

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

Ford Motor Company,

Plaintiff,

v.

The Individuals, Business Entities, and
Unincorporated Associations Identified in
Exhibit “A,”

Defendants.

Civil Action No. 1:24-cv-4076

Judge Sharon Johnson Coleman

Magistrate Judge M. David Weisman

**MEMORANDUM OF LAW IN SUPPORT OF PLAINTIFF’S AMENDED *EX PARTE*
MOTION FOR TEMPORARY RESTRAINING ORDER AND OTHER RELIEF**

Dated: June 7, 2024

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I. INTRODUCTION

Plaintiff Ford Motor Company (“Ford” or “Plaintiff”) seeks an *ex parte* temporary restraining order enjoining willful acts of trademark counterfeiting and infringement against the individuals, business entities, and unincorporated associations identified in Exhibit “A,” each of whom reside in or operate from China (collectively, “Defendants”). Without authorization or justification, Defendants are using Ford’s federally registered trademarks FORD, , , MOTORCRAFT, and  in connection with advertising, marketing, distribution, and/or sale of substantial quantities of counterfeit DG-511 ignition coils (“Counterfeit Parts”), directly to consumers within this District through the ecommerce website eBay.com (“eBay”).

Defendants’ Counterfeit Parts and corresponding eBay product listings are designed to give the appearance that Defendants are offering genuine and authentic Ford parts. However, Defendants’ Counterfeit Parts are not manufactured or authorized by Ford, and Ford has no ability to control the nature and quality of the Counterfeit Parts provided under the Ford trademarks. Faulty products of the kind offered and sold by Defendants can damage engine systems, resulting in engine failure and impacting the overall life and performance of the vehicles, and potentially compromise consumer expectations because they do not meet Ford’s rigorous testing and quality control standards, among other potential safety issues. Effectively, Ford’s stellar reputation and goodwill is placed in the hands of questionable third parties. The only purpose in using Ford’s famous marks in this manner is to lure customers into believing they are purchasing genuine Ford parts, when they are not. Such conduct not only infringes upon Ford’s registered marks, but may also implicate consumer safety concerns.

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In an effort to combat this illicit counterfeiting scheme, Ford, via its Global Brand Protection team, has undertaken vigilant efforts to submit thousands of takedown requests to eBay and tens of thousands of takedown requests across multiple ecommerce platforms annually. Where appropriate, Ford escalates such disputes to outside counsel for further enforcement, and/or federal law enforcement for potential criminal raid actions. Despite these efforts, nothing has stopped the widespread, rampant sale of counterfeit parts on ecommerce platforms like eBay, especially from sellers located in China, like Defendants. As a result, Ford has no choice but to file the instant lawsuit and seek the relief sought in this *Ex Parte* TRO.


Ford's history is built on trust and its relationships with customers. Defendants' acts of counterfeiting and infringement are an attack on Ford's business and its customers and are causing irreparable harm to Ford and the public. Ford has a reasonable basis to seek this *ex parte* relief because if Defendants prematurely learn of this action, they are likely to shut down eBay accounts and listings, destroy relevant evidence, hide assets and engage in other acts that would frustrate Ford's ability to obtain its requested relief. Moreover, Ford believes that Defendants are related, acting in cooperation, and are advertising, manufacturing, selling, and/or distributing the Counterfeit Parts as part of the same, coordinated scheme to defraud unsuspecting customers and otherwise evade enforcement.

Ford has established that: (1) it will succeed on the merits of its trademark counterfeiting and trademark infringement claims; (2) it will continue to suffer irreparable harm absent a temporary restraining order; (3) the balance of harms tips decidedly in Ford's favor; and (4) the public interest favors issuance of a temporary restraining order. As a result, this Court is justified in (1) entering the Temporary Restraining Order against Defendants' conduct; (2) restraining use

of Defendants’ bank and financial accounts; (3) authorizing Ford to engage in expedited discovery; and (4) granting the other relief requested herein.

II. STATEMENT OF FACTS

A. Ford’s Long and Distinguished History.

Ford is a global automotive leader with a history dating back to 1895. *See* Declaration of Brian O’Rourke (“O’Rourke Decl.”) at ¶ 3. For more than 120 years, consumers have come to rely on Ford for their automotive needs. Henry Ford first began using the FORD mark and scripted FORD typeface  (the “FORD Script Logo”) in connection with automobiles and their parts in 1895, and in 1903, he founded Ford. *Id.* The company sold its first Ford Model A car that same year, and in 1927, it introduced its new Ford Model A car, which was the first car to feature

Ford’s well-known FORD oval logo  (the “FORD Oval Logo”). *Id.*

Today, Ford manufactures and distributes automobiles across six continents and has over 170,000 employees and 9,000 dealerships worldwide. O’Rourke Decl. at ¶ 4. Ford offers some of the most well-known automotive brands in the world, including but not limited to FORD®, MUSTANG®, EXPLORER®, EXPEDITION®, FORD GT®, and BRONCO® car brands. *Id.* at ¶ 5. Ford’s primary customer website is <https://www.ford.com/>. *Id.* at ¶ 6.

Ford also offers a wide range of genuine automotive parts and accessories under its FORD, FORD Script Logo, FORD Oval Logo, MOTORCRAFT, and



(“Speeding Car Logo”) marks, among other brands. *See* Declaration of Lisa Woods (“Woods Decl.”) at ¶ 3. For example, among many other genuine automotive parts marketed and sold by Ford under its various brands, the mark MOTORCRAFT is Ford’s aftermarket automotive parts brand, and products sold under the MOTORCRAFT brand

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include ignition coils, which are used by the engine to provide energy to spark plugs, among many other automotive parts. *Id.* at ¶ 4. Ford's genuine automotive parts and/or packaging generally bear one or more of the FORD, FORD Script Logo, FORD Oval Logo, MOTORCRAFT, and/or Speeding Car Logo marks. *Id.* at ¶ 5. An example of a genuine Ford ignition coil (Ford part number DG-511) in genuine packaging is shown below.



Genuine Ford automotive parts are marketed and sold to consumers through various genuine channels of distribution, including on Ford's websites at <https://parts.ford.com/> and <https://www.motorcraft.com/>, by authorized Ford dealers at their various brick-and-mortar locations throughout the United States and globally, and at big box retail stores such as Walmart and AutoZone. Woods Decl. at ¶ 6. Authorized Ford dealers also sell genuine Ford automotive parts online, including on ecommerce marketplaces such as eBay. *Id.*






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Through the breadth of its product line, Ford has generated