

UNITED STATES DISTRICT COURT

NORTHER DISTRICT OF ILLINOIS, EASTERN DIVISION

JOURNALINESH, INC.,
a Colorado Corporation,

Plaintiff,
v.

THE PARTNERSHIPS and
UNINCORPORATED ASSOCIATIONS
IDENTIFIED ON SCHEDULE “A”
a Foreign Entity

Defendants

Case No.1:22-cv-03740

Hon. Matthew F. Kennely

FIRST AMENDED COMPLAINT

Plaintiff JOURNALINESH, INC. (“Plaintiff”) hereby brings the present action against the Partnerships and Unincorporated Associations identified on Schedule A attached hereto (collectively, “Defendants”) and alleges as follows:

I. JURISDICTION AND VENUE

1. 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.*, the Copyright Act 17 U.S.C. § 501, *et seq.*, 28 U.S.C. § 1338(a)-(b) and 28 U.S.C. § 1331, and for common law trademark infringement, unfair competition and trade dress infringement under Illinois law.
2. Venue is proper in this Court pursuant to 28 U.S.C. § 1391, and 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 e-commerce stores operating under the seller aliases identified in Schedule A attached hereto (the “Seller Aliases”). Specifically, Defendants have targeted sales to Illinois residents by setting up and operating e-commerce stores that target United States consumers using one or more Seller Aliases, offer shipping to the United States, including Illinois, accept payment in U.S. dollars and, on information and belief, have sold products using infringing and counterfeit versions of Plaintiff’s federally registered copyrighted designs (collectively, the “Plaintiff’s Products”) to residents of Illinois. Each of the Defendants is committing tortious acts in Illinois, is engaging in interstate commerce, and has wrongfully caused Plaintiff substantial injury in the State of Illinois.

II. INTRODUCTION

3. Plaintiff is an assignee of intellectual property of Dongguan Youmaimai Trading Company Limited (DYTCL or Plaintiff’s assignor), a leader in the production of calendars, planners and journals (“Planners”) and related products. DYTCL’s products are distinguishable due to their specific design that involves copyrighted background artwork at the header of the pages of the planners, turquoise colored elements in the planners and motivational quotes included with each calendar month that the planner has (“Copyrighted Designs”).

III. PARTIES

Plaintiff

4. Plaintiff is a corporation formed and existing under the laws of Colorado.

5. On or about December 29, 2020 Plaintiff was assigned all intellectual property rights in the Copyrighted Designs and intellectual property related to Planners owned by DYTCL that included the copyrighted designs of weekly planners and registered foreign copyright.

6. Pursuant to that assignment Plaintiff has registered the assigned Copyrighted Designs

with the United States Copyright Office. The registrations include, but are not limited to: Plaintiff's artwork that is enclosed and appended at the header of its planners (U.S. Copyright Registration No. VA 2-303-531), issued by the Register of Copyrights on June 9, 2022.

Among the exclusive rights granted to Plaintiff under the U.S. Copyright Act are the exclusive rights to reproduce, prepare derivative works of, distribute copies of, and display the Copyrighted Designs to the public. A true and correct copy of the record from the U.S.

Copyright Office website for the above referenced Copyrighted Design is attached hereto as Exhibit 1.

The Defendants

7. Defendants are individuals and business entities of unknown makeup who own and/or operate one or more of the e-commerce stores under at least the Seller Aliases identified on Schedule A and/or other seller aliases not yet known to Plaintiff. On information and belief, Defendants reside and/or operate in the People's Republic of China or other foreign jurisdictions with lax trademark enforcement systems or redistribute products from the same or similar sources in those locations. Defendants have the capacity to be sued pursuant to Federal Rule of Civil Procedure 17(b).

8. On information and belief, Defendants, either individually or jointly, operate one or more e-commerce stores under the Seller Aliases listed in Schedule A attached hereto. Tactics used by Defendants to conceal their identities and the full scope of their operation make it virtually impossible for Plaintiff to learn Defendants' true identities and the exact interworking of their counterfeit network. If Defendants provide additional credible information regarding their identities, Plaintiff will take appropriate steps to amend the Complaint.

