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Kelly Toys Holdings, LLC

UNITED STATES DISTRICT COURT
 SOUTHERN DISTRICT OF NEW YORK

KELLY TOYS HOLDINGS, LLC,

Plaintiff

v.

CHANG SHA ZHUO QIAN DIAN ZI KE JI YOU
 XIAN GONG SI, CHANG ZHOU WAN KAI WEN
 HUA YONG PIN YOU XIAN GONG SI,
 CHENGDE JIUBO ELECTRONIC COMMERCE,
 DALIAN JIAXU TRADING, DONG GUAN SHI
 HAI QI MAO YI YOUXIANGONGSI,
 DONGGUAN DEZHUOSHENG BUSINESS &
 TRADING, DONGGUAN TINGQIWAN
 TRADING,
 FUDINGSHIXIAOQIRIYONGBAIHUOJINGYIN
 GBU, GUANG ZHOU SHI AI NI MAO YI YOU
 XIAN GONG SI, GUANGZHOU DOMINEERING
 POINT TRADING, GUANGZHOU JIWEI
 INFORMATION TECHNOLOGY, GUANGZHOU
 LINGHE DIANZI KEJIYOUXIANGONGSI,
 GUANGZHOU SHUZISHANDONG KEJI
 YOUXIAN GONGSI, GUANGZHOU TAOPAI
 DEPARTMENT STORE CENTER,
 GUANGZHOUFUHANJIAJUYONGPINYOUXIA
 NGONGSI,
 HAILUNSHIHUITENGSHANGMAOYOUXIANG
 ONGSI, HANGZHOU MINGXU JINCHUKOU
 YOUXIANGONGSI,

Civil Case No.:

~~PROPOSED~~

1) TEMPORARY
 RESTRAINING ORDER; 2)
 ORDER RESTRAINING
 MERCHANT STOREFRONTS
 AND DEFENDANTS' ASSETS
 WITH THE FINANCIAL
 INSTITUTIONS; 3) ORDER TO
 SHOW CAUSE WHY A
 PRELIMINARY INJUNCTION
 SHOULD NOT ISSUE; 4)
 ORDER AUTHORIZING
 BIFURCATED AND
 ALTERNATIVE SERVICE; AND
 5) ORDER AUTHORIZING
 EXPEDITED DISCOVERY

FILED UNDER SEAL

HANGZHOUHANFEIMAOYIYOUXIANGONGSI
, HUIDA CROSS-BORDER LOGISTICS
(SHENZHEN), HUIZHOU RUICHANGDA
TECHNOLOGY, NANFANGYU (SHENZHEN)
GUOJIMAOYIYOUXIANGONGSI,
NANTONGWUNIUFANGZHIPINYOUXIANGON
GSI, QUANZHOU DENGKU ELECTRONIC
TECHNOLOGY, SHEN ZHEN SHI LE KA MAO
YI YOU XIAN GONG SI, SHEN ZHEN SHI PO FU
SHANG MAO YOU XIAN GONG SI, SHENZHEN
DONGRENHAO TRADING, SHENZHEN
FENGBO TRADING, SHENZHEN GUICHEN
TECHNOLOGY, SHENZHEN HAIWEISI
TECHNOLOGY, SHENZHEN HUAFEI
TRADING, SHENZHEN JIENUOYI TRADING,
SHENZHEN LEBANGHUI TRADING,
SHENZHEN NAIERJIN TECHNOLOGY,
SHENZHEN SHI JUNGE TRADING, SHENZHEN
TIANYING E-COMMERCE, SHENZHEN
XINYICHUANG TECHNOLOGY,
SHENZHENSHI BAOANQU BISHUN
SHANGMAOHANG, SHENZHENSHI
MAISITONG KEJI YOUXIANGONGSI,
SHENZHENSHI MITANG FANGZHIPIN
YOUXIANGONGSI, SHENZHENSHI
NUOSHILAN DIANZI YOUXIAN GONGSI,
SHENZHENSHIAIYANKEJIYOUXIANGONGSI,
SHENZHENSHIHAOSHENGZHEKEJIYOUXIAN
GONGSI,
SHENZHENSHIHUAYUYANGMAOYIYOUXIA
NGONGSI,
SHENZHENSHISITABORUIKEJIYOUXIANGON
GSI,
TAIZHOUSHIYAGESUYEYOUXIANGONGSI,
WEIFANG YUJIN TRADING, WEIHAI LEKA
TECHNOLOGY, WEIHAI XUSHENG
TECHNOLOGY,
WUHUASHUIZHAIZHENRUNLINDICHANZHO
NGJIE, XINXIANG YALI NETWORK, XINYU
MAOXIN TECHNOLOGY, XUCHANG
HENGKANG TRADING COMPANY, YI WU SHI
OU XING DIANZI SHANG WU YOUXIAN
GONGSI, YIWEISAI (SHENZHEN)
ELECTRONIC and ZAOZHUANG BOQIN
TRADING COMPANY,

