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

MERCIS B.V.,

Plaintiff,

v.

THE PARTNERSHIPS AND UNINCORPORATED ASSOCIATIONS IDENTIFIED ON SCHEDULE "A",

Judge Elaine E. Bucklo

Case No.: 1:22-cv-03852

Magistrate Judge Beth W. Jantz

Defendants.

PRELIMINARY INJUNCTION ORDER

Plaintiff MERCIS B.V. ("MERCIS" or "Plaintiff") filed a Motion for Entry of a Preliminary Injunction against the against the fully interactive, e-commerce stores operating under the seller aliases identified in Schedule A to the Complaint and attached hereto (collectively, "Defendants") and the online marketplace accounts identified in Schedule A (the "Defendant Internet Stores"). After reviewing the Motion and the accompanying record, this Court GRANTS MERCIS' Motion in part as follows.

This Court finds MERCIS has provided notice to Defendants in accordance with the Temporary Restraining Order entered July 29, 2022, [19] ("TRO"), and Federal Rule of Civil Procedure 65(a)(1).

This Court also finds, in the absence of adversarial presentation, that it has personal jurisdiction over Defendants because Defendants directly target their business activities toward consumers in the United States, including Illinois. Specifically, MERCIS has provided a basis to conclude that 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, and have sold products using infringing and counterfeit versions of MERCIS' federally registered trademarks and copyright to residents of Illinois. In this case, MERCIS has presented screenshot evidence that each Defendant ecommerce store is reaching out to do business with Illinois residents by operating one or more commercial, interactive internet stores through which Illinois residents can purchase products using counterfeit and infringing versions of the Plaintiff's trademarks and copyright. *See* Docket Nos. [14]-[15], which includes screenshot evidence confirming that each Defendant ecommerce store does stand ready, willing and able to ship its counterfeit goods to customers in Illinois bearing infringing and/or counterfeit versions of the MIFFY Trademarks which are protected by U.S. Trademark Registration Nos. 2,210,029; 2,482,597; 4,248,049; 5,516,174; 5,652,014; 5,663,554; 5,663,610; 5,706,346; 5,706,199; 5,706,279; and 6,727,656 (collectively, the "MIFFY Trademarks") and/or products infringing the MIFFY Work, which is protected by U.S. Copyright Registration No. VA 1-054-563 (the "MIFFY Work").

This Court also finds that the injunctive relief previously granted in the 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 MERCIS' previously granted Motion for Entry of a TRO establishes that MERCIS has demonstrated a likelihood of success on the merits; that no remedy at law exists; and that MERCIS will suffer irreparable harm if the injunction is not granted.

Specifically, MERCIS has proved a *prima facie* case of trademark infringement and copyright infringement because (1) the MIFFY Trademarks are distinctive marks and are registered with the U.S. Patent and Trademark Office on the Principal Register and the MIFFY

Work is registered with the United States Copyright Office, (2) Defendants are not licensed or authorized to use any of the MIFFY Trademarks and/or MIFFY Work, and (3) Defendants' use of the MIFFY Trademarks and MIFFY Work is causing a likelihood of confusion as to the origin or sponsorship of Defendants' products with MERCIS. Furthermore, Defendants' continued and unauthorized use of the MIFFY Trademarks and MIFFY Work irreparably harms MERCIS through diminished goodwill and brand confidence, damage to MERCIS' reputation, loss of exclusivity, and loss of future sales. Monetary damages fail to address such damage and, therefore, MERCIS 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, this Court orders that:

- Defendants, their officers, agents, employees, attorneys, and all persons acting for, with, by, through, under, or in active concert with them be preliminarily enjoined and restrained from:
 - a. using the MIFFY Trademarks and MIFFY Work or any reproductions, counterfeit copies, or colorable imitations in any manner in connection with the distribution, marketing, advertising, offering for sale, or sale of any product that is not a genuine MERCIS product or not authorized by MERCIS to be sold in connection with the MIFFY Trademarks and MIFFY Work;
 - b. passing off, inducing, or enabling others to sell or pass off any product as a genuine MERCIS product or any other product produced by MERCIS, that is not MERCIS' or not produced under the authorization, control, or supervision of MERCIS and approved by MERCIS for sale under the MIFFY Trademarks and MIFFY Work;

