

**IN THE UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS**

MADNGINE INC.,

Plaintiff,

v.

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

Defendants.

Case No.: 1:25-cv-1007

COMPLAINT

Plaintiff Madngine Inc. (“Madngine” or “Plaintiff”) brings this action against the Individuals, Corporations, Limited Liability Companies, Partnerships and Unincorporated Associations identified in Schedule A attached hereto (collectively, “Defendants”)¹ 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 Federal Copyright Act, 17 U.S.C. § 101, 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

¹ Plaintiff has served subpoenas under 17 U.S.C. § 512(h) of the Digital Millennium Copyright Act (DMCA) to Cloudflare Inc. in order to obtain the identities of Defendants. Plaintiff intends to amend its Complaint once this information is known.

targets consumers in the United States, including Illinois, through at least the fully interactive commercial internet sites operating under the Defendant aliases and/or the online accounts identified in Schedule A attached hereto (collectively, the “Defendant Internet Sites”). Specifically, Defendants are reaching out to do business with Illinois residents by operating one or more commercial, interactive internet sites through which Illinois residents can purchase games bearing infringing versions of Plaintiff’s copyrighted works.

3. Each of the Defendants has targeted Illinois residents by operating online sites that offer online games to the United States, including Illinois, accept payment in U.S. dollars and, on information and belief, have sold online games bearing infringing versions of Plaintiff’s federally registered copyrighted works 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

4. Plaintiff, Madngine, is the owner of the federal copyright registrations that protect the creative content of Plaintiff’s software, images, and illustrations. Madngine is a leading international developer and publisher of a variety of different genres of video games, including Massively Multiplayer Online RPG (MMORPG), for multiple personal computer and mobile device platforms.

5. Since its founding in 2020, Madngine has developed and published numerous titles that have achieved worldwide commercial success, such as Night Crows.

6. This action has been filed by Plaintiff to combat online copyright infringers who trade upon Plaintiff’s reputation, goodwill, and valuable copyrights by selling, offering for sale, copying, and/or distributing online games in connection with Plaintiff’s copyrighted images,

illustrations, and software. In addition, the Defendants are selling, offering for sale, copying, and/or distributing unauthorized online games that are based on and derived from the copyrighted subject matter of Plaintiff's protected works.

7. Plaintiff is the owner of United States Copyright Registration No. TX 000-944-4200 and Korean Copyright Registration No. C 2024-014651 (the "Madngine Works"). Registrations for the Madngine Works (the "Copyright Registrations") are attached hereto as Exhibits 1 and 2. Upon information and belief, the copyrights have an effective date that predates the Defendants' acts of copyright infringement.

8. In an effort to illegally profit from the creative content of the Madngine Works, Defendants have created numerous Defendant Internet Sites and designed them to appear to be selling and/or distributing authorized products.

9. Plaintiff has been and continues to be irreparably harmed through loss of control over Plaintiff's reputation, goodwill, ability to license, and the quality of goods featuring the Madngine Works.

10. Plaintiff's investigation shows that the telltale signs of an illegal piracy ring are present in the instant action. For example, Schedule A shows the use of online names by the Defendant Internet Sites that employ no normal business nomenclature and, instead, have the appearance of being made up, or if a company that appears to be legitimate is used, online research shows that there is no known address for the company. Thus, the Defendant Internet Sites are using fake online sites designed to appear to be selling, offering for sale, and/or distributing genuine Madngine software ("Madngine Products"), while selling, offering for sale, and/or distributing inferior imitations and/or derivatives of Plaintiff's Madngine Products. The Defendant Internet Sites also share unique identifiers, such as design elements and similarities of the infringing products offered for sale,

establishing a logical relationship between them, and suggesting that Defendants' illegal operations arise out of the same transaction, occurrence, or series of transactions or occurrences. Defendants attempt to avoid liability by going to great lengths to conceal both their identities and the full scope and interworking of their illegal piracy operation. Plaintiff is forced to file this action to combat Defendants' infringement of Plaintiff's Madngine Works, as well as to protect unknowing consumers from purchasing unauthorized Madngine Products over the internet.

11. This Court has personal jurisdiction over each Defendant, because each Defendant conducts significant business in Illinois and in this judicial district. Furthermore, the acts and events giving rise to this lawsuit were undertaken in Illinois and in this judicial district. In addition, each Defendant has offered to sell, sold, and/or distributed infringing products into this judicial district.

