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

CONVERSE INC.,

Plaintiff,

v.

SHOP1100004008 STORE AND THE INDIVIDUALS AND ENTITIES OPERATING SHOP1100004008 STORE,

Defendants.

Case No. 22-cv-02472

Judge Edmond E. Chang

Magistrate Judge Beth W. Jantz

PRELIMINARY INJUNCTION ORDER

THIS CAUSE being before the Court on Plaintiff Converse Inc.'s ("Plaintiff" or "Converse") Motion for Entry of a Preliminary Injunction, and this Court having heard the evidence before it hereby GRANTS Converse's Motion for Entry of a Preliminary Injunction in its entirety against the fully interactive, e-commerce stores¹ operating under the seller aliases identified in Schedule A attached hereto (collectively, the "Seller Aliases" or "Defendants").

THIS COURT HEREBY FINDS that it has personal jurisdiction over the Defendants since the Defendants directly target their business activities toward consumers in the United States, including Illinois. 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 have sold products using counterfeit and infringing versions of Converse's federally registered

¹ The e-commerce store URLs are listed on Schedule A hereto under the Online Marketplaces.

trademarks ("Converse Trademarks") to residents of Illinois. A list of the Converse Trademarks is included in the below chart.

Registration Number	Trademark	Goods and Services
369,971	ALL STAR	For: Athletic shoes of rubber and fabric in class 25
868,375	CONVERSE	For: Clothing-namely, industrial boots, rubber boots, tennis shoes, basketball shoes, boat shoes, general purpose athletic sneakers, casual shoes, jackets, trousers, parkas, shirts, raincoats in class 25
1,206,260	SKIDGRIP	For: Footwear in class 25
1,275,191	ALL STAR	For: All Purpose Sports Bags in class 18
1,276,236	ALL STAR	For: Shirts in class 25
1,493,265	CONS	For: Footwear in class 25
1,790,496	CONS	For: Clothing; namely, knit T-shirts, woven shirts, knit and woven pants, sports caps and knit caps, and spandex exercise wear; namely, T-shirts, sweat pants, shorts, and tank tops in class 25
1,868,363	CONVERSE	For: Clothing; namely, knit T-shirts, collar placket shirts, woven shirts, swimwear, knit and woven shorts, knit and woven pants, tank tops, fleece tops and bottoms, wind resistant suits and jackets, sports caps and knit caps in class 25
2,453,856	CONVERSE.COM	For: Computer services, namely, providing an interactive database of information on clothing, footwear, sporting equipment and activities, and sports personalities in class 42
2,466,322	CONVERSE	For: Wirebound books, wirebound hardback books, ballpoint pens in class 16
2,683,548	WEAPON	For: Footwear in class 25

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2,807,854	ALL STAR	For: Footwear in class 25
2,810,717	CONVERSE	For: Socks in class 25
2,869,353	CONVERSE	For: Eyeglasses, sunglasses, all purpose sports goggles, optical frames and accessories therefor in class 9
2,872,822	CONVERSE	For: Sports bags in class 18
3,175,430	CONVERSE	For: Retail store services featuring footwear, clothing, sports bags and book bags in class 35
3,191,460	FIRST STAR	For: Footwear in class 25
3,289,613	CONVERSE	For: Shoe laces in class 26
3,534,741	CHUCK TAYLOR	For: Footwear; clothing, namely, t-shirts, tank tops and sweat shirts, headgear, namely, sports caps and knit caps in class 25
3,847,775	STAR PLAYER	For: Footwear in class 25
4,417,013	RUBBER TRACKS	For: Recording studio services; Recording studios in class 41
5,722,153	CHUCK 70	For: Footwear in class 25
121,760		For: Boots and shoes made of or containing rubber in class 25
315,273	Chuck Taylor	For: Shoes made of rubber, leather, fabric, and combinations thereof in class 25

583,097	Jack Burcell.	For: Rubber-soled canvas shoes for the use of men, women, and children in class 25
741,662		For: Canvas-Topped, Rubber-Soled Athletic Shoes in class 25
924,169	CONVERSE	For: Basketball shoes, general purpose athletic sneakers in class 25
938,918	Jack Burcell	For: Footwear-namely, rubber-soled or plastic-soled canvas shoes in class 25
1,078,480	CONVERSE	For: Footwear in class 25
1,138,468	ALL STAR	For: Footwear in class 25
1,138,469	Chuck Taylor	For: Footwear in class 25

1,146,876	ALL* STAR	For: Footwear in class 25
1,215,935		For: Shirts in class 25
1,525,779		For: Socks in class 25
1,632,413		For: Footwear in class 25
1,654,951	CONVERSE	For: Clothing; namely, footwear in class 25
1,738,330	Chuck Jaylor TLL STAT	For: All-purpose sports bags in class 18
1,789,476		For: Footwear in class 25
1,804,563	CONVERSE	For: Clothing; namely, knit T-shirts, collar placket shirts, knit and woven shorts, woven pants, tank tops, fleece tops and bottoms, wind resistant suits and jackets sports caps in class 25

