

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

JTLE INVESTMENTS LLC (d.b.a. Hang Smart),

Plaintiff,

v.

THE INDIVIDUALS, CORPORATIONS,
LIMITED LIABILITY COMPANIES,
PARTNERSHIPS, AND
UNINCORPORATED ASSOCIATIONS
IDENTIFIED ON SCHEDULE A
HERETO,

Defendants.

Case No.: _____

COMPLAINT

Plaintiff, JTLE Investments LLC, (hereinafter “JTLE” or “Plaintiff”), hereby alleges as follows against Defendants identified on Schedule A, including, but not limited to: Ruichang Xingying network technology Co., LTD (hereinafter “BUSHAD” or “Defendant”), shenzhenlankewangluokejijyouxiangongsi (hereinafter “SmokeBar Shop” or “Defendant”), jiujiangboyuejiajuyouxiangongsi (hereinafter “Taigin US” or “Defendant”), (hereinafter collectively referred to as “Defendants”), the following causes of action:

Introduction

1. This is a civil action for patent infringement to combat an e-commerce store operator who trades upon Plaintiff’s reputation and goodwill by making, using, offering for sale, selling and/or importing into the United States for subsequent sale or use unauthorized and unlicensed products that infringe Plaintiff’s patented design for a TV wall mount, U.S. Patent No. D887,255 S (“the Hang Smart Patent”).

2. The Hang Smart Patent is valid, subsisting, and in full force and effect. Plaintiff is the owner and lawful assignee of all right, title, and interest in and to the Hang Smart Patent, which was duly and legally issued by the United States Patent and Trademark Office. A true and correct copy of the Hang Smart Patent is attached hereto as Exhibit A.

3. The Defendants directly and/or indirectly import, develop, design, manufacture, distribute, market, offer to sell and/or sell products infringing JTLE's Hang Smart Patent ("the infringing Products") in the United States, including in this Judicial District, and otherwise purposefully direct infringing activities to this district in connection with the Infringing Products. Upon information and belief, Defendants conduct this activity through multiple fully interactive commercial Internet e-commerce stores operating under online marketplace accounts ("Defendants' Internet Stores") on multiple e-commerce platforms including, but not limited to, Amazon.com ("Amazon"), eBay.com ("eBay"), and Ubuy.com ("Ubuy").

4. The Infringing Products also share unique identifiers, such as design elements, colors, packaging, and other similarities between the Infringing Products offered for sale, establishing a logical relationship between the Defendants and suggesting that the Defendants' illegal operations arise out of the same transaction, occurrence, or series of transactions or occurrences.

5. Defendants attempt to avoid liability by concealing both their identity and the full scope and interworking of their illegal operation. Plaintiff is forced to file this action to combat Defendants' infringement of Plaintiff's patented design as well as to protect unknowing consumers from purchasing inferior Infringing Products over the Internet and damaging the Hang Smar brand reputation.

6. As a result of Defendants' actions, Plaintiff has been and continues to be irreparably damaged from the loss of its lawful patent rights to exclude others from making, using, selling,

offering for sale, and importing their patented design, and therefore seeks injunctive and monetary relief.

PARTIES

7. Plaintiff, JLTE, is a limited liability company formed under the laws of Florida with a principal place of business in Florida. Plaintiff specializes in the development and marketing of its proprietary easy to install, stud-free, “do-it-yourself” TV wall mount device. In particular, the Hang Smart TV Wall Mount Hoodie is the world’s first of its kind (Utility Patent Pending - filed on June 15, 2023) flat screen television installation device, that does not require wall studs, and is designed to accommodate almost any flat screen LED or curved Television. The Hang Smart TV mount caters to a wide range of popular TV brands and models, ensuring broad compatibility and user convenience. JTLE (d.b.a. Hang Smart) is the official source of the Hang Smart TV Wall Mount, pictured immediately below:



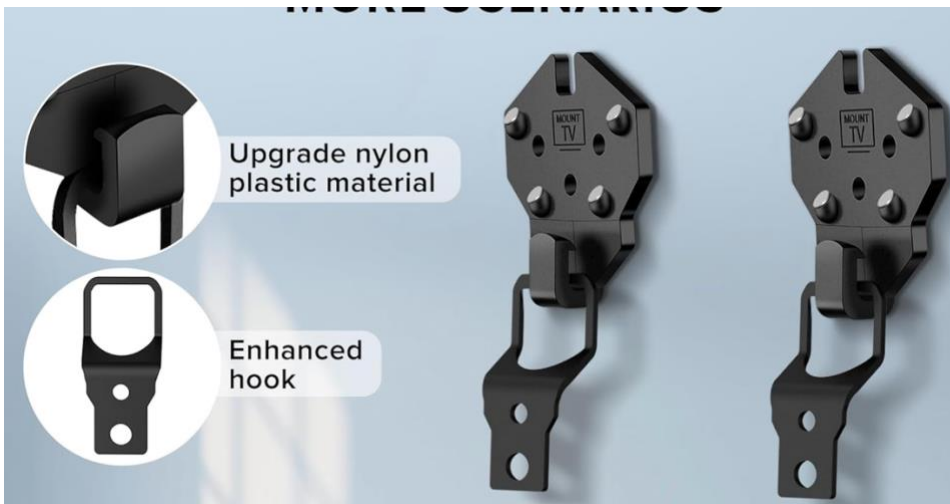
8. Upon information and belief, Defendant, BUSHAD, is a corporation or individual who resides in The People's Republic of China but operates a storefront on Amazon.com to sell its products to consumers in the United States. Upon information and belief, BUSHAD operates (at least) a storefront on Amazon.com,

(<https://www.amazon.com/sp?ie=UTF8&seller=A2DCMUILPR9058>), and it sells its infringing products on (at least) two Amazon.com product listings (<https://www.amazon.com/Stud-Wall-Mount-Studless-Drywall/dp/B0D7BZGBY4/ref=sr> & <https://www.amazon.com/Stud-Wall-Mount-Studless-Drywall/dp/B0D7BZGBY4/ref=sr>), as well as on other online marketplaces.

The infringing product is pictured immediately below:



9. Upon information and belief, Defendant, SmokeBar Shop, is a corporation or individual who resides in The People's Republic of China but operates a storefront on Amazon.com to sell its products to consumers in the United States. Upon information and belief, SmokeBar Shop operates (at least) a storefront on Amazon.com, (<https://www.amazon.com/sp?ie=UTF8&seller=A2819WF3RH2IA1>), and it sells its infringing products on (at least) one Amazon.com product listing (<https://www.amazon.com/dp/B0D5YHX5QW?ref=cm>), as well as on other online marketplaces. The infringing product is pictured immediately below:



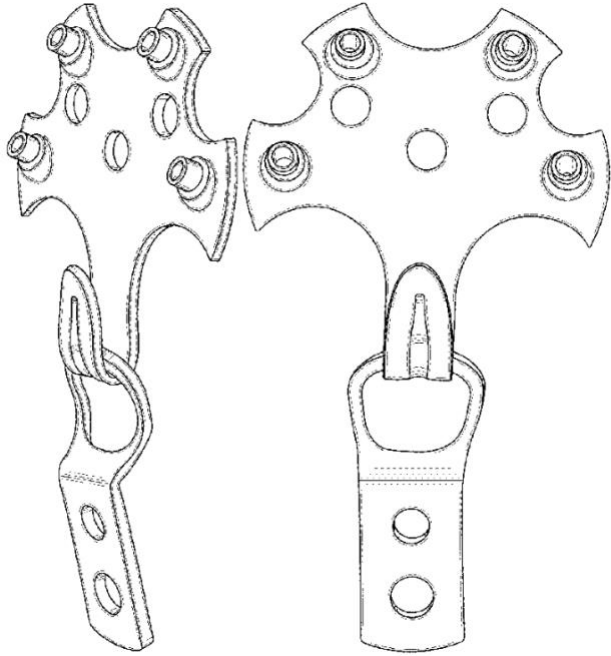
10. Upon information and belief, Defendant, Taigin US, is a corporation or individual who resides in The People's Republic of China but operates a storefront on Amazon.com to sell its products to consumers in the United States. Upon information and belief, Taigin US operates (at least) a storefront on Amazon.com, (<https://www.amazon.com/sp?ie=UTF8&seller=A7D0R06YRWV12>), and it sells its infringing products on (at least) one Amazon.com product listing https://www.amazon.com/Studless-Drywall-Universal-Hardware-Included/dp/B0D5LJSGFY/ref=mp_), as well as on other online marketplaces. The infringing product is pictured immediately below:



11. More and more infringing online sellers who continue to offer identical infringing products are being discovered online daily. Online sellers are increasingly copying Plaintiff's design due to

its exponential growth in popularity. As such, Plaintiff shall seek to add additional defendants as the relevant facts and information come to light.

12. Plaintiff is the owner and lawful assignee of all right, title, and interest in and to the Hang Smart Patent (Exhibit A).

U.S. Patent Number	Claim	Issue Date
USD887255S		June 16, 2020

13. Since Hang Smart launched on June 30, 2022, the company has followed a defined strategy for positioning its brand, marketing, and promoting its novel product in its industry and to consumers and establishing distribution channels. Plaintiff’s promotional efforts for the Hang Smart TV Wall Mount include, by way of example but not limitation, substantial print media and the <https://hangsmart.com/> website, advertising campaigns on Google and Amazon, and social media advertising campaigns. The novel Hang Smart TV Wall Mount invention has been featured

on both QVC and HSN television shopping networks, as well as in Forbes magazine. Plaintiff has expended substantial time, money, and other resources in advertising and otherwise promoting the Hang Smart.

The Hang Smart® TV Wall Mount

14. The Hang Smart TV Wall Mount is manufactured, distributed, and sold to consumers throughout the world including the United States, and in Illinois by way of its exclusive rights to the patented design. Plaintiff's patented products are marketed, offered and sold on the <https://hangsmart.com/> website, Amazon.com, the QVC, HSN television shopping networks, Walmart.com, Walmart retail stores, HomeDepot.com, and Lowes.com. Hang Smart is actively expanding its distribution to major national retail stores, including Home Depot and Lowe's. Hang Smart invests at least several thousands of dollars daily into its marketing efforts across Amazon.com, Facebook.com, TikTok.com, Instagram.com, Google.com, and Walmart.com.

15. As part of its strategy to position an impeccable reputation among consumers, Hang Smart has also invested thousands of dollars on extensive lab testing to obtain certifications from both UL Solutions and Intertek in order to ensure the Hang Smart brand products meet the highest high quality safety standards and regulations, as are often required by major national retail store chains. The Hang Smart brand reputation assures consumers that their product meets the highest possible standards of safety and compliance.

16. The patented Hang Smart design has become enormously popular, driven by Plaintiff's arduous quality standards and innovative design for a TV Wall Mount. The Hang Smart TV Wall Mount is known for its distinctive design. This design is broadly recognized by consumers as being produced by and sourced from Plaintiff. Products fashioned after this design are associated with the quality, innovation, and safety standards that the public has come to expect from Hang Smart.