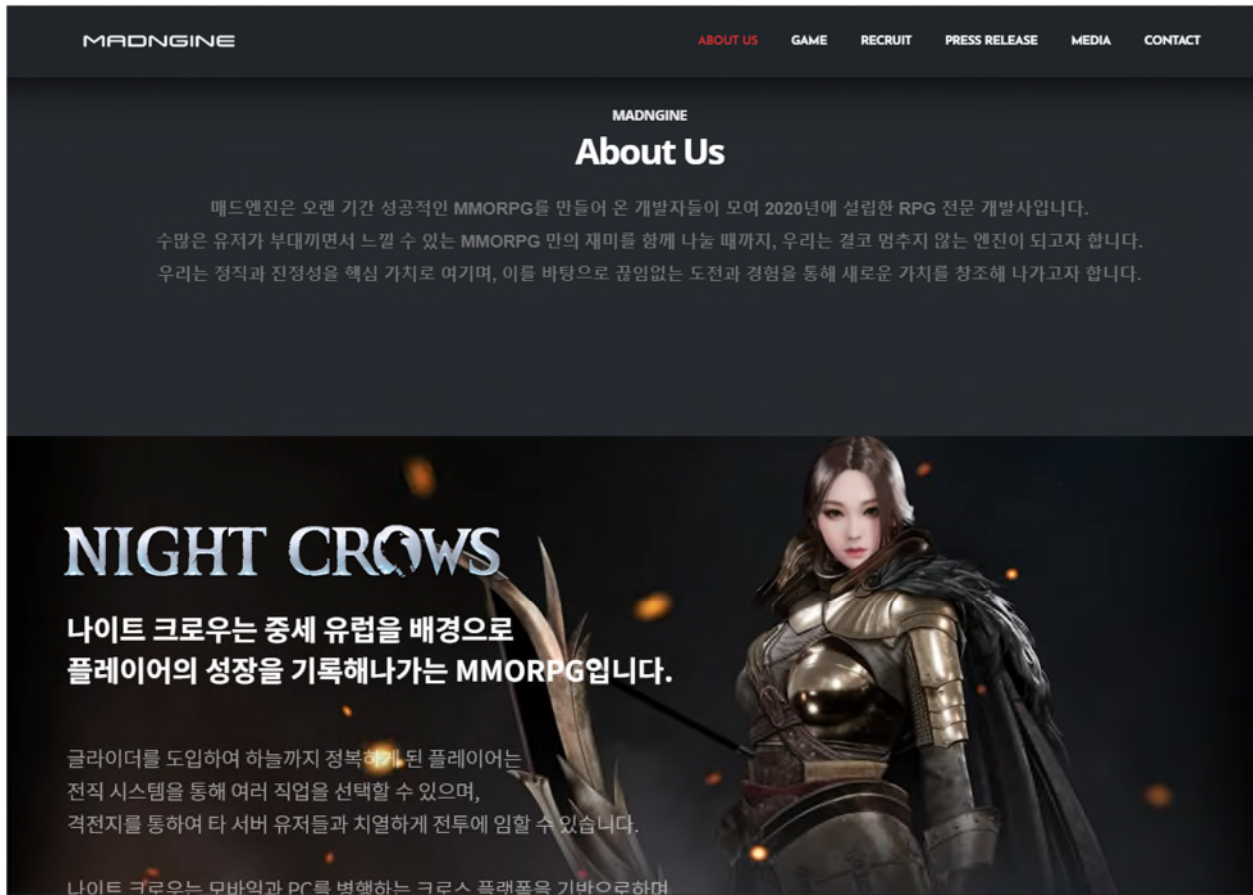
III. THE PLAINTIFF

12. Madngine is a publicly traded company (KOSDAQ Ticker A101730) incorporated in South Korea. Its principal place of business is located at 4F, 5F (Sampyeong-dong WemixTower), 49, Daewangpangyo-ro 644beon-gil, Bundang-gu, Seongnam-si, Gyeonggi-do, 13493, Republic of Korea. Madngine operates offices in a number of different countries across the globe, including in the United States in Irvine, California.

13. Madngine, which was founded in 2020, is an international developer and publisher of the Night Crows video game, which has achieved global commercial success.

