

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

CHAPTER 4 CORP.,
Plaintiff,

Case No. 25-cv-01074

v.

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

COMPLAINT

Plaintiff Chapter 4 Corp. (“Plaintiff”) hereby brings the present action against the Partnerships and Unincorporated Associations identified on attached Schedule A (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, including clothing, hats, accessories, and other goods, using infringing and counterfeit versions of Plaintiff's federally registered SUPREME 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, and/or Counterfeit Products advertised as "replica" goods. 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. Plaintiff 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. Plaintiff 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. Chapter 4 Corp. is a New York corporation with a principal place of business at 62 King Street, New York, New York 10014.

5. Plaintiff is an apparel company that was started in 1994 in downtown New York City, specializing in the sale of streetwear, downtown counter-culture clothing, and a wide range of other products displaying the SUPREME mark. The Supreme brand quickly developed a following among skaters, graffiti artists, underground filmmakers, and musicians. As the Supreme brand's following surpassed its New York City roots, so has Plaintiff's physical presence. Today, Plaintiff operates sixteen company-owned stores worldwide, including its newest location in Chicago, Illinois.

6. In August 2017, *Vogue* chronicled the history of Supreme in an article entitled, "Charting the Rise of Supreme, From Cult Skate Shop to Fashion Superpower," and noted that "a brand that started out in a small store . . . has since inched its way to legendary global status" and "the passionate devotion of their customers has brought it into the conversation with both teenagers at skateboard parks and the front rows of high fashion . . ."²

7. Plaintiff carefully plans and curates in design collections each season to provide its customers with unique apparel and products.


8. Plaintiff's clothing and accessories (the "Supreme Products") are inspired by youth culture and style that appeal not only to its traditional customer base, but also to the consuming public at large.

² Robert Sullivan, "Charting the Rise of Supreme, From Cult Skate Shop to Fashion Superpower," *Vogue*, Aug. 10, 2017, <https://www.vogue.com/article/history-of-supreme-skate-clothing-brand>.

9. Plaintiff has worked with groundbreaking designers, artists, photographers, and musicians on several collaborations, including skateboard decks by artists such as Takashi Murakami, Jeff Koons, Richard Prince, Christopher Wool, Nate Lowman, and Damien Hirst. Working with generations of artists, photographers, designers, musicians, filmmakers, and writers that have defied conventions has contributed to Plaintiff's unique identity and consumer following.

10. Plaintiff has also partnered with many prominent global brands in highly publicized collaborations, including those with Louis Vuitton Malletier, Nike/Air Jordan, The North Face, Levi's, Timberland, Comme des Garçons, and Lacoste.

11. The wide appeal of Supreme Products has frequently been commented upon by the media, including its popularity among notable musicians, athletes, and entertainers. As *Vogue* noted in another 2017 article, “[w]hen it comes to brand loyalty, Supreme fans are hard to beat” and “its streetwise perspective has served as a fashion unifier . . . its [products] beloved by men and women on opposite ends of the fashion spectrum.”³

12. Supreme Products and their design have also been recognized in other segments of the broader culture, including the art world. Plaintiff's iconic trademark, , (the “Box Logo Trademark”), appearing on a plain white Hanes® t-shirt, was recently accepted into the Museum of Modern Art (“MoMA”) permanent collection. In Spring 2018, the Thyssen Bornemisza Museum in Madrid, Spain also displayed in a Louis Vuitton “Time Capsule” exhibition a co-branded Supreme and Louis Vuitton skateboard case.

13. Supreme Products have become collector's items. Indeed, at the “C.R.E.A.M.: - Cash Rules Everything Around Me” auction at Artcurial in Paris, billed as the first street culture

³ Janelle Okwodu, “Is Supreme Hollywood's Favorite Fashion Brand?” *Vogue*, Aug. 10, 2017, <https://www.vogue.com/article/supreme-celebrity-fans-the-one-brand-everyone-can-agree-on>.



auction by a traditional auction house, approximately two thirds of the auction items were Supreme Products.

14. Supreme Products have become enormously popular and even iconic, driven by the brand’s arduous quality standards and innovative design. Among the purchasing public, genuine Supreme Products are instantly recognizable as such.

15. Supreme Products are of high quality and are produced in limited runs to ensure that high quality. Supreme Products are predominately made in North America and are sold exclusively through Plaintiff’s website, supremenewyork.com, including to Illinois residents, and through company-owned stores located in the United States, Europe, and Japan. The recognition of Supreme as a business providing high quality and innovative products has been confirmed by the foremost fashion and accessory designer trade association in the United States, the Council of Fashion Designers of America, Inc. (CFDA), which awarded the company the 2018 Menswear Designer of the Year award.

