

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

BULGARI, S.p.A.,

Plaintiff,

v.

THE PARTNERSHIPS and
UNINCORPORATED ASSOCIATIONS
IDENTIFIED ON SCHEDULE “A,”

Defendants.

Case No. 20-cv-01185

COMPLAINT

Plaintiff Bulgari, S.p.A. (“Bulgari” or “Plaintiff”) hereby brings the present action against the Partnerships and Unincorporated Associations identified on Schedule A attached hereto (collectively, “Defendants”) and alleges as follows:

I. JURISDICTION AND VENUE

1. This Court has original subject matter jurisdiction over the claims in this action pursuant to the provisions of the Lanham Act, 15 U.S.C. § 1051, *et seq.*, 28 U.S.C. § 1338(a)-(b) and 28 U.S.C. § 1331.

2. 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 the United States, including Illinois, through at least the fully interactive, e-commerce stores¹ operating under the seller aliases identified in Schedule A attached hereto (collectively, the “Seller Aliases”). Specifically, Defendants have targeted sales to Illinois residents by setting up and operating e-commerce stores that target

¹ The ecommerce store urls are listed on Schedule A hereto under the Online Marketplaces and Domain Names.

United States consumers using one or more Seller Aliases, offer shipping to the United States, including Illinois, accept payment in U.S. dollars and, on information and belief, have sold products using infringing and counterfeit versions of Bulgari's federally registered trademarks to residents of Illinois. Each of the Defendants is committing tortious acts in Illinois, is engaging in interstate commerce, and has wrongfully caused Bulgari substantial injury in the State of Illinois.

II. INTRODUCTION

3. This action has been filed by Bulgari to combat e-commerce store operators who trade upon Bulgari's reputation and goodwill by offering for sale and/or selling unauthorized and unlicensed products, including jewelry and watches, using infringing and counterfeit versions of Bulgari's federally registered trademarks (the "Counterfeit BVLGARI Products"). Defendants create e-commerce stores operating under one or more Seller Aliases that are advertising, offering for sale and selling Counterfeit BVLGARI Products to unknowing consumers. E-commerce stores operating under the Seller Aliases share unique identifiers, establishing a logical relationship between them and that Defendants' counterfeiting operation arises out of the same transaction, occurrence, or series of transactions or occurrences. Defendants attempt to avoid and mitigate liability by operating under one or more Seller Aliases to conceal both their identities and the full scope and interworking of their counterfeiting operation. Bulgari is forced to file this action to combat Defendants' counterfeiting of its registered trademarks, as well as to protect unknowing consumers from purchasing Counterfeit BVLGARI Products over the Internet. Bulgari has been and continues to be irreparably damaged through consumer confusion, dilution, and tarnishment of its valuable trademarks as a result of Defendants' actions and seeks injunctive and monetary relief.

III. THE PARTIES

Plaintiff

4. Plaintiff Bulgari, S.p.A. is an Italian corporation with its principal place of business at Lungotevere Marzio, 11, Rome, Italy.

5. Bulgari was founded by Sotirio Bulgari in 1884. In 1905, Sotirio Bulgari, along with his sons Constantino and Giorgio, opened a shop in via Condotti, where the Bulgari flagship store is located today. From its modest beginnings, Bulgari has grown to become one of the world's largest jewelers.

6. Bulgari's BULGARI trademark has been used in the United States for fine jewelry products and luxury watches since 1970. Bulgari's trademarks, including BULGARI and BVLGARI, have become synonymous with luxurious and elegant products and services.

7. Bulgari's first international retail location was in New York City. The BVLGARI brand is now highly successful and well known throughout the United States.

8. Among Bulgari's most important assets is the intellectual property associated with its BVLGARI brand. Specifically, Bulgari owns numerous U.S. trademark registrations for its BVLGARI brand name, as well as other marks used to identify the jewelry and watch designs that it markets and sells. Bulgari also owns U.S. copyright registrations covering many of its unique and innovative jewelry and watch designs. Finally, Bulgari is the owner of U.S. design patents covering certain of its unique jewelry and watch designs.

