

Baruch S. Gottesman, Esq.
GOTTESMAN LEGAL
11 Broadway, Suite 615
New York NY 10004
o: (212) 401-6910
e: bg@gottesmanlegal.com
Counsel for Plaintiff

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

HEFEI MAKIE SIYOU TRADING CO, LTD.,

Plaintiff,

~ versus ~

**THE PARTNERSHIPS, INDIVIDUALS,
COMPANIES AND/OR UNINCORPORATED
ASSOCIATIONS IDENTIFIED IN THE
ANNEXED SCHEDULE A,**

Defendants.

Index No. _____

ORIGINAL COMPLAINT

District Judge:

Magistrate Judge:

COMES NOW the Plaintiff **HEFEI MAKIE SIYOU TRADING CO, LTD.** with their action against the **PARTNERSHIPS, INDIVIDUALS, COMPANIES AND/OR UNINCORPORATED ASSOCIATIONS IDENTIFIED IN THE ANNEXED SCHEDULE A** as more fully described below and does respectfully allege as follows:

I. Introduction

1. Plaintiff **HEFEI MAKIE SIYOU TRADING CO, LTD.** is the assignee and owner of United States Design Patent No. **US D1,005,706 S.**

2. The date of patent in the United States is November 28, 2023, and covers the ornamental design for a folding sofa as described in the patent, a copy of which is annexed as Exhibit A and incorporated in full by reference into this Complaint.

3. The popularity and success of Hefei's patented product has attracted unethical competitors to unlawfully trade upon Hefei's patented products (as well as Plaintiff's reputation and goodwill) through their unauthorized and unlawful manufacturing, marketing, offering for sale, sale, and import to the United States of products that blatantly infringe the Plaintiff's Patent.

4. While several distinct "brands" and separate stores are engaged in this infringement it is place from the face of their offerings that they are all "singing from the same songbook" by selling product that is identified in the same way, contain the same sales code and language and in practice source their product from a single infringing manufacturer. Therefore, the Plaintiff respectfully submit that the operation of the stores by the Defendants arise out of the same scheme, transaction, and occurrence and that the Defendants are appropriately joined in a single action. To the extent requested by the Honorable Court, Plaintiff will move for Joinder to more fully describe how the Defendants appear to be implicated in a single infringing scheme.

5. Hefei now respectfully submits this Complaint to end the Defendants' ongoing infringement of its Design Patent, to protect consumers from unknowingly purchasing inferior, counterfeit and infringing product, and to protect the marketplace.

6. Hefei 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 its patented design as a result of Defendants' actions and therefore in addition to monetary relief, will respectfully move for an preliminary and permanent injunction against further infringement.

II. Jurisdiction and Venue

7. 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) *and* 28 U.S.C. § 1331, and other appropriate provisions of the United States Code and the practices of this Honorable Court.

8. Venue is proper in this Court pursuant to 28 U.S.C. § 1391, and this Court may properly exercise personal jurisdiction over Defendants since each of the Defendants directly targets business activities toward consumers in Illinois, through means that include but are not limited to the operation of online sales portal that target and in fact do sell infringing product here in Illinois.

9. Each of the Defendants is committing tortious acts in Illinois, is engaging in interstate commerce, and has wrongfully caused Hefei substantial injury in the State of Illinois.

III. The Plaintiff

10. Plaintiff Hefei Makie Siyou Trading Co, Ltd. is a Chinese limited company having its principal place of business at Office 1301, Block C, Land Plaza, 288 Huining Road Hefei (Capital of Anhui Province), Shushan 23000, Anhui (Province), in the People's Republic of China.

11. At various times, the Plaintiff's corporate name has been transliterated in non-standard form as "Maxyoyo Trading Co., Ltd.", including as the Plaintiff in *Maxyoyo Trading Co., Ltd. v. The Partnerships and Unincorporated Associations Identified on Schedule A*, Case No. 1:22-cv-06922 (N.D.Ill.)(Valderrama, DJ).

12. In this Complaint, the Plaintiff is sometimes referred to as "Hefei" where appropriate.

13. The Plaintiff engages in substantial sales of its patented product in this Chicago, including but not limited through "brick-and-mortar" sales at chain stores and other distribution points within this Judicial District.

IV. The Defendants

14. Partnerships, Individuals, Companies and/or Unincorporated Associations Identified in the Annexed Schedule A are identified on "Schedule A", which will as an initial matter be filed under Seal, subject to unsealing of their identities upon execution of an initial Temporary Restraining Order, to avoid the Defendants from learning of their role in this lawsuit and escheating funds from accounts that would be accessible to the Plaintiff.

15. Defendants are business entities or alter egos of individuals who appear to own and operate online consumer-oriented sales that jointly engage in the manufacture, marketing, sale and export (to the United States, including to Chicago) of products that infringe the Plaintiff's patent.

16. Upon information and belief, the Defendants reside in (for individuals) and are incorporated under the law of the People's Republic of China.

17. Each of the John Doe Infringing Defendants have the capacity to be sued pursuant to Federal Rule of Civil Procedure 17(b).