		For: Footwear in class 25
1,868,414	ONE * STAR	
1,877,671	Chuck Jaylor	For: Clothing; namely, T-shirts, shorts, tank tops, sweatsuits, vests, pants, jackets, and outerwear; namely, lined jackets in class 25
1,981,319	ALL*STAR	For: Clothing; namely, T-shirts, shorts, tank tops, sweatsuits, vests, pants, jackets, sweaters, jeans and outerwear; namely, lined jackets, and nylon jackets in class 25
2,063,154	Chuck Jaylor	For: Headwear, namely, sport and knit hats and caps in class 25
2,098,296	CONVERSE ALL & STAR	For: Athletic footwear, and clothing, namely, T-shirts, shorts, hats, jackets, tank tops, sweatpants and sweatshirts in class 25
2,435,788	Chuck Jaylor	For: T-shirts in class 25
2,435,789	ALL★STAR	For: Clothing namely, t-shirts in class 25

2,466,301	Chuck Jaylor RLL STAT	For: Book bags and briefcases-style portfolios in class 18
2,856,926	Chuck Taylor	For: Apparel, namely, warm-up suits, shirts, pants, jackets and shorts in class 25
2,973,804		For: Footwear in class 25
3,481,708	Sack Purcell	For: Footwear; clothing, namely, t-shirts, short and long sleeved tops, short and long sleeved t-shirts, exercise wear, namely, sweat suits, and headgear, namely, sports caps in class 25
1,053,338		For: Canvas and imitation leather topped soft soled athletic shoes and casual shoes in class 25
1,490,262		For: Athletic footwear in class 25

	For: Athletic footwear in class 25
1,588,960	
1,658,256	For: Footwear in class 25
1,998,884	For: Footwear in class 25
3,258,103	For: Footwear in class 25
4,062,112	For: Athletic footwear in class 25

4,065,482	For: Athletic footwear in class 25
4,398,753	For: Footwear in class 25

THIS COURT FURTHER FINDS that injunctive relief previously granted in the Temporary Restraining Order ("TRO") should remain in place through the pendency of this litigation and that issuing this Preliminary Injunction is warranted under Federal Rule of Civil Procedure 65. Evidence submitted in support of this Motion and in support of Converse's previously granted Motion for Entry of a Temporary Restraining Order establishes that Converse has demonstrated a likelihood of success on the merits; that no remedy at law exists; and that Converse will suffer irreparable harm if the injunction is not granted. Specifically, Converse has proved a *prima facie* case of trademark infringement because (1) the Converse Trademarks are distinctive marks and are registered with the U.S. Patent and Trademark Office on the Principal Register, (2) Defendants are not licensed or authorized to use the Converse Trademarks, and (3) Defendants' use of the Converse Trademarks is causing a likelihood of confusion as to the origin or sponsorship of Defendants' products with Converse. Furthermore, Defendants' continued and unauthorized use of the Converse Trademarks irreparably harms Converse through diminished

goodwill and brand confidence, damage to Converse's reputation, loss of exclusivity, and loss of future sales. Monetary damages fail to address such damage and, therefore, Converse has an inadequate remedy at law. Moreover, the public interest is served by entry of this Preliminary Injunction to dispel the public confusion created by Defendants' actions. Accordingly, the Court orders that:

- 1. Defendants, their officers, agents, servants, employees, attorneys, and other persons acting in active concert or participation with them be preliminarily enjoined and restrained from:
 - a. using the Converse Trademarks or any reproductions, counterfeit copies or colorable imitations thereof in any manner in connection with the distribution, marketing, advertising, offering for sale, or sale of any product that is not a genuine Converse product or not authorized by Converse to be sold in connection with the Converse Trademarks;
 - b. passing off, inducing, or enabling others to sell or pass off any product as a genuine Converse product or any other product produced by Converse, that is not Converse's or not produced under the authorization, control or supervision of Converse and approved by Converse for sale under the Converse Trademarks;
 - c. committing any acts calculated to cause consumers to believe that Defendants' products are those sold under the authorization, control or supervision of Converse, or are sponsored by, approved by, or otherwise connected with Converse;
 - d. further infringing the Converse Trademarks and damaging Converse's goodwill; and
 - e. manufacturing, shipping, delivering, holding for sale, transferring or otherwise moving, storing, distributing, returning, or otherwise disposing of, in any manner, products or inventory not manufactured by or for Converse, nor authorized by Converse to be sold

or offered for sale, and which bear any of Converse's trademarks, including the Converse Trademarks, or any reproductions, counterfeit copies or colorable imitations thereof.