9. Bulgari is an internationally recognized manufacturer, distributor and retailer of luxury watches, jewelry and accessories, all of which prominently display its famous, internationally recognized and federally registered trademarks, including BVLGARI and BULGARI (collectively, the "BVLGARI Products"). BVLGARI Products have become

enormously popular and even iconic, driven by Bulgari's arduous quality standards and innovative design. Among the purchasing public, genuine BVLGARI Products are instantly recognizable as such. In the United States and around the world, the BVLGARI brand has come to symbolize high quality, and BVLGARI Products are among the most recognizable watches, jewelry and accessories in the world.

10. BVLGARI Products are distributed and sold to consumers through Bulgari boutiques, authorized retailers throughout the United States, such as Saks Fifth Avenue, Neiman Marcus and Nordstrom, and online at us.bulgari.com. A Bulgari boutique is located at 909 N. Michigan Avenue in Chicago's exclusive Magnificent Mile shopping district.


11. Bulgari incorporates a variety of distinctive marks in the design of its various BVLGARI Products. As a result of its longstanding use, Bulgari owns common law trademark rights in its BVLGARI Trademarks. Bulgari has also registered its trademarks with the United States Patent and Trademark Office. BVLGARI Products typically include at least one of Bulgari's registered trademarks. Often multiple Bulgari marks are displayed on a single product. Bulgari uses its trademarks in connection with the marketing of its BVLGARI Products, including the following marks which are collectively referred to as the "BVLGARI Trademarks."

Registration Number	Trademark	Goods and Services
1,184,684	BVLGARI	For: earrings, bracelets, broaches, rings, necktie pins, buckles, cufflinks, necklaces, all made of precious metals and precious or semi-precious stones; jewelry made of precious metals and precious or semi-precious stones; religious and commemorative medals made of precious metals and precious or semi-precious stones; wristwatches, clocks, pendulum clocks, table clocks; watchcases in class 014.
1,682,863	BVLGARI	For: pens and pen cases in class 016.

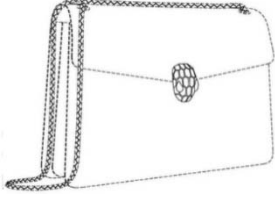
1,693,893	BVLGARI	For: toiletries, namely, bath creams, toilet soap, skin lotions, shampoos, shaving lotions in class 003.
1,694,038	BVLGARI	For: eyeglasses, eyeglass frames, eyeglass cases, sunglasses, sunglass frames, sunglass cases in class 009.
1,694,380	BVLGARI	For: attaché cases, tote bags, purses, valises, wallets in class 018.
1,736,428	BVLGARI	For: jewelry in class 014.
1,826,133	BVLGARI	For: key rings, money clips, non-electric cigarette lighters, and clothing buttons, all made wholly or in part of precious metal in class 014.
1,848,470	BVLGARI	For: eau de parfum in class 003.
2,102,804	BVLGARI	For: retail store services featuring jewelry, watches, knives and spoons, pens, clocks, gift items and perfumery in class 042.
2,837,806	B.ZERO1	For: precious metals and their alloys and goods in precious metals or coated therewith; jewelry; rings, pendants, dangling trinkets, medals; horological and chronometric instruments in class 014.
3,035,949	ERGON	For: precious metals and their alloys; jewelry, precious stones; horological and chronometric instruments, namely, clocks and watches in class 014.
3,073,799	ASSIOMA	For: horological and chronometric instruments in class 014.
3,329,746	PARENTESI	For: rings, cufflinks, bracelets, and necklaces in class 014.
3,520,949	DIAGONO	For: horological and chronometric instruments in class 014.
4,762,595	LVCEA	For: adhesives for cosmetic purposes; after-shave balms; after-shave cologne; after-shave creams; after-shave emulsions; after-shave gel; after-shave lotions; after-shave preparations; after-sun creams and preparations; after-sun creams for cosmetic use; after-sun gels cosmetics; after-sun lotions for cosmetic use;