- c. committing any acts calculated to cause consumers to believe that Defendants' products are those sold under the authorization, control, or supervision of MERCIS, or are sponsored by, approved by, or otherwise connected with MERCIS; and
- d. 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 MERCIS, nor authorized by MERCIS to be sold or offered for sale, and which bear any of MERCIS' trademarks or copyrights, including the MIFFY Trademarks and MIFFY Work, or any reproductions, counterfeit copies, or colorable imitations.
- 2. Defendants shall not transfer or dispose of any money or other of Defendants' assets in any of Defendants' financial accounts.
- 3. Upon MERCIS' request, Defendants and any third party with actual notice of this Order who is providing services for any of Defendants, or in connection with any of Defendants' Defendant Internet Stores, including, without limitation, any online marketplace platforms such as Alipay US, Inc. and its related companies and affiliates ("Alipay") and Alibaba Group Holding Ltd. ("Alibaba"), collectively, the ("Third Party Providers"), shall, within five (5) business days after receipt of such notice, provide to MERCIS expedited discovery, limited to copies of documents and records in such person's or entity's possession or control sufficient to determine:
 - a. the identities and locations of Defendants, their officers, agents, employees, attorneys, and any persons acting in active 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 Defendant Internet Stores and Defendants' financial accounts, including Defendants' sales and listing history related to their respective Defendant Internet Stores; and
- c. any financial accounts owned or controlled by Defendants, including their officers, agents, employees, attorneys, and any persons acting in active 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, Alipay and Alibaba, or other merchant account providers, payment providers, third party processors, and credit card associations (e.g., MasterCard and VISA).
- 4. Upon MERCIS' request, those with notice of this Order, including the Third Party Providers as defined in Paragraph 3, shall within five (5) business 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 MIFFY Trademarks and MIFFY Work.
- 5. Any Third Party Providers, including Alipay and Alibaba, shall, within five (5) business days of receipt of this Order:
 - a. locate all accounts and funds connected to Defendants' seller aliases, including, but
 not limited to, any financial accounts connected to the information listed in
 Schedule A hereto, the e-mail addresses identified in Exhibit 3 to the Declaration

- of Frank Padberg, and any e-mail addresses provided for Defendants by third parties; and
- b. restrain and enjoin any such accounts or funds from transferring or disposing of any money or other of Defendants' assets until further order by this Court.
- 6. MERCIS may provide notice of the proceedings in this case 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 Pleadings, this Order, and other relevant documents on a website or by sending an e-mail with a link to said website to the e-mail addresses identified in Exhibit 3 to the Declaration of Frank Padberg and any e-mail addresses provided for Defendants by third parties. The Clerk of the Court is directed to issue a single original summons in the name of "Cartoon Backpack Store and all other Defendants identified in the Complaint" that shall apply to all Defendants. The combination of providing notice via electronic publication or 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.
- 7. Plaintiff's Schedule A to the Complaint [2], Exhibit 3 to the Declaration of Frank Padberg [14]-[15], and the TRO [19] are unsealed.
- 8. 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 the Northern District of Illinois Local Rules. Any third party impacted by this Order may move for appropriate relief.

9. The \$10,000 (Ten Thousand Dollar) bond posted by MERCIS shall remain with the Court until a final disposition of this case or until this Preliminary Injunction is terminated.

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SO ORDERED:

Elaine E. Bucklo

United States District Judge

Dated: 8/24/2022

Schedule A

No.	Defendants
1	Cartoon Backpack Store
2	KuiLu Toy Store
3	Love LuLu Store
4	Plush Bo Store
5	Pokemonn World Store
6	Shaokui Specialty Store
7	Shop1102057959 Store
8	ShuanQ Store
9	Toy-sky Store
10	A Couple with 3 baby Store
11	A woman's yearning Store
12	A-Authority Store
13	Abay Light Store
14	ABirdon Baby official Store
15	Aibeads Bells Nails Store
16	Aicheng Baby Cloth Store
17	AK Nail Art Store
18	ALADI; ZH Store
19	Alilady Store
20	Aliyy Store
21	Ally's NO. 8 Store
22	AOUKE-HL002 Store
23	Apaffa Official Store
24	APORAKE Official Store
25	AUWEUO Official Store
26	Azul-Stationery Store
27	babaxing 520 Store
28	Baby Clothing Factory Store
29	Baby One-Stop Shopping Store
30	Baby Thriving Store
31	Baby Worlds Store
32	Baby Yang Store
33	Babytoys (drop shipping) Store
34	Baipinhui Store
35	Balala Princess Store
36	BBJIA Baby Store
37	Beam 18 Store
38	Beautiful Life Textile Store
39	BelleFemme Store
40	Cathery Baby Store
41	CHCHSH Store
42	CHEECHOO Store