16. Plaintiff incorporates distinctive marks in the design of its various Supreme Products. Plaintiff uses its trademarks in connection with the marketing of its Supreme Products and is the exclusive owner of numerous federally registered trademarks, including the following marks which are collectively referred to as the “SUPREME Trademarks.”

Registration Number	Trademark
4,157,110	SUPREME
4,240,456	
5,135,326	
5,066,669	
5,775,727	
6,048,267	

<p>4,504,231 4,554,309 5,135,327 5,066,670 5,763,658 6,043,450 5,801,848 6,146,273 6,621,685 6,921,701 7,194,248</p>	
<p>5,592,852</p>	
<p>7,196,096</p>	

17. The above U.S. registrations for the SUPREME Trademarks are valid, subsisting, in full force and effect, and some are incontestable pursuant to 15 U.S.C. § 1065. The registrations for the SUPREME Trademarks constitute *prima facie* evidence of their validity and of Plaintiff’s exclusive right to use the SUPREME Trademarks pursuant to 15 U.S.C. § 1057 (b). True and correct copies of the United States Registration Certificates for the above-listed SUPREME Trademarks are attached hereto as **Exhibit 1**.

18. The SUPREME Trademarks are distinctive when applied to the Supreme Products, signifying to the purchaser that the products come from Plaintiff and are manufactured to Plaintiff’s exacting quality standards. Whether Plaintiff manufactures the products itself or contracts with others to do so, Plaintiff has ensured that products bearing the SUPREME Trademarks are manufactured to the highest quality standards.

19. The SUPREME Trademarks are famous marks, as that term is used in 15 U.S.C. § 1125(c)(1), and have been continuously used and never abandoned. The widespread fame, outstanding reputation, and significant goodwill associated with the Supreme brand have made the SUPREME Trademarks valuable assets of Plaintiff.

20. Through its collaborative efforts in the creation of unique and trend-setting styles, as well as Plaintiff's substantial investment in the design, marketing, and promotion of its products, the SUPREME Trademarks have become well-known for high quality, style, and authenticity.

21. Since at least as early as 2006, genuine Supreme Products have been promoted at the official supremenewyork.com website. Sales of Supreme Products via the supremenewyork.com website are significant. The supremenewyork.com website features proprietary content, images, and designs exclusive to the Supreme brand.

22. Between 2017 and 2018 alone, Plaintiff's website at supremenewyork.com received billions of hits. Additionally, Plaintiff maintains an Instagram profile, [@supremenewyork](https://www.instagram.com/supremenewyork), that has over 13 million followers, and a Facebook page that has over 2 million followers. Supreme Products have also been the subject of extensive unsolicited publicity resulting from their high-quality, innovative designs. As a result, products bearing the SUPREME Trademarks are widely recognized and exclusively associated by consumers, the public, and the trade as being high-quality products sourced from Plaintiff. Supreme Products have become among the most popular of their kind in the U.S. and the world. The SUPREME Trademarks have achieved tremendous fame and recognition which has only added to the distinctiveness of the marks. As such, the goodwill associated with the SUPREME Trademarks is of incalculable and inestimable value to Plaintiff.

The Defendants

23. Defendants are individuals and business entities of unknown makeup who own and/or operate one or more of the e-commerce stores under at least the Seller Aliases identified on Schedule A and/or other seller aliases not yet known to Plaintiff. 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).

24. On information and belief, Defendants, either individually or jointly, operate one or more e-commerce stores under the Seller Aliases listed in Schedule A attached hereto. Tactics used by Defendants to conceal their identities and the full scope of their operation make it virtually impossible for Plaintiff to discover Defendants' true identities and the exact interworking of their counterfeit network. If Defendants provide additional credible information regarding their identities, Plaintiff will take appropriate steps to amend the Complaint.

IV. DEFENDANTS' UNLAWFUL CONDUCT

25. The success of the Supreme brand has resulted in the significant counterfeiting of the SUPREME Trademarks. In recent years, Plaintiff has identified many fully interactive, e-commerce stores offering Counterfeit Products on online marketplace platforms such as Amazon, eBay, AliExpress, Alibaba, Wish.com, DHgate, Etsy, Temu, TikTok, and Walmart, 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 2020.⁴ 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.⁵

26. 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.”⁶ 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.⁷ 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.⁸ Further, “E-commerce platforms create bureaucratic or technical hurdles in helping brand owners to locate or identify sources of counterfeits and counterfeiters.”⁹

27. 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

⁴ See *Intellectual Property Rights Seizure Statistics, Fiscal Year 2021*, U.S. Customs and Border Protection.