		<p>after-sun milk cosmetics; after-sun moisturizers; after-sun oil cosmetics; age retardant gels for cosmetic use; age retardant lotions for cosmetic use; age spot reducing creams for cosmetic use; almond milk for cosmetic purposes; almond oil for cosmetic uses; almond soap; aloe soap; aloe vera preparations for cosmetic purposes; anti-aging skin care preparations; antiperspirants for personal use; antiperspirant toiletries; cosmetics with essential oils for use in aromatherapy; aromatherapy preparations, namely, essential oils for aromatherapy use, non-medicated skin creams with essential oils for use in aromatherapy; aromatic essential oils; toiletries in the nature of baby lotions; bath and shower gels; cosmetic preparations for bath and shower; bath creams; bath crystals for cosmetic use; bath foam; bath gel; bath lotions for cosmetic use; bath oils for cosmetic use; bath pearls for cosmetic use; bath powder cosmetics; bath salts for cosmetic use; bath soap; beauty masks; bergamot oil; body and beauty care cosmetics; body cream soap; body glitter; body lotions for cosmetic use; body mask creams for cosmetic use; body mask lotions for cosmetic use; body mask powder for cosmetic use; body oils for cosmetic use; body scrubs for cosmetic use; body soaps; body sprays for cosmetic use; cosmetic creams; cosmetic kits comprised of makeup, lipstick, body soap; cosmetic preparations for baths; cosmetic preparations for skin care; cosmetics; deodorants for human beings or for animals; eau de Cologne; essential oils; ethereal essences; extracts of flowers for use in making perfumes; hair lotions; hair spray; jasmine oil for personal use; lipsticks; lotions for cosmetic purposes; make-up; musk perfumery; oils for perfumes and scents; perfumed creams for cosmetic use; perfumed powder for cosmetic use; perfumed soap; perfume oils; perfumery; essential oils for use in making cosmetics and hair lotions; perfumery in the nature of fragrances and incense; perfumery in the nature of fragrances and incense, other than perfumes for personal use; perfumes; rose oil for cosmetic purposes; scented linen water; shampoos; shaving preparations; shaving soap; soap; sunscreen preparations; tissues impregnated with cosmetic lotions; toilet water in class 003.</p>
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		For: agate jewelry; alarm clocks; alloys of precious metal; amulets; clock and watchmaking anchors; badges of precious metal; beads for making jewelry; boxes of precious metal; bracelets; brooches; buckles for watchstraps; busts of precious metal; clock and watchmaking cases; cases for watch presentation; jewelry in the nature of chains; jewelry in the nature of charms; chronograph watches; chronometers; chronometric instruments; clock cases; clock hands; clocks; electric clocks and watches; non-monetary coins; cuff links; clock and watchmaking dials; diamonds; earrings; figurines and statuettes of precious metal; gold thread jewelry; hat ornaments of precious metal; jewelry; jewelry cases and caskets; jewelry, namely, precious stones; key rings of precious metal; key holders of precious metal; lockets; medals; movements for clocks and watches; necklaces; ornamental pins; jewelry in the nature of ornaments; pearls; pendants; jewelry in the nature of pins; platinum metal; precious and semi-precious gems; precious and semi-precious stones; precious jewels; precious metals; precious stones; jewelry in the nature of rings; rough diamond; rough precious stones; shoe ornaments of precious metal; silver thread jewelry; tie clips; tie pins; watch cases; watch chains; watches; watch glasses; watch springs; watch straps; works of art of precious metal; wristwatches in class 014.
5,173,735	INCONTRO D'AMORE	For: semi-finished articles of precious metals for use in the manufacture of jewelry; semi-finished articles of precious stones for use in the manufacture of jewelry; alloys of precious metal; jewelry findings; rings; costume jewelry; jewelry with precious stones; jewelry made of precious metals; jewelry for personal adornment; bracelets; Jewelry chains; clasps for jewelry; closures for necklaces; pendants; necklaces; wedding bands; cufflinks; jewelry, namely, imitation jewelry and plastic jewelry; jewelry; clocks and wristwatches; medallions; earrings; hair ornaments of precious metal; jewelry watches; jewelry key chains; brooches in class 014.
2,783,515	BVLGARI	For: retail shops and point-of sale kiosks featuring jewelry, silverware, watches, clothing, leather goods, eyeglasses, perfumery, and desk and writing instruments; providing product information regarding