14. Night Crows is a fantasy massively multiplayer online role-playing game (*i.e.*, "MMORPG") set in medieval Europe, in which players who have conquered the sky by introducing gliders can choose multiple occupations and fight with other server users through the

battleground. First released on March 12, 2024, the game is based on a cross-platform that parallels mobile and PC.



See Madngine, <https://www.madngine.com/>.

15. Madngine is the owner of the Copyright Registrations that protect the creative content of the Madngine Works. Madngine has expended substantial time, money, and other resources in developing, advertising, and otherwise promoting the Madngine Works. As a result, products associated with the Madngine Works are recognized and exclusively associated by consumers, the public, and the trade as products authorized by Plaintiff as the Madngine Products.

16. Plaintiff is the owner of United States and Korean Copyright Registrations that cover the Madngine Works. The Copyright Registrations are valid, subsisting, and in full force and effect.

True and correct copies of registration certificates for the Madngine Works are attached hereto as Exhibits 1 and 2.

17. In an effort to illegally profit from the creative content of the Madngine Works, Defendants have created and offered for sale software products on various online marketplaces that infringe Madngine Works.

18. Plaintiff has invested substantial time, money, and effort in building up and developing consumer awareness, goodwill, and recognition in the Madngine Works.

19. The success of the Madngine Works is due in large part to Plaintiff's marketing, promotional, and distribution efforts.

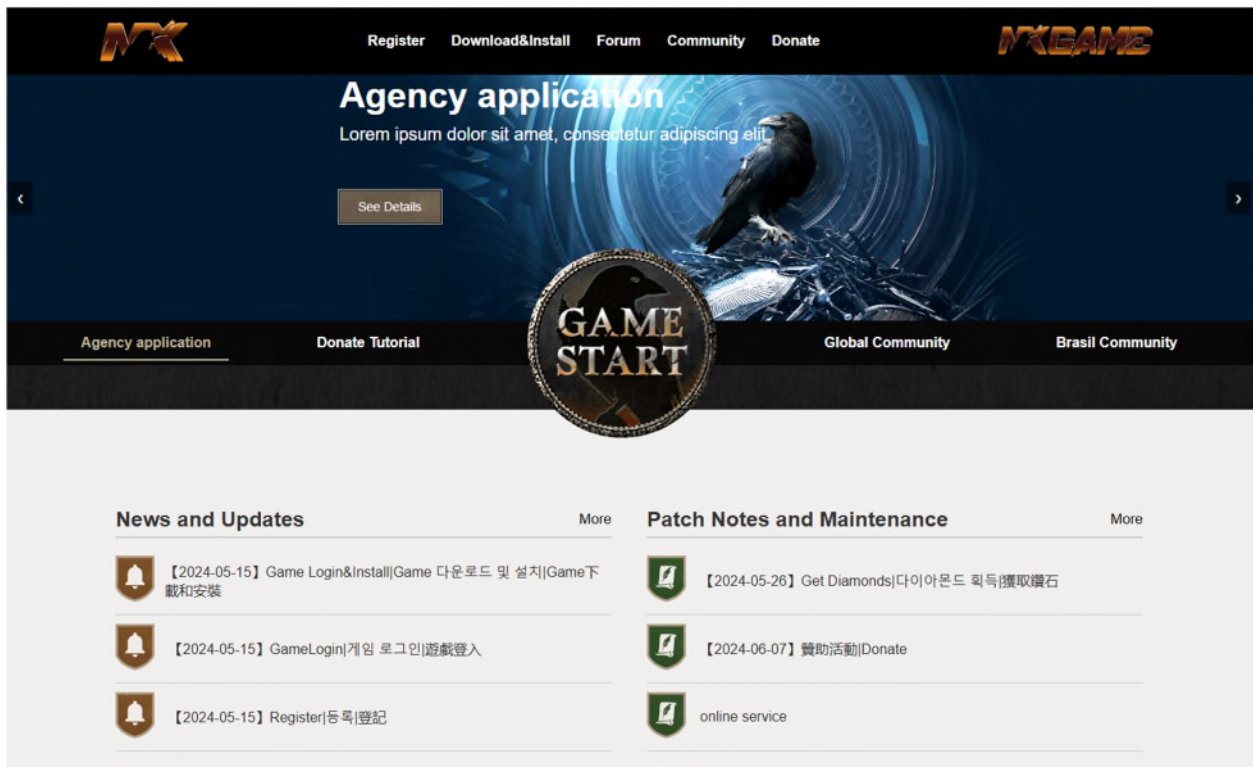
20. As a result of Plaintiff's efforts, the quality of the Madngine Products, the promotional efforts for Plaintiff's products and designs, press and media coverage, and social media coverage, members of the public have become familiar with the Madngine Works and associate them exclusively with Plaintiff.

