants.)
_____)

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

Plaintiff, Justin Alexander, Inc., (“Plaintiff”), by and through its undersigned counsel, respectfully submits the following memorandum of law in support of its Motion for Entry of Default and Default Judgment pursuant to Fed. R. Civ. P. 55 against all defendants identified on Schedule “A” to the Amended Complaint [Docket Nos. 6, 21] (“Defendants”). Plaintiff’s Amended Complaint states the following causes of action: trademark infringement and counterfeiting (Count I), false designation of origin (Count II), cyberpiracy (Count III), copyright infringement (Count IV), and deceptive trade practices under Illinois State law (Count V).

STATEMENT OF FACTS

Plaintiff is engaged in the business of manufacturing and distributing throughout the world, including within this Judicial District, a variety of high quality bridal gowns and formalwear (collectively, the “JUSTIN ALEXANDER Products”) under federally registered trademarks that appear on the Principal Register with the United States Patent and Trademark Office (collectively, the JUSTIN ALEXANDER Trademarks”). *Id.* at ¶¶ 10-11. Plaintiff’s brands, symbolized by the JUSTIN ALEXANDER Trademarks, are recognized symbols of high-quality bridal gowns and formalwear throughout the world. *Id.* at ¶ 12. Plaintiff has been using the JUSTIN ALEXANDER

Trademarks for many years in connection with the advertising and sale of JUSTIN ALEXANDER Products in interstate and foreign commerce, including commerce in the State of Illinois and in this Judicial District. *Id.* The JUSTIN ALEXANDER Trademarks have been widely promoted, both in the United States and throughout the world, and are among the world's most famous and widely-recognized trademarks. *Id.* at ¶ 13. Consumers, potential consumers and other members of the public and the bridal industry not only associate JUSTIN ALEXANDER Products with exceptional materials, style and workmanship, but also recognize that JUSTIN ALEXANDER Products sold in the United States originate exclusively with Plaintiff. *Id.* JUSTIN ALEXANDER Products are sold in approximately 500 retail stores throughout the United States and an additional 900 retail stores throughout the world. *Id.* at ¶ 14. The JUSTIN ALEXANDER Trademarks are highly visible and distinctive worldwide symbols of excellence in quality and uniquely associated with Plaintiff and, as a result, JUSTIN ALEXANDER Products bearing the JUSTIN ALEXANDER Trademarks have generated millions of dollars of sales over the years. *Id.* at ¶ 16. Upon information and belief, at all times relevant hereto, the Defendants have had full knowledge of Plaintiff's ownership of the JUSTIN ALEXANDER Trademarks, including Plaintiff's exclusive right to use and license such intellectual property and the goodwill associated therewith. *Id.* at ¶ 20.

In addition to being the exclusive owner of the JUSTIN ALEXANDER Trademarks, Plaintiff is the owner of all right, title and interest in and to United States Copyright Registration No. VA 1-936-316 ("JUSTIN ALEXANDER Copyright"). *Id.* at ¶ 22. The aforementioned registration is valid, subsisting, unrevoked and uncanceled. *Id.* Moreover, this registration is also incontestable. *Id.* In or around 2015, Plaintiff identified its original images being displayed and reproduced on the Infringing Websites in violation of the JUSTIN ALEXANDER Copyright. *Id.* at ¶ 24.

The Defendants have manufactured, imported, distributed, offered for sale and sold imitation knockoffs of bridal gowns and formalwear using the JUSTIN ALEXANDER Trademarks and protected images in violation of the JUSTIN ALEXANDER Copyright (collectively "Counterfeit

Products”) and continue to do so in violation of Plaintiff’s intellectual property rights. *Id.* at ¶ 26. Defendants, without authorization or license from Plaintiff, knowingly and willfully used and continue to use the JUSTIN ALEXANDER Trademarks in connection with the advertisement, offer for sale and sale of the Counterfeit Products, through, *inter alia*, the Internet. *Id.* at ¶ 27. The Counterfeit Products are not genuine JUSTIN ALEXANDER Products. *Id.* The Plaintiff did not manufacture, inspect or package the Counterfeit Products and did not approve the Counterfeit Products for sale or distribution. *Id.* Each Infringing Website offers shipping to the United States, including Illinois, and, on information and belief, the Defendants have sold Counterfeit Products into the United States, including Illinois. *Id.* The Defendants operate the Infringing Websites to appear to unknowing consumers to be legitimate web stores authorized to sell genuine JUSTIN ALEXANDER Products. *Id.*