IV. SUBSTANTIVE ALLEGATIONS

Plaintiff's Common Law Trademark Rights

9. Plaintiff is and assignee and a prominent designer and manufacturer of diaries, academic planners and calendars distributed throughout the U.S. and the world. Plaintiff assignor consistently is ranked as top seller on online ecommerce platforms.

10. Since 2020, Plaintiff's assignor has continuously used the turquoise color in its academic planners applied to each and every page where the month is indicated, and where holiday tabs are. Additionally, Plaintiff's assignor has applied copyrighted artwork to the header of each of his pages for the whole month, with a motivational quote at the top right-hand corner of the month indicator page ("Plaintiff's Mark"). This arbitrary, non-functional color pattern along with the artwork design and the quote is an indicator of Plaintiff as the source and origin of its planners. For example, the turquoise used in the planners is preeminently featured on all Plaintiff's Products. Attached hereto as Exhibit 2 is an example of Plaintiff's Product design with the Plaintiff's Mark.

11. The Planners bearing the Plaintiff's Mark have been prominently featured throughout the U.S. in multiple markets and promotional venues

12. Due to the quality of its products and its international reputation Plaintiff's assignor has achieved extensive sales throughout the United States and the world.

15. The Plaintiff's Mark is nonfunctional because:

- a. So far as currently known, no statutes, regulations, ordinances, codes or industry standards require, regulate and/or standardize the use of the identified

color on the goods.

b. So far as currently known, the turquoise color elements, the copyrighted artwork, and the motivational quote do not serve as a safety feature of the identified goods.

16. Plaintiff's assignor offers and has sold a wide variety of planners and other similar products that have the distinctive color turquoise applied to the month and holiday designations, as well as the copyrighted artwork included along the header of the months on each page. These features as applied to the planners are not functional, nor do they serve merely a decorative or utilitarian purpose, but rather is an unusual color to be applied to the planner and is done to distinguish Plaintiff's Products. Plaintiff's Mark is not a natural by-product of the manufacturing process for the goods, and has no bearing on the cost, quality, or functionality of the goods. The mark serves no purpose as used on Plaintiff's Products other than enhancing recognition products by persons encountering the products in use, and thereby serving a source-identifying function. Given the longevity and widespread geographic use of Plaintiff's Mark on planners has an "acquired distinctiveness," that is, a secondary meaning, as indicating Plaintiff's assignor as the source of the origin of the planners.

17. As such, Plaintiff's assignor has prominently and extensively advertised, marketed and promoted products offered under the Plaintiff's Mark throughout the United States and the world through such varied media as the internet. As a result, Plaintiff's has developed substantial and valuable goodwill in Plaintiff's Mark. Subsequently Plaintiff's assignor assigned all rights and title, including right to prosecute and enforce legal claims against infringers to Plaintiff.

Trade Dress in Plaintiff's Mark and Defendants' Unlawful Conduct

18. As set out above, Plaintiff's assignor's use of Plaintiff's Mark in commerce is widespread and substantial in the United States.
19. Given such widespread notoriety and use in commerce of the color turquoise combined with the other features of Plaintiff's Mark in sales and advertising, the color turquoise as applied to Planners and calendars with other features of the Plaintiff's Mark has secondary meaning—*i.e.*, acquired distinctiveness—as a source indicator for Plaintiff's Products.
20. Defendants have counterfeited Plaintiff's Mark by using identically designed planners and calendars
21. Defendants have targeted sales to Illinois residents by setting up and operating e-commerce stores that target United States consumers using one or more Seller Aliases, offer shipping to the United States, including Illinois, accept payment in U.S. dollars and, on information and belief, have sold Unauthorized Products to residents of Illinois.
22. Defendants concurrently employ and benefit from substantially similar advertising and marketing strategies. For example, Defendants facilitate sales by designing the e-commerce stores operating under the Seller Aliases so that they appear to unknowing consumers to be authorized online retailers, outlet stores, or wholesalers. E-commerce stores operating under the Seller Aliases appear sophisticated and accept payment in U.S. dollars via credit cards, Alipay, Amazon Pay, Western Union, and/or PayPal. E-commerce stores operating under the Seller Aliases often include content and images that make it very difficult for consumers to distinguish such stores from an authorized retailer. Plaintiff has not licensed defendants to use its marks.
23. On information and belief, Defendants have engaged in fraudulent conduct when