		the products for sale by others organized by sector via a global computer network, namely, offering technical assistance in the establishment and/or operation of retail shops and points-of sale kiosks in the fields of jewelry, silverware, watches, clothing, leather goods, eyeglasses, perfumery, and desk and writing instruments; arranging and conducting trade show exhibitions in the field of art, namely, jewelry; business consulting services related to marketing, brand awareness and retail sale of luxury goods and services in class 035.
2,954,459	BVLGARI	For: belts, ties, scarves, shawls, and stoles in class 025.
3,505,546	BVLGARI	For: treatment of materials, namely, metals, precious metals, silver, precious stones, fabrics, and leather in class 040.
5,061,427		For: toilet water; eau-de-toilette; aromatic essential oils; aromatics for fragrances; aromatics, namely, oils and essential oils, for perfumes; lipstick cases; bath foam; hair conditioners; non-medicated cosmetic skin balms; bergamot oil; cosmetics; deodorants and antiperspirants for human beings; eau de cologne; soap free washing emulsions for the body; body emulsions for cosmetic use; exfoliant creams; body scrub; cosmetic facial scrubs; extracts of flowers for perfumes; extracts of perfumes; perfumes; foaming bath gels; cleansing gels; hairspray; facial cleansing milk; cosmetic cleansing milk; moisturizing body lotions; hair lotions; scented body lotions; cosmetic glitter sprays; cosmetic masks; cosmetic mousses, namely mousse for skin and face; hair mousses; skincare essential oils; oils for cosmetic purposes; essential oils for personal use; natural essential oils for perfumes; cosmetic body oils; scented oils; oils for perfumes and scents; scented talcum powders; fragrance preparations in the nature of aromatic preparations, namely, cream, lotion, body spray; perfumery and fragrances; soaps; liquid soaps; soaps in gel form; scented soaps; shampoo; shampoo-conditioners; scented body spray; body talcum powder in class 003. For: metal keys rings; metal key chains; metal chains

		<p>for keys; works of art made of alloys of common metal; metal locking pins; expansion caps in metal in class 006.</p> <p>For: clip-on sunglasses; optical goods, namely, sunglasses, reading glasses and prescription eyewear; goggles for sports; eyewear; eyewear cases; contact lens cases; eye glass cases; pince-nez cases; cases for sunglasses; chains for eyewear; mobile phone straps; cases adapted for computers; computer carrying cases; cases for laptops; cases for mobile phones; pince-nez frames; eyeglass frames; frames for sunglasses; frames for spectacles and sunglasses; anti-dazzle spectacles; anti-glare spectacles; spectacle frames in class 009.</p> <p>For: jet, unwrought or semi-wrought; jewelry, namely, amulets; jewelry, namely, rings; spun silver; silver wire; silver, unwrought or beaten; jewelry, namely, bracelets; watchstraps, watch cases, watch chains, jewellery chains, clasps for jewellery, jewel pendants, jewellery cases; jewelry caskets; chronographs as watches, chronometers; cuff links; jewellery, ivory jewelry, cloisonne jewellery; works of art of precious metal; jewellery ornaments; jet ornaments, namely, jet ornaments in the nature of jewelry, holiday ornaments of jet; hair ornaments in precious metals; wristwatches; key rings in the nature of trinkets or fobs; jewelry cases, jewelry caskets, jewelry boxes; boxes of precious metal; jewellery in the nature of pins; cases for watches; precious stones; paste jewellery; costume jewelry namely, rings, necklaces, bracelets, earrings, pendants; time instruments, namely, watches, clocks, pocket watch and watch necklaces; jewelry in the nature of necklaces; jewelry in the nature of medallions; earrings in class 014.</p> <p>For: umbrella sticks, unfitted vanity cases, trunks and luggage; bags, namely, all-purpose carrying bags, messenger bags, clutch bags, top handle bags, flap cover bag; bags for sports; chain mesh purses, tool bags of leather sold empty; travelling cases of leather, boxes of leather or leather board, leatherboard, attache cases, parasols, haversacks, bags in the nature of envelopes for packaging; pouches of leather for</p>
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		packaging; valises, document suitcases, garment bags for travel, handbags, backpacks, shoulder bags, shoulder sacks; all the foregoing made of leather or fur in class 018.
5,299,131		For: handbags, clutch bags, leather bags, wallets and purses in class 018.
5,697,708	SERPENTI	For: Eyewear, namely, clip-on sunglasses, spectacle frames, eyeglass frames, frames for sunglasses, reading glasses, sports glasses, spectacle lenses; Sleeves for laptops; Spectacle cases; Spectacle cords; Spectacle holders; Cell phone covers; Chains for spectacles and for sunglasses; Bars for spectacles, namely, bows of eyeglasses; Mobile phone straps in class 009. For: Jewelry chains; Pendants; Pins being jewelry in class 014. For: Backpacks in class 018.