21. Plaintiff has made efforts to protect Plaintiff's interests in and to the Madngine Works. No one other than Plaintiff and Plaintiff's licensees are authorized to advertise, create derivative works of, offer for sale, sell, copy, or distribute any goods utilizing the Madngine Works without the express written permission of Plaintiff.

IV. THE DEFENDANTS

22. Defendants are individuals and business entities who, upon information and belief, reside in Korea and/or other foreign jurisdictions. Defendants conduct business throughout the United States, including within Illinois and in this judicial district, through the operation of the fully interactive commercial websites and online marketplaces operating within the United States, including Illinois. Each Defendant targets the United States, including Illinois, and has offered to

sell, sold, copied, and/or distributed illegal unlicensed Infringing Products to consumers online within the United States, including Illinois and in this judicial district.



See <https://nxgame.org/>.

V. DEFENDANTS' UNLAWFUL CONDUCT

23. The success of the Madngine Works has resulted in significant copying of the creative content protected by Plaintiff's copyright registrations. Plaintiff has identified numerous fully interactive websites and marketplace listings on various platforms. Each Defendant targets consumers in the United States, including the State of Illinois, and has offered to sell, sold, copied, and/or distributed infringing products that violate Plaintiff's intellectual property rights in the Madngine Works ("Infringing Products") to consumers within the United States, including the State of Illinois.

24. Upon information and belief, Defendants facilitate sales by designing the Infringing Products so that they appear to unknowing consumers to be authorized Madngine Products.

25. Upon information and belief, at all times relevant hereto, the Defendants in this action have had full knowledge of Plaintiff's ownership of the Madngine Works, including Plaintiff's exclusive right to use and license such intellectual property and the goodwill associated therewith.

26. Defendants often go to great lengths to conceal their identities by often using multiple fictitious names and addresses to register and operate their massive network of Defendant Internet Sites. Upon information and belief, Defendants create websites and online accounts on various platforms using the identities listed in Schedule A to the Complaint, as well as other unknown fictitious names and addresses. Such registration patterns are one of many common tactics used by the Defendants to conceal their identities, the full scope and interworking of their massive pirating operation, and to avoid being shut down.

27. In addition to operating under multiple fictitious names, Defendants in this case use a variety of other common tactics to evade enforcement efforts that are typically used by defendants in other similar cases against online infringers. U.S. Customs and Border Protection ("CBP") reports that "[t]rade of counterfeit and pirated goods threatens America's innovation economy, the competitiveness of our businesses, the livelihoods of U.S. workers, and, in some cases, national security and the health and safety of consumers." See Exhibit 3 at 1, <https://www.cbp.gov/trade/priority-issues/ipr>. Moreover, the sale and distribution of unlicensed infringing software on the internet is highly prevalent. According to a recent Business Software Alliance report, unlicensed software accounts for as much as 37% of software installed on personal computers around the globe. See Exhibit 4 at 1, https://gss.bsa.org/wp-content/uploads/2018/05/2018_BSA_GSS_Report_en.pdf. At the same time, the prevalence of malware in unlicensed infringing software that is sold and distributed online exposes U.S. and

global consumers to security and safety risks that result in significant economic harm. According to the Business Software Alliance, the “cost for dealing with malware that is associated with unlicensed software is growing,” costing “companies worldwide nearly \$359 billion a year.” *Id.* at 2.

28. Further, infringers such as Defendants, typically operate multiple credit card merchant accounts and third-party accounts, such as PayPal, LLC (“PayPal”) accounts, behind layers of payment gateways so that they can continue operation in spite of Plaintiff’s enforcement efforts. Upon information and belief, Defendants maintain off-shore bank accounts and regularly move funds from their PayPal accounts to off-shore bank accounts outside the jurisdiction of this Court. Indeed, analysis of PayPal transaction logs from previous similar cases indicates that offshore infringers regularly move funds from U.S.-based PayPal accounts to foreign-based bank accounts outside the jurisdiction of this Court.

29. The Infringing Products for sale on Defendant Internet Sites bear similarities and indicia of being related to one another, suggesting that the Infringing Products were created by and come from a common source and that, upon information and belief, Defendants are interrelated.

