

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

WORLD TRIATHLON CORPORATION,

Plaintiff,

v.

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

Defendants.

Case No. 23-cv-03009

COMPLAINT

Plaintiff World Triathlon Corporation (“Plaintiff” or “Ironman”) 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

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

Illinois residents by setting up and operating e-commerce stores that target United States consumers using one or more Seller Aliases, offer shipping to the United States, including Illinois, accept payment in U.S. dollars and/or funds from U.S. bank accounts, and, on information and belief, have sold 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 Ironman Products"). Defendants create e-commerce stores operating under one or more Seller Aliases that are advertising, offering for sale and selling Counterfeit Ironman 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. Ironman is forced to file this action to combat Defendants' counterfeiting of its registered trademarks, as well as to protect unknowing consumers from purchasing Counterfeit Ironman Products over the Internet. Ironman 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. World Triathlon Corporation is a sports event promotion company that produces the IRONMAN Triathlon, IRONMAN 70.3, the 5150 series of triathlon races, and other endurance sports events. Its headquarters are in Tampa, Florida.

5. Ironman is an internationally recognized athletic brand and the largest operator of mass participation sports events in the world. Beginning with a single race decades ago, Ironman has grown to become a global sensation with hundreds of events across 55+ countries. Ironman provides the benefits of endurance sports through its vast offerings to more than one million participants annually.

6. Ironman sells many high-quality products, including, but not limited to, fitness apparel and products designed for a variety of sporting activities, including workout accessories, backpacks, and water bottles, to carefully control customer experiences and further enhance the appeal of the Ironman brand (these and other genuine Ironman branded products are collectively referred to herein as the “Ironman Products”).

7. Ironman Products are sold exclusively through authorized retail channels and online at ironman.com where Ironman promotes and sells genuine Ironman Products. The ironman.com website features proprietary content, images and designs exclusive to Ironman.

8. Ironman’s trademarks are critical to its business. Ironman is the owner of and has widely promoted several trademarks which have earned substantial fame and considerable goodwill among the public. Ironman has used its trademarks (collectively, the “IRONMAN Trademarks”) on and in association with its products and e-commerce. Ironman Products include at least one of the IRONMAN Trademarks. Ironman uses the IRONMAN Trademarks in

connection with the marketing of its Ironman Products. Ironman has registered many of its IRONMAN Trademarks with the United States Patent and Trademark Office, including, but not limited to, the following IRONMAN Trademarks.

Registration Number	Trademark	Goods and Services
2,911,298	IRONMAN	For: Clothing for men, women and youths namely, shirts, shorts, jackets, swimwear, socks, gloves, hats, headbands, wristbands and wetsuits, marketed in association with contests consisting of running, biking and swimming in class 25.
4,078,964	IRONMAN	For: Jewelry, namely, rings, charms, pendants, earrings, pins, money clips, cufflinks; watches in class 14.
5,296,507	IRONMAN	For: Compression garments, namely, socks, shirts, shorts, pants, body suits, sports bras, arm sleeves, and calf sleeves, marketed in association with contests consisting of running, biking and swimming in class 10.
5,358,824	IRONMAN	For: Clothing for men, women and youths, namely, pants, t-shirts, caps in the nature of headwear, bicycling shorts, hoodies, outerwear in the nature of fleece pullovers, jackets and gloves, footwear, insoles, heel inserts, clothing belts, athletic sleeves, underwear, bras, sweaters, robes, sweat shirts, visors in the nature of headwear marketed in association with contests involving running, swimming and biking in class 25.
5,441,760	IRONMAN	For: Eyewear, namely, sunglasses, eyeglasses and ophthalmic frames and cases therefor; eyeglass accessories, namely, chains, cords and lanyards; bicycle helmets; goggles for sports; personal electronic device accessories,

Registration Number	Trademark	Goods and Services
		namely, cell phone auxiliary cables, battery chargers, protective carrying cases and covers especially adapted for PDAs, straps for mobile phones and cameras, armbands specially adapted for personal electronic devices, namely, mobile phones and MP3 players; protective display screen protective adapted for use with mobile phones, tablets and computers; wireless indoor and outdoor speakers, ear buds and headphones; bathroom scales; sports cameras and mounts therefor, all of which are marketed in association with events consisting of running, biking and swimming in class 9.
5,463,105	IRONMAN 70.3	For: License plate frames; trailer hitch covers, marketed in association with endurance athletic contests in class 12.
1,705,114	IRONMAN TRIATHLON	For: clothing; namely, shirts, shorts, hats, shoes, headbands and wristbands, pants, pajamas, belts and sweatshirts marketed in association with contest consisting of running, biking and swimming in class 25.
2,350,149		For: watches and chronometers sold in association with contests consisting of running, biking and swimming in class 14.
2,998,100		For: Bicycling gloves in class 25.
4,271,080		For: Eyewear, namely, sunglasses, sport glasses and reading glasses; eyewear accessories, namely, cases, chains, straps and retaining cords; sport and swim goggles and face masks, portable LED safety lighting for personal use, reflective and illuminated

Registration Number	Trademark	Goods and Services
		vests for safety, marketed in association with contests consisting of swimming, biking and running in class 9.
4,968,645		For: Luggage, sports bags, tote bags, duffle bags, messenger bags, backpacks, marketed in association with events consisting of running, biking and swimming in class 18.
5,296,509		For: Compression garments, namely, socks, shirts, shorts, pants, body suits, sports bras, arm sleeves, and calf sleeves, marketed in association with contests consisting of running, biking and swimming in class 10.
5,328,088		For: Clothing for men, women and youths, namely, shirts, pants, shorts, t-shirts, hats, caps, swimwear, bicycling shorts, jackets, hoodies, outerwear, namely, pullovers and vests, socks, footwear, headbands, wristbands as clothing, gloves, wetsuits, insoles, heel inserts, belts, athletic sleeves, underwear, bras, sweaters, sweat shirts, visors being headwear marketed in association with contests involving running, swimming and biking in class 25.