12. The above U.S. registrations for the BVLGARI Trademarks are valid, subsisting, in full force and effect, and many are incontestable pursuant to 15 U.S.C. § 1065. The BVLGARI Trademarks have been used exclusively and continuously by Bulgari, some since at least as early as 1970, and have never been abandoned. The registrations for the BVLGARI Trademarks constitute *prima facie* evidence of their validity and of Bulgari’s exclusive right to use the BVLGARI Trademarks pursuant to 15 U.S.C. § 1057(b). True and correct copies of the United States Registration Certificates for the above-listed BVLGARI Trademarks are attached hereto as **Exhibit 1**.

13. The BVLGARI Trademarks are exclusive to Bulgari and are displayed extensively on BVLGARI Products and in Bulgari’s marketing and promotional materials.

BVLGARI Products have long been among the most popular luxury watches, jewelry and accessories in the world and have been extensively promoted and advertised at great expense. In fact, Bulgari has expended millions of dollars annually in advertising, promoting and marketing featuring the BVLGARI Trademarks. BVLGARI Products have also been the subject of extensive unsolicited publicity resulting from their high-quality, innovative designs and renown as desired luxury items. For example, BVLGARI Products are often seen at star-studded red carpet events, such as the annual Academy Awards and the Cannes Film Festival. Bulgari augments this unsolicited media coverage with extensive paid advertising featuring internationally known celebrities and models, including Julianne Moore and Carla Bruni-Sarkozy in upscale, luxury magazines worldwide, such as *Elle* and *Vogue*. Because of these and other factors, the Bulgari name and the BVLGARI Trademarks are famous throughout the United States.

14. The BVLGARI Trademarks are distinctive when applied to the BVLGARI Products, signifying to the purchaser that the products come from Bulgari and are manufactured to Bulgari's quality standards. Whether Bulgari manufactures the products itself or licenses others to do so, Bulgari has ensured that products bearing its trademarks are manufactured to the highest quality standards. The BVLGARI Trademarks have achieved tremendous fame and recognition, which has only added to the inherent distinctiveness of the marks. As such, the goodwill associated with the BVLGARI Trademarks is of incalculable and inestimable value to Bulgari.

15. Since at least as early as 1998, Bulgari has operated a website where it promotes and sells genuine BVLGARI Products at us.bulgari.com. Sales of BVLGARI Products via the

us.bulgari.com website represent a significant portion of Bulgari's business. The us.bulgari.com website features proprietary content, images and designs exclusive to Bulgari.

16. Bulgari has expended substantial time, money, and other resources in developing, advertising and otherwise promoting and protecting the BVLGARI Trademarks. As a result, products bearing the BVLGARI Trademarks are widely recognized and exclusively associated by consumers, the public, and the trade as being high-quality products sourced from Bulgari. Bulgari is a multi-million-dollar operation, and BVLGARI Products have become among the most popular of their kind in the U.S. and the world. The widespread fame, outstanding reputation, and significant goodwill associated with the BVLGARI brand have made the BVLGARI Trademarks invaluable assets of Bulgari.

The Defendants

17. Defendants are individuals and business entities of unknown makeup who own and/or operate one or more of the e-commerce stores under at least the Seller Aliases identified on Schedule A and/or other seller aliases not yet known to Plaintiff. Upon information and belief, Defendants reside and/or operate in the People's Republic of China or other foreign jurisdictions with lax trademark enforcement systems, or redistribute products from the same or similar sources in those locations. Defendants have the capacity to be sued pursuant to Federal Rule of Civil Procedure 17(b).