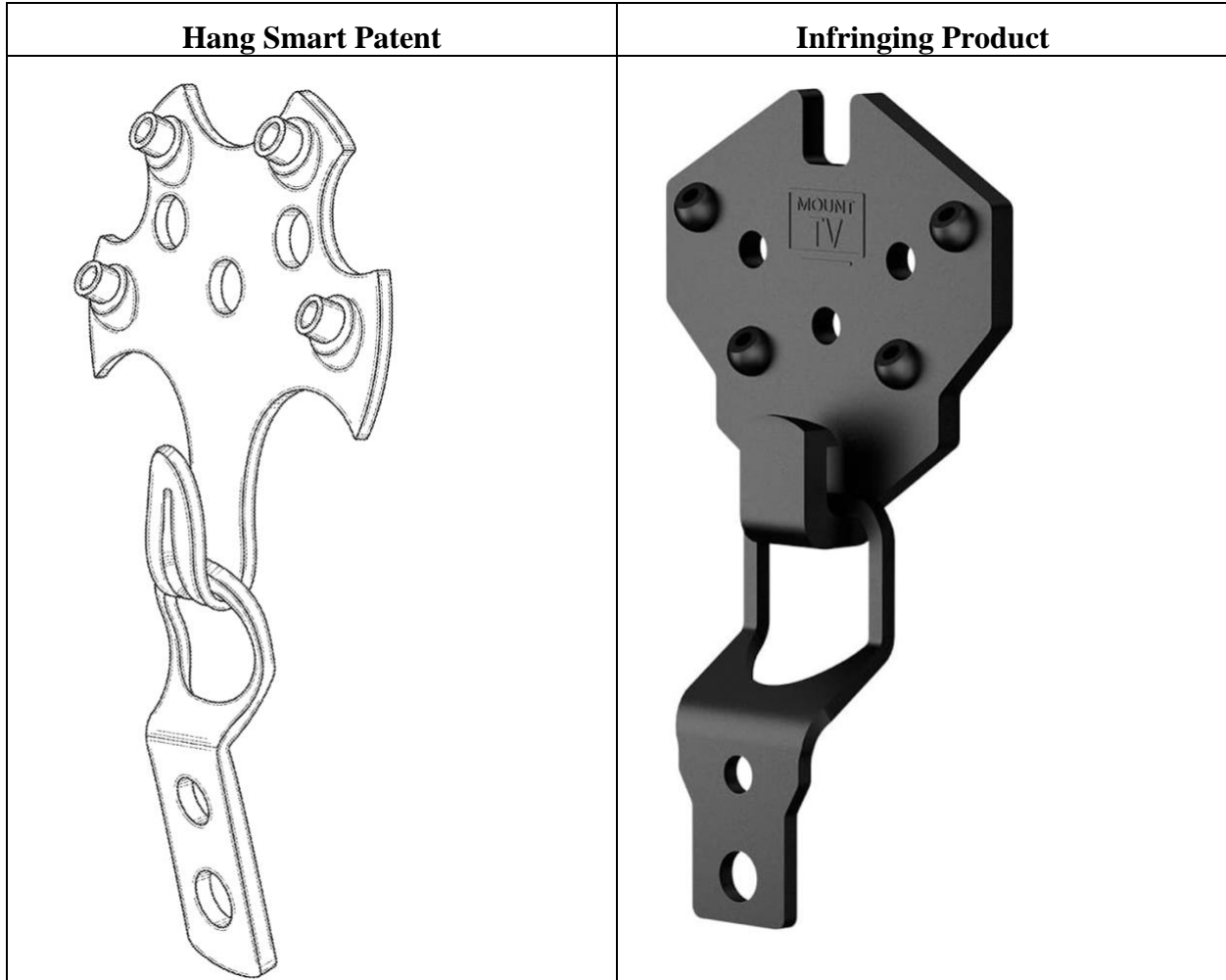
Plaintiff uses this design in connection with the Hang Smart brand device protected by the Hang Smart Patent.

The Defendants

17. Defendants are individuals and business entities who, upon information and belief, primarily reside in the People's Republic of China. Defendants conduct business throughout the United States including within Illinois and in this Judicial District, through the operation of fully interactive commercial websites and online marketplaces operating under the Defendants Internet Stores. Each Defendants targets the United States, including Illinois, and has offered to sell and, information and belief, has sold and continues to sell infringing TV Wall Mounts that violate (at least) Plaintiff's exclusive patent rights to consumers within the United States, including Illinois and in this Judicial District.

