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

#### TV TOKYO CORPORATION,

Case No.: 1:25-cv-01144

Plaintiff,

v.

# THE PARTNERSHIPS AND UNINCORPORATED ASSOCIATIONS IDENTIFIED ON SCHEDULE "A",

Defendants.

## **COMPLAINT**

Plaintiff, TV TOKYO CORPORATION ("TV TOKYO" or "Plaintiff"), by its undersigned counsel, hereby files this Complaint against the Partnerships and Unincorporated Associations identified on Schedule A attached hereto (collectively, "Defendants"), and for its Complaint hereby alleges as follows:

#### 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., 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 targets consumers in the United States, including Illinois, through at least the fully interactive commercial internet stores operating under the Defendant aliases and/or the online marketplace accounts identified in Schedule A attached hereto (collectively, the "Defendant Internet Stores"). Specifically, Defendants are reaching out to do business with Illinois residents by operating one or more commercial, interactive internet stores through which Illinois residents can purchase

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products bearing counterfeit and infringing versions of Plaintiff's trademarks and works. Each of the Defendants has targeted sales from Illinois residents by operating online stores that offer shipping to the United States, including Illinois, accept payment in U.S. dollars and, on information and belief, has sold products bearing counterfeit and infringing versions of Plaintiff's federally registered trademarks and 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.

3. This Court has personal jurisdiction over each Defendant, in that each Defendant conducts significant business in Illinois and in this judicial district, and the acts and events giving rise to this lawsuit of which each Defendant stands accused were undertaken in Illinois and in this judicial district.

#### **INTRODUCTION**

4. This action has been filed to combat online trademark and copyright infringers who trade upon Plaintiff's reputation and goodwill and valuable trademarks and copyrights by selling and/or offering for sale products, hereinafter referred to as the "NARUTO Products" in connection with Plaintiff's federally registered NARUTO Trademarks, which are covered by U.S. Trademark Registration Nos. 3,229,574; 3,280,366; and 3,726,754 (collectively the "NARUTO Trademarks"). The registrations are valid, subsisting, unrevoked, uncancelled, and incontestable. The registrations for the trademarks constitute prima facie evidence of validity and of Plaintiff's exclusive right to use the trademarks pursuant to 15 U.S.C. § 1057(b). Genuine and authentic copies of the registration certificates for the NARUTO Trademarks are attached as <u>Exhibit 1</u>.

5. In addition, Defendants are selling unauthorized products that are based on and derived from the copyrighted subject matter created by TV TOKYO, hereinafter referred to as the

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"NARUTO Works." Plaintiff is the owner of Copyright Registration Nos. PA 2-277-887, PA 2-431-062, and PA 2-276-002 (collectively the "NARUTO Works"). A true and correct copies of the NARUTO Works and screenshots from the episodes are attached hereto as <u>Exhibit 2</u>.

6. In the past, Plaintiff was able to police its rights against identifiable infringers and counterfeiters. The rise of online retailing, coupled with the ability of e-commerce sites to hide their identities, has made it nearly impossible for policing actions to be undertaken since availing itself of takedown procedures to remove infringing products would be an ineffective and endless game of whack-a-mole against the mass counterfeiting that is occurring over the internet. The aggregated effect of the mass counterfeiting that is taking place has overwhelmed Plaintiff and its ability to police its rights against the hundreds of anonymous defendants which are selling illegal counterfeits at prices below an original.

7. Plaintiff has been and continues to be irreparably damaged through consumer confusion, loss of control over its reputation and goodwill as well as the quality of goods bearing the NARUTO Trademarks and Works.

8. This Court has personal jurisdiction over each Defendant, in that each Defendant conducts significant business in Illinois and in this judicial district, and the acts and events giving rise to this lawsuit of which each Defendant stands accused were undertaken in Illinois and in this judicial district. In addition, each defendant has offered to sell and ship infringing products into this judicial district.

#### THE PLAINTIFF

9. TV TOKYO is a leading Japanese content producer and broadcaster of movies and videos with a particular strength in animation. Plaintiff has a principal place of business at

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Roppongi Grand Tower, 3-2-1 Roppongi, Minato-ku, Tokyo 106-8001 Japan. TV TOKYO is a company organized and existing under the laws of Japan.

10. TV TOKYO is in the business of developing, marketing, licensing, selling, and distributing the NARUTO-branded television series and theatrical films worldwide and exclusively manages the licensing of NARUTO-branded products and services worldwide, having been appointed to do so by the manga series publisher and registered owner of the NARUTO Trademarks, Shueisha Inc. NARUTO is one of the best-selling Japanese manga series in history. NARUTO was written and illustrated by the renowned author and artist, Masashi Kishimoto. 250 million copies of the NARUTO manga series have been circulated worldwide in 46 countries and regions. English translations of the NARUTO manga series have consistently appeared on the USA Today and The New York Times bestseller lists. Plaintiff TV TOKYO co-produced and distributes the NARUTO franchise of animated television series and theatrical films together with Shueisha Inc. The NARUTO brand of products, distributed, and/or licensed by Plaintiff TV TOKYO, has expanded beyond the manga series and audiovisual properties to cover a variety of other areas, including toys, games, back-to-school items, stationery, apparel, accessories, and all kinds of household commodities, food and beverages. Plaintiff, through its duly authorized licensees, is the official source of NARUTO Products.