registering the Seller Aliases by providing false, misleading and/or incomplete information to Internet based e-commerce platforms. On information and belief, certain Defendants have anonymously registered and maintained Seller Aliases to prevent discovery of their true identities and the scope of their e-commerce operation

24. On information and belief, Defendants regularly register or acquire new seller aliases for the purpose of offering for sale and selling Unauthorized Products. Such seller alias registration patterns are one of many common tactics used by the Defendants to conceal their identities and the full scope and interworking of their counterfeiting operation, and to avoid being shut down.

25. Even though Defendants operate under multiple fictitious aliases, the e-commerce stores operating under the Seller Aliases often share unique identifiers, such as templates with common design elements that intentionally omit any contact information or other information for identifying Defendants or other Seller Aliases they operate or use. E-commerce stores operating under the Seller Aliases include other notable common features such as use of the same registration patterns, accepted payment methods, check-out methods, keywords, illegitimate search engine optimization (SEO), advertising tactics, similarities in price and quantities, the same incorrect grammar and misspellings, and/or the use of the same text and images.

26. Counterfeiters such as Defendants typically operate under multiple seller aliases and payment accounts so that they can continue operation in spite of Plaintiff's enforcement efforts. On information and belief, Defendants maintain off-shore bank accounts and regularly move funds from their financial accounts to off-shore accounts outside the jurisdiction of this Court to avoid payment of any monetary judgment awarded to Plaintiff. Indeed, analysis of financial transaction logs from previous similar cases indicates that

off-shore counterfeiters regularly move funds from U.S. based financial accounts to off-shore accounts outside the jurisdiction of this Court.

27. On information and belief, Defendants are an interrelated group of counterfeiters working in active concert to knowingly and willfully manufacture, import, distribute, offer for sale, and sell Unauthorized Products in the same transaction, occurrence, or series of transactions or occurrences. Defendants, without any authorization or license from Plaintiff, have jointly and severally, knowingly and willfully used and continue to use the Plaintiff's Marks in commerce.

COUNT I

Federal Trade Dress Infringement – 15 U.S.C. § 1125 (Plaintiff's Trade Dress)

28. Plaintiff hereby re-alleges and incorporates by reference the allegations set forth above in Paragraphs 1 – 27.

29. Consumers have come to associate the distinctive turquoise color, the copyrighted artwork and other features of Plaintiffs Mark which comprise Plaintiff's assignor's trade dress, with Plaintiff's Products and services ("Trade Dress").

30. Through Plaintiff's assignor's promotional efforts, business conduct, and continuous use of its E-Commerce store, its marketing displays and their associated trade dress, Plaintiff's assignor has developed and maintained clients throughout the United States, including in Illinois. Through its widespread and favorable acceptance and recognition by the consuming public, the turquoise "look and feel" of the Plaintiff's Products have become an asset of substantial value as a symbol of Plaintiff's assignor, Plaintiff's assignor's high quality products and services, and its goodwill.

31. Accordingly, Plaintiff's assignor has established valid and enforceable rights in the

turquoise “look and feel” of its products as described herein.

32. Notwithstanding Plaintiff’s assignor’s preexisting, valid and enforceable rights in the turquoise color as applied to the planners and other features of Plaintiff’s Marks and Defendants, without permission or approval, are using Plaintiff’s Marks and its trade dress on their products in Illinois and the United States.

33. As a result of Defendants’ unauthorized use of Plaintiff’s Trade Dress, Plaintiff’s assignor and Defendants have each used and are using Plaintiff’s Trade Dress in connection with the advertising, marketing, offering to sell, and reselling of identical products and services.

34. Plaintiff’s assignor and Defendants have each offered and are offering their respective products and services to like customers in the same geographical locations and through the same trade channels.

35. Defendants are direct competitors of Plaintiff’s assignor.

36. Defendants’ unauthorized use of the Plaintiff’s Marks and Trade Dress, in connection with offering related and competing products and services, is not authorized by Plaintiff’s assignor and is likely to cause consumer confusion and mistake, and to deceive consumers as to the source, origin, or affiliation of Defendants’ products and services.

37. The acts by Defendants described herein constitute infringement and misappropriation of Plaintiff’s rights in and to the use of and, specifically, give rise to this claim under 15 U.S.C. § 1125(a)(1).

38. Pursuant to 15 U.S.C. § 1117 and other applicable law, Plaintiff seeks and is entitled to Defendants’ profits, damages sustained by Plaintiff, and the costs of this action, and under the circumstances of this case, treble damages. Further, to the extent recovery based on profits is inadequate, Plaintiff seeks and is entitled to judgment for such sum as the Court in its discretion

shall find to be just.

39. Because of the blatant and willful nature of the Defendants' infringement, Plaintiff submits that this is an exceptional case and seeks its reasonable attorneys' fees pursuant to 15 U.S.C. § 1117(b) and other applicable law.

COUNT II

Common Law Trademark Infringement, Unfair Competition and Trade Dress Infringement

40. Plaintiff hereby re-alleges and incorporates by reference the allegations set forth above in Paragraphs 1 – 39.

41. Plaintiff's assignor was the first to use the Plaintiff's Mark. As a result of Plaintiff's widespread and continuous use in commerce, including its promotion and sales of products bearing the Plaintiff's Mark and Trade Dress, Plaintiff's Mark and Trade Dress, have become widely known. Plaintiff has been identified by the public as the manufacturer of the products to which the Plaintiff's Mark is applied.

42. As a result of the experience, care, and service of Plaintiff in producing the products to which the Plaintiff's Mark is applied, these products have become widely known and acquired a worldwide reputation for quality, styling and utility. Moreover, the Plaintiff's Mark, and Plaintiff's Trade Dress have come to symbolize Plaintiff's reputation for quality and excellence. The Plaintiff's Mark, Trade Dress have also acquired secondary meaning (*i.e.*, acquired distinctiveness) in the U.S. marketplace and the unusual color yellow is non-functional and serves no utilitarian purpose.

43. Defendants, with knowledge of and with the intentional disregard of Plaintiff's rights, continue to advertise, promote and sell products using the Plaintiff's Mark, Trade Dress or colorable and confusing imitations thereof. Defendants' acts are likely to cause, have caused,

and will continue to cause confusion as to the source and/or sponsorship of Plaintiff's Products and services.

44. Defendants' acts alleged herein are specifically, without limitation, their use, manufacture, promotion, offers to sell, selling, and/or importing into the United States products that are confusingly similar to products bearing the Plaintiff's Mark and Trade Dress, which infringe Plaintiff's exclusive intellectual property rights in violation of the common law.

45. Defendants' acts alleged herein have caused, and if not enjoined will continue to cause, irreparable and continuing harm to Plaintiff's Mark, business reputation, and goodwill. Plaintiff has no adequate remedy at law because monetary damages are inadequate to compensate Plaintiff for the injuries caused by Defendants to its intellectual property, business, reputation, and goodwill.

46. Defendants' use of colorable imitations of the Plaintiff's Mark, and Trade Dress have been intentional and willful. Defendants' bad faith is evidenced at least by Defendants' use of a mark identical to the Plaintiff's Mark on its Infringing Products. Plaintiff is entitled to injunctive relief, and Plaintiff is also entitled to recover Defendants' profits, actual damages, enhanced profits and damages, punitive damages, and costs.

COUNT III

Copyright Infringement of U.S. Copyright Registration (17 U.S.C. §§ 106 and 501)

47. Plaintiff hereby re-alleges and incorporates by reference the allegations set forth in the preceding paragraphs.

48. Plaintiff is the owner of valid and enforceable Copyrighted Designs, which contain certain copyrightable subject matter under 17 U.S.C. §§ 101, *et seq.*

49. Plaintiff has complied with the registration requirements of 17 U.S.C. § 411(a) for the Copyrighted Designs.

50. Defendants do not have any ownership interest in the Plaintiff's Copyrighted Designs. Defendants had access to the Plaintiff's Copyrighted Designs via the internet.

51. Without authorization from Plaintiff, or any right under the law, Defendants have deliberately copied, displayed, distributed, reproduced and/or made derivative works incorporating the Plaintiff's Copyrighted Designs on e-commerce stores operating under the Seller Aliases and the corresponding Unauthorized Products. Defendants' derivative works are virtually identical to and/or are substantially similar to the look and feel of the Plaintiff's Copyrighted Designs. Such conduct infringes and continues to infringe the Copyrighted Designs in violation of 17 U.S.C. § 501(a) and 17 U.S.C. §§ 106(1)–(3), (5).

52. Defendants reap the benefits of the unauthorized copying and distribution of the Plaintiff's Copyrighted Designs in the form of revenue and other profits that are driven by the sale of Unauthorized Products.

53. Defendants have unlawfully appropriated Plaintiff's protectable expression by taking material of substance and value and creating Unauthorized Products that capture the total concept and feel of the Plaintiff's Copyrighted Designs.

54. On information and belief, Defendants' infringement has been willful, intentional, and purposeful, and in disregard of and with indifference to Plaintiff's rights.

55. Defendants, by their actions, have damaged Plaintiff in an amount to be determined at trial.

56. Defendants' conduct is causing, and unless enjoined and restrained by this Court will continue to cause, Plaintiff great and irreparable injury that cannot fully be compensated or

measured in money. Plaintiff has no adequate remedy at law. Pursuant to 17 U.S.C. § 502, Plaintiff is entitled to a preliminary and permanent injunction prohibiting further infringement of the Plaintiff's Copyrighted Designs.

GENERAL PRAYER FOR RELIEF

WHEREFORE, Plaintiff respectfully prays for:

- A. Judgment that Defendants have (i) willfully engaged in trademark counterfeiting in violation of 15 USC §1114; (ii) willfully infringed the Plaintiff's Mark in violation of 15 U.S.C. §1114; (iii) willfully used false designations of origin and/or engaged in unfair competition in violation of 15 U.S.C. 1125(a); and (iv) willfully violated Plaintiff's common law rights in the Plaintiff's Mark, and/or Plaintiff's Trade Dress;
- B. Ongoing injunctive relief during the pendency of this case and a permanent injunction against further counterfeiting, infringement, false designation of origin, and unfair competition directed against the Plaintiff's Mark and Trade Dress by Defendants, their agents, servants, employees, attorneys, and all persons in active concert or participation therewith;
- C. A finding that this is an exceptional case in accordance with 15 U.S.C. §1117(a) and an award to Plaintiff as the prevailing party of its reasonable attorneys' fees;
- D. An award of damages adequate to compensate Plaintiff for the trademark infringement that has occurred pursuant to 15 U.S.C. §1117(a), which amount shall include Defendants' profits, Plaintiff damages and the costs of this action;
- E. At Plaintiff's election, either (1) an award of damages adequate to compensate Plaintiff for the intentional acts of trademark counterfeiting that have occurred pursuant to 15 U.S.C. §1117(b), which amount shall include three times the amount of Defendants' profits or

Plaintiff's damages (whichever is greater), together with reasonable attorneys' fees; or (2) statutory damages in the amount of: (i) not less than \$1,000 and no more than \$200,000 per counterfeit mark per type of goods and services sold, offered for sale, or distributed, as the Court considers just; or (ii) if the Court finds the use of the counterfeit mark was willful, not more than \$2 million per counterfeit mark per type of goods and services sold, offered for sale or distributed, as the Court considers just; and

F. As a direct and proximate result of Defendants' infringement of the Plaintiff's Copyrighted Designs, Plaintiff is entitled to damages as well as Defendants' profits, pursuant to 17 U.S.C. § 504(b);

G. Alternatively, and at Plaintiff's election prior to any final judgment being entered, Plaintiff is entitled to the maximum amount of statutory damages provided by law, \$150,000 per work infringed pursuant to 17 U.S.C. § 504(c), or for any other such amount as may be proper pursuant to 17 U.S.C. § 504(c);

H. Plaintiff is further entitled to recover its attorneys' fees and full costs for bringing this action pursuant to 17 U.S.C. § 505 and 17 U.S.C. § 1117(a); and

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

Respectfully submitted on this 31st day of August, 2022

/s/ Vahe Khojayan

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DEMAND FOR JURY TRIAL

Pursuant to Rule 38(b), Federal Rules of Civil Procedure, Plaintiff respectfully demands a trial by jury on all issues so triable by jury.

EXHIBIT 1

Registration #: VA0002303531
Service Request #: 1-11376359921

Mail Certificate

YK Law LLP
Miya Deng
445 S Figueroa St, STE 2280
445 S Figueroa St
los angeles, CA 90071 United States

Priority: Special Handling

Application Date: May 16, 2022

Correspondent

Organization Name: YK Law LLP
Name: Miya Deng
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Registration Number

VA 2-303-531

Effective Date of Registration:

May 16, 2022

Registration Decision Date:

June 09, 2022

Title

Title of Work: Academic planner

Completion/Publication

Year of Completion: 2019

Date of 1st Publication: August 27, 2019

Nation of 1st Publication: United States

Author

- **Author:** JOURNALINESH INC.
Author Created: 2-D artwork
Work made for hire: Yes
Citizen of: United States
Domiciled in: United States

Copyright Claimant

Copyright Claimant: JOURNALINESH INC.
1942 Broadway St., STE 314C, Boulder, CO, 80302, United States

Rights and Permissions

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Address: 445 S Figueroa St
STE 2280
los angeles, CA 90071 United States

Certification

Name: Miya Deng
Date: May 16, 2022

Correspondence: Yes
Copyright Office notes: Regarding basis for registration: Registration based on 2-D artwork seen in the header of each month; layout and format not copyrightable. Compendium 313.3 (E); Calendars, schedules and blank forms not copyrightable. 37 CFR 202.1.

EXHIBIT 2

2022-2023 MONTHLY PAGE

Monthly Tabs

Inspirational Quote

Note Section

How to deal with it.

— Helen Mirren

July 2022

"The trick in life

Saturday

Notes

Sunday

Monday

Tuesday

Wednesday

Thursday

Friday

3

4

5

6

7

8

9

Independence Day (US)

10

11

12

13

14

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16

Bastille Day (FR)

17

18

19

20

21

22

1.18"

14

27

28

29

1.28"

Bastille Day (FR)

21

June 2022

S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

August 2022

S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

Past and Future Monthly Reference

Holidays Reminder

2022-2023 WEEKLY PAGE

Write Your Top Priorities
of The Week down

July 2022

Priorities:

- ☐
- ☐
- ☐

July 2022

S	M	T	W	T	F	S
						1 2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

Independence Day (US)

Thursday

7

Friday

8

Saturday

9

Sunday

10

Present Monthly Reference

July 2022

S	M	T	W	T	F	S
						1 2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

Ample Ruled Writing Space

Wednesday

6

Holiday Reminder

Independence Day (US)

Organize Your Whole Week

[illegible]

Contacts Pages

Useful Inner Pocket

Today is a new beginning