The Accused Product

18. Defendants have and continue to make, sell and offer for sale an identical infringing product under (at least) the "BUSHAD" and "SmokeBar Shop" Brand names ("Infringing Product") (please see Exhibit B) in the United States and continue to import their infringing product into the United States. As shown below, the Infringing Product includes key features of and is substantially similar to the design claimed in the Hang Smart patent.



19. An ordinary observer or purchaser would find the overall design of Hang Smart Patent and the Infringing Product substantially similar and mistakenly purchase the Infringing Product. A detailed infringement analysis of these similarities is attached hereto as Exhibit C.
20. Upon information and belief, Defendants have known of the existence of the Hang Smart Patent, brand, and product which is evidenced by the distinct similarities between the Infringing Product design, product function, packaging design, colors, images, descriptions, and marketing materials to the Hang Smart patented design, function (patent pending), trade dress, copyrights, and marketing materials.

21. Defendants have caused Plaintiff 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 invention. By using the Hang Smart patent and trade dress without authorization, advertising, depicting, and describing the patented invention in the product descriptions of their Internet Stores, Defendants deceive and attract unknowing Hang Smart customers to purchase substantially inferior products, causing direct damage to Plaintiff through loss of sales, exponential increases in overhead and marketing costs, and severe damage to the carefully forged Hang Smart brand reputation.

The Defendants' Unlawful Conduct

22. The enormous success of the Hang Smart product has resulted in significant design patent infringement by Defendants.
23. Plaintiff has identified Defendants' Internet Stores which are linked to fully interactive websites and marketplace listings offering for sale, selling, and importing infringing TV Wall Mounts to consumers in this Judicial District and throughout the United States.
24. Defendants have persisted in creating such online marketplaces and internet stores. In fact, such online marketplaces are estimated to receive millions of visits per year and to generate over \$135 billion in annual online sales. According to an intellectual property rights seizures statistics report issued by the United States Department of Homeland Security, the manufacturer's suggested retail price of goods seized by the U.S. government in fiscal year 2017 was over \$1.2 billion. Internet websites like the Defendants' Internet Stores are also estimated to contribute to tens of thousands of lost jobs for legitimate businesses and broader economic damages such as lost tax revenue every year.

25. On personal knowledge and belief, Defendants facilitate sales by designing their Internet Stores, product designs, product packaging, and marketing materials so that they appear to unknowing consumers to be authorized online retailers, outlet stores, or wholesalers selling an authentic Hang Smart product in violation of Plaintiff's patent rights.
26. The Defendants' Internet Stores look sophisticated and accept payment in U.S. dollars via credit cards, Western Union, or PayPal. Defendants' Internet Stores includes images and design elements that make it very difficult for consumers to distinguish such Infringing sites and products from an authorized Hang Smart website.
27. Plaintiff has not licensed or authorized Defendants to use the Hang Smart patent, and the Defendants are not authorized or licensed manufacturers or retailers of the genuine Hang Smart Product.
28. On personal knowledge and belief, Defendants deceive unknowing consumers by using the Hang Smart Patent and trade dress without authorization, advertising, depicting, and describing the patented invention in the product descriptions of their Defendants Internet Stores to attract Hang Smart's customers.
29. On personal knowledge and belief, Defendants also likely deceive unknowing consumers by using unauthorized search engine optimization ("SEO") tactics and social media spamming so that the Defendants Internet Stores listings show up at or near the top of relevant search results and misdirect consumers searching for the genuine Hang Smart Product.
30. Further, Defendants utilize similar illegitimate SEO tactics to propel new domain names to the top of search results after others are shut down. As such, Plaintiff also seeks to disable the domain names owned and/or operated by Defendants that are the means by which the Defendants could continue to sell infringing TV Wall Mounts in this District.