18. Upon information and belief, the Defendants either individually or jointly, operate the commerce stores under the names and websites annexed under Seal as "Schedule B" to this Complaint.

19. As will be discussed more fully in a Motion for Joinder, if so requested by the Court, the Defendants identified on Schedule A each and collectively operate one or more online stores under the names described in Schedule A.

20. Should the corporate or other true identity of any Seller be more accurately identified, the Plaintiff will, with leave of Court if necessary, move to Amend the Schedule A to more precisely identify the relevant Defendant.

**V. The Plaintiff's Patented Design
at issue in this Complaint**

21. Since 2014, Hefei specialized in the development, marketing and sale of mattresses, sofas and related household furniture and related consumer goods.

22. Hefei attracted global customer attention because of its innovative products, attention to quality, and careful focus on the consumer experience.

23. Hefei Products are presented, promoted and sold in traditional bricks and mortar retail premises including Walmart and other major retailers across the United States, Illinois, and Chicago.

24. Hefei Products are also distributed and sold online to consumers through retailers throughout the United States, including through authorized retailers in the State of Illinois, through the official <https://www.maxyoyohome.com> website, and through consumer product retail channels such as Amazon.com and other online platforms.

25. Hefei Products are known for their distinctive patented designs.

26. These designs are broadly recognized by consumers.

27. In particular, the folding sofa, patented under U.S. Design Patent No. D 1,005,706 S are associated among everyday consumers with the quality and innovation that the public expects Hefei Products.

28. Hefei uses these patented designs in connection with its Hefei Products, including, but not limited to, the patented design shown in the below table, herein referred to as the "Hefei Design."

29. Authentic Hefei Design products are marked in compliance with 35 U.S.C. § 287(a).

30. Hefei is the lawful assignee of all right, title, and interest in and to the Hefei Design. The D1,005,706 patent for the Hefei Design was lawfully issued on November 29, 2023 with named inventor: Dandan Song, *See* Exhibit A.

VI. The Infringing Activities of the Defendants

31. Hefei has learned that various competitors have begun to offer for sale products that infringe the Plaintiff's patent. These competitors have set up and are operating on marketplace platfors, including Amazon, eBay, AliExpress, Alibaba, Wish.com, Walmart, Etsy, DHgate, and Temu.

32. The Defendants target consumers in this Judicial District and throughout the United States. The United States Customs and Border Protection maintains a database of statistics of intellectual property rights seizures, which represent a very small proportion of the actual infringing product coming over the borders, *See* <https://www.cbp.gov/trade/priority-issues/ipr/statistics>.

33. The 2023 report said that “China and [Special Administrative Region of] Hong Kong are consistently in the top two countries for I[ntellecdtual] P[roperty] R[ights] seizures. In F[iscal] Y[ear] 2023, seizures from China and Hong Kong accounted for 84% of the M[anufacturer] S[uggested] R[etail] P[rice] and 90% of the total quantity seized.” *U.S. Customs and Border Protection, INTELLECTUAL PROPERTY RIGHTS SEIZURE*

STATISTICS, at p. 4 (June 26, 2024) available online at <https://www.cbp.gov/sites/default/files/2024-06/ipr-seizure-stats-fy23-508.pdf> (last checked September 5, 2024).

34. It is not the policy of Amazon, Walmart and other platforms to independently review the intellectual property issues at issue in this Complaint and informal complaints to the platforms will be inadequate because they will not make independent decisions about patent infringement, but rather defer to the Courts to decide such issues.

35. Infringers hedge against the risk of being caught and having their websites taken down from an e-commerce platform by preemptively establishing multiple virtual storefronts. Since platforms generally do not require a seller on a third-party marketplace to identify the underlying business entity, infringers can have many different profiles that can appear unrelated even though they are commonly owned and operated.

36. Defendants 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/or funds from U.S. bank accounts, and, on information and belief, have sold Infringing Products to residents of Illinois.

37. Defendants employ and benefit from substantially similar advertising and marketing strategies to each other. For example, Defendants facilitate sales by designing e-commerce stores operating under the Seller Aliases so that they appear to unknowing consumers to be authorized online retailers, outlet stores, or wholesalers. E-commerce stores operating under the Seller Aliases appear sophisticated and accept

payment in U.S. dollars and/or funds from U.S. bank accounts via credit cards, Alipay, Amazon Pay, and/or PayPal.

38. E-commerce stores operating under the Seller Aliases often include content and images that make it very difficult for consumers to distinguish such stores from an authorized retailer. Hefei has not licensed or authorized Defendants to use the Hefei Design, and none of the Defendants are authorized retailers of genuine Hefei Products.

39. E-commerce store operators like Defendants commonly engage in fraudulent conduct when registering the Seller Aliases by providing false, misleading and/or incomplete information to e-commerce platforms to prevent discovery of their true identities and the scope of their e-commerce operation.

40. E-commerce store operators like Defendants regularly register or acquire new seller aliases for the purpose of offering for sale and selling Infringing Products. Such seller alias registration patterns are one of many common tactics used by e-commerce store operators like Defendants to conceal their identities and the full scope and interworking of their operation, and to avoid being shut down.