Plaintiff brought the present action against the Defendants on November 6, 2015 [Docket No. 1]. Plaintiff filed an Amended Complaint on November 20, 2015 [Docket No. 21]. On November 18, 2015, this Court granted Plaintiff’s *Ex Parte* Motion for Entry of a Temporary Restraining Order (“*Ex Parte* TRO”) [Docket Nos. 20, 25]. On December 2, 2015, the Court converted the *Ex Parte* TRO to a Preliminary Injunction [Docket Nos. 32, 36]. The *Ex Parte* TRO authorized Plaintiff to complete service of process upon the Defendants by electronic publication on a website to which the Infringing Websites that were transferred to Plaintiff’s control redirect, or by sending an email to the email addresses identified in Exhibit 1 to the Declaration of Richard J. Holmes [Docket Nos. 12-1, 22] and any email addresses provided for the Defendants by third parties that included a link to the website providing electronic publication of the case. *See Ex Parte* TRO at p. 10-11, ¶ 14. Pursuant to the terms of the *Ex Parte* TRO, Plaintiff properly served process upon all Defendants on December 2, 2015 [Docket No. 34]. None of the Defendants has entered an

appearance or otherwise defended this action. *See* Declaration of Richard J. Holmes (the “Holmes Declaration”) at ¶ 2.

Plaintiff now moves this Court, pursuant to Federal Rule of Civil Procedure 55(a) and (b)(2), for an Order entering default and default judgment finding that Defendants are liable on all counts of Plaintiff’s Amended Complaint. Plaintiff further seeks an award of statutory damages as authorized by 15 U.S.C. § 1117(c)(2) for willful trademark counterfeiting against each of the Defendants for use of counterfeits of the JUSTIN ALEXANDER Trademarks on products sold through each of the Infringing Websites, as well as statutory damages pursuant to 17 U.S.C. § 504(c) for willfully displaying Plaintiff’s original images protected by the JUSTIN ALEXANDER Copyright. Plaintiff further seeks entry of a permanent injunction prohibiting Defendants from selling Counterfeit Products, an Order that the Infringing Websites used by Defendants to sell Counterfeit Products be permanently transferred to Plaintiff, and that all assets in Defendants’ financial accounts operated by PayPal, Inc., Amazon.com, Inc. or other payment providers associated with the Infringing Websites (“Third Party Payment Providers”), as well as any newly discovered assets, be transferred to Plaintiff.

ARGUMENT

I. THIS COURT PROPERLY HAS JURISDICTION AND VENUE OVER ALL DEFENDANTS

This Court has original subject matter jurisdiction over Plaintiff’s claims in this action pursuant to the provisions of the Lanham Act (15 U.S.C. §§ 1116(a) and 1121(a)) and 28 U.S.C. §§ 1331, 1332 and 1338(a) and (b). *See Amended Complaint* at ¶ 6. [Docket No. 21]. This Court also has, within its discretion, jurisdiction over Plaintiff’s claims that arise under the laws of the State of Illinois pursuant to the principles of supplemental jurisdiction set forth in 28 U.S.C. § 1367(a) because said state-law claim is so related to some or all of Plaintiff’s claims over which this Court

has original jurisdiction that they form part of the same case or controversy. *Id.* at ¶ 7. This Court has personal jurisdiction over Defendants because they transact business in the State of Illinois and within this Judicial District. *Id.* at ¶ 8. Pursuant to 28 U.S.C. § 1391, venue is proper in this Court because the Defendants are entities or individuals subject to personal jurisdiction in this Judicial District. *Id.* at ¶ 9. Venue is also proper in this Judicial District because all Defendants directly target business activities towards consumers in the State of Illinois and cause harm to Plaintiff’s business within this Judicial District by selling Counterfeit Products through their unlawful operation of the Infringing Websites, including those operating under their partnership and/or unincorporated association names. *Id.*; *see also Id.* at ¶ 27 (“[the] Infringing Websites [offer] shipping to the United States, including Illinois, and, on information and belief, each Defendant has sold Counterfeit Products into the United States, including Illinois.”).