- 2. Upon Converse's request, any third party with actual notice of this Order who is providing services for any of the Defendants, or in connection with any of Defendants' Online Marketplaces, including, without limitation, any online marketplace platforms such as eBay, Inc. ("eBay"), AliExpress, Alibaba Group Holding Ltd. ("Alibaba"), Amazon.com, Inc. ("Amazon"), Walmart Inc. ("Walmart"), ContextLogic Inc. d/b/a Wish.com ("Wish.com"), and DHgate (collectively, the "Third Party Providers") shall, within seven (7) calendar days after receipt of such notice, provide to Converse expedited discovery, including copies of all documents and records in such person's or entity's possession or control relating to:
 - a. the identities and locations of Defendants, their agents, servants, employees, confederates, attorneys, and any persons acting in concert or participation with them, including all known contact information and all associated e-mail addresses;
 - b. the nature of Defendants' operations and all associated sales, methods of payment for services and financial information, including, without limitation, identifying information associated with the Online Marketplaces and Defendants' financial accounts, as well as providing a full accounting of Defendants' sales and listing history related to their respective Online Marketplaces; and
 - c. any financial accounts owned or controlled by Defendants, including their agents, servants, employees, confederates, attorneys, and any persons acting in concert or participation with them, including such accounts residing with or under the control of

any banks, savings and loan associations, payment processors or other financial institutions, including, without limitation, PayPal, Inc. ("PayPal"), eBay, Alipay, Alibaba, Ant Financial Services Group ("Ant Financial"), Amazon Pay, Wish.com, Walmart, DHgate, or other merchant account providers, payment providers, third party processors, and credit card associations (e.g., MasterCard and VISA).

- 3. Upon Converse's request, those with notice of the injunction, including Third Party Providers as defined in Paragraph 2, shall within seven (7) calendar days after receipt of such notice, disable and cease displaying any advertisements used by or associated with Defendants in connection with the sale of counterfeit and infringing goods using the Converse Trademarks.
- 4. Defendants shall be temporarily and preliminarily restrained and enjoined from transferring or disposing of any money or other of Defendants' assets until further ordered by the Court.
- 5. Any Third Party Providers, including PayPal, eBay, Alipay, Alibaba, Ant Financial, Wish.com, Walmart, DHgate, and Amazon Pay, shall, within seven (7) calendar days of receipt of this Order:
 - a. locate all accounts and funds connected to Defendants' Seller Aliases and Online Marketplaces, including, but not limited to, any financial accounts connected to the information listed in Schedule A hereto; and
 - b. restrain and enjoin any such accounts or funds from transferring or disposing of any money or other of Defendants' assets until further ordered by this Court.
- 6. Converse is authorized to issue expedited written discovery, pursuant to the Federal Rules of Civil Procedure 33, 34 and 36, related to:

- a. the identities and locations of Defendants, their agents, servants, employees, confederates, attorneys, and any persons acting in concert or participation with them, including all known contact information, including any and all associated e-mail addresses; and
- b. the nature of Defendants' operations and all associated sales, methods of payment for services and financial information, including, without limitation, identifying information associated with the Online Marketplaces and Defendants' financial accounts, as well as providing a full accounting of Defendants' sales and listing history related to their respective Online Marketplaces.

Converse is authorized to issue any such expedited discovery requests via e-mail.

Defendants shall respond to any such discovery requests within three (3) business days of being served via e-mail.

7. Converse may provide notice of these proceedings to Defendants, including service of process pursuant to Fed. R. Civ. P. 4(f)(3), and any future motions, by electronically publishing a link to the Amended Complaint, this Order and other relevant documents on a website and by sending an e-mail to Defendants that includes a link to said website. The Clerk of the Court is directed to issue a single original summons in the name of "Shop1100004008 Store and the Individuals and Entities Operating Shop1100004008 Store" that shall apply to all Defendants. The combination of providing notice via electronic publication and e-mail, along with any notice that Defendants receive from payment processors, shall constitute notice reasonably calculated under all circumstances to apprise Defendants of the pendency of the action and afford them the opportunity to present their objections.

- 8. Schedule A to the Complaint [2] and the Amended Complaint [15], Exhibit 3 to the Declaration of Joe Pallet [20], and the TRO [26] are unsealed.
- 9. Any Defendants that are subject to this Order may appear and move to dissolve or modify the Order as permitted by and in compliance with the Federal Rules of Civil Procedure and Northern District of Illinois Local Rules.
- 10. The \$1,000 bond posted by Converse shall remain with the Court until a Final disposition of this case or until this Preliminary Injunction is terminated.

IT IS SO ORDERED.

Dated: June 23, 2022

Edmond E. Chang

United States District Judge

Converse Inc. v. SHOP1100004008 STORE AND THE INDIVIDUALS AND ENTITIES OPERATING SHOP1100004008 STORE - Case No. 22-cv-2472

Schedule A

Defendant Online Marketplaces		
No	URL	Name / Seller Alias
1	aliexpress.com/store/1100004008	Shop1100004008 Store