11. The NARUTO Trademarks and Works have been continuously used and never been abandoned. The NARUTO trademark and copyright registrations are valid, subsisting, and in full force and effect. The registrations of the NARUTO Trademarks constitute *prima facie* evidence of their validity pursuant to 15 U.S.C. § 1057(b).

12. TV TOKYO has invested substantial time, money, and effort in building up and developing, advertising, and otherwise promoting the NARUTO Trademarks and Works. As a result,

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products associated with the NARUTO Trademarks and Works are recognized and exclusively associated by consumers, the public, and the trade, as being products sourced from Plaintiff.

13. TV TOKYO has made efforts to protect its interests in and to the NARUTO Trademarks and Works. No one other than TV TOKYO and its licensees are authorized to manufacture, import, export, advertise, offer for sale, or sell any goods utilizing the NARUTO Trademarks and/or Works without the express written permission of TV TOKYO.

#### THE DEFENDANTS AND THE DEFENDANTS' UNLAWFUL CONDUCT

14. Defendants are individuals and business entities who, upon information and belief, reside in the People's Republic of China 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 under the Defendant Internet Stores. Each Defendant targets the United States, including Illinois, and has offered to sell and, on information and belief, has sold and continues to sell unauthorized NARUTO Products to consumers within the United States, including Illinois, and in this judicial district. Specifically, each Defendant is selling "Naruto's" necklace, which is featured in the Naruto series. "Naruto", the protagonist in the Naruto, always wears a necklace that he received from "Tsunade", another character in Naruto. This necklace is protected by the NARUTO NARUTO Works. *See* **Exhibit 2**. Defendants also use Naruto or Tsunade in product titles and descriptions.

15. Defendants' use of the NARUTO Trademarks and Works on or in connection with the advertising, marketing, distribution, offering for sale and sale of the Counterfeit and Infringing Products is likely to cause and has caused confusion, mistake, and deception by and among consumers and is irreparably harming Plaintiff. Defendants have manufactured, imported,

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distributed, offered for sale, and sold Counterfeit and Infringing Products using the NARUTO Trademarks and Works and continue to do so.

16. Defendants' use of the NARUTO Trademarks and Works in connection with the advertising, distribution, offering for sale, and sale of Counterfeit and Infringing NARUTO Products, including the sale of Counterfeit and Infringing NARUTO Products into Illinois, is likely to cause and has caused confusion, mistake, and deception by and among consumers and is irreparably harming Plaintiff.

#### COUNT I

# FALSE DESIGNATION OF ORIGIN, PASSING OFF & UNFAIR COMPETITION (15 U.S.C. § 1125(a)/LANHAM ACT § 43(a))

17. Plaintiff repleads and incorporates by reference each and every allegation set forth in the preceding paragraphs as if fully set forth herein.

18. Defendants' promotion, marketing, offering for sale, and sale of infringing NARUTO Products has created and is creating a likelihood of confusion, mistake, and deception among the public as to the affiliation, connection, or association with Plaintiff or the origin, sponsorship, or approval of Defendants' infringing products by Plaintiff.

19. By using the NARUTO Trademarks in connection with the sale of unauthorized products, Defendants create a false designation of origin and a misleading representation of fact as to the origin and sponsorship of the unauthorized products.

20. Defendants' false designation of origin and misrepresentation of fact as to the origin and/or sponsorship of the unauthorized products to the general public is a willful violation of Section 43 of the Lanham Act, 15 U.S.C. § 1125.

21. Upon information and belief, Defendants' aforementioned wrongful actions have been knowing, deliberate, willful, intended to cause confusion, to cause mistake, and to deceive

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the purchasing public and with the intent to trade on the goodwill and reputation of TV TOKYO, its NARUTO Products, and NARUTO Trademarks.

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

# COUNT II COPYRIGHT INFRINGEMENT 17 U.S.C. § 501(a)

23. Plaintiff repleads and incorporates by reference each and every allegation set forth in the preceding paragraphs as if fully set forth herein.

24. Plaintiff's copyrights have significant value and have been produced and created at considerable expense.

25. Plaintiff, at all relevant times, has been the holder of the pertinent exclusive rights infringed by Defendants, as alleged hereunder, including but not limited to the copyrighted NARUTO Works, including derivative works. The NARUTO Works are the subject of valid copyright registrations. (Exhibit 2).

26. Upon information and belief, Defendants had access to the copyrighted works through Plaintiff's normal business activities. After accessing the NARUTO Works, Defendants wrongfully created copies of the copyrighted works without Plaintiff's consent and engaged in acts of widespread infringement.