“When determining whether a plaintiff has met his burden, jurisdictional allegations pleaded in the complaint are accepted as true unless proved otherwise by defendants’ affidavits or exhibits.” *Perdue Research Found. v. Sanofi-Syhelabo, S.A.*, 338 F.3d 773, 782 (7th Cir. 2003); *Cf. uBID, Inc. v. GoDaddy Grp., Inc.* 623 F.3d 421, 423-24 (7th Cir. 2010) (“[W]ithout the benefit of an evidentiary hearing, the plaintiff bears only the burden of making a prima facie case for personal jurisdiction. We take the plaintiff’s asserted facts as true and result any factual disputes in its favor.”) (*citing Tamburo v. Dworkin*, 601 F.3d 693, 700 (7th Cir. 2010); *Perdue Research Found.*, 338 F.3d at 782)).

In this case, the Defendants operate the Infringing Websites with the sole purpose of selling Counterfeit Products in violation of the JUSTIN ALEXANDER Trademarks and Copyright. *See Amended Complaint* at ¶¶ 26-27 [Docket No. 21]. Furthermore, Defendants offer shipping to the United States, including Illinois, and, on information and belief, each Defendant has sold Counterfeit Products into the United States, including Illinois. *Id.* at ¶ 27. Defendants

falsely advertise the sale of authentic JUSTIN ALEXANDER Products through the Infringing Websites by stealing and copying Plaintiff's copyrighted images and photographs of Plaintiff's genuine products in violation of the JUSTIN ALEXANDER Copyright. *Id.* at ¶ 28. Furthermore, the Infringing Websites offer live online service and display normal indicia of security protection that would appear on legitimate websites, including the McAfee® Security, VeriSign®, Visa®, MasterCard®, and PayPal® logos. *Id.* Defendants' Infringing Websites appear to unknowing consumers to be legitimate web stores authorized to sell genuine JUSTIN ALEXANDER Products. *Id.* Because the Defendants have chosen not to appear or produce any evidence regarding their illegal counterfeiting operations in Illinois, Plaintiff's allegations in the Amended Complaint, which must be accepted as true, establish a *prima facie* case for personal jurisdiction against each Defendant.

Thus, personal jurisdiction is proper since each Defendant is committing tortious acts in Illinois, is engaging in interstate commerce and has wrongfully caused Plaintiff substantial injury in the State of Illinois. In similar cases involving online counterfeiting by individuals located overseas, courts have found that jurisdiction and venue over defendants was proper in connection with plaintiffs moving for entry of default and default judgment. *See, e.g., Deckers Outdoor Corp. v. Chen Bing, et al.*, No. 1:15-cv-09212 (N.D. Ill. Dec. 14, 2015) (unpublished) (entering default and default judgment against online counterfeiters); *River Light V, LP, et al. v. Yu Wen Peng, et al.*, No. 1:15-cv-08967 (N.D. Ill. Nov. 30, 2015) (unpublished) (same); *Monster Energy Co. v. The Partnerships, et al.*, No. 1:15-cv-09142 (N.D. Ill. Dec. 10, 2015) (unpublished) (same); *Richemont Int'l, et al. v. Jing Mi Ling, et al.*, No. 1:15-cv-07482 (N.D. Ill. Oct. 13, 2015) (unpublished) (same); *PhD Marketing, Inc., et al. v. Dongguan Betos Electronic Co., et al.*, No. 1:15-cv-07660 (N.D. Ill. Oct. 7, 2015) (unpublished) (same); *Lululemon Athletica Canada, Inc.*