18. On information and belief, Defendants, either individually or jointly, operate one or more e-commerce stores under the Seller Aliases listed in Schedule A attached hereto. 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 counterfeit network. If Defendants provide additional credible information regarding their identities, Plaintiff will take appropriate steps to amend the Complaint.

IV. DEFENDANTS' UNLAWFUL CONDUCT

19. The success of the BVLGARI brand has resulted in its significant counterfeiting. Consequently, Bulgari has a worldwide anti-counterfeiting program and regularly investigates suspicious e-commerce stores identified in proactive Internet sweeps and reported by consumers. In recent years, Bulgari has identified numerous fully interactive e-commerce stores, including those operating under the Seller Aliases, which were offering for sale and/or selling Counterfeit BVLGARI Products to consumers in this Judicial District and throughout the United States. E-commerce sales, including through e-commerce stores like those of Defendants, have resulted in a sharp increase in the shipment of unauthorized products into the United States. **Exhibit 2**, Excerpts from Fiscal Year 2018 U.S. Customs and Border Protection (“CBP”) Intellectual Property Seizure Statistics Report. Over 90% of all CBP intellectual property seizures were smaller international mail and express shipments (as opposed to large shipping containers). *Id.* Over 85% of CBP seizures originated from mainland China and Hong Kong. *Id.* Counterfeit and pirated products account for billions in economic losses, resulting in tens of thousands of lost jobs for legitimate businesses and broader economic losses, including lost tax revenue.

20. Third party service providers like those used by Defendants do not adequately subject new sellers to verification and confirmation of their identities, allowing counterfeiters to “routinely use false or inaccurate names and addresses when registering with these Internet platforms.” **Exhibit 3**, Daniel C.K. Chow, *Alibaba, Amazon, and Counterfeiting in the Age of the Internet*, NW. J. INT’L L. & BUS. (forthcoming 2020), at 24; *see also*, report on “Combating

Trafficking in Counterfeit and Pirated Goods” prepared by the U.S. Department of Homeland Security’s Office of Strategy, Policy, and Plans (January 24, 2020) attached as **Exhibit 4** and finding that on “at least some e-commerce platforms, little identifying information is necessary for a counterfeiter to begin selling” and recommending that “[s]ignificantly enhanced vetting of third-party sellers” is necessary. Counterfeiters hedge against the risk of being caught and their websites taken down from an e-commerce platform by preemptively establishing multiple virtual store-fronts. **Exhibit 4** at p. 22. Since platforms generally do not require a seller on a third-party marketplace to identify the underlying business entity, counterfeiters can have many different profiles that can appear unrelated even though they are commonly owned and operated. **Exhibit 4** at p. 39. Further, “Internet commerce platforms create bureaucratic or technical hurdles in helping brand owners to locate or identify sources of counterfeits and counterfeiters.” **Exhibit 3** at 25.

21. 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, accept payment in U.S. dollars and, on information and belief, have sold Counterfeit BVLGARI Products to residents of Illinois.

22. Defendants concurrently employ and benefit from substantially similar advertising and marketing strategies. 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 via credit cards, Alipay, Amazon Pay, Western Union and/or PayPal. 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. Bulgari has not licensed or authorized Defendants to use any of the BVLGARI Trademarks, and none of the Defendants are authorized retailers of genuine BVLGARI Products.

23. Many Defendants also deceive unknowing consumers by using the BVLGARI Trademarks without authorization within the content, text, and/or meta tags of their online stores in order to attract various search engines crawling the Internet looking for websites relevant to consumer searches for BVLGARI Products. Other e-commerce stores operating under Seller Aliases omit using BVLGARI Trademarks in the item title to evade enforcement efforts while using strategic item titles and descriptions that will trigger their listings when consumers are searching for BVLGARI Products.

