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

Guowei Zhang and Qujing Lingli E-Commerce Co., Ltd.,

Case No.: \_\_\_\_\_

Plaintiffs,

v.

The Individuals, Corporations, Limited Liability Companies, Partnerships, and Unincorporated Associations Identified on the Attached Schedule A,

JURY TRIAL DEMANDED

Defendants.

# **VERIFIED COMPLAINT**

Plaintiffs Guowei Zhang and Qujing Lingli E-Commerce Co., Ltd. (collectively "Plaintiffs"), for their Complaint against the Individuals, Corporations, Limited Liability Companies, Partnerships, Unincorporated Associations, and others identified in the attached Schedule A ("Defendants"), hereby alleges as follows:

## **NATURE OF THE CASE**

1. This is an action for patent infringement against Defendants arising under the Patent Laws of the United States, 35 U.S.C. § 1 *et seq.* including 35 U.S.C. § 271. Plaintiffs bring this action to seek damages and injunctive relief arising out of Defendants' infringement of U.S. Patent No. D966,499 ("the '499 Patent"). A true and correct copy of the '499 Patent is attached hereto as Exhibit A.

## THE PARTIES AND PATENT

2. Plaintiff Guowei Zhang ("Zhang") is an individual residing in Quanzhou, China.

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3. Plaintiff Qujing Lingli E-Commerce Co., Ltd. ("Qujing") is a Chinese Business Corporation having its principal place of business in Qujing City, China.

4. Plaintiff Zhang is the lawful owner of all rights, title, and interest in and to the '499 Patent, including the right to recover past damages for infringement.

5. Plaintiff's products are distributed and sold to consumers throughout the United States, including consumers in Illinois.

Plaintiff Qujing is the exclusive licensee to sell the products covered by the '499
 Patent.

7. The '499 Patent discloses and claims a novel and ornamental design of electric water flosser and was issued on October 11, 2022.

8. Plaintiffs' products embodying the '499 Patent are sold on <u>www.amazon.com</u> under the brand name MAKJUNS.

9. At all relevant times hereto, Plaintiffs mark the product with the '499 Patent.

10. Plaintiffs have not granted a license or any other form of permission to Defendants that would permit them to offer to sell or sell their infringing products.

11. On information and belief, Defendants are individuals and business entities who, upon information and belief, reside in the People's Republic of China or other foreign jurisdictions. Defendants conduct business throughout the United States, including within the State of Illinois and this Judicial District, through the operation of the fully interactive, commercial online marketplaces operating under Defendants' one or more Internet Stores. The Defendants have targeted the United States, including Illinois, and have offered to sell, and currently offer to sell, and on information and belief, have sold and continue to sell products that infringe upon Plaintiff's patent rights to consumers within the United States, including Illinois.

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12. In particular, Defendants sell products that infringe upon the '499 Patent through online marketplaces and merchant accounts at least on the websites Amazon.com, Walmart.com, Alibaba.com, Etsy.com, and eBay.com and potentially on their own fully interactive websites. Exemplary screenshots of some of Defendants' infringing offerings on these marketplaces are attached as Exhibit B.

## JURISDICTION AND VENUE

13. On information and belief, Defendants, either individually or jointly, operate one or more e-commerce stores or merchant accounts listed in Schedule A attached hereto.

14. On information and belief, Defendants are an interrelated group of infringers working in active concert to knowingly and willfully make, use, offer for sale, sell, and/or import into the United States for subsequent sale or use products that infringe directly and/or indirectly the '499 Patent in the same transaction, occurrence, or series of transactions or occurrences. For example, Defendants all sell and/or offer for sale the same infringing products with minor variations as shown in the representative screenshots shown in Exhibit B.

15. 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 network. In the event that Defendants provide additional credible information regarding their identities, Plaintiff will take appropriate steps to amend the Complaint.

16. This Court has original subject matter jurisdiction over the claims in this action pursuant to the provisions of the Patent Act, 35 U.S.C. § 1 *et seq.*, 28 U.S.C. § 1338(a)-(b) (exclusive patent claim jurisdiction), and 28 U.S.C. § 1331 (original federal question jurisdiction).

17. Personal jurisdiction is proper in this Court pursuant to Fed. R. Civ. P. 4(k)(2) because Plaintiff's claims arise under federal law, Defendants are not subject to jurisdiction in any

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state's courts of general jurisdiction, and the exercise of jurisdiction over Defendants comports with due process based on their contacts with the United States. Defendants, at least through their active efforts to sell their infringing products in the United States, have established minimum contacts with the United States such that maintenance of this suit does not offend traditional notions of fair play and substantial justice.

18. Specifically, Defendants have purposefully directed their infringing activities at residents of the United States and Illinois by directly targeting business activities toward consumers in the United States, including Illinois, through at least the fully interactive, commercial Internet Store(s) operating under the Online Marketplace Accounts identified in Schedule A attached hereto. In particular, Defendants are reaching out to do business with the United States, and Illinois residents by operating one or more commercial, interactive Internet Stores through which the United States and Illinois residents can purchase products featuring Plaintiffs' patented invention.