v. Zai Dao Li, et al., No. 1:15-cv-07721 (N.D. Ill. Oct. 21, 2015) (unpublished) (same); *Performance Health Systems, LLC v. Yongkang Union Indus. Co., Ltd., et al.*, No. 1:15-cv-07932 (N.D. Ill. Oct. 26, 2015) (unpublished) (same); *Burberry Ltd., et al. v. Weng Jungpeng, et al.*, No. 1:15-cv-07994 (N.D. Ill. Nov. 30, 2015) (unpublished) (same); *Luxottica Group S.p.A. v. Zhang Yufeng, et al.*, No. 1:15-cv-08245 (N.D. Ill. Nov. 10, 2015) (unpublished) (same) (hereinafter, collectively referred to as the *The Counterfeit Website Cases*¹)

II. PLAINTIFF HAS SATISFIED THE REQUIREMENTS FOR ENTRY OF DEFAULT PURSUANT TO FED. R. CIV. P. 55

Under the Federal Rules of Civil Procedure, a defendant must file its answer “within 21 days after being served with summons and complaint.” Fed. R. Civ. P. 8(a)(1)(A)(i). Pursuant to Rule 55(a), the clerk is required to enter the default of a party against whom a judgment is sought when that party has failed to plead or otherwise defend. *See* Fed. R. Civ. P. 55(a). “It is in the district court’s discretion whether to enter default judgment.” *Firstmerit Bank, N.A. v. Walsh*, No. 13-cv-3302, 2014 WL 883541, at *3 (N.D. Ill. Mar. 5, 2014)² (*citing O’Brien v. R.J. O’Brien & Assocs., Inc.*, 998 F.2d 1394, 1398 (7th Cir. 1993)). Default judgment establishes, as a matter of law, that a defendant is liable for the causes of action alleged in plaintiff’s complaint. *Firstmerit Bank* at *3 (*citing United States v. Di Mucci*, 879 F.2d 1488, 1497 (7th Cir. 1989)).

Here, Plaintiff filed its Amended Complaint against Defendants trademark infringement arising out of 15 U.S.C. § 1114 (Count I), false designation of origin under 15 U.S.C. § 1125(a) (Count II); cyberpiracy under 15 U.S.C. § 1125(d) (Count III); copyright infringement under 17 U.S.C. § 501 (Count IV); and uniform deceptive trade practices under 815 ILCS § 510 (Count V) [Docket Nos. 6, 21]. Plaintiff properly served all Defendants on December 2, 2015 [Docket No.

¹ Genuine and authentic copies of the unpublished decisions from *The Counterfeit Website Cases* are attached to the Declaration of Richard J. Holmes as Exhibit 1.

² Genuine and authentic copies of decisions from electronic databases are attached hereto as Exhibit 1.

34]. None of the Defendants has entered an appearance or otherwise defended this action. *See* Declaration of Richard J. Holmes (the “Holmes Declaration”) at ¶ 2. Upon information and belief, none of the Defendants are active-duty members of the United States armed forces. *Id.* at ¶ 3. Thus, Plaintiff respectfully requests entry of default against all Defendants.

III. PLAINTIFF HAS MET THE REQUIREMENTS FOR ENTRY OF DEFAULT JUDGMENT AGAINST DEFENDANTS

Under Fed. R. Civ. P. 55(b)(2), “the court may enter a default judgment if the amount at issue is for a sum certain.” *Am. Nat’l Bank & Trust Co. of Chi. v. Alps Elec. Co.*, No. 99 cv 6990, 2002 WL 484845, at *1 (N.D. Ill. Mar. 29, 2002) (*citing* Fed. R. Civ. P. 55(b)(2)). “A party is not entitled to a default judgment as a matter of right.” *Jordan v. Van Dyke*, No. 99-cv-5357, 2000 WL 126784, at *2 (N.D. Ill. Feb. 1, 2000). Rather, “[t]he decision to enter a default judgment lies within the discretion of the district court.” *Am. Nat’l Bank & Trust Co.*, at *1; *see also Black v. Lane*, 22 F.3d 1395, 1399 (7th Cir. 1994) (noting that 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).