27. TV TOKYO is informed and believes and thereon alleges that Defendants further infringed TV TOKYO'S copyrights by making or causing to be made derivative works by producing and distributing reproductions without TV TOKYO'S permission.

28. Each Defendant, without the permission or consent of the Plaintiff, has and continues to sell online infringing derivative works of the copyrights. Each Defendant has violated Plaintiff's exclusive rights of reproduction and distribution. Each Defendant's actions constitute

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an infringement of Plaintiff's exclusive rights protected under the Copyright Act (17 U.S.C. §101 et seq.).

29. Further, as a direct result of the acts of copyright infringement, Defendants have obtained direct and indirect profits they would not otherwise have realized but for their infringement of the copyrighted NARUTO Works. TV TOKYO is entitled to disgorgement of Defendants' profits directly and indirectly attributable to their infringement of the NARUTO Works.

30. The foregoing acts of infringement constitute a collective enterprise of shared, overlapping facts and have been willful, intentional, and in disregard of and with indifference to the rights of the Plaintiff.

31. As a result of each Defendant's infringement of Plaintiff's exclusive rights under copyright, Plaintiff is entitled to relief pursuant to 17 U.S.C. §504.

32. 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. Pursuant to 17 U.S.C. §§502 and 503, Plaintiff is entitled to injunctive relief prohibiting each Defendant from further infringing Plaintiff's copyright and ordering that each Defendant destroy all unauthorized copies. Defendants' copies, plates, and other embodiment of the copyrighted works from which copies can be reproduced should be impounded and forfeited to TV TOKYO as instruments of infringement, and all infringing copies created by Defendants should be impounded and forfeited to TV TOKYO, under 17 U.S.C § 503.

#### **PRAYER FOR RELIEF**

WHEREFORE, Plaintiff prays for judgment against Defendants as follows:

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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 permanently enjoined and restrained from:

- a. using the NARUTO Trademarks and Works or any reproductions, 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 an authorized NARUTO Product or is not authorized by Plaintiff to be sold in connection with the NARUTO Trademarks and Works;
- b. passing off, inducing, or enabling others to sell or pass off any product or not produced under the authorization, control, or supervision of Plaintiff and approved by Plaintiff for sale under the NARUTO Trademarks and Works;
- c. committing any acts calculated to cause consumers to believe that Defendants' Counterfeit and Infringing NARUTO Products are those sold under the authorization, control, or supervision of Plaintiff, or are sponsored by, approved by, or otherwise connected with Plaintiff;
- d. further infringing the NARUTO Trademarks and Works and damaging Plaintiff's goodwill;
- e. otherwise competing unfairly with Plaintiff in any manner;
- f. shipping, delivering, holding for sale, transferring or otherwise moving, storing, distributing, returning, or otherwise disposing of, in any manner, products or inventory not authorized by Plaintiff to be sold or offered for sale, and which bear the NARUTO Trademarks or which are derived from Plaintiff's NARUTO Works;

g. using, linking to, transferring, selling, exercising control over, or otherwise owning the Defendant Internet Stores, or any other online marketplace account that is being used to sell products or inventory not authorized by Plaintiff which bear the NARUTO Trademarks or which are derived from Plaintiff's NARUTO Works;

2) That Defendants, within fourteen (14) days after service of judgment with notice of entry thereof upon them, be required to file with the Court and serve upon Plaintiff a written report under oath setting forth in detail the manner and form in which Defendants have complied with paragraph 1, a through g, above;

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

a. disable and cease providing services for any accounts through which Defendants engage in the sale of products not authorized by Plaintiff which bear the NARUTO Trademarks or which are derived from the NARUTO 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 of products not authorized by Plaintiff which bear the NARUTO Trademarks or which are derived from Plaintiff's copyrights in the NARUTO Works; and
c. take all steps necessary to prevent links to the Defendant Internet Stores identified on Schedule A from displaying in search results, including, but not limited to, removing links to the Defendant Internet Stores from any search index;

4) That Defendants account for and pay to Plaintiff all profits realized by Defendants by

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reason of Defendants' unlawful acts herein alleged, and that the amount of damages for infringement increased by a sum not exceeding three times the amount thereof as provided by 15 U.S.C. § 1117;

5) In the alternative, that Plaintiff be awarded statutory damages pursuant to 15 U.S.C. § 1117(c)(2) of \$2,000,000 for each and every use of the NARUTO Trademarks;

6) For Judgment in favor of Plaintiff against Defendants that they have: a) willfully infringed Plaintiff's rights in its 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;

7) 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;

8) That Plaintiff be awarded its reasonable attorneys' fees and costs; and

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

DATED: February 3, 2025

Respectfully submitted,

<u>/s/ Keith A. Vogt</u> Keith A. Vogt (Bar No. 6207971) Keith Vogt, Ltd. 33 West Jackson Boulevard, #2W Chicago, Illinois 60604 Telephone: 312-971-6752 E-mail: keith@vogtip.com

#### **ATTORNEY FOR PLAINTIFF**