9. The above U.S. registrations for the IRONMAN Trademarks are valid, subsisting, in full force and effect, and many are incontestable pursuant to 15 U.S.C. § 1065. The registrations for the IRONMAN Trademarks constitute *prima facie* evidence of their validity and of Ironman's exclusive right to use the IRONMAN Trademarks pursuant to 15 U.S.C. § 1057(b). The IRONMAN Trademarks have been used exclusively and continuously by Ironman 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 IRONMAN Trademarks included in the above table.

10. The IRONMAN Trademarks are exclusive to Ironman and are displayed extensively on Ironman Products and in Ironman's marketing and promotional materials. Ironman expends millions of dollars annually promoting and marketing the IRONMAN Trademarks. Ironman Products have also been the subject of extensive unsolicited publicity resulting from their high-quality, innovative designs and renown as desired athletic items. Because of these and other factors, the Ironman name and the IRONMAN Trademarks have become famous throughout the United States.

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

The Defendants

12. 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 Ironman. 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).

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

IV. DEFENDANTS' UNLAWFUL CONDUCT

14. The success of the Ironman brand has resulted in significant counterfeiting of the IRONMAN Trademarks. Consequently, Ironman 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, Ironman has identified many fully interactive, e-commerce stores offering Counterfeit Ironman Products on online marketplace platforms such as Amazon, eBay, AliExpress, Alibaba, Wish.com, Etsy, Walmart, 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 a to 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), most of which originated from China and Hong Kong. *Id.*

15. 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.

16. 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 and, on information and belief, have sold Counterfeit Ironman Products to residents of Illinois.

17. 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 and/or funds from U.S. bank accounts 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. Ironman has not licensed or authorized Defendants to use any of the IRONMAN Trademarks, and none of the Defendants are authorized retailers of genuine Ironman Products.

18. Many Defendants also deceive unknowing consumers by using the IRONMAN 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 Ironman Products. Other e-commerce stores operating under the Seller Aliases omit using the IRONMAN 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 Ironman Products.

19. 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.

20. E-commerce store operators like Defendants regularly register or acquire new seller aliases for the purpose of offering for sale and selling Counterfeit Ironman 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.

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

22. 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.

23. Counterfeiters such as Defendants typically operate under multiple seller aliases and payment accounts so that they can continue operation in spite of Ironman'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 Ironman. 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.

24. Defendants are working in active concert to knowingly and willfully manufacture, import, distribute, offer for sale, and sell Counterfeit Ironman Products in the same transaction, occurrence, or series of transactions or occurrences. Defendants, without any authorization or license from Ironman, have jointly and severally, knowingly and willfully used and continue to use the IRONMAN Trademarks in connection with the advertisement, distribution, offering for sale, and sale of Counterfeit Ironman Products into the United States and Illinois over the Internet.

25. Defendants' unauthorized use of the IRONMAN Trademarks in connection with the advertising, distribution, offering for sale, and sale of Counterfeit Ironman Products, including the sale of Counterfeit Ironman 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 Ironman.

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

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

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

28. 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 IRONMAN Trademarks without Ironman's permission.

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

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

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

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

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

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

34. Defendants' promotion, marketing, offering for sale, and sale of Counterfeit Ironman 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 Ironman or the origin, sponsorship, or approval of Defendants' Counterfeit Ironman Products by Ironman.

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

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

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

PRAYER FOR RELIEF

WHEREFORE, Ironman 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 IRONMAN 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 Ironman Product or is not authorized by Ironman to be sold in connection with the IRONMAN Trademarks;
 - b. passing off, inducing, or enabling others to sell or pass off any product as a genuine Ironman Product or any other product produced by Ironman that is not Ironman's or

- not produced under the authorization, control, or supervision of Ironman and approved by Ironman for sale under the IRONMAN Trademarks;
- c. committing any acts calculated to cause consumers to believe that Defendants' Counterfeit Ironman Products are those sold under the authorization, control, or supervision of Ironman, or are sponsored by, approved by, or otherwise connected with Ironman;
 - d. further infringing the IRONMAN Trademarks and damaging Ironman'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 Ironman, nor authorized by Ironman to be sold or offered for sale, and which bear any of Ironman's trademarks, including the IRONMAN Trademarks, or any reproductions, counterfeit copies, or colorable imitations thereof;
- 2) Entry of an Order that, upon Ironman's request, those with notice of the injunction, including, without limitation, any online marketplace platforms such as eBay, AliExpress, Alibaba, Amazon, Wish.com, Etsy, Walmart, 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 IRONMAN Trademarks;
- 3) That Defendants account for and pay to Ironman all profits realized by Defendants by reason of Defendants' unlawful acts herein alleged, and that the amount of damages for infringement of the IRONMAN 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 Ironman 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 IRONMAN Trademarks;
- 5) That Ironman 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 12th day of May 2023.

Respectfully submitted,

/s/ Justin R. Gaudio

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