

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

ADVANCE MAGAZINE PUBLISHERS INC.,

Plaintiff,

v.

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

Defendants.

Case No. 23-cv-00938

COMPLAINT

Plaintiff Advance Magazine Publishers. Inc. (“Plaintiff” or “The New Yorker”) 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 (the “Seller Aliases”). Specifically, Defendants have targeted sales to Illinois residents by setting up and operating e-commerce stores that target United States

¹ The e-commerce store urls are listed on Schedule A hereto under the Online Marketplaces.

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 products using infringing and counterfeit versions of Plaintiff'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 Plaintiff substantial injury in the State of Illinois.

II. INTRODUCTION

3. This action has been filed by Plaintiff to combat e-commerce store operators who trade upon Plaintiff's reputation and goodwill by offering for sale and/or selling unauthorized and unlicensed products using infringing and counterfeit versions of Plaintiff's federally registered trademarks (the "Counterfeit Products"). Defendants create e-commerce stores operating under one or more Seller Aliases that are advertising, offering for sale and selling Counterfeit 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. The New Yorker is forced to file this action to combat Defendants' counterfeiting of its registered trademarks, as well as to protect unknowing consumers from purchasing Counterfeit Products over the Internet. The New Yorker 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. Advance Magazine Publishers Inc. is an American media company, doing business as Condé Nast, a global mass media company founded in 1909 by Condé Montrose Nast. Its headquarters are located at One World Trade Center in New York City. Condé Nast media brands include Allure, GQ, The New Yorker, Vanity Fair, Vogue, and numerous others.

5. The New Yorker is an internationally recognized media brand delivering unparalleled reporting and commentary on politics and foreign affairs, business and technology, popular culture and the arts, founded by Harold Ross and his wife Jane Grant in 1925. Based in New York City, The New Yorker runs a publishing business through print and digital magazines, production and dissemination of audiovisual content, organization and sponsorship of many live and virtual events, and active social media presence. The New Yorker began as a weekly newspaper and years later, launched the monthly magazine known worldwide.

6. The New Yorker sells many high-quality products, including, but not limited to, clothing and apparel such as: shirts, sweatshirts and sweatpants, featured prints illustrating various The New Yorker photos. The New Yorker magazine covers and illustrations, such as canvas prints, framed prints, metal prints and acrylic prints, as well as products such as playing cards, jigsaw puzzles, wrapping paper and coffee mugs, to carefully control customer experiences and further enhance the appeal of The New Yorker brand (these and other genuine The New Yorker branded products are collectively referred to herein as “The New Yorker Products”).

7. Since its founding in 1925, The New Yorker media brand, and more recently the associated unique and highly desirable The New Yorker Products, have led to enormous growth and financial success for The New Yorker. The New Yorker consistently generates annual revenue in the hundreds of millions of dollars. The root of this financial success lies in The New Yorker's global audience and reputation and its ability to consistently deliver highly desirable The New Yorker Products.




8. The New Yorker Products have become enormously popular and iconic, driven by The New Yorker's arduous quality standards and innovative design. Among the purchasing public, genuine The New Yorker Products are instantly recognizable as such. In the United States and around the world, The New Yorker brand has come to symbolize high quality, and The New Yorker Products are among the most recognizable in the world.

9. The New Yorker maintains a large audience and following, amassing 5.6 million monthly readers of its monthly printed magazine, 6.2 million average monthly unique digital users, over 20 million followers on social media, and over 27 million average monthly views of its digital videos. The New Yorker Products are sold exclusively through authorized retail channels and online at condenaststore.com and store.newyorker.com. The condenaststore.com and store.newyorker.com websites feature proprietary content, images and designs exclusive to The New Yorker.

10. The New Yorker's business approach has provided The New Yorker with a competitive advantage that is responsible for the brand's strong financial performance. The brand has earned numerous industry awards and accolades. As an example, in 2021, The New Yorker magazine won six National Magazine Awards for its work in 2020 including: "*The*

Plague Year” by Lawrence Wright, *“The Trayvon Generation”* by Elizabeth Alexander, and more.

11. The New Yorker’s trademarks are critical to its business. The New Yorker is the owner of and has widely promoted several trademarks which have earned substantial fame and considerable goodwill among the public. The New Yorker has used its trademarks (collectively, “THE NEW YORKER Trademarks”) on and in association with its products and e-commerce. The New Yorker Products include at least one of THE NEW YORKER Trademarks. The New Yorker uses THE NEW YORKER Trademarks in connection with the marketing of its The New Yorker Products. The New Yorker has registered many of its THE NEW YORKER Trademarks with the United States Patent and Trademark Office, including, but not limited to, the following THE NEW YORKER Trademarks.