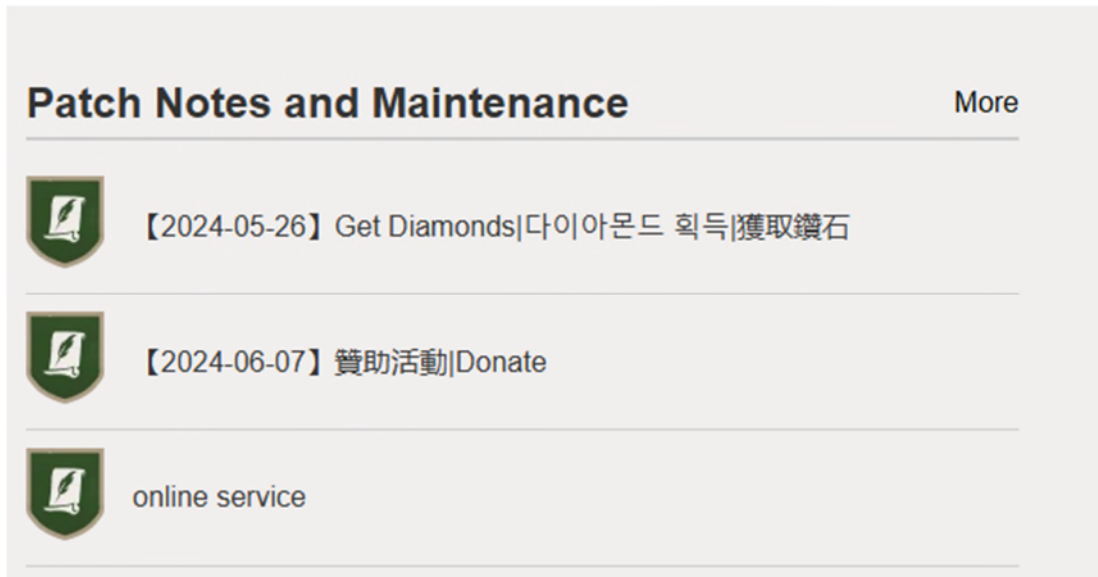
30. For instance, Defendants distributed, copied, offered for sale, and/or sold a software game titled “Night Crows” on Defendants Internet Stores in addition to a number of online sites, including those operated by CloudFlare.

31. On information and belief, on or around May 15, 2024, Defendants posted on their website links to “Register,” “Game Login,” and “Game Login & Install Game”. *See* <https://nxgame.org/#>.

32. On information and belief, on or around May 15, 2024, Defendants distributed, copied, offered for sale, sold, and/or distributed copies of “Night Crows” to the Cloudflare marketplace.



33. On information and belief, on or around May 26, 2024, Defendants issued Patch Notes and Maintenance.



34. On information and belief, Defendants have also distributed, copied, offered for sale, and/or sold copies of “Night Crows” on other online marketplaces registered and/or administered by Defendants, including on <https://nxgame.org/> and <https://www.facebook.com>.

35. Defendants, without any authorization or license, have knowingly and willfully copied and modified pirated copies of Plaintiff’s Madngine Works in connection with the development, advertisement, distribution, offering for sale, and sale of illegal unlicensed infringing products into the United States and Illinois over the internet. On information and belief, each Defendant has deliberately copied, displayed, distributed, reproduced, made derivative works of, sold, and/or offered to sell Infringing Products in or into the United States, including Illinois.

36. As a result, Defendants have infringed Plaintiff’s Madngine Works. On information and belief, Defendants have deliberately copied, displayed, distributed, reproduced, and/or made derivative works. On information and belief, a non-exhaustive list of the elements Defendants have infringed include: literal and nonliteral elements of source code, object code, game files, scripts, data structures, database elements, application user interfaces, software sequences, software structures, and software organizations; visual elements including individual images and sprites, character designs (*e.g.*, visual appearances and attributes), character dance steps and corporal expressions, 3D / 2D models, graphical user interfaces (*e.g.*, layouts and designs of menus, icons, screen displays, and other interactive elements), animations, in-game environments (*e.g.*, levels, worlds, and backgrounds), and cinematic cut scenes; audio elements including music, sound effects, voiceovers, and ambient sounds; story scripts, character dialog, and narratives; in-game artwork and illustrations; textual elements (*e.g.*, in-game text, instructions, and dialogue); derivative works; game levels, maps, and mechanics; the unique experience of the game as

captured by its substantial similarity; and cinematic works (e.g., motion sequences and interactive storytelling elements).