Defendants

GLOSSARY

Term	Definition
Plaintiff or Kelly Toys	Kelly Toys Holdings, LLC
Defendants	<p>Chang Sha Zhuo Qian Dian Zi Ke Ji You Xian Gong Si, Chang Zhou Wan Kai Wen Hua Yong Pin You Xian Gong Si, Chengde Jiubo Electronic Commerce, Dalian Jiayu Trading, Dong Guan Shi Hai Qi Mao Yi Youxiangongsi, Dongguan Dezhuosheng Business & Trading, Dongguan Tingqiwan Trading, Fudingshixiaoqiriyongbaihuojingyingbu, Guang Zhou Shi Ai Ni Mao Yi You Xian Gong Si, Guangzhou Domineering Point Trading, Guangzhou Jiwei Information Technology, Guangzhou Linghe Dianzi Kejiyouxiangongsi, Guangzhou Shuzishandong Keji Youxian Gongsi, Guangzhou Taopai Department Store Center, Guangzhoufuhanjiajuyongpinyouxiangongsi, Hailunshihuitengshangmaoyouxiangongsi, Hangzhou Mingxu Jinchukou Youxiangongsi, Hangzhouhanfeimaoyiyouxiangongsi, Huida Cross-border Logistics (Shenzhen), Huizhou Ruichangda Technology, Nanfangyu (Shenzhen) Guojimaoyiyouxiangongsi, Nantongwuniufangzhipinyouxiangongsi, Quanzhou Dengku Electronic Technology, Shen Zhen Shi Le Ka Mao Yi You Xian Gong Si, Shen Zhen Shi Po Fu Shang Mao You Xian Gong Si, Shenzhen Dongrenhao Trading, Shenzhen Fengbo Trading, Shenzhen Guichen Technology, Shenzhen Haiweisi Technology, Shenzhen Huafei Trading, Shenzhen Jienuoyi Trading, Shenzhen Lebanghui Trading, Shenzhen Naierjin Technology, Shenzhen Shi Junge Trading, Shenzhen Tianying E-commerce, Shenzhen Xinyichuang Technology, Shenzhenshi Baoanqu Bishun Shangmaohang, Shenzhenshi Maisitong Keji Youxiangongsi, Shenzhenshi Mitang Fangzhipin Youxiangongsi, Shenzhenshi Nuoshilan Dianzi Youxian Gongsi, Shenzhenshi aiyankejiyouxiangongsi, Shenzhenshi haoshengzhekejiyouxiangongsi, Shenzhenshi huayuyangmaoyiyouxiangongsi, Shenzhenshi sitaboruikexiyouxiangongsi, TaiZhouShiYaGeSuYeYouXianGongSi, Weifang Yujin Trading, Weihai Leka Technology, Weihai Xusheng Technology, Wuhuashuizhaizhenrunlindichanzhongjie, Xinxiang Yali Network, Xinyu Maoxin Technology, Xuchang Hengkang Trading Company, Yi Wu Shi Ou Xing Dianzi Shang Wu Youxian Gongsi, Yiweisai (Shenzhen) Electronic and Zaozhuang Boqin Trading</p>

	Company
Fruugo	Fruugo.com, an online marketplace platform that allows manufacturers, wholesalers and other third-party merchants, like Defendants, to advertise, offer for sale, sell, distribute and ship their wholesale and retail products originating from China directly to consumers across the world and specifically to consumers residing in the U.S., including New York
Epstein Drangel	Epstein Drangel LLP, counsel for Plaintiff
New York Address	244 Madison Ave, Suite 411, New York, NY 10016
Complaint	Plaintiff's Complaint
Application	Plaintiff's <i>Ex Parte</i> application for: 1) a temporary restraining order; 2) an order restraining Merchant Storefronts (as defined <i>infra</i>) and Defendants' Assets (as defined <i>infra</i>) with the Financial Institutions (as defined <i>infra</i>); 3) an order to show cause why a preliminary injunction should not issue; 4) an order authorizing bifurcated and alternative service; and 5) an order authorizing expedited discovery
Kelly Dec.	Declaration of Jonathan Kelly in Support of Plaintiff's Application
Ioannou Dec.	Declaration of Karena K. Ioannou in Support of Plaintiff's Application
Squishmallows Application	U.S. Trademark Serial Application No.: 90/676,140 for "ORIGINAL SQUISHMALLOWS," for goods in Class 28
Squishmallows Registrations	U.S. Trademark Registration Nos.: 5,454,574 for "SQUISHMALLOW" for goods in Class 28; 6,137,521 for "FLIP A MALLOWS" for goods in Class 28; 5,962,289 for "MYSTERY SQUAD" for goods in Class 28; 2,029,047 for "KELLYTOY" for goods in Class 28; and 6,654,108 for "SQUISHMALLOWS HUG MEES" for goods in Class 28
Squishmallows Marks	The marks covered by the Squishmallows Registrations and Squishmallows Application
Squishmallows Works	The works covered by the U.S. copyright registrations listed in Exhibit C to the Complaint
Squishmallows Products	A line of loveable buddies made with a super soft, marshmallow-like texture that come in a variety of sizes from 3.5-inch clip-ons to extra-large 24 inch plush toys, and have expanded to other styles including Hug Mees, Stackables, Mystery Squad and Flip-A-Mallows.
Counterfeit Products	Products bearing or used in connection with the Squishmallows Marks and/or Squishmallows Works, and/or products in packaging and/or containing labels and/or hang tags bearing the Squishmallows Marks and/or Squishmallows Works, and/or bearing or used in connection with marks and/or artwork that are confusingly or substantially similar to the

	Squishmallows Marks and/or Squishmallows Works and/or products that are identical or confusingly or substantially similar to the Squishmallows Products
Infringing Listings	Defendants' listings for Counterfeit Products
User Accounts	Any and all websites and any and all accounts with online marketplace platforms such as Fruugo as well as any and all as yet undiscovered accounts with additional online marketplace platforms held by or associated with Defendants, their respective officers, employees, agents, servants and all persons in active concert or participation with any of them
Merchant Storefronts	Any and all User Accounts through which Defendants, their respective officers, employees, agents, servants and all persons in active concert or participation with any of them operate storefronts to manufacture, import, export, advertise, market, promote, distribute, display, offer for sale, sell and/or otherwise deal in Counterfeit Products, which are held by or associated with Defendants, their respective officers, employees, agents, servants and all persons in active concert or participation with any of them
Defendants' Assets	Any and all money, securities or other property or assets of Defendants (whether said assets are located in the U.S. or abroad)
Defendants' Financial Accounts	Any and all financial accounts associated with or utilized by any Defendants or any Defendants' User Accounts or Merchant Storefront(s) (whether said accounts are located in the U.S. or abroad)
Financial Institutions	Any banks, financial institutions, credit card companies and payment processing agencies, such as PayPal Inc. ("PayPal"), Payoneer Inc. ("Payoneer"), Alipay.com Co., Ltd. ("Alipay"), PingPong Global Solutions, Inc. ("PingPong") and other companies or agencies that engage in the processing or transfer of money and/or real or personal property of Defendants
Third Party Service Providers	Online marketplace platforms, including, without limitation, those owned and operated, directly or indirectly by Fruugo, as well as any and all as yet undiscovered online marketplace platforms and/or entities through which Defendants, their respective officers, employees, agents, servants and all persons in active concert or participation with any of them manufacture, import, export, advertise, market, promote, distribute, offer for sale, sell and/or otherwise deal in Counterfeit Products which are hereinafter identified as a result of any order entered in this action, or otherwise