41. Even though Defendants operate under multiple fictitious aliases, the e-commerce stores operating under the Seller Aliases often share unique identifiers, such as templates with common design elements that intentionally omit any contact information or other information for identifying Defendants or other Seller Aliases they operate or use. E-commerce stores operating under the Seller Aliases include other notable common features, such as use of the same registration patterns, accepted payment methods, check-out methods, keywords, advertising tactics, similarities in price and quantities, the same

incorrect grammar and misspellings, and/or the use of the same text and images. Additionally, Infringing Products for sale by the Seller Aliases bear similar irregularities and indicia of being unauthorized to one another, suggesting that the Infringing Products were manufactured by and come from a common source and that Defendants are interrelated.

42. Infringers such as Defendants typically operate under multiple seller aliases and payment accounts so that they can continue operation in spite of efforts to enforce the Plaintiff's intellectual property. Online sellers overseas often maintain off-shore bank accounts and regularly move funds from their financial accounts to off-shore accounts outside the jurisdiction of this Court to avoid payment of any monetary judgment awarded to Hefei. Indeed, analysis of financial account transaction logs from previous similar cases indicates that off-shore infringers regularly move funds from U.S.-based financial accounts to off-shore accounts outside the jurisdiction of this Court.

43. 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 Hefei, 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 Hefei Design. Each e-commerce store operating under the Seller Aliases offers shipping to the United States, including Illinois, and, on information and belief, each Defendant has sold Infringing Products into the United States and Illinois over the Internet.

44. Defendants' infringement of the Hefei Design in the making, using, offering for sale, selling, and/or importing into the United States for subsequent sale or use of the Infringing Products was willful.

45. Defendants' infringement of the Hefei Design in connection with the making, using, offering for sale, selling, and/or importing into the United States for subsequent sale or use of the Infringing Products, including the making, using, offering for sale, selling, and/or importing into the United States for subsequent sale or use of Infringing Products into Illinois, is irreparably harming Hefei.

[Remainder of Page Intentionally Left Blank]

VII. Causes of Action

Count I

Infringement of United States Design Patent No. D1,005,706 S (Violation of 35 U.S.C. § 271)

46. Hefei hereby re-alleges and incorporates by reference the allegations set forth in the preceding paragraphs.

47. Defendants are making, using, offering for sale, selling, and/or importing into the United States for subsequent sale or use Infringing Products that infringe directly and/or indirectly the ornamental design claimed in the Hefei Design.

48. Defendants have infringed the Hefei Design through the aforesaid acts and will continue to do so unless enjoined by this Court. Defendants' wrongful conduct has caused Hefei 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.

49. Hefei is also entitled to injunctive relief pursuant to 35 U.S.C. § 283.

50. Hefei is entitled to recover damages adequate to compensate for the infringement, including Defendants' profits pursuant to 35 U.S.C. § 289. Hefei is entitled to recover any other damages as appropriate pursuant to 35 U.S.C. § 284.

PRAYER FOR RELIEF

WHEREFORE, Hefei respectfully prays for judgment against Defendants 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 the Infringing Product;
 - b. aiding, abetting, contributing to, or otherwise assisting anyone in making, using, offering for sale, selling, and/or importing into the United States for subsequent sale or use the Infringing Product; and
 - c. effecting assignments or transfers, forming new entities or associations or utilizing any other device for the purpose of circumventing or otherwise avoiding the prohibitions set forth in Subparagraphs (a) and (b).
- 2.) Entry of an Order that, upon Hefei request, those with notice of the injunction, including, without limitation, any online marketplace platforms such as eBay, AliExpress, Alibaba, Amazon, Wish.com, Walmart, Etsy, DHgate, and Temu (collectively, the “Third Party Providers”) shall disable and cease displaying any advertisements used by or associated with Defendants in connection with the sale of the Infringing Product;
- 3.) That Hefei be awarded such damages as it shall prove at trial against Defendants that are adequate to compensate Hefei for Defendants’ infringement of the Hefei Design, 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;
- 4.) That the amount of damages awarded to Hefei to compensate Hefei for infringement of the Hefei Design be increased by three times the amount thereof, as provided by 35 U.S.C. § 284;
- 5.) In the alternative, that Hefei be awarded all profits realized by Defendants from Defendants’ infringement of the Hefei Design, pursuant to 35 U.S.C. § 289;
- 6.) That Hefei be awarded its reasonable attorneys’ fees and costs; and

7.) Award any and all other relief that this Court deems just and proper.

Dated this 5th day of September 2024

RESPECTFULLY SUBMITTED,

By:

A handwritten signature in blue ink, reading "Baruch S. Gottesman", is written over a light blue horizontal line.

Baruch S. Gottesman, Esq.
New York Bar No. 4480539
Gottesman Legal PLLC
11 Broadway, Suite 615
New York, NY 10004
Phone: (212) 401-6910
bg@gottesmanlegal.com