37. By way of example, as shown below, Nxgame’s “Night Crows” software includes a character selection screen that appears to have been copied directly from the character selection screen that Madngine developed. The character selection screen, outfits, and classes remain the same, with only the character's face being customizable. The creative elements associated with Madngine’s character have been present in Madngine’s protected software since at least March 2024 and are substantially similar to those associated with the character found in the Nxgame software.

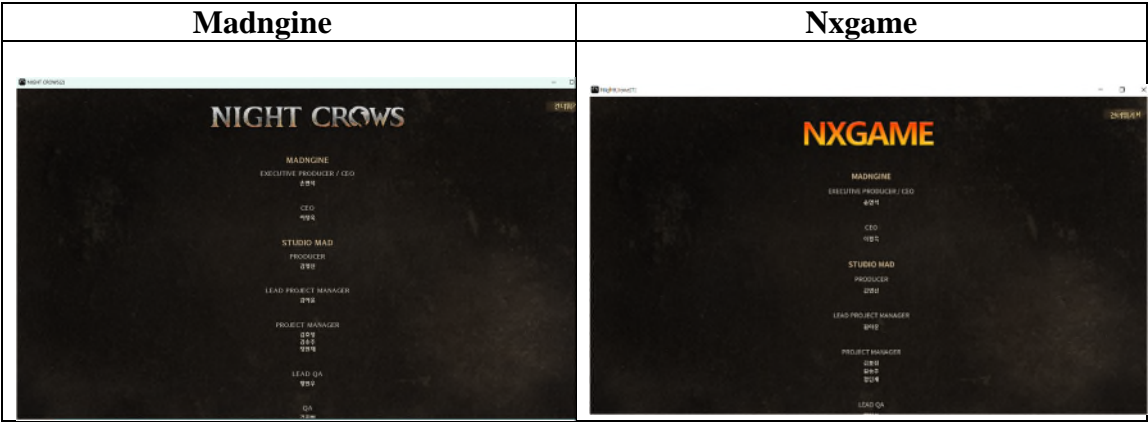
Character Selection Screen	
Madngine	Nxgame
	

38. By way of another example, as shown below, Nxgame’s “Night Crows” software also includes weapons that appears to have been copied directly from the background image that Madngine developed in March 2024. The creative elements associated with Madngine’s weapons have been present in Madngine’s protected software since at least March 2024 and are substantially similar to those associated with the character found in the Nxgame software.


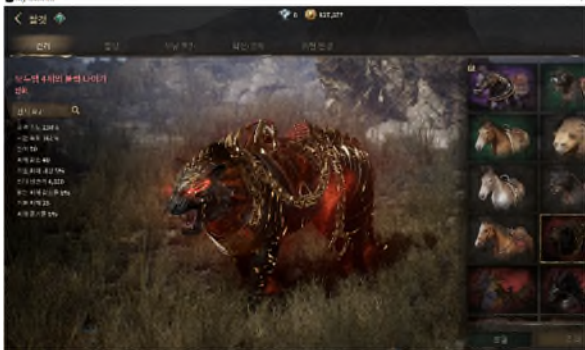


39. Defendants’ copying is not limited to Madngine’s characters. In fact, nearly every aspect of the “Night Crows” software contains creative elements that are substantially similar (if not identical) to creative elements in Madngine’s protected software, including by way of example, the following side by sides included below. For example, as shown in the ending credits, only the game title has changed. The development team listed are Madngine's current employees, including the representative's name, which remains the same. NXGAME copied the entire page.