43	CHENMINV Store
44	chenwanju Store
45	Children's 6366 Store
46	China Cozy Harbor Store
47	China Hangzhou Global Store
48	Chinese Plush Toy Store
49	Chivry Baby Cloth Store
50	Chivry Drop Shipping Store
51	CLduhder Store
52	Cloth Bag House Store Store
53	colorful baby store Store
54	Colorful manicure shop Store
55	Coola Peach Official Store
56	Coquimbo Franchised Store
57	Coquimbo Official Store
58	Coquimbo Shop For Fun Store
59	Cutie-pie Store
60	daily store Store
61	Dear mother and baby Store
62	Didida Kids Store
63	DK001 Store
64	Doggie Xiaobai Store
65	Dropship Kids & Babies Store
66	Emil House Store
67	Facejoyous Baby Booming Store
68	Fake kid
69	Familiar Selected Store
70	Familyy Outfits Store
71	Fantasy World Store
72	FDIK LIGHTING Store
73	FFSY-Lighting Online Store
74	First Baby Kids Store
75	Flamur HomeDecor Store
76	Flower-Fytoy Store
77	Fly Leaf Official Store
78	Fun*Toy Store
79	Funny toy 123 Store
80	GG NAIL Store
81	GIZILI Innovation Store
82	Global rc toy Store
83	Global_all Store
84	GNA Nail Art Store
85	GOTYOU Store
86	Green light fixture Store
87	GuangZhou XinMei Jewelry Manufacture Co.,Ltd

88	GY Factory Store
89	Hanjuan Store
90	Happiness grocery store Store
91	HD Mimixiong Store
92	Hehe 0715 Store
93	heiheihie Store
94	Hi everybody Store
95	Hi Resin Mold Store
96	HIBYHOBY Official Store
97	HNUIX beautiful nail Store
98	HNUIX Official Store
99	HOOLPets Store
100	ILBaby Store
101	Jianghongfeng Store
102	Juguetes maravillosos Store
103	JunRong baby Store
104	JXABE Store
105	kakamu toy Store
106	KAWAII You Store
107	KEEP SHINE Store
108	kiddiezoom toddler Store
109	Kinyi Decor Store
110	KL LIFE Store
111	KTshopping Store
112	Kuriozud Official Store
113	LACACA Store
114	LANDZO Official Store
115	Lanlls Store
116	LC Makeups Store
117	Lemurpapa Jerry Official Store
118	Leting Maternal and Infant Store
119	LIDIY Phone Accessories Store
120	Lighting Factory 1919 Store
121	Linkax Flashlight NO.2 Store
122	Linkax Lighting Store
123	lioraitiin Official Store
124	LittleJOY Store
125	LittlesCute Boutique Store
126	LoveSong Store
127	LSLBINYAF Store
128	LUKAPURE BABY Store
129	LZKH 01 Store
130	Mangoo Store
131	ManGoods Store
132	mangu Store
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133	ManGuGoods Store
134	Mari Mari Store
135	Mater Kom Official Store
136	Maternal child supplies Store
137	MEIFOVER Store
138	Meihuida Official Store
139	Metalware Processing Stainless Steel Brass Aluminum Alloy
	Store
140	MIDOU TRADING Co. Ltd. Store
141	Mirical Kids Toy Store
142	Misscheering Official Store
143	missyang pajamas shop Store
144	Mold Zone Store
145	MoonSunlight Store
146	Mooo Store
147	MooreN Store
148	Mr. He He Store
149	MrsWallace Store
150	MT-CS Baby Store
151	MU XIAO Store
152	MudiPanda Official Store
153	mudkingdom Official Store
154	MY All Round Ltd Store
155	MySkye Store
156	Nail Decoration House Store
157	nanjibao Official Store
158	Naughty Toy Store Store
159	Newnew Accessory Store
160	NewYeeca Store
161	Ningbo Tool Store
162	OEIN LIGHTING Store
163	oh my gody Store
164	Olivia Daily Necessities Store
165	OUTONG Official Store
166	PanFlower Store
167	Peneede Co.,Ltd.
168	perfect101 Store
169	Petners Store
170	PGY HEHUOREN IRON ON Store
171	Pink resin Store
172	Plush Toy Factory Store
173	Poetry tea Store
174	POP Nail Sticker Store
175	Pudding Bebi Store
176	QNPQYX Kids Store

177	QQbaby Store
178	QY Maternal and child supplies Store
179	Real Factory Store
180	San Xin Lighting Co., Ltd.
181	seasbaking Store
182	SHEIM Store
183	SHELL FISH Official Store
184	Shenzhen Oubeishang Store
185	shenzhen wanwan Store
186	Shop 9231562846 Store
187	Shop1100032149 Store
188	Shop1102055960 Store
189	Shop1870185 Store
190	Shop4227008 Store
191	Shop5112166 Store
192	Shop5227041 Store
193	Shop5689007 Store
194	Shop5694007 Store
195	Shop5778133 Store
196	Shop5832389 Store
197	Shop900250234 Store
198	Shop910321134 Store
199	Shop910332272 Store
200	Shop910372320 Store
201	Shop910648027 Store
202	Shop911008040 Store
203	Shop911125275 Store
204	Shop911129312 Store
205	Shop911135223 Store
206	Shop911352033 Store
207	Shop911416107 Store
208	Shou Chuang Store
209	YouTUHome Store
210	Guangzhou Xingda Network Technology Co., Ltd.
211	Yiwu Mu Yi Toy Co., Ltd.
212	Yiwu Yuebao Daily Necessities Co., Ltd.