Here, Plaintiff properly served all Defendants on December 2, 2015. [Docket No. 34]. None of the defendants filed an answer or otherwise responded within twenty-one (21) days after being served with the Amended Complaint and Summons as required by Fed. R. Civ. P. 12(a)(1)(A); *see also* Fed. R. Civ. P. 8(a)(1)(A)(i). As a result, entry of default judgment against all Defendants is appropriate and consistent with *The Counterfeit Website Cases*, *supra*. Accordingly, Plaintiff request an award of statutory damages pursuant to 15 U.S.C. § 1117(c)(2) for willful trademark infringement against each individual Defendant for using the JUSTIN ALEXANDER Trademarks on Counterfeit Products sold through the Infringing Websites. *See*

Declaration of Larry Warshaw, Exhibit 5 [Docket Nos. 15-7, 23]. Plaintiff also seeks an additional award of statutory damages pursuant to 17 U.S.C. § 504(c)(2) for knowingly displaying original images protected by the JUSTIN ALEXANDER Copyright on the Infringing Websites. *See* Declaration of Larry Warshaw, Exhibit 6 [Docket Nos. 15-8, 23]; *see also* Declaration of Suren Ter Saakov at ¶ 8 (“Defendants have infringed upon the JUSTIN ALEXANDER Trademarks approximately 1,240,000 times and infringed upon the JUSTIN ALEXANDER Copyright approximately 67,650 times.”) [Docket No. 16]. Plaintiff also seeks entry of a permanent injunction prohibiting the Defendants from selling Counterfeit Products, an order that the Infringing Websites used by the Defendants to sell Counterfeit Products be permanently transferred to the ownership and control of Plaintiff, and that all assets in Defendants’ financial accounts operated by Third Party Payment Providers and any newly identified accounts be transferred to Plaintiff in order to satisfy the award of statutory damages.

A. Trademark Infringement and Counterfeiting

To prove a prima facie case of infringement, Plaintiff must show (1) its marks are distinctive enough to be worthy of protection; (2) Defendants are not authorized to use the JUSTIN ALEXANDER Trademarks; and (3) Defendants’ use of the JUSTIN ALEXANDER Trademarks causes a likelihood of confusion as to the origin or sponsorship of Defendants’ products. *See Neopost Industrie B.V. v. PFE Int’l Inc.*, 403 F. Supp. 2d 669, 684 (N.D. Ill. 2005) (citations omitted).

Here, Plaintiff is the exclusive owner of all right, title and interest to the federally registered JUSTIN ALEXANDER Trademarks. *See Amended Complaint* at ¶ 11. [Docket No. 21]. Through their operation of the Infringing Websites, Defendants have manufactured, imported, distributed, offered for sale and sold Counterfeit Products using the JUSTIN

ALEXANDER Trademarks. *Id.* at ¶ 26. Defendants, without authorization or license from Plaintiff, knowingly and willfully used and continue to use the JUSTIN ALEXANDER Trademarks in connection with the advertisement, offer for sale and sale of the Counterfeit Products. *Id.* at ¶ 27. Because Defendants have failed to respond or otherwise challenge Plaintiff's allegations in the Amended Complaint, the Court must accept these allegations as true. *See* Fed. R. Civ. P. 8(b)(6). Thus, Plaintiff respectfully requests entry of judgment with respect to Count I against all Defendants.

B. False Designation of Origin

A plaintiff bringing a false designation of origin claim under 15 U.S.C. § 1125(a) must show that: (1) the plaintiff has a protectable trademark; and (2) a likelihood of confusion will exist as to the origin of plaintiff's products. *All Star Championship Racing, Inc. v. O'Reilly Auto. Stores, Inc.*, 940 F.Supp.2d 850, 865 (C.D. Ill. 2013) (citing *Johnny Blastoff, Inc. v. Los Angeles Rams Football Co.*, 188 F. 3d 427, 436 (7th Cir. 1999)). This is the same test that is used for determining whether trademark infringement has occurred under the Lanham Act. *See Neopost*, 403 F. Supp. 2d at 684–685.

