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

HONG KONG LEYUZHEN TECHNOLOGY CO. LIMITED, Plaintiff, v. THE INDIVIDUALS, CORPORATIONS, LIMITED LIABILITY COMPANIES, PARTNERSHIPS AND UNINCORPORATED ASSOCIATIONS IDENTIFIED IN SCHEDULE "A" HERETO, Defendants.	**Case No. 1:24-cv-12324-JJT-LKM** **Honorable John J. Tharp, Jr.** **Magistrate Laura K. McNally**

DECLARATION OF SHAWN A. MANGANO, ESQ.
IN SUPPORT OF PLAINTIFF'S MOTION FOR PRELIMINARY INJUNCTION

I, Shawn A. Mangano, of the City of Las Vegas, in the State of Nevada, declare as follows:

1. Except as otherwise expressly stated to the contrary, this declaration is based upon my personal knowledge of the following facts and, if called as a witness, I could and would competently testify to the statements made herein.

2. I make this declaration in support of Plaintiff's Motion for Preliminary Injunction (the "Motion").

3. I am an attorney at law, duly admitted to practice before the Courts of the State of Illinois and the United States District Court for the Northern District of Illinois. I am lead counsel of for Plaintiff HONG KONG LEYUZHEN TECHNOLOGY CO. LIMITED ("Plaintiff"). I make this declaration from my matters within my own personal knowledge unless stated otherwise.

4. Plaintiff's Motion for Temporary Restraining Order (the "TRO") was granted by the Court on December 16, 2024. [Dkt. No. 15.]

5. On December 28, 2024, the designated online platform, Temu, (the "Platform") provided Plaintiff with the email addresses for the named Schedule "A" Defendants (the "Defendants") so that electronic service of process authorized under the TRO could be effectuated. After receiving the email addresses from the Platform, Plaintiff effectuated electronic service of process on the Defendants on January 3, 2025. Plaintiff believes that it has electronically served all Defendants subject to the TRO as of the filing of the Motion.

6. This action involves enforcement of Plaintiff's "Rotita" brand ("Rotita"). Rotita is an extremely well-known source of women's clothing in the United States and has been the subject of rampant counterfeit sales through online platforms such as Amazon, Walmart, Alibaba, Temu, eBay, and Aliexpress, which is at issue in this action. These are the six largest online retailers in the World – and Plaintiff does not sell its products through any one of them. Rather, Plaintiff only sells its genuine Rotita brand products through its website (rotita.com).

7. Plaintiff's operative Complaint in this action is but one piece in a multi-action copyright enforcement campaign that seeks to dismantle a criminal network that operates through six (6) of the largest online retail platforms in existence and includes over 2,700 named Schedule "A" Defendants. These named Schedule "A" Defendants are alleged to be engaged in the practice of copying Plaintiff's copyright protected product images almost instantaneously after they are first displayed on the company's website and then associating these images with sale and promotion of unauthorized, counterfeit products of substandard quality, thereby deceiving consumers – including the citizens of the State of Illinois. Moreover, given the nature of Plaintiff's goods, such large-scale sales operations over multiple online retail platforms require considerable

supply chain coordination that could not reasonably be accomplished independently by any of the named Defendants.

8. The sophistication of Defendants' online, counterfeit sales network is further demonstrated by the skill with which they identify Schedule "A" plaintiffs, their allegedly infringed products or brands, and then immediately disseminating this information throughout their network by posting on online websites such as "SellerDefense.cn." The dissemination of this information then immediately results in the named Defendants siphoning off all illicit funds held in their online accounts. This results in plaintiffs being deprived of any meaningful opportunity to redress the harm caused by Defendants' infringing conduct by attacking their financial resources.

9. Several Schedule "A" defendants and counsel in other pending copyright enforcement actions in this judicial district have asserted that they obtained both the unauthorized images and the counterfeit products from the same manufacturing source. In fact, defense counsel made this assertion before Your Honor at in-person oral argument on Plaintiff's motion for summary judgment. *See Hong Kong Leyuzhen Tech. Co., Ltd. v. P'ships & Unincorporated Ass'ns Identified on Schedule "A"*, Case No. 1:24-cv-02939-MFK-BWJ [Dkt. No. 80.] In response, the Court specifically found that Plaintiff had satisfied the joinder requirements of Rule 20(a)(2) based on the presence of an alleged common manufacturing source. [*Id.*]

10. In short, these counterfeit sales operations require one or more textile manufacturing factories, the sourcing of identical, counterfeit fabrics and patterns, distribution networks to fulfill retail orders for these counterfeit goods, and the end sellers needed to promote and solicit sales. Plaintiff's copyright infringement allegations against the Defendants in this action, and in all other actions pending in this judicial district, simply could not be accomplished alone. Rather, the level of counterfeit operations presented to this Court requires the Defendants

to rely upon the same, coordinated, common black market manufacturing supply chain to successfully promote, sell, and fill the orders placed because of their infringing conduct.