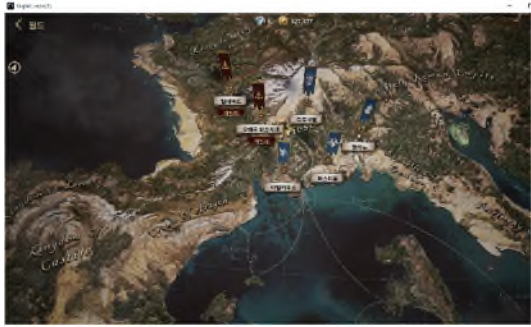
Exemplary Ending Credits



Exemplary Mounts

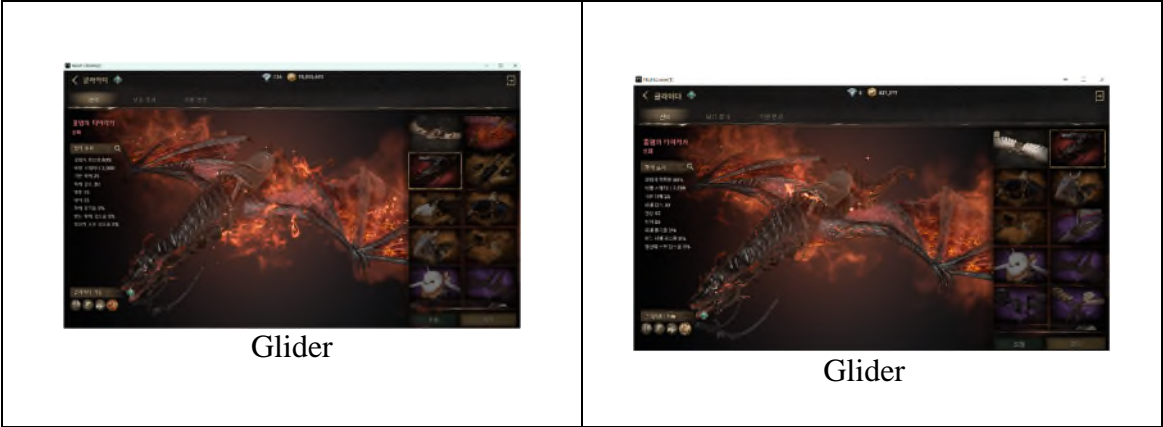
Madngine	Nxgame
	

Exemplary Maps

Madngine	Nxgame
	

Exemplary Equipment

Madngine	Nxgame
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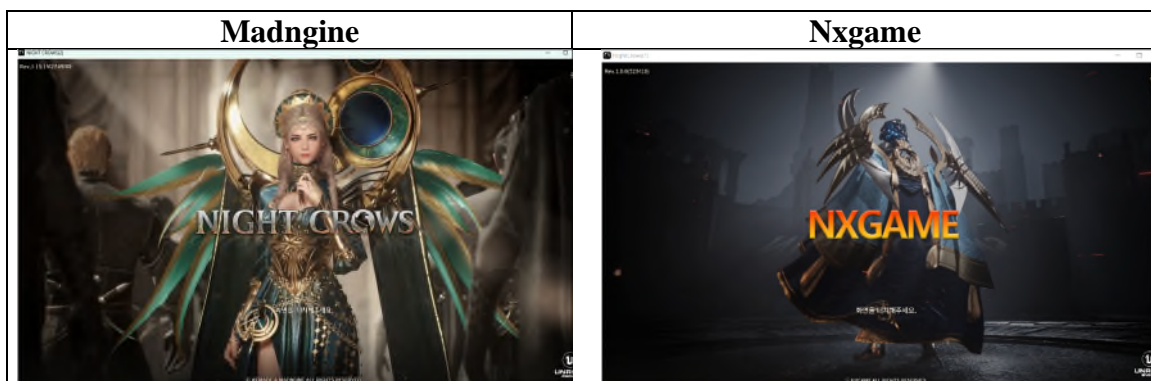
Exemplary Character Item Window



Exemplary Servers



Background Image Shown Before Logging Into the Game



COUNT I COPYRIGHT INFRINGEMENT OF UNITED STATES COPYRIGHT REGISTRATIONS (17 U.S.C. §§ 106 and 501)

40. Plaintiff repeats and incorporates by reference herein its allegations contained in the above paragraphs of this Complaint.

41. At all relevant times, Madngine is, and has been, the owner of all valid and enforceable rights to the Madngine Works, which contain copyrightable subject matter under 17 U.S.C. §§ 101 and 501, et seq.

42. The Madngine Works have significant value and have been produced at considerable expense.

43. The Madngine Works are the subject of valid certificates of copyright registrations for the Madngine Works, including the Copyright Registrations attached as Exhibits 1 and 2. Madngine has complied with the registration requirements of 17 U.S.C. § 411(a) for the Madngine` Works.