19. Each of the Defendants has targeted sales from United States and Illinois residents by operating one or more online stores that offer shipping to the United States, including Illinois, accept payment in U.S. dollars and, on information and belief, have sold products featuring Plaintiff's patented design to residents of the United States and Illinois.

20. Each of the Defendants is committing tortious acts in the United States (including Illinois), is engaging in interstate commerce, and has wrongfully caused Plaintiff substantial injury in the United States and the State of Illinois.

21. The claim for patent infringement asserted in this suit arises out of Defendants' activities within the United States.

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22. Finally, the United States' assertion of personal jurisdiction over Defendants is reasonable and fair because any burden on Defendants is sufficiently outweighed by the United States' substantial interest in enforcing its federal patent laws and Plaintiffs' interest in obtaining effective and convenient relief.

23. No competing United States forum exists (because the forum is the entire United States) for the consideration of competing substantive social policies or efficiency of resolution, and the United States' foreign relations policies with the countries where Defendants are located will not be hindered by the exercise of personal jurisdiction here.

24. Accordingly, personal jurisdiction over Defendants is properly exercised by this Court.

25. Venue is proper in this judicial district pursuant to 28 U.S.C. § 1391(c)(3) because Defendants do not reside in the United States and therefore may be sued in any judicial district herein.

26. Joinder of the Defendants is proper pursuant to 35 U.S.C. § 299 because, as outlined herein, Defendants' infringing acts arise out of the same transaction, occurrence, or series of transactions or occurrences related to the making, using, importing into the United States, offering for sale, or selling of the same accused product or process.

#### **DEFENDANTS' INFRINGING ACTS**

27. Defendants go to great lengths to conceal their identities and often use multiple fictitious names and addresses to register and operate their network of online marketplaces and user accounts. On information and belief, Defendants regularly create new online marketplace accounts on various platforms using the identities listed in Schedule A to the Complaint, as well as other unknown fictitious names and addresses. Such Defendant Internet Store registration

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patterns are one of many common tactics used by the Defendants to conceal their identities, the full scope and interworking of their operation, and to avoid being shut down.

28. Even though Defendants operate under multiple fictitious names, there are numerous similarities among the Defendant Internet Stores demonstrating a series of interrelated acts of infringement. The Defendant Internet Stores include notable common features beyond selling the exact same infringing products, including the same or similar product images, the accepted payment methods, check-out methods, meta data, illegitimate SEO tactics, lack of contact information, identically or similarly priced items and volume sales discounts, similar hosting services, and the use of the same text and images.

29. In addition to operating under multiple fictitious names, Defendants in this case and defendants in other similar cases against online infringers use a variety of other common tactics to evade enforcement efforts. For example, infringers like Defendants will often register new online marketplace accounts under new aliases once they receive notice of a lawsuit. Infringers also typically ship products in small quantities via international mail to minimize detection by U.S. Customs and Border Protection.

30. On information and belief, e-commerce store operators like Defendants are also in constant communication with each other and regularly participate in QQ.com chat rooms and through websites such as sellerdefense.cn, kaidianyo.com and kuajingvs.com regarding tactics for operating multiple accounts, evading detection, pending litigation, and potential new lawsuits.

31. Further, infringers such as Defendants typically operate multiple credit card merchant accounts and PayPal accounts behind layers of payment gateways so that they can continue operation in spite of Plaintiff's enforcement efforts, such as take down notices. On information and belief, Defendants maintain off-shore bank accounts and regularly move funds

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from their PayPal accounts or other financial accounts to off-shore bank accounts outside the jurisdiction of this Court.

32. Defendants, without any authorization or license from Plaintiff, have knowingly and willfully offered for sale, sold, and/or imported into the United States for subsequent resale or use, products that infringe directly and/or indirectly the '499 Patent, and continue to do so via the Defendant Internet Stores. Each Defendant Internet Store offers shipping to the United States, including Illinois, and, on information and belief, each Defendant has sold Infringing Products into the United States, including Illinois.

33. Defendants' infringement of the '499 Patent in the offering to sell, selling, or importing of the Infringing Products was willful.

34. Defendants' infringement of the '499 Patent in connection with the offering to sell, selling, or importing of the Infringing Products, including the offering for sale and sale of Infringing Products into Illinois, is irreparably harming Plaintiff.

## <u>COUNT I – PATENT INFRINGEMENT</u> (35 U.S.C. § 271)

35. Plaintiff hereby re-alleges and incorporates by reference the allegations set forth in Paragraphs 1-34 above.

36. As shown, Defendants are working in active concert to knowingly and willfully manufacture, import, distribute, offer for sale, and sell infringing 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 offered for sale, sold, and/or imported into the United States for subsequent resale or use the same product that infringes directly and/or indirectly the '499 Patent.