24. On information and belief, Defendants have engaged in fraudulent conduct when registering the Seller Aliases by providing false, misleading and/or incomplete information to e-commerce platforms. On information and belief, certain Defendants have anonymously registered and maintained Seller Aliases to prevent one from learning their true identities and the scope of their e-commerce operation.

25. On information and belief, Defendants regularly register or acquire new seller aliases for the purpose of offering for sale and selling Counterfeit BVLGARI Products. Such seller alias registration patterns are one of many common tactics used by the Defendants to conceal their identities and the full scope and interworking of their counterfeiting operation, and to avoid being shut down.

26. 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, illegitimate search engine optimization (SEO), advertising tactics, similarities in price and quantities, the same incorrect grammar and misspellings, and/or the use of the same text and images. Additionally, Counterfeit BVLGARI Products for sale by the Seller Aliases bear similar irregularities and indicia of being counterfeit to one another, suggesting that the Counterfeit BVLGARI Products were manufactured by and come from a common source and that Defendants are interrelated.

27. On information and belief, Defendants are 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.

28. Counterfeiters such as Defendants typically operate under multiple Seller Aliases and payment accounts so that they can continue operation in spite of Bulgari's enforcement efforts. On information and belief, Defendants maintain off-shore bank accounts and regularly move funds from their financial accounts to off-shore bank accounts outside the jurisdiction of this Court to avoid payment of any monetary judgment awarded to Bulgari. Indeed, analysis of financial account transaction logs from previous similar cases indicates that off-shore counterfeiters regularly move funds from U.S.-based financial accounts to off-shore bank accounts outside the jurisdiction of this Court.

29. On information and belief, Defendants are an interrelated group of counterfeiters working in active concert to knowingly and willfully manufacture, import, distribute, offer for

sale, and sell Counterfeit BVLGARI Products in the same transaction, occurrence, or series of transactions or occurrences. Defendants, without any authorization or license from Bulgari, have jointly and severally, knowingly and willfully used and continue to use the BVLGARI Trademarks in connection with the advertisement, distribution, offering for sale, and sale of Counterfeit BVLGARI Products into the United States and Illinois over the Internet.

30. Defendants' unauthorized use of the BVLGARI Trademarks in connection with the advertising, distribution, offering for sale, and sale of Counterfeit BVLGARI Products, including the sale of Counterfeit BVLGARI Products into the United States, including Illinois, is likely to cause and has caused confusion, mistake, and deception by and among consumers and is irreparably harming Bulgari.

COUNT I
TRADEMARK INFRINGEMENT AND COUNTERFEITING (15 U.S.C. § 1114)

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

32. This is a trademark infringement action against Defendants based on their unauthorized use in commerce of counterfeit imitations of the federally registered BVLGARI Trademarks in connection with the sale, offering for sale, distribution, and/or advertising of infringing goods. The BVLGARI Trademarks are highly distinctive marks. Consumers have come to expect the highest quality from BVLGARI Products offered, sold or marketed under the BVLGARI Trademarks.

33. Defendants have sold, offered to sell, marketed, distributed and advertised, and are still selling, offering to sell, marketing, distributing and advertising products using counterfeit reproductions of the BVLGARI Trademarks without Bulgari's permission.

34. Bulgari is the exclusive owner of the BVLGARI Trademarks. Bulgari's United States Registrations for the BVLGARI Trademarks (Exhibit 1) are in full force and effect. On information and belief, Defendants have knowledge of Bulgari's rights in the BVLGARI Trademarks, and are willfully infringing and intentionally using counterfeits of the BVLGARI Trademarks. Defendants' willful, intentional and unauthorized use of the BVLGARI Trademarks is likely to cause and is causing confusion, mistake, and deception as to the origin and quality of the Counterfeit BVLGARI Products among the general public.

35. Defendants' activities constitute willful trademark infringement and counterfeiting under Section 32 of the Lanham Act, 15 U.S.C. § 1114.

36. Bulgari has no adequate remedy at law, and if Defendants' actions are not enjoined, Bulgari will continue to suffer irreparable harm to its reputation and the goodwill of its well-known BVLGARI Trademarks.

37. The injuries and damages sustained by Bulgari have been directly and proximately caused by Defendants' wrongful reproduction, use, advertisement, promotion, offering to sell, and sale of Counterfeit BVLGARI Products.