Registration No.	Trademark	Goods and Services
844,606		For: weekly magazine in class 16
1,979,255		For: t-shirts in class 25
5,027,431		For: stationery and note pads in class 16
1,829,420	THE NEW YORKER	For: tote bags in class 18
1,994,480	THE NEW YORKER	For: t-shirts in class 25
2,162,393	THE NEW YORKER	For: calendars in class 16
2,105,793	THE NEW YORKER	For: greeting cards and diaries in class 16
3,122,439	THE NEW YORKER	For: porcelain plates and coasters in class 21
3,296,118	THE NEW YORKER	For: shower curtains in class 24
3,901,769	THE NEW YORKER	For: puzzles in class 28

4,080,321	THE NEW YORKER	For: beach towels in class 24
4,171,886	THE NEW YORKER	For: mugs in class 21
4,376,510	THE NEW YORKER	For: umbrellas in class 18
4,402,816	THE NEW YORKER	For: decorative magnets in class 9
4,467,255	THE NEW YORKER	For: cases for smart phones, cell phones and hand-held electronic devices, namely, laptop computers and tablet computers in class 9
5,555,829	THE NEW YORKER	For: online retail store services featuring framed and unframed prints, magazine covers and photos, books, stationery and note cards in class 35
5,945,404	THE NEW YORKER	For: card games and board games in class 28
6,034,063	THE NEW YORKER	For: pouches for holding writing instruments in class 16
6,485,568	THE NEW YORKER	For: hats and baby bodysuits in class 25

12. The above U.S. registrations for THE NEW YORKER Trademarks are valid, subsisting, in full force and effect, and many are incontestable pursuant to 15 U.S.C. § 1065. The registrations for THE NEW YORKER Trademarks constitute *prima facie* evidence of their validity and of The New Yorker's exclusive right to use THE NEW YORKER Trademarks pursuant to 15 U.S.C. § 1057(b). THE NEW YORKER Trademarks have been used exclusively and continuously by The New Yorker and its subsidiaries for many years and have never been abandoned. Attached hereto as **Exhibit 1** are true and correct copies of the United States Registration Certificates for THE NEW YORKER Trademarks included in the above table.

13. THE NEW YORKER Trademarks are exclusive to The New Yorker and are displayed extensively on The New Yorker Products and in The New Yorker's marketing and promotional materials. The New Yorker expends millions of dollars annually promoting and

marketing THE NEW YORKER Trademarks. The New Yorker Products have also been the subject of extensive unsolicited publicity resulting from their high-quality, innovative designs and renown as desired luxury items. Because of these and other factors, The New Yorker name and THE NEW YORKER Trademarks have become famous throughout the United States.

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

The Defendants

15. 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 The New Yorker. On 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).

16. 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 The New Yorker to learn Defendants' true identities and the exact interworking of their counterfeit network. If Defendants provide additional credible information regarding their identities, The New Yorker will take appropriate steps to amend the Complaint.

IV. DEFENDANTS' UNLAWFUL CONDUCT

17. The success of The New Yorker brand has resulted in significant counterfeiting of THE NEW YORKER Trademarks. Consequently, The New Yorker 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, The New Yorker has identified many fully interactive, e-commerce stores offering Counterfeit Products on online marketplace platforms such as Amazon, eBay, AliExpress, Alibaba, Wish.com, Walmart, Etsy, and DHgate, including the e-commerce stores operating under the Seller Aliases. The Seller Aliases target consumers in this Judicial District and throughout the United States. According to a U.S. Customs and Border Protection ("CBP") report, in 2021, CBP made over 27,000 seizures of goods with intellectual property rights ("IPR") violations totaling over \$3.3 billion, an increase of \$2.0 billion from 2020. *Intellectual Property Rights Seizure Statistics, Fiscal Year 2021*, U.S. Customs and Border Protection (**Exhibit 2**). Of the 27,000 in total IPR seizures, over 24,000 came through international mail and express courier services (as opposed to containers), 51 percent of which originated from China and Hong Kong. *Id.*

18. 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 e-commerce platforms." **Exhibit 3**, Daniel C.K. Chow, *Alibaba, Amazon, and Counterfeiting in the Age of the Internet*, 40 NW. J. INT'L L. & BUS. 157, 186 (2020); 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 (Jan. 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 having 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, “E-commerce platforms create bureaucratic or technical hurdles in helping brand owners to locate or identify sources of counterfeits and counterfeiters.” **Exhibit 3** at 186-187.

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

20. Defendants concurrently employ and benefit from substantially similar advertising and marketing strategies. For example, Defendants facilitate sales by designing the 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 look sophisticated and accept payment in U.S. dollars via credit cards, Alipay, Amazon Pay, 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. The New Yorker has not licensed or authorized Defendants to use any of THE NEW YORKER Trademarks, and none of the Defendants are authorized retailers of genuine The New Yorker Products.