11. As also previously argued to this Court in support of its request for entry of a temporary restraining order, Plaintiff would unquestionably suffer irreparable harm absent entry of injunctive relief through the spoliation of essential evidence and Defendants absconding with significant ill-gotten gains derived from their intentional infringement of Plaintiff's federally secured copyright protected works. These facts still exist today and support entry of preliminary injunctive relief effective until full adjudication of this matter.

12. In fact, the presentation of virtually identical facts has resulted in Plaintiff being granted preliminary injunctive relief by the following judges in this judicial district: (1) Chief Judge Kendall (Case No. 1:24-cv-01807); (2) Judge Pacold (Case No. 1:24-cv-03210); Judge Daniel (Case No. 1:24-cv-01652); (4) Judge Wood (Case No. 1:24-cv-01547); (5) Judge Cummings (Case No. 1:24-cv-01705).

13. Substantively, the TRO authorized and directed Plaintiff to provide notice of these proceedings and the preliminary injunction hearing to Defendants by electronically publishing a link to the Complaint, the TRO, and other relevant documents on a website, together with effectuating electronic service by email transmission to any addresses provided for Defendants by third party online platforms. [Dkt. No. 15 ¶ 7.] Plaintiff has complied with these requirements by serving the designated online platform with a copy of the TRO and the related subpoena requesting information, including that required to effectuate electronic service, for the named Defendants.

14. As with the issued TRO, Plaintiff requests issuance of the preliminary injunction to prevent the Defendants from using, without authorization, the company's copyright protected images in connection with the manufacture, importation, distribution, offering for sale, and sale of

counterfeit products. Absent issuance of this requested preliminary injunctive relief, Defendants' intentional infringement of Plaintiff's federally secured rights will unquestionably continue.

15. Plaintiff also requests conversion of the TRO to a preliminary injunction so that Defendants' online accounts, which contain essential illegal product sales information and ill-gotten funds derived from their intentional infringement of the company's copyright protected works that would otherwise be transferred to unknown locales, remain frozen until conclusion of this action. This same harm justified entry of the TRO and it continues to exist today, which clearly justifies entry of the requested preliminary injunction. Simply put, absent extending the relief granted under the TRO to a preliminary injunction, Plaintiff would be irreparably harmed through Defendants' efforts to avoid enforcement of the company federally protected rights by this Court.

16. The Court has previously required Plaintiff to post a bond in the sum of $24,000.00 in connection with issuance of the TRO. [Dkt. No. 15.] The exact same circumstances supporting the Court's determination of this bond amount apply to Plaintiff's request for entry of a preliminary injunction. Moreover, the Court is presented with facts and supporting evidence that clearly demonstrates Defendants have infringed Plaintiff's copyright protected works.

17. In *Volkswagen AG, et al. v. hkseller*2011, et al.*, No. 18-cv-07621 (N.D. Ill. May 6, 2019), the Court found that the defendants deliberately evaded asset restraint. Despite assurances, defendants depleted their PayPal account before a hearing. When the restraint was reinstated, they swiftly withdrew $20,000. With their counsel withdrawing and no response to plaintiffs' motion for summary judgment, a $200,000 judgment was entered, which remains unpaid beyond the restrained funds.

18. In *PopSockets LLC v. Xuebo50, et al.*, No. 17-cv-06101 (N.D. Ill. Oct. 12, 2017), a defendant's PayPal account, initially holding $1,611,921, was restrained. The account was released

under the condition that several hundred thousand dollars, earmarked for potential consumer chargebacks, couldn't be withdrawn. However, due to a misunderstanding with PayPal, the defendant reduced the balance to $36,469 upon receiving notice of the lawsuit. The defendant didn't appear in the case, resulting in a default judgment entered against them.

19. For these reasons, in the absence of issuance of the requested preliminary injunction, Defendants would likely move any assets from accounts in financial institutions subject to this Court's jurisdiction to offshore accounts outside of this Court's jurisdiction.

I declare under penalty of perjury under the laws of the United States of America the foregoing is true and correct.

Executed on January 8, 2025, in Las Vegas, Nevada.

By: */s/ Shawn A. Mangano*
SHAWN A. MANGANO, ESQ.

CERTIFICATE OF SERVICE

I hereby certify that on the 8th day of January 2025, I electronically filed the foregoing document with the clerk of the court for the U.S. District Court, Northern District of Illinois, Eastern Division, using the electronic case filing system. The electronic case filing system sent a "Notice of Electronic Filing" to the attorneys of record who have consented in writing to accept this Notice as service of this document by electronic means. Notice of this filing is provided to unrepresented parties for whom contact information has been provided via email and by posting the filing on a URL contained on our website http://blointernetenforcement.com.

By: */s/ Shawn A. Mangano*
Shawn A. Mangano (Bar No. 6299408)
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