COUNT II
FALSE DESIGNATION OF ORIGIN (15 U.S.C. § 1125(a))

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

39. Defendants' promotion, marketing, offering for sale, and sale of Counterfeit BVLGARI 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 Bulgari or the origin, sponsorship, or approval of Defendants' Counterfeit BVLGARI Products by Bulgari.

40. By using the BVLGARI Trademarks in connection with the sale of Counterfeit BVLGARI Products, Defendants create a false designation of origin and a misleading representation of fact as to the origin and sponsorship of the Counterfeit BVLGARI Products.

41. Defendants' false designation of origin and misrepresentation of fact as to the origin and/or sponsorship of the Counterfeit BVLGARI Products to the general public involves the use of counterfeit marks and is a willful violation of Section 43 of the Lanham Act, 15 U.S.C. § 1125.

42. Bulgari has no adequate remedy at law and, if Defendants' actions are not enjoined, Bulgari will continue to suffer irreparable harm to its reputation and the associated goodwill of the BVLGARI brand.

PRAYER FOR RELIEF

WHEREFORE, Bulgari 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. using the BVLGARI Trademarks or any reproductions, counterfeit copies or colorable imitations thereof in any manner in connection with the distribution, marketing, advertising, offering for sale, or sale of any product that is not a genuine BVLGARI Product or is not authorized by Bulgari to be sold in connection with the BVLGARI Trademarks;
 - b. passing off, inducing, or enabling others to sell or pass off any product as a genuine BVLGARI Product or any other product produced by Bulgari, that is not Bulgari's or

- not produced under the authorization, control, or supervision of Bulgari and approved by Bulgari for sale under the BVLGARI Trademarks;
- c. committing any acts calculated to cause consumers to believe that Defendants' Counterfeit BVLGARI Products are those sold under the authorization, control or supervision of Bulgari, or are sponsored by, approved by, or otherwise connected with Bulgari;
 - d. further infringing the BVLGARI Trademarks and damaging Bulgari's goodwill; and
 - e. 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 Bulgari, nor authorized by Bulgari to be sold or offered for sale, and which bear any of Bulgari's trademarks, including the BVLGARI Trademarks, or any reproductions, counterfeit copies or colorable imitations thereof;
- 2) Entry of an Order that, upon Bulgari's choosing, the registrant of the Domain Names shall be changed from the current registrant to Bulgari, and that the domain name registries for the Domain Names, including, but not limited to, VeriSign, Inc., Neustar, Inc., Afilias Limited, CentralNic, Nominet, and the Public Interest Registry, shall unlock and change the registrar of record for the Domain Names to a registrar of Bulgari's selection, and that the domain name registrars, including, but not limited to, GoDaddy Operating Company, LLC ("GoDaddy"), Name.com, PDR LTD. d/b/a PublicDomainRegistry.com ("PDR"), and Namecheap Inc. ("Namecheap"), shall take any steps necessary to transfer the Domain Names to a registrar account of Bulgari's selection; or that the same domain name registries shall disable the Domain Names and make them inactive and untransferable;

- 3) Entry of an Order that, upon Bulgari's request, those with notice of the injunction, including, without limitation, any online marketplace platforms such as eBay, AliExpress, Alibaba, Amazon, Wish.com, and Dhgate, (collectively, the "Third Party Providers") shall disable and cease displaying any advertisements used by or associated with Defendants in connection with the sale of counterfeit and infringing goods using the BVLGARI Trademarks;
- 4) That Defendants account for and pay to Bulgari all profits realized by Defendants by reason of Defendants' unlawful acts herein alleged, and that the amount of damages for infringement of the BVLGARI Trademarks be increased by a sum not exceeding three times the amount thereof as provided by 15 U.S.C. § 1117;
- 5) In the alternative, that Bulgari be awarded statutory damages for willful trademark counterfeiting pursuant to 15 U.S.C. § 1117(c)(2) of \$2,000,000 for each and every use of the BVLGARI Trademarks;
- 6) That Bulgari 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 18th day of February 2020.

Respectfully submitted,

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