21. Many Defendants also deceive unknowing consumers by using THE NEW YORKER Trademarks without authorization within the content, text, and/or meta tags of their e-commerce stores to attract various search engines crawling the Internet looking for websites relevant to consumer searches for The New Yorker Products. Other e-commerce stores operating under the Seller Aliases omit using THE NEW YORKER 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 The New Yorker Products.

22. 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.

23. E-commerce store operators like Defendants regularly register or acquire new seller aliases for the purpose of offering for sale and selling Counterfeit 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 counterfeiting operation, and to avoid being shut down.

24. 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, Counterfeit Products for sale by the Seller Aliases bear similar irregularities and indicia of being counterfeit to one another, suggesting that the Counterfeit Products were manufactured by and come from a common source and that Defendants are interrelated.

25. E-commerce store operators like 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.

26. Counterfeiters such as Defendants typically operate under multiple seller aliases and payment accounts so that they can continue operation in spite of The New Yorker's enforcement. E-commerce store operators like Defendants maintain off-shore 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 The New Yorker. 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 accounts outside the jurisdiction of this Court.

27. Defendants are working in active concert to knowingly and willfully manufacture, import, distribute, offer for sale, and sell Counterfeit Products in the same transaction, occurrence, or series of transactions or occurrences. Defendants, without any authorization or

license from The New Yorker, have jointly and severally, knowingly and willfully used and continue to use THE NEW YORKER Trademarks in connection with the advertisement, distribution, offering for sale, and sale of Counterfeit Products into the United States and Illinois over the Internet.

28. Defendants' unauthorized use of THE NEW YORKER Trademarks in connection with the advertising, distribution, offering for sale, and sale of Counterfeit Products, including the sale of Counterfeit 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 The New Yorker.

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

29. The New Yorker hereby re-alleges and incorporates by reference the allegations set forth in the preceding paragraphs.

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

31. 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 NEW YORKER Trademarks without The New Yorker's permission.

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

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

34. The New Yorker has no adequate remedy at law and, if Defendants' actions are not enjoined, The New Yorker will continue to suffer irreparable harm to its reputation and the goodwill of its well-known THE NEW YORKER Trademarks.

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

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

36. The New Yorker hereby re-alleges and incorporates by reference the allegations set forth in the preceding paragraphs.

37. Defendants' promotion, marketing, offering for sale, and sale of Counterfeit 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 The New Yorker or the origin, sponsorship, or approval of Defendants' Counterfeit Products by The New Yorker.

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

39. Defendants' false designation of origin and misrepresentation of fact as to the origin and/or sponsorship of the Counterfeit 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.

40. The New Yorker has no adequate remedy at law and, if Defendants' actions are not enjoined, The New Yorker will continue to suffer irreparable harm to its reputation and the goodwill of its The New Yorker brand.

PRAYER FOR RELIEF

WHEREFORE, The New Yorker 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 NEW YORKER 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 The New Yorker Product or is not authorized by The New Yorker to be sold in connection with THE NEW YORKER Trademarks;
 - b. passing off, inducing, or enabling others to sell or pass off any product as a genuine The New Yorker Product or any other product produced by The New Yorker that is not The New Yorker's or not produced under the authorization, control, or

supervision of The New Yorker and approved by The New Yorker for sale under THE NEW YORKER Trademarks;

- c. committing any acts calculated to cause consumers to believe that Defendants' Counterfeit Products are those sold under the authorization, control, or supervision of The New Yorker, or are sponsored by, approved by, or otherwise connected with The New Yorker;
 - d. further infringing THE NEW YORKER Trademarks and damaging The New Yorker'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 The New Yorker, nor authorized by The New Yorker to be sold or offered for sale, and which bear any of The New Yorker's trademarks, including THE NEW YORKER Trademarks, or any reproductions, counterfeit copies, or colorable imitations thereof;
- 2) Entry of an Order that, upon The New Yorker's request, those with notice of the injunction, including, without limitation, any online marketplace platforms such as eBay, AliExpress, Alibaba, Amazon, Wish.com, Walmart, Etsy, 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 NEW YORKER Trademarks;
- 3) That Defendants account for and pay to The New Yorker all profits realized by Defendants by reason of Defendants' unlawful acts herein alleged, and that the amount of damages for

infringement of THE NEW YORKER Trademarks be increased by a sum not exceeding three times the amount thereof as provided by 15 U.S.C. § 1117;

- 4) In the alternative, that The New Yorker 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 NEW YORKER Trademarks;
- 5) That The New Yorker be awarded its reasonable attorneys' fees and costs; and
- 6) Award any and all other relief that this Court deems just and proper.

Dated this 15th day of January 2023.

Respectfully submitted,

/s/ Justin R. Gaudio

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