As noted above, Defendants, without authorization or license from Plaintiff, knowingly and willfully used and continue to use the JUSTIN ALEXANDER Trademarks in connection with the advertisement, offer for sale and sale of the Counterfeit Products on the Infringing Websites. *See Amended Complaint* at ¶ 27 [Docket No. 21]. Defendants also deceive unknowing consumers by using the JUSTIN ALEXANDER Trademarks without authorization within the content, text, and/or meta tags of the Infringing Websites in order to attract various search engines crawling the Internet looking for websites relevant to consumer searches for JUSTIN ALEXANDER Products. *Id.* at ¶ 29. Additionally, upon information and belief, Defendants use

other unauthorized search engine optimization (SEO) tactics so that listings for the Infringing Websites appear at or near the top of relevant search results and misdirect consumers searching for genuine JUSTIN ALEXANDER Products. *Id.* Furthermore, Defendants utilize similar illegitimate SEO tactics to propel new domain names to the top of search results after others are disabled. *Id.* Defendants' use of the JUSTIN ALEXANDER Trademarks on or in connection with the advertising, marketing, distribution, offering for sale and sale of the Counterfeit Products is likely to cause and has caused confusion, mistake and deception by and among consumers and is irreparably harming Plaintiff. *Id.* at ¶ 31. Thus, Plaintiff respectfully requests entry of judgment for Count II of the Amended Complaint against all Defendants.

C. Cybersquatting

In order to state a claim under the Anticybersquatting Consumer Protection Act of 1996 ("ACPA"), a plaintiff must allege that (1) it had a distinctive or famous mark at the time the domain name was registered; (2) the defendant registered, trafficked in, or used a domain name that is identical or confusingly similar to plaintiff's mark, and (3) the defendant had a bad faith intent to profit from that mark. *MasterCard Int'l Inc. v. Trehan*, 629 F.Supp.2d 824, 830 (N.D. Ill. 2009) (citing *Flentye v. Kathrein*, 485 F.Supp.2d 903, 914 (N.D. Ill. 2007)). In order for a domain name to be confusingly similar, the spelling does not have to be the same, but can be identical in translation, pronunciation, and meaning or indistinguishable in appearance of a mark. *MasterCard* at 830.

In its Amended Complaint, Plaintiff alleges that it is the exclusive owner of the JUSTIN ALEXANDER Trademarks, which are highly visible and distinctive worldwide symbols of excellence in quality and uniquely associated with Plaintiff. *See Amended Complaint* at ¶ 16 [Docket No. 21]. Plaintiff also alleges that Defendant No. 32 has acted with the bad faith intent profit from the JUSTIN ALEXANDER Trademarks and the goodwill associated with the JUSTIN

ALEXANDER Trademarks by registering various domain names which are identical or confusingly similar to or dilutive of the JUSTIN ALEXANDER Trademarks. *Id.* at ¶ 47. Plaintiff therefore seeks entry of judgment against Defendant No. 32 for Count III of the Amended Complaint.

D. Copyright Infringement

Section 501(a) of Title 17 of the United States Code provides, in part, that “[a]nyone who violates . . . the exclusive rights of the copyright owner . . . is an infringer of the copyright.” Plaintiffs are generally entitled to various remedies for infringement, including injunctions, monetary damages, costs and attorney’s fees. 17 U.S.C. §§ 502, 504, 505. To establish a prima facie of copyright infringement, a plaintiff must prove two essential elements: (1) ownership of a valid copyright, and (2) copying of constituent elements of the work that are original. *Pickett v. Prince*, 52 F.Supp.2d 893, 900–01 (N.D. Ill. 1999) (citing *Feist Publications, Inc. v. Rural Tel. Serv.*, 499 U.S. 340, 361, 111 S.Ct. 1282 (1991); see also *Atari, Inc. v. North Am. Phillips Consumer Elecs. Corp.*, 672 F.2d 607, 614 (7th Cir. 1982). The registration of a copyright certificate creates a prima facie presumption of validity of a copyright. See 17 U.S.C. § 410(c). That presumption, however, is rebutted by evidence that disputes or rebuts the plaintiff’s prima facie case. *Runstadler Studios, Inc. v. MCM Ltd. Partnership*, 768 F.Supp. 1292 (N.D. Ill. 1991).