On this day, the Court considered Plaintiff's *ex parte* application for the following: 1) a temporary restraining order; 2) an order restraining Merchant Storefronts and Defendants' Assets with the Financial Institutions; 3) an order to show cause why a preliminary injunction should not issue; 4) an order authorizing bifurcated and alternative service; and 5) an order authorizing expedited discovery against Defendants, Third Party Service Providers and Financial Institutions in light of Defendants' intentional and willful offerings for sale and/or sales of Counterfeit Products.¹ A complete list of Defendants is attached hereto as **Schedule A**, which also includes links to Defendants' Merchant Storefronts and Infringing Listings. Having reviewed the Application, Declarations of Jonathan Kelly and Karena K. Ioannou, along with exhibits attached thereto and other evidence submitted in support thereof, the Court makes the following findings of fact and conclusions of law:

FACTUAL FINDINGS & CONCLUSIONS OF LAW

1. Plaintiff is one of the world's most influential, leading manufacturers and distributors of high-quality plush toys and gifts, and is known for its best-selling brands, including Pillow Chums, Kellybaby and Kellypet.

2. Plaintiff sells its Kelly Toys Products in major retailers, department stores and online marketplaces, including, but not limited to: Walmart, Justice, Target and Amazon.

3. One of the most popular Kelly Toys Brands is Squishmallows, a line of loveable buddies made with a super soft, marshmallow-like texture that come in a variety of sizes from 3.5-inch clip-ons to extra-large 24-inch plush toys. The Squishmallows Products have expanded to other styles including Hug Mees, Stackables, Mystery Squad and Flip-A-Mallows.

4. Since their debut in 2017, over 73 million Squishmallows Products have been sold

¹ Where a defined term is referenced herein and not defined herein, the defined term should be understood as it is defined in the Glossary.

worldwide, and sales of Squishmallows have tripled in the past six months.

5. In 2020, the Squishmallows Products were awarded “Best Toy of the Year” by Learning Express.

6. Recently, Squishmallows won the 2022 “Toy of the Year” award as well as the “People’s Choice” award and “Plush Toy of the Year” at the Toy of the Year awards ceremony.

7. The Squishmallows Products are sold by major U.S. retailers and e-commerce sites, such as Amazon, Target and Walmart.

8. The Squishmallows Products typically retail for between \$7.99-44.99.

9. While Kelly Toys has gained significant common law trademark and other rights in its Squishmallows Products, through its and/or its predecessor’s use, advertising and promotion, Kelly Toys has also protected its valuable rights by filing for and/or obtaining federal trademark registrations.

10. For example, Kelly Toys is the owner of the Squishmallows Registrations (i.e., U.S. Trademark Registration Nos. 6,137,521 for “FLIP A MALLOW” for goods in Class 28; 5,454,574 for “SQUISHMALLOW” for goods in Class 28; 5,962,289 for “MYSTERY SQUAD” for goods in Class 28; 2,029,047 for “KELLYTOY” for goods in Class 28; and 6,654,108 for “SQUISHMALLOWS HUG MEES” for goods in Class 28). Kelly Toys also applied for the registration of the Squishmallows Application (i.e., “ORIGINAL SQUISHMALLOWS,” which is covered by U.S. Trademark Serial Application No. 90/676,140 for goods in Class 28).

11. The Squishmallows Marks are currently in use in commerce in connection with the Squishmallows Products.

12. In addition, Kelly Toys is also the owner of registered copyrights in and related to the Squishmallows Products.

13. For example, Kelly Toys owns the Squishmallows Works, and the U.S. copyright registrations covering the same, which are listed in Exhibit C to the Complaint.

14. Defendants are manufacturing, importing, exporting, advertising, marketing, promoting, distributing, displaying, offering for sale or Counterfeit Product through Defendants' User Accounts and Merchant Storefronts with Fruugo (*see Schedule A* for links to Defendants' Merchant Storefronts and Infringing Listings).

15. Defendants are not, nor have they ever been, authorized distributors or licensees of the Squishmallows Products. Neither Plaintiff, nor any of Plaintiff's authorized agents, have consented to Defendants' use of the Squishmallows Works and/or Squishmallows Marks, nor has Plaintiff consented to Defendants' use of marks and/or artwork that are confusingly and/or substantially similar to, identical to and constitute a counterfeiting or infringement of the Squishmallows Works and/or Squishmallows Marks.