31. On information and belief, Defendants go to great lengths to conceal their identities and often use multiple fictitious names and addresses to register and operate a network of Internet Stores. For example, it is common practice for Infringing sellers and counterfeiters to register their Internet Stores with incomplete information, various brand names, and various entity names, and with omitted or limited contact information.
32. In addition, the Infringing Products for sale in the Defendants Internet Stores are nearly identical, or (at least) bear similarities and indicia of being related to one another, suggesting that the infringing products were manufactured by and come from a common source and that, upon information and belief, the Defendants are interrelated.
33. The Defendants' Internet Stores also include other notable common features, including accepted payment methods, check-out methods, metadata, illegitimate SEO tactics, HTML user-defined variables, domain redirection, lack of contact information, identically or similarly priced items and volume sales discounts, similar hosting services, similar name servers, similar locations, and the use of the same or similar text and images.
34. In addition, Defendants in this case, and Defendants in other similar cases against online design patent infringers, use a variety of other common tactics to evade enforcement efforts. For example, Infringing sellers like Defendants will often register new online marketplace accounts under User Accounts once they receive notice of a lawsuit.¹

¹ <https://www.ice.gov/news/releases/buyers-beware-ice-hsi-and-cbp-boston-warn-consumers-about-counterfeit-goods-during> (noting counterfeiters “are very adept at setting up online stores to lure the public into thinking they are purchasing legitimate good on legitimate websites”) (last visited Sept. 1, 2023).

35. Infringing sellers and counterfeiters also often move website hosting to rogue servers located outside the United States once notice of a lawsuit is received. Rogue servers are notorious for ignoring cease and desist and take down demands sent by brand owners.²
36. Infringing sellers and Counterfeiters also typically ship products in small quantities via international mail to minimize detection by U.S. Customs and Border Protection. A 2012 U.S. Customs and Border Protection report on seizure statistics indicated that the Internet has fueled “explosive growth” in the number of small packages of Infringing and Counterfeit goods shipped through the mail and express carriers.
37. Further, Infringing sellers and Counterfeiters such as Defendants typically operate multiple credit card merchant accounts and PayPal accounts behind layers of payment gateways so that they can continue operation despite a Plaintiff’s enforcement efforts.
38. On personal knowledge and belief, Defendants maintain offshore bank accounts and regularly move funds from their PayPal accounts to offshore bank accounts outside the jurisdiction of this Court. Indeed, analysis of PayPal transaction logs from previous similar cases indicates that offshore counterfeiters regularly move funds from U.S.-based PayPal accounts to foreign-based bank accounts outside the jurisdiction of this Court.
39. Defendants, without any authorization or license from Plaintiff, have knowingly and willfully used and continue to use the Hang Smart patent in connection with the advertisement, distribution, offering for sale, and sale of Infringing Products into the United States and Illinois over the Internet to sell products

² While discussed in the context of false pharma supply chains, rogue internet servers and sellers are a well-known tactic that have even been covered in congressional committee hearings. <https://www.govinfo.gov/content/pkg/CHRG-113hrg88828/html/CHRG-113hrg88828.htm> (last visited Sept. 1, 2023).

40. Defendants' Internet Store offers shipping to the United States, including Illinois (in this Judicial District) and, on information and belief, Defendants has offered to sell, and has sold, infringing Products into the United States, including Illinois (in this Judicial District).
41. The Infringing Products are inferior and have not undergone safety and laboratory tests, as per UL regulations. Defendants' use of the Hang Smart Patent in connection with the advertising, distribution, offering for sale, and sale of inferior Infringing Products is likely to cause, and has caused confusion, mistake, and deception by and among consumers and is irreparably harming Plaintiff.
42. Prior to and contemporaneous with their counterfeiting and infringing actions alleged herein, Defendants had knowledge of Plaintiff's ownership of the Hang Smart Patent, of the fame and incalculable goodwill associated therewith, and of the popularity and success of the Hang Smart brand and product, and in bad faith proceeded to manufacture, market, develop, offer to be sold, and/or sell the Infringing Products.
43. Defendants have since been notified of their illegal and infringing activities but ignored these attempts and continued to engage in the illegal counterfeiting and infringing actions, as alleged herein, knowingly and intentionally, or with reckless disregard or willful blindness to Plaintiff's rights, or in bad faith, for the purpose of trading on the goodwill and reputation of Plaintiff.