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37. Defendants have infringed and continue to infringe the claim of the '499 Patent, directly or indirectly, by making, using, offering to sells, selling, and/or importing the accused products identified in Exhibit B to the Complaint in the United States.

38. Specifically, Defendants have infringed and continue to infringe each and every claim of the '499 Patent by making, using, importing, selling, and/or offering to sell their infringing products in the United States without authorization or license from Plaintiffs.

39. As shown in the claim chart attached as Exhibit C, the product being sold by Defendants incorporates each of the design elements claimed in the '499 Patent. Accordingly, the product being sold by Defendants infringes upon the '499 Patent.

40. Defendants have profited by their infringement of the '499 Patent, and Plaintiffs have suffered actual harm as a result of Defendants' infringement.

41. As a direct and proximate result of Defendants' infringement, Plaintiffs have suffered irreparable harm and monetary and other damages in an amount to be determined. Defendants' infringement of the '499 Patent in connection with the offering to sell, selling, or importing of products that infringe the '499 Patent, including such acts into the State of Illinois, is irreparably harming Plaintiffs. Defendants' wrongful conduct has caused Plaintiffs to suffer irreparable harm resulting from the loss of its lawful patent rights to exclude others from making, using, selling, offering for sale, and importing the patented inventions as well as the lost sales and loss of repeat sales stemming from the infringing acts.

42. Defendants' infringement has been and continues to be willful. Accordingly, Plaintiff is entitled to treble damages under 35 U.S.C. § 284 and this is an exceptional case under 35 U.S.C. § 285.

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43. Plaintiff is entitled to injunctive relief pursuant to 35 U.S.C. § 283. Unless Defendants are preliminarily and permanently enjoined by this Court from continuing their infringement of the '499 Patent, Plaintiff will continue to suffer additional irreparable harm, including loss of market share and erosion of patent rights.

44. Plaintiffs are entitled to recover damages adequate to compensate for the infringement, including Defendants' profits pursuant to 35 U.S.C. § 289. Plaintiffs are entitled to recover any other damages as appropriate pursuant to 35 U.S.C. § 284, in no event less than a reasonable royalty.

#### PRAYER FOR RELIEF

WHEREFORE, Plaintiffs respectfully seek the following relief against Defendants:

- A. A preliminary and permanent injunction enjoining, restraining and ordering
  Defendants, and their officers, agents, servants, attorneys, and other persons who are
  in active concert or participation with them:
  - a. To cease making, using, offering for sale, selling and/or importing into the United States for subsequent sale or use any products that infringe upon U.S. Patent No. D966,499.
  - b. To cease aiding, abetting, contributing to, or otherwise assisting anyone in infringing upon U.S. Patent No. D966,499.
- B. Entry of an Order that, upon Plaintiffs' request, those with notice of the injunction, including, without limitation, any online marketplace platforms or distributors shall disable and cease displaying any advertisements used by or associated with Defendants in connection with the sale of goods that infringe U.S. Patent No. D966,499.

- C. That Judgment be entered against Defendants finding that they have infringed upon U.S. Patent No. D966,499.
- D. A finding that Defendants' infringement of U.S. Patent No. D966,499 has been willful.
- E. Damages for such infringement in an amount to be proven at trial, including Defendants' profits pursuant to 35 U.S.C. § 289 and any other damages as appropriate under 35 U.S.C. § 284, together with interests and costs.
- F. Judgment awarding Plaintiffs treble damages under 35 U.S.C. § 284 for Defendants' willful infringement of U.S. Patent No. D966,499.
- G. A finding that this case is exceptional under 35 U.S.C. § 285.
- H. Plaintiffs' attorney's fees and costs.
- I. Any and all other relief as this Court may deem just and proper.

## JURY DEMAND

Plaintiffs demand a trial by jury as to all issues so triable.

DATED: August 29, 2023

Respectfully submitted,

/s/ Edward L. Bishop Edward L. Bishop ebishop@bdl-iplaw.com Nicholas S. Lee nlee@bdl-iplaw.com Benjamin A. Campbell bcampbell@bdl-iplaw.com BISHOP DIEHL & LEE, LTD. 1475 E. Woodfield Road, Suite 800 Schaumburg, IL 60173 Telephone: (847) 969-9123 Facsimile: (847) 969-9124

Attorneys for Plaintiffs Guowei Zhang and Qujing Lingli E-Commerce Co., Ltd.

#### VERIFICATION

I, Guowei Zhang, hereby certifies as follows:

- 1. I am the owner of all rights, title, and interest in and to the '499 Patent, including the right to recover past damages for infringement. As such, I am authorized to make this Verification on Plaintiffs' behalf.
- 2. I have read the foregoing Verified Complaint, and, based on my personal knowledge, the factual allegations contained in the Verified Complaint are true.
- 3. I certify under penalty of perjury under the laws of the United States of America that the foregoing statement made by me are true and correct.

Executed on: 2023. 8.29.

Guowei Zhang