16. Plaintiff is likely to prevail on its Lanham Act, copyright and related common law claims at trial.

17. As a result of Defendants' infringements, Plaintiff, as well as consumers, are likely to suffer immediate and irreparable losses, damages and injuries before Defendants can be heard in opposition, unless Plaintiff's Application for *ex parte* relief is granted:

- a. Defendants have offered for sale and sold substandard Counterfeit Products that infringe the Squishmallows Works and/or Squishmallows Marks;
- b. Plaintiff has well-founded fears that more Counterfeit Products will appear in the marketplace; that consumers may be misled, confused and disappointed by the quality of these Counterfeit Products, resulting in injury to Plaintiff's reputation and goodwill; and that Plaintiff may suffer loss of sales for its Squishmallows Products; and
- c. Plaintiff has well-founded fears that if it proceeds on notice to Defendants on this Application, Defendants will: (i) secret, conceal, destroy, alter, sell-off, transfer or otherwise dispose of or deal with Counterfeit Products or other goods that infringe

the Squishmallows Works and/or Squishmallows Marks, the means of obtaining or manufacturing such Counterfeit Products, and records relating thereto that are in their possession or under their control, (ii) inform their suppliers and others of Plaintiff's claims with the result being that those suppliers and others may also secret, conceal, sell-off or otherwise dispose of Counterfeit Products or other goods infringing the Squishmallows Works and/or Squishmallows Marks, the means of obtaining or manufacturing such Counterfeit Products, and records relating thereto that are in their possession or under their control, (iii) secret, conceal, transfer or otherwise dispose of their ill-gotten proceeds from its sales of Counterfeit Products or other goods infringing the Squishmallows Works and/or Squishmallows Marks and records User Accounts and Merchant Storefront under new or different names and continue to offer for sale and sell Counterfeit Products with little to no consequence;

18. The balance of potential harm to Defendants of being prevented from continuing to profit from their illegal and infringing activities if a temporary restraining order is issued is far outweighed by the potential harm to Plaintiff, its business, the goodwill and reputation built up in and associated with the Squishmallows Works and/or Squishmallows Marks and to its reputations if a temporary restraining order is not issued.

19. Public interest favors issuance of the temporary restraining order in order to protect Plaintiff's interests in and to its Squishmallows Works and/or Squishmallows Marks, and to protect the public from being deceived and defrauded by Defendants' passing off of their substandard Counterfeit Products as Squishmallows Products.

20. Plaintiff has not publicized its request for a temporary restraining order in any way.

21. Service on Defendants via electronic means is reasonably calculated to result in proper notice to Defendants.

22. If Defendants are given notice of the Application, they are likely to secret, conceal, transfer or otherwise dispose of their ill-gotten proceeds from their sales of Counterfeit Products or other goods infringing the Squishmallows Works and/or Squishmallows Marks. Therefore, good cause exists for granting Plaintiff's request for an asset restraining order. It typically takes the Financial Institutions a minimum of five (5) days after service of the Order to locate, attach and freeze Defendants' Assets and/or Defendants' Financial Accounts and it is anticipated that it will take the Third Party Service Providers a minimum of five (5) days to freeze Defendants' Merchant Storefronts. As such, the Court allows enough time for Plaintiff to serve the Financial Institutions and Third Party Service Providers with this Order, and for the Financial Institutions and Third Party Service Providers to comply with the Paragraphs I(B)(1) through I(B)(2) and I(C)(1) through I(C)(2) of this Order, respectively, before requiring service on Defendants.

23. Similarly, if Defendants are given notice of the Application, they are likely to destroy, move, hide or otherwise make inaccessible to Plaintiff the records and documents relating to Defendants' manufacturing, importing, exporting, advertising, marketing, promoting, distributing, displaying, offering for sale and/or sale of Counterfeit Products. Therefore Plaintiff has good cause to be granted expedited discovery.

ORDER

Based on the foregoing findings of fact and conclusions of law, Plaintiff's Application is hereby **GRANTED** as follows:

I. Temporary Restraining Order

A. IT IS HEREBY ORDERED, as sufficient cause has been shown, that Defendants are hereby restrained and enjoined from engaging in any of the following acts or omissions for fourteen (14) days from the date of this order, and for such further period as may be provided by order of the Court:

- 1) manufacturing, importing, exporting, advertising, marketing, promoting, distributing, displaying, offering for sale, selling and/or otherwise dealing in Counterfeit Products, or any other products bearing the Squishmallows Works and/or Squishmallows Marks and/or marks and/or artwork that are confusingly and/or substantially similar to, identical to and constitute a counterfeiting or infringement of the Squishmallows Works and/or Squishmallows Marks;
- 2) directly or indirectly infringing in any manner Plaintiff's Squishmallows and Squishmallows Works;
- 3) using any reproduction, counterfeit, copy or colorable imitation of Plaintiff's Squishmallows Marks and Squishmallows Works, to identify any goods or service not authorized by Plaintiff;
- 4) using Plaintiff's Squishmallows Marks and/or Squishmallows Works and/or any other marks that are confusingly similar to the Squishmallows Marks and/or any other artwork that is substantially similar to the Squishmallows Works, on or in connection with Defendants' manufacturing, importing, exporting, advertising, marketing, promoting, distributing, offering for sale, selling and/or otherwise dealing in Counterfeit Products;
- 5) using any false designation of origin or false description, or engaging in any action which is likely to cause confusion, cause mistake and/or to deceive members of the trade and/or the public as to the affiliation, connection or association of any product manufactured, imported, exported, advertised, marketed, promoted, distributed, displayed, offered for sale or sold by Defendants with Plaintiff, and/or as to the origin, sponsorship or approval of any product manufactured, imported, exported, advertised, marketed, promoted, distributed, displayed, offered for sale or sold by Defendants and Defendants' commercial activities and Plaintiff;

- 6) secreting, concealing, destroying, altering, selling off, transferring or otherwise disposing of and/or dealing with: (i) Counterfeit Products and/or (ii) any computer files, data, business records, documents or any other records or evidence relating to their User Accounts, Merchant Storefronts or Defendants' Assets and the manufacture, importation, exportation, advertising, marketing, promotion, distribution, display, offering for sale and/or sale of Counterfeit Products;
- 7) effecting assignments or transfers, forming new entities or associations, or creating and/or utilizing any other platform, User Account, Merchant Storefront or any other means of importation, exportation, advertising, marketing, promotion, distribution, display, offering for sale and/or sale of Counterfeit Products for the purposes of circumventing or otherwise avoiding the prohibitions set forth in this Order; and
- 8) knowingly instructing any other person or business entity to engage in any of the activities referred to in subparagraphs I(A)(1) through I(A)(7) above and I(B)(1) through I(B)(2) and I(C)(1) below.

B. IT IS HEREBY ORDERED, as sufficient cause has been shown, that the Third Party Service Providers and Financial Institutions are hereby restrained and enjoined from engaging in any of the following acts or omissions for fourteen (14) days from the date of this order, and for such further period as may be provided by order of the Court:

- 1) secreting, concealing, transferring, disposing of, withdrawing, encumbering or paying Defendants' Assets from or to Defendants' Financial Accounts until further ordered by this Court;
 - 2) secreting, concealing, destroying, altering, selling off, transferring or otherwise disposing of and/or dealing with any computer files, data, business records, documents or any other records or evidence relating to Defendants' Assets and Defendants' Financial Accounts;
- and

3) knowingly instructing any person or business entity to engage in any of the activities referred to in subparagraphs I(A)(1) through I(A)(7) and I(B)(1) through I(B)(2) above and I(C)(1) below.

C. IT IS HEREBY ORDERED, as sufficient cause has been shown, that the Third Party Service Providers are hereby restrained and enjoined from engaging in any of the following acts or omissions for fourteen (14) days from the date of this order, and for such further period as may be provided by order of the Court:

- 1) within five (5) days after receipt of service of this Order, providing services to Defendants, Defendants' User Accounts and Defendants' Merchant Storefronts, including, without limitation, continued operation of Defendants' User Accounts and Merchant Storefronts; and
- 2) knowingly instructing any other person or business entity to engage in any of the activities referred to in subparagraphs I(A)(1) through I(A)(7), I(B)(1) through I(B)(2) and I(C)(1) above.

II. Order to Show Cause Why A Preliminary Injunction Should Not Issue And Order Of Notice

A. Defendants are hereby ORDERED to show cause before this Court ~~in Courtroom~~ ^{by telephone} of the ~~Courthouse~~ ^{conference}

United States District Court for the Southern District of New York at 500 Pearl Street/40 Foley Square, New York, New York on May 20, 2022 at 12:00 p.m.

or at such other time that this Court deems appropriate, why a preliminary injunction, pursuant to Fed. R. Civ. P. 65(a), should not issue.

*conf. number 888-557-8511
ACCESS CODE 9300838*

B. IT IS FURTHER ORDERED that opposing papers, if any, shall be filed electronically with the Court and served on Plaintiff's counsel by delivering copies thereof to the office of Epstein Drangel LLP at 60 East 42nd Street, Suite 2520, New York, NY 10165, Attn: Jason M. Drangel

on or before May 17, 2022. Plaintiff shall file any Reply papers on or before May 19, 2022.

C. IT IS FURTHER ORDERED that Defendants are hereby given notice that failure to appear at the show cause hearing scheduled in **Paragraph II(A)** above may result in the imposition of a preliminary injunction against them pursuant to Fed. R. Civ. P. 65, which may take effect immediately upon the expiration of this Order, and may extend throughout the length of the litigation under the same terms and conditions set forth in this Order.

III. Asset Restraining Order

A. IT IS FURTHER ORDERED pursuant to Fed. R. Civ. P. 64 and 65 and N.Y. C.P.L.R. 6201 and this Court's inherent equitable power to issue provisional remedies ancillary to its authority to provide final equitable relief, as sufficient cause has been shown, that within five (5) days of receipt of service of this Order, the Financial Institutions shall locate and attach Defendants' Financial Accounts and shall provide written confirmation of such attachment to Plaintiff's counsel.

IV. Order Authorizing Bifurcated and Alternative Service by Electronic Means

A. IT IS FURTHER ORDERED pursuant to Fed. R. Civ. P. 4(f)(3), as sufficient cause has been shown, that service may be made on, and shall be deemed effective as to Defendants if it is completed by the following means:

- 1) delivery of: (i) PDF copies of this Order together with the Summons and Complaint, and (ii) a link to a secure website (including NutStore, a large mail link created through Rmail.com and via website publication through a specific page dedicated to this Lawsuit accessible through ipcounselorslawsuit.com) where each Defendant will be able to download PDF copies of this Order together with the Summons and Complaint, and all papers filed in support of Plaintiff's Application seeking this Order to

Defendants' e-mail addresses to be determined after having been identified by Fruugo pursuant to Paragraph V(C) or may otherwise be determined.

- B. IT IS FURTHER ORDERED, as sufficient cause has been shown, that such alternative service by electronic means ordered herein shall be deemed effective as to Defendants, Third Party Service Providers and Financial Institutions through the pendency of this action.
- C. IT IS FURTHER ORDERED, as sufficient cause has been shown, that such alternative service by electronic means ordered herein shall be made within five (5) days of the Financial Institutions and Third Party Service Providers' compliance with **Paragraphs III(A)** and **V(C)** of this Order.
- D. IT IS FURTHER ORDERED, as sufficient cause has been shown, that the Clerk of the Court shall issue a single original summons directed to all Defendants as listed in an attachment to the summons that will apply to all Defendants.
- E. IT IS FURTHER ORDERED, as sufficient cause has been shown, that service may be made and shall be deemed effective as to the following if it is completed by the below means:
- 1) Delivery of (i) a PDF copy of this Order, or (ii) a link to a secure website where Fruugo will be able to download a PDF copy of this Order via electronic mail to Fruugo's Legal Department at legal@fruugo.com;
 - 2) delivery of: (i) a PDF copy of this Order, or (ii) a link to a secure website where PayPal Inc. will be able to download a PDF copy of this Order via electronic mail to PayPal Legal Specialist at EEOMALegalSpecialist@paypal.com;
 - 3) delivery of: (i) a PDF copy of this Order, or (ii) a link to a secure website where AliPay will be able to download a PDF copy of this Order via electronic mail Mr. Di Zhang, Member of the Legal & Compliance Department – IP, at di.zd@alipay.com;
 - 4) delivery of: (i) a PDF copy of this Order, or (ii) a link to a secure website where Payoneer Inc. will be able to download a PDF copy of this Order via electronic mail to Payoneer

Inc.'s Customer Service Management at subpoenas@payoneer.com; and

- 5) delivery of: (i) a PDF copy of this Order, or (ii) a link to a secure website where PingPong Global Solutions Inc. will be able to download a PDF copy of this Order via electronic mail to PingPong Global Solutions Inc.'s Legal Department at legal@pingpongx.com.

V. Order Authorizing Expedited Discovery

A. IT IS FURTHER ORDERED, as sufficient cause has been shown, that:

- 1) Within fourteen (14) days after receiving service of this Order, each Defendant shall serve upon Plaintiff's counsel a written report under oath providing:
 - a. their true name and physical address;
 - b. the name and location and URL of any and all websites that Defendants own and/or operate and the name, location, account numbers and URL for any and all User Accounts and Merchant Storefronts on any Third Party Service Provider platform that Defendants own and/or operate;
 - c. the complete sales records for any and all sales of Counterfeit Products, including but not limited to number of units sold, the price per unit, total gross revenues received (in U.S. dollars) and the dates thereof;
 - d. the account details for any and all of Defendants' Financial Accounts, including, but not limited to, the account numbers and current account balances; and
 - e. the steps taken by each Defendant, or other person served to comply with **Section I**, above.
- 2) Plaintiff may serve interrogatories pursuant to Rules 26 and 33 of the Federal Rules of Civil Procedure as well as Local Civil Rule 33.3 of the Local Rules for the Southern and Eastern Districts of New York and Defendants who are served with this Order shall provide written responses under oath to such interrogatories within fourteen (14) days of service to Plaintiff's counsel.

- 3) Plaintiff may serve requests for the production of documents pursuant to Fed. R. Civ. P. 26 and 34, and Defendants who are served with this Order and the requests for the production of documents shall produce all documents responsive to such requests within fourteen (14) days of service to Plaintiff's counsel.
- B. IT IS FURTHER ORDERED, as sufficient cause has been shown, that within five (5) days of receipt of service of this Order the Financial Institutions shall identify any and all of Defendants' Financial Accounts, and provide Plaintiff's counsel with a summary report containing account details for any and all such accounts, which shall include, at a minimum, identifying information for Defendants, including contact information for Defendants (including, but not limited to, mailing addresses and e-mail addresses), account numbers and account balances for any and all of Defendants' Financial Accounts and confirmation of said compliance with this Order.
- C. IT IS FURTHER ORDERED, as sufficient cause has been shown, that within five (5) days of receipt of service of this Order, the Third Party Service Providers shall identify any and all of Defendants' User Accounts and Merchant Storefronts, and provide Plaintiff's counsel with a summary report containing account details for any and all User Accounts and Merchant Storefronts, which shall include, at a minimum, identifying information for Defendants and Defendants' User Accounts and Defendants' Merchant Storefronts, contact information for Defendants (including, but not limited to, mailing addresses and e-mail addresses) and confirmation of said compliance with this Order.
- D. IT IS FURTHER ORDERED, as sufficient cause has been shown, that:
- 1) Within fourteen (14) days of receiving actual notice of this Order, all Financial Institutions who are served with this Order shall provide Plaintiff's counsel all documents and records in their possession, custody or control (whether located in the

U.S. or abroad) relating to any and all of Defendants' Financial Accounts, including, but not limited to, documents and records relating to:

- a. account numbers;
- b. current account balances;
- c. any and all identifying information for Defendants, Defendants' User Accounts and Defendants' Merchant Storefronts, including, but not limited to, names, addresses and contact information;
- d. any and all account opening documents and records, including, but not limited to, account applications, signature cards, identification documents and if a business entity, any and all business documents provided for the opening of each and every of Defendants' Financial Accounts;
- e. any and all deposits and withdrawals during the previous year from each and every one of Defendants' Financial Accounts and any and all supporting documentation, including, but not limited to, deposit slips, withdrawal slips, cancelled checks and account statements; and
- f. any and all wire transfers into each and every one of Defendants' Financial Accounts during the previous year, including, but not limited to, documents sufficient to show the identity of the destination of the transferred funds, the identity of the beneficiary's bank and the beneficiary's account number.

E. IT IS FURTHER ORDERED, as sufficient cause has been shown, that:

- 1) Within fourteen (14) days of receipt of service of this Order, the Third Party Service Providers shall provide to Plaintiff's counsel all documents and records in its possession, custody or control (whether located in the U.S. or abroad) relating to Defendants' User Accounts and Defendants' Merchant Storefronts, including, but not limited to, documents and records relating to:

- a. any and all User Accounts and Defendants' Merchant Storefronts and account details, including, without limitation, identifying information and account numbers for any and all User Accounts and Defendants' Merchant Storefronts that Defendants have ever had and/or currently maintain with the Third Party Service Providers that were not previously provided pursuant to Paragraph V(C);
- b. the identities, location and contact information, including any and all e-mail addresses of Defendants that were not previously provided pursuant to Paragraph V(C);
- c. the nature of Defendants' businesses and operations, methods of payment, methods for accepting payment and any and all financial information, including, but not limited to, information associated with Defendants' User Accounts and Defendants' Merchant Storefronts, a full accounting of Defendants' sales history and listing history under such accounts and Defendants' Financial Accounts with any and all Financial Institutions associated with Defendants' User Accounts and Defendants' Merchant Storefronts; and
- d. Defendants' manufacturing, importing, exporting, advertising, marketing, promoting, distributing, displaying, offering for sale and/or selling of Counterfeit Products, or any other products bearing the Squishmallows Marks and/or Squishmallows Works and/or marks and/or artwork that are confusingly and/or substantially similar to, identical to and constitute an infringement of the Squishmallows Marks and/or Squishmallows Works.

VI. Security Bond

A. IT IS FURTHER ORDERED that Plaintiff shall place security in the amount of 1000 Dollars (\$1000) with the Court which amount is determined adequate for the payment

of any damages any person may be entitled to recover as a result of an improper or wrongful restraint ordered hereunder.

VII. Sealing Order

A. IT IS FURTHER ORDERED that Plaintiff's Complaint and exhibits attached thereto, and Plaintiff's *ex parte* Application and the Declarations of Jonathan Kelly and Karena K. Ioannou in support thereof and exhibits attached thereto and this Order shall remain sealed until the Financial Institutions and Third Party Service Providers comply with **Paragraphs I(B)-(C), III(A) and V(C)** of this Order.

SO ORDERED.

SIGNED this 9 day of May, 2022, at 10:50 A.M.


UNITED STATES DISTRICT JUDGE

Schedule A

Item No.	Item Name	Item Description	Item Price
1	Chang Sha Zhuo Qian Dian Zi Ke Ji You Xian Gong Si	https://www.fruugo.us/2030cm-plush-dolls-plush-toy-pillow-cornor-the-cow-plush-toy/p-1534381-143455346	151.80
2	1 Cheng Shou Wan Kai Wen Hua Yin Yin You Xian Gong Si	https://www.fruugo.us/cute-frog-plush-toy/p-65920198-132720481	145.73
3	Chengde Jiaobu Electronic Commerce	https://www.fruugo.us/20cm-plush-doll-dinosaur-squishmallow-plush-pillow-black/p-66448679-133527056	148.81
4	Dalain Jiaxu Trading	https://www.fruugo.us/2040cm-cow-plush-doll-cartoon-animal-cute-soft-plush-doll/p-62381137-125711091	148.89
5	Dong Guan Shi Hai Qi Mao Yi Youxiangongsi	https://www.fruugo.us/squishmallow-19cm-super-soft-toy-prince-the-pug/p-64734617-130619842	143.36
6	Dongguan Dehuosheng Business & Trading	https://www.fruugo.us/20cm-squishmallow-plush-toy-doll-pillow-koala/p-72036540-144640523	141.36
7	Dongguan Xinqinwan Trading	https://www.fruugo.us/20cm-squishmallow-panda-plush-toy-doll-kids-pillow/p-71180837-142723020	148.80
8	Fudangjiaoshaoqinbaohuiyouxiangongsi	https://www.fruugo.us/20cm-squishmallow-plush-toy-doll-pillow-gift-cow/p-70611236-141597685	146.27
9	Guang Zhou Shi Ai Ni Mao Yi You Xian Gong Si	https://www.fruugo.us/cute-cow-plush-pillow-cute-cow-plush-kawaii-plushies-plush-pillows/p-68343405-137142903	146.35
10	Guangzhou Dominating Point Trading	https://www.fruugo.us/20cm-squishmallow-plush-toy-doll-pillow-elf/p-67115118-134688705	148.06
11	Guangzhou Jiwei Information Technology	https://www.fruugo.us/20cm-squishmallow-plush-toy-doll-pillow-koala/p-7304682-145281061	147.28
12	Guangzhou Lingdie Dianzi Kejiyouxiangongsi	https://www.fruugo.us/20cm-plush-toy-cuddle-pillow-cow-25cm-new-year-zodiac-cox-filled-soft-baby-pillow-for-children/p-69190527-139137693	145.73
13	Guangzhou Shuzhidandou Keji Youxian Gongsi	https://www.fruugo.us/pcs-cute-frog-plush-toy-3d-animal-cute-frog-stuffed-pillow-20cm/p-73332721-147370473	149.37
14	Guangzhou Taopai Department Store Center	https://www.fruugo.us/christmas-gift-xmas-25cm-squishmallow-ocotpus-plush-toys-stuffed-animals-plushie-doll-squishmallow-pillow-children-gift/p-65839936-132560976	145.73
15	Guangzhouhuafanjiayouxiangongsi	https://www.fruugo.us/kawaii-squishmallow-stuffed-plush-toys-for-children-cute/p-68322636-137090120	144.22
16	Hailiushihuitangmayouxiangongsi	https://www.fruugo.us/akawaii-plush-toy-stuffed-animal-pillow-toy-doll-78inch/p-74175465-148945444	134.94
17	Hangzhou Mingju Jinchukou Youxiangongsi	https://www.fruugo.us/kawaii-squishmallow-stuffed-plush-toys-for-children-cute/p-67645457-135751179	150.99
18	Hangzhouhuafanjiayouxiangongsi	https://www.fruugo.us/shape-2shark-plush-toys-plush-animal-doll-pillow-childrens-toys-office-home-cute-creative/p-64387796-129876819	134.08
19	Huida Cross-border Logistics (Shenzhen)	https://www.fruugo.us/20cm-squishmallow-unicorn-plush-toy-stuffed-animals-plush-toy-doll-squishmallows-pillow-children/p-66922412-134335883	150.41
20	Huizhou Buihangda Technology	https://www.fruugo.us/christmas-gift-xmas-6080cm-squishmallow-ocotpus-plush-toy-stuffed-animals-plushie-doll-squishmallow-pillow-children/p-66922412-134335883	131.12
21	Huizhouyiyouxiangongsi	https://www.fruugo.us/6080cm-squishmallow-ocotpus-plush-toy-stuffed-animals-plushie-doll-squishmallow-pillow-children-gift/p-66922412-134335883	148.32
22	Nantongyuanjiangzhipinyouxiangongsi	https://www.fruugo.us/25cm-squishmallow-plush-toy-doll-pillow-purp/p-66430197-133492582	145.90
23	Quanzhou Denglu Electronic Technology	https://www.fruugo.us/20cm-squishmallow-plush-toy-pillow-doll-pillow-gift-frog/p-72952906-146716573	154.81
24	Shen Zhen Shi Le Ka Mao Yi You Xian Gong Si	https://www.fruugo.us/25cm-squishmallow-plush-toy-doll-pillow-dinosaur/p-72478956-145625935	154.81
25	Shen Zhen Shi Po Fu Shang Mao You Xian Gong Si	https://www.fruugo.us/25cm-squishmallow-plush-toy/p-70986525-142293606	144.42
26	Shenzhen Dongdehao Trading	https://www.fruugo.us/ra-frog-plush-toy-doll-20cm/p-6315201-127522152	149.70
27	Shenzhen Fengbo Trading	https://www.fruugo.us/25cm-squishmallow-plush-toy-holiday-gift/p-66459819-133534157	149.70
28	Shenzhen Guichen Technology	https://www.fruugo.us/20cm-plush-toy-doll-pillow-black/p-68772487	138.32
29	Shenzhen Hawesi Technology	https://www.fruugo.us/squishmallow-plush-toy-doll-pillow-black-cal/p-71669293-143842844	149.70
30	Shenzhen Huafei Trading	https://www.fruugo.us/plush-cute-dinosaur-stuffed-animal-3d-dinosaur-silhou/p-69856952-140293453	139.71
31	Shenzhen Jiansuqi Trading	https://www.fruugo.us/25cm-squishmallow-ocotpus-plush-toy-stuffed-animals-plushie-doll-squishmallow-pillow-children-gift/p-70221973-141015619	146.54
32	Shenzhen Lebangfui Trading	https://www.fruugo.us/20cm-squishmallow-ocotpus-plush-toy-stuffed-animals-plushie-doll-squishmallow-pillow-children-gift/p-66777742-134075797	148.89
33	Shenzhen Naierjin Technology	https://www.fruugo.us/20cm-squishmallow-plush-toy-doll-pillow-avocado-ai/p-73001355-146809067	150.02
34	Shenzhen Shi Jung'e Trading	https://www.fruugo.us/cute-dinosaur-plush-toy/p-65921426-132722795	149.18
35	Shenzhen Tianying E Commerce	https://www.fruugo.us/25cm-squishmallow-plush-toy-doll-pillow-dinosaur/p-71897498-144394917	150.02
36	Shenzhen Ximichuang Technology	https://www.fruugo.us/christmas-gift-xmas-6080cm-squishmallow-ocotpus-plush-toy-stuffed-animals-plushie-doll-squishmallow-pillow-children-gift/p-70221973-141015619	149.18
37	Shenzhenxi Baosong Bishun Shangmaohang	https://www.fruugo.us/25cm-squishmallow-plush-toy-doll-pillow-dinosaur/p-71764517-144070209	149.18
38	Shenzhenxi Maistong Keji Youxiangongsi	https://www.fruugo.us/25cm-squishmallow-plush-toy-doll-pillow-panda/p-74273875-149137598	154.21
39	Shenzhenxi Milang Fangzhipin Youxiangongsi	https://www.fruugo.us/20cm-squishmallow-plush-toy-pillow-doll-cushion/p-71229666-143987114	150.71
40	Shenzhenxi Nuoshan Dianzi Youxian Gongsi	https://www.fruugo.us/20cm-squishmallow-plush-toy-doll-pillow-panda/p-72521597-145718949	155.06
41	Shenzhenxi Qiankejiyouxiangongsi	https://www.fruugo.us/dinosaur-stuffed-animals/p-6847876-137521403	146.82
42	Shenzhenxi shenghengkejiyouxiangongsi	https://www.fruugo.us/dinosaur-dinosaur-plush-toy-stuffed-animals-plushie-doll/p-72998224-146804092	145.80
43	Shenzhenxi shiyuanfengmayouxiangongsi	https://www.fruugo.us/4pcs-20cm-soft-toy-dinosaur-squishmallow-dinosaur-squishmallow-the-dino/p-73669702-147996873	146.88
44	TaizhouhishiyuGeSiyeyouxiangongsi	https://www.fruugo.us/christmas-gift-xmas-6080cm-squishmallow-ocotpus-plush-toy-stuffed-animals-plushie-doll-squishmallow-pillow-children-gift/p-68051293-136565268	146.88
45	Weifang Yujin Trading	https://www.fruugo.us/20cm-plush-doll-dinosaur-squishmallow-plush-pillow-the4pcs/p-62716259-126736820	140.01
46	Weihai Leka Technology	https://www.fruugo.us/25cm-squishmallow-plush-toy-doll-pillow-black-cal/p-70697155-141778969	146.83
47	Weihai Yusheng Technology	https://www.fruugo.us/25cm-squishmallow-plush-pillow-black-cal/p-70697155-141778969	150.07
48	Wuhuazhuozhizhenlinindichanzhongjie	https://www.fruugo.us/61cm-squishmallow-ocotpus-plush-toy-plush-animal-plush-doll-squishmallow-pillow-gift-for-children/p-64851776-130844674	144.86
49	Xinxiang Yali Network	https://www.fruugo.us/20cm-squishmallow-plush-toy-doll-pillow-koala/p-72032132-144660548	152.39
50	Xinyu Maoxin Technology	https://www.fruugo.us/20cm-squishmallow-ocotpus-plush-toy-stuffer-animals-plushie-doll-squishmallow-pillow-children-gift/p-69810661-140193782	135.21
51	Xuchang HengKang Trading Company	https://www.fruugo.us/20cm-squishmallow-rabbit-plush-toy-stuffed-animals-plush-doll-squishmallows-pillow-children/p-65963608-132790824	146.74
52	Yi Wu Shi Ou Jing Dianzi Shang Wu Youxian Gongsi		
53	Yi Wu Shi Ou Jing Dianzi Shang Wu Youxian Gongsi		
54	Yiwesai (Shenzhen) Electronic		
55	Zaozhuan Boqin Trading Company		