FIRST CAUSE OF ACTION
DESIGN PATENT INFRINGEMENT (35 U.S.C. §371)
[Against Defendants]

44. Plaintiff hereby repeats and incorporates by reference herein the allegations set forth in the preceding paragraphs of this Complaint.

45. Defendants are and have been making, using, selling, offering for sale, and/or importing into the United States for subsequent sale or use, without authority, Counterfeit Products that infringe directly and/or indirectly the Hang Smart.
46. A comparison of figures from Plaintiff's Hang Smart and images of Defendants' Infringing Products sold on a Defendants' Internet Stores is attached hereto as Exhibit C.
47. Defendants' activities constitute willful patent infringement under 35 U.S.C. §271.
48. Defendants have infringed the Plaintiff's Hang Smart Patent through the aforesaid acts and will continue to do so unless enjoined by this Court. Defendants' wrongful conduct has caused Plaintiff 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 invention. Plaintiff is entitled to injunctive relief pursuant to 35 U.S.C. § 283.
49. Plaintiff is entitled to recover damages adequate to compensate for the infringement pursuant to 35 U.S.C. §§ 284 and 289, including Defendants' profits.

SECOND CAUSE OF ACTION
FALSE DESIGNATION OF ORIGIN (15 U.S.C. § 1125(a))
[Against Defendants]

50. Plaintiff hereby repeats and incorporates by reference herein its allegations set forth in the preceding paragraphs of this Complaint.
51. Defendants' promotion, marketing, offering for sale, and sale of Infringing Products has created and is creating a likelihood of confusion, mistake, and deception among the general public as to the affiliation, connection, or association with Plaintiff or the origin, sponsorship, or approval of Defendants' Infringing Products by Plaintiff.

52. By using the Hang Smart Patent and trade dress in connection with the sale of their Infringing Products, Defendants create a false designation of origin and a misleading representation of fact as to the origin and sponsorship of the Infringing Products.
53. Defendants' conduct constitutes willful false designation of origin and misrepresentation of fact as to the origin and/or sponsorship of the Infringing Products to the general public under 15 U.S.C. §§ 1114, 1125.
54. Plaintiff has no adequate remedy at law, and, if Defendants' actions are not enjoined, Plaintiff will continue to suffer irreparable harm to their reputation and the goodwill of their brand.

THIRD CAUSE OF ACTION
VIOLATION OF ILLINOIS UNIFORM DECEPTIVE TRADE PRACTICES ACT (815
ILCS § 510/1, *et seq.*)
[Against Defendants]

55. Plaintiff hereby repeats and incorporates by reference herein the allegations set forth in the preceding paragraphs of this Complaint.
56. Plaintiff has not licensed or authorized Defendants to make, use, offer, sell, or import products using their Hang Smart Patent, and none of the Defendants are authorized to use Plaintiffs patented invention.
57. Defendants knowingly and intentionally trade upon Plaintiff's exclusive rights, reputation, and goodwill by selling and/or offering for sale products using Plaintiff's Hang Smart Patent and trade dress.
58. Defendants' promotion, marketing, offering for sale, and sale of Infringing Products has created and is creating a likelihood of confusion, mistake, and deception among the general public as to the quality, affiliation, connection, or association with Plaintiff or the origin, sponsorship, or approval of Defendants' Infringing Products by Plaintiff.