Here, Plaintiff is the owner of all right, title and interest in and to federally registered JUSTIN ALEXANDER Copyright. See *Amended Complaint* at ¶ 22. The aforementioned registration is valid, subsisting, unrevoked and uncancelled. *Id.* Moreover, this registration is also incontestable. *Id.* Among the exclusive rights granted to Plaintiff under the Copyright Act are the exclusive rights to use and reproduce photographs protected by the JUSTIN ALEXANDER Copyright and to distribute these photographs to the public. *Id.* at ¶ 23. Defendants have stolen Plaintiff’s original images protected by the JUSTIN ALEXANDER Copyright and unlawfully displayed them on the

Infringing Websites in order to sell Counterfeit Products. *Id.* at ¶¶ 24-25. Thus, Plaintiff seeks entry of judgment against all Defendants for Count IV of the Amended Complaint.

E. Illinois Uniform Deceptive Trade Practices Act

Proof of a trademark infringement is sufficient to establish a violation of the Illinois Uniform Deceptive Trade Practices. *All Star Championship Racing, Inc. v. O'Reilly Auto. Stores, Inc.*, 940 F.Supp.2d 850, 871 (C.D. Ill. 2013). In Illinois, courts resolve unfair competition and deceptive trade practices claims “according to the principles set forth under the Lanham Act.” *Spex, Inc. v. Joy of Spex, Inc.*, 847 F. Supp. 567, 579 (N.D. Ill. 1994). Illinois courts look to federal case law and apply the same analysis to state infringement claims. *Id.* at 579 (citation omitted). The determination as to whether there is a likelihood of confusion is similar under both the Lanham Act and the Illinois Uniform Deceptive Trade Practices Act. *Am. Broad. Co. v. Maljack Prods., Inc.*, 34 F. Supp. 2d 665, 680–681 (N.D. Ill. 1998).

In this case, Plaintiff alleges that the Defendants have engaged in acts violating Illinois law including, but not limited to, passing off their Counterfeit Products as those of Plaintiff; causing a likelihood of confusion and/or misunderstanding as to the source of the Counterfeit Products; causing a likelihood of confusion and/or misunderstanding as to an affiliation, connection, or association with genuine JUSTIN ALEXANDER Products; representing that the Counterfeit Products have Plaintiff's approval when they do not; and engaging in other conduct that creates a likelihood of confusion among the general public. *See Amended Complaint* at ¶ 66. As a result, Plaintiff respectfully requests entry of judgment against all Defendants with respect to Count IV of its Amended Complaint.

IV. PLAINTIFF IS ENTITLED TO MONETARY AND INJUNCTIVE RELIEF

In *Lorillard Tobacco Co. v. S & M Cent. Service Corp.*, No. 03 C 4986, 2004 WL 2534378, at *6 (N.D. Ill. Nov. 8, 2004), the court stated that “Congress’ decision to allow statutory damages under 15 U.S.C. § 1117(c) was in direct recognition of the fact that the

calculation of the actual damages may be difficult, if not impossible, to determine. (*citing Louis Vuitton v. Veit*, 211 F.Supp.2d 567, 583 (E.D. Pa. 2002) (*citing* S. Rep. No. 177, 104 Cong. 1995)).

Genuine JUSTIN ALEXANDER Products are sold in approximately 500 retail stores throughout the United States and an additional 900 retail stores throughout the world. *See Amended Complaint* at ¶ 14. [Docket No. 21]. Genuine JUSTIN ALEXANDER Products are distributed through a worldwide network of distributors and retailers, as well as Plaintiff's website, which generate significant sales for Plaintiff. *Id.* at ¶ 15.