44. Defendants do not have any ownership interest in the Madngine Works.

45. Defendants have had access to the Madngine Works, including via the Internet.

46. Without authorization from Madngine, or any right under the law, Defendants have deliberately copied, displayed, distributed, reproduced and/or made derivative works of the Madngine Works, as displayed in relation to the Defendant Internet Stores and the corresponding Infringing Products in violation of 17 U.S.C. § 501 and 17 U.S.C. § 106(1) - (3), (5).

47. Defendants' software, images, artwork, and derivative works are virtually identical to and/or substantially similar to the Madngine Works. Such conduct infringes and continues to infringe the Madngine Works in violation of 17 U.S.C. § 501 and 17 U.S.C. § 106(1) - (3), (5).

48. Defendants reap the illegal benefits of their unauthorized copying, sale, and/or distribution of the Madngine Works in the form of revenue and other profits that are driven by the unauthorized copying, sale, and/or distribution of Infringing Madngine Products.

49. The Defendants have unlawfully appropriated Madngine's protectable expression by taking material of substance and value and creating Infringing Madngine Products that capture the total concept and feel of the Madngine Works.

50. Upon information and belief, the Defendants' infringement has been willful, intentional, and purposeful, and in disregard of and with indifference to, Madngine's rights.

51. The Defendants, by their actions, have damaged Madngine in an amount to be determined at trial.

52. As a result of each Defendant's infringement of Plaintiff's exclusive rights under copyrights, Plaintiff is entitled to relief pursuant to 17 U.S.C. §504 and to its attorneys' fees and costs pursuant to 17 U.S.C. §505.

53. The conduct of each Defendant is causing and, unless enjoined and restrained by this Court, will continue to cause Plaintiff great and irreparable injury that cannot fully be compensated or measured in money. Plaintiff has no adequate remedy at law.

54. Pursuant to 17 U.S.C. §§502 and 503, Plaintiff is entitled to injunctive relief prohibiting each Defendant from further infringing Plaintiff's copyrights and ordering that each Defendant destroy all unauthorized copies.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff prays for judgment against Defendants as follows:

1) That Defendants, their affiliates, officers, agents, employees, attorneys, 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 Madngine Works or any reproductions, copies, imitations, or derivatives thereof in any manner in connection with the distribution, copying, marketing, advertising, offering for sale, or sale of any product that is not an authorized Madngine Product or is not authorized by Plaintiff to be sold in connection with the Madngine Works;

b. further infringing the Madngine Works and damaging Plaintiff's goodwill;

a. using, linking to, transferring, selling, exercising control over, or otherwise owning the Defendant Internet Sites, or any other online account that is being used to sell, copy, and/or distribute infringing products that are not authorized or licensed by Plaintiff which are derived from Plaintiff's copyrights in the Madngine Works;

2) Entry of an Order that, upon Plaintiff's request, those in privity with Defendants and those with notice of the injunction, including any online sites, social media platforms, Facebook, YouTube, LinkedIn, Twitter, internet search engines such as Google, Bing, and Yahoo, web hosts for the Defendant Internet Sites, shall:

a. disable and cease providing services for any accounts through which Defendants engage in the sale, copying, and/or distribution of products that are not authorized or licensed by Plaintiff which reproduce the Madngine Works or are derived from the Madngine Works, including any accounts associated with the Defendants listed on Schedule A;

b. disable and cease displaying any advertisements used by or associated with Defendants in connection with the sale, copying, and/or distribution of products that are not authorized or licensed by Plaintiff which are derived from the Madngine Works; and

c. take all steps necessary to prevent links to the Defendant accounts identified on Schedule A from displaying in search results, including, but not limited to, removing links to the Defendant accounts from any search index;

3) For Judgment in favor of Plaintiff against Defendants that they have: a) willfully infringed Plaintiff's rights in Plaintiff's federally registered copyrights pursuant to 17 U.S.C. §501; and b) otherwise injured the business reputation and business of Plaintiff by Defendants' acts and conduct set forth in this Complaint;

4) For Judgment in favor of Plaintiff against Defendants for actual damages or statutory damages pursuant to 17 U.S.C. §504, at the election of Plaintiff, in an amount to be determined at trial;

5) That Plaintiff be awarded Plaintiff's reasonable attorneys' fees and costs; and

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

DEMAND FOR JURY TRIAL

Madngine demands a jury trial on all issues so triable pursuant to Federal Rule of Civil Procedure 38 and other applicable law.

DATED: 01/29/2025

Respectfully submitted,

NIXON PEABODY LLP

/s/ Erica J. Van Loon

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