59. Defendants knew, or should have known, that their manufacture, promotion, marketing, offering for sale, and sale of Infringing Products has caused and will continue to cause confusion, mistake, and deception among purchasers, users, and the public.
60. On information and belief, Defendants' conduct is willful and intentional as Defendants attempt to avoid liability by concealing their identities, using multiple fictitious names and addresses to register and operate their Infringing Defendants Internet Stores.
61. Plaintiff has no adequate remedy at law, and Defendants' conduct has caused Plaintiff to suffer damage to their reputation and goodwill. Unless enjoined by the Court, Plaintiff will suffer future irreparable harm as a direct result of Defendants' unlawful activities.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff prays for judgment against Defendants and each of them as follows:

1. That Defendants, their affiliates, officers, agents, servants, employees, attorneys, confederates, and all persons acting for, with, by, through, under, or in active concert with them be temporarily, preliminarily, and permanently enjoined and restrained from:
 - a. making, using, offering for sale, selling, and/or importing into the United States for subsequent sale or use any products not authorized by Plaintiff that include any reproduction, copy, or colorable imitation of the design claimed in the Hang Smart Patent;
 - b. passing off, inducing, or enabling others to manufacture, sell, or pass off any product as the genuine Hang Smart product or any other product produced by Plaintiff that is not Plaintiff's or not produced under the authorization, control, or

supervision of Plaintiff and approved by Plaintiff for sale under its exclusive rights to use the Hang Smart Patent;

- c. committing any acts calculated to cause consumers to believe that Defendants' Infringing Products are those sold under the authorization, control, or supervision of Plaintiff, or are sponsored by, approved by, or otherwise connected with Plaintiff;
 - d. further infringing the Hang Smart Patent;
 - e. otherwise competing unfairly with Plaintiff in any manner;
 - f. 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 Plaintiff, nor authorized by Plaintiff to be sold or offered for sale, and which copy or use the Hang Smart Patent, or any colorable imitations thereof;
 - g. using, linking to, transferring, selling, exercising control over, or otherwise owning any online marketplace accounts, the Defendants Domain Names, or any other domain name or online marketplace account that is being used to sell or is the means by which Defendants could continue to sell Infringing Products; and
 - h. operating and/or hosting online marketplace accounts at the Defendants Internet Stores that are involved with the distribution, marketing, advertising, offering for sale, or sale of any product embodying the Hang Smart Patent design or any reproduction, counterfeit or infringing copy, or colorable imitation thereof, that is not authorized by Plaintiff.
2. Entry of an Order that any online marketplace account provider:

- a. disable and cease providing services for any accounts through which Defendants engage in the sale of Infringing Products, including any accounts associated with the Defendants;
 - b. disable and cease displaying any advertisements used by or associated with Defendants in connection with the sale of Infringing Products; and
 - c. take all steps necessary to prevent links to the Defendants Internet Stores from displaying in search results for Hang Smart products, including, but not limited to, removing links to the Defendants Internet Stores from any search index.
3. That Defendants account for and pay to Plaintiff all profits realized by Defendants by reason of Defendants' unlawful acts herein alleged.
4. That Plaintiff be awarded such damages as it shall prove at trial against Defendants that are adequate to compensate Plaintiff for Defendants' infringement of the Hang Smart Patent, but in no event less than a reasonable royalty for the use made of the invention by the Defendants, together with interest and costs, pursuant to 35 U.S.C. § 284;
5. That the amount of damages awarded to Plaintiff to compensate Plaintiff for infringement of Plaintiff's Hang Smart Patent be increased by three times the amount thereof, as provided by 35 U.S.C. § 284;
6. In the alternative, that Plaintiff be awarded all profits realized by Defendants from Defendants' infringement of Plaintiff's Hang Smart Patent, pursuant to 35 U.S.C. § 289;
7. That Plaintiff be awarded its reasonable attorneys' fees and costs; and

8. Any and all other relief that this Court deems just and proper.

Dated: July 24, 2024

Respectfully submitted,
/s/ Cory Jay Rosenbaum
(electronically signed)
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