A. A Maximum Award of Statutory Damages is Appropriate for Defendants' Willful Infringement of the Justin Alexander Trademarks and Copyright

Under 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, the Lanham Act 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). “Courts commonly find statutory damages appropriate in default judgment cases because the information needed to prove actual damages is within the infringers’ control and is not disclosed.” *Deckers Outdoor Corp. v. Does I-55*, No. 11 C 10, 2011 WL 4929036, at *4 (N.D. Ill. Oct. 14, 2011) (citations omitted). Under 15 U.S.C. § 1117(e), a counterfeiting violation is presumed willful “for purposes of determining relief if the violator . . . knowingly provided . . . materially false contact information to a domain name registrar . . .”. Similarly, plaintiffs in cases involving willful copyright infringement under the Copyright Act may be awarded statutory damages of up to \$150,000 pursuant to 17 U.S.C. § 504(c)(2). In awarding statutory damages for a violation of the

Copyright Act, the district court may properly penalize the infringer to deter future violations. *Columbia Pictures, Inc. v. Tucker*, No. 94 CV 5542, 1997 WL 779093, at *12 (N.D. Ill. Dec. 11, 1997).

Defendants not only deceive unknowing consumers by using the JUSTIN ALEXANDER Trademarks without authorization within the content, text, and/or meta tags of the Infringing Websites in order to attract various search engines crawling the Internet looking for websites relevant to consumer searches for JUSTIN ALEXANDER Products, but they purposefully conceal their identities by using multiple fictitious names and addresses to register and operate the Infringing Websites. *See Amended Complaint* at ¶¶ 29-30 [Docket No. 21]. Many of Defendants' names and physical addresses used to register the Infringing Websites are incomplete, contain randomly typed letters, or fail to include cities or states. *Id.* at ¶ 30. Other Infringing Websites use privacy services that conceal the owners' identity and contact information. *Id.* As such, statutory damages are an appropriate form of relief for the Plaintiff. Indeed, with the Plaintiff having no evidence or other information regarding any alternative sources of Defendants' ill-gotten profits from their various counterfeiting operations, statutory damages is the only available form of relief in this case.

B. Plaintiff is Entitled to Permanent Injunctive Relief Against All Defendants

In addition to the foregoing relief, Plaintiff respectfully requests entry of a permanent injunction enjoining Defendants from infringing the JUSTIN ALEXANDER Trademark and Copyright, including at least all injunctive relief previously awarded by this Court to Plaintiff in the *Ex Parte* TRO and Preliminary Injunction. Plaintiff is also entitled to injunctive relief so it can quickly take action against any new websites and online marketplace accounts that are identified, found to be linked to Defendants, and selling Counterfeit Products. *See, e.g., The Counterfeit Website Cases, supra.*

CONCLUSION

Plaintiff respectfully requests this Honorable Court to enter default and default judgment against each Defendant identified in the Amended Complaint and Schedule “A” to the Amended Complaint [Docket Nos. 21, 21-1], and award Plaintiff statutory damages in the amount of Two Million Dollars (U.S.) and No Cents (\$2,000,000.00) for each individual Defendant pursuant to 15 U.S.C. § 1117(c) and an additional One Hundred Fifty Thousand Dollars (U.S.) and No Cents (\$150,000.00) pursuant to 17 U.S.C. 504(c)(2). Plaintiff further requests entry of a permanent injunction order prohibiting the Defendants from selling Counterfeit Products, permanently transferring the Infringing Websites used by Defendants to sell Counterfeit Products to Plaintiff, and transferring all assets in the Defendants’ financial accounts operated by PayPal, Inc. and any other Third Party Providers to Plaintiff.

Dated this 20th day of January, 2016.

Respectfully submitted,

s/ R. Mark Halligan

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Counsel for Plaintiff, Justin Alexander, Inc.

CERTIFICATE OF SERVICE

I hereby certify that on the 20th day of January 2016, I will electronically file the foregoing *Plaintiff's Memorandum of Law in Support of Motion for Entry of Default and Default Judgment* with the Clerk of the Court using the CM/ECF system, I will electronically publish the documents on a website to which the Infringing Websites that have been transferred to Plaintiff's control now redirect, and I will send an e-mail to the e-mail addresses identified in Exhibit1 to the Declaration of Richard J. Holmes and any e-mail addresses provided for Defendants by third parties that includes a link to said website.

Dated this 20th day of January, 2016.

Respectfully submitted,

s/ R. Mark Halligan _____
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