⁵ *Id.*

⁶ See 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), 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.

⁷ *Id.* at p. 22.

⁸ *Id.* at p. 39.

⁹ Chow, *supra* note 6, at p. 186-87.

U.S. bank accounts, and, on information and belief, have sold Counterfeit Products to residents of Illinois.

28. 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. Plaintiff has not licensed or authorized Defendants to use any of the SUPREME Trademarks, and none of the Defendants are authorized retailers of genuine Supreme Products.

29. Many Defendants also deceive unknowing consumers by using the SUPREME 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 Supreme Products. Other e-commerce stores operating under the Seller Aliases omit using SUPREME 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 Supreme Products.

30. 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.

31. 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.

32. 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.

33. 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 and kuajingvs.com regarding tactics for operating multiple accounts, evading detection, pending litigation, and potential new lawsuits.

34. Counterfeiters such as Defendants typically operate under multiple seller aliases and payment accounts so that they can continue operation in spite of Plaintiff's enforcement. E-commerce store operators like Defendants maintain off-shore bank 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 Plaintiff. 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.

35. Defendants are working to knowingly and willfully 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 Plaintiff, have knowingly and willfully used and continue to use the SUPREME Trademarks in connection with the advertisement, distribution, offering for sale, and sale of Counterfeit Products into the United States and Illinois over the Internet.

36. Defendants' unauthorized use of the SUPREME 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 Plaintiff.

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

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

38. This is a trademark infringement action against Defendants based on their unauthorized use in commerce of counterfeit imitations of the federally registered SUPREME Trademarks in connection with the sale, offering for sale, distribution, and/or advertising of infringing goods. The SUPREME Trademarks are highly distinctive marks. Consumers have

come to expect the highest quality from Supreme Products offered, sold, or marketed under the SUPREME Trademarks.

39. 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 SUPREME Trademarks without Plaintiff's permission.

40. Plaintiff is the exclusive owner of the SUPREME Trademarks. The United States Registrations for the SUPREME Trademarks (**Exhibit 1**) are in full force and effect. On information and belief, Defendants have knowledge of Plaintiff's rights in the SUPREME Trademarks, and are willfully infringing and intentionally using counterfeits of the SUPREME Trademarks. Defendants' willful, intentional, and unauthorized use of the SUPREME 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.

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

42. 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 the SUPREME Trademarks.

43. The injuries and damages sustained by Plaintiff 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))

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

45. 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 Plaintiff or the origin, sponsorship, or approval of Defendants' Counterfeit Products by Plaintiff. By using the SUPREME 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.

46. 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.

47. 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 associated goodwill of the Supreme brand.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff 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 SUPREME 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 SUPREME Product or is not authorized by Plaintiff to be sold in connection with the SUPREME Trademarks;

- b. passing off, inducing, or enabling others to sell or pass off any product as a genuine SUPREME Product or any other product produced by Plaintiff, that is not Plaintiff's or not produced under the authorization, control, or supervision of Plaintiff and approved by Plaintiff for sale under the SUPREME 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 Plaintiff, or are sponsored by, approved by, or otherwise connected with Plaintiff;
 - d. further infringing the SUPREME Trademarks and damaging Plaintiff'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 Plaintiff, nor authorized by Plaintiff to be sold or offered for sale, and which bear any of Plaintiff's trademarks, including the SUPREME Trademarks, or any reproductions, counterfeit copies, or colorable imitations thereof;
- 2) Entry of an Order that, upon Plaintiff's request, those with notice of the injunction, including, without limitation, any online marketplace platforms such as eBay, AliExpress, Alibaba, Amazon, Wish.com, DHgate, Etsy, Temu, TikTok, and Walmart (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 SUPREME Trademarks;
- 3) That Defendants account for and pay to Plaintiff all profits realized by Defendants by reason of Defendants' unlawful acts herein alleged, and that the amount of damages for infringement

of the SUPREME 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 Plaintiff be awarded maximum statutory damages for willful trademark counterfeiting pursuant to 15 U.S.C. § 1117(c)(2) for each and every use of the SUPREME Trademarks;
- 5) That Plaintiff 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 31st day of January 2025.

Respectfully submitted,

/s/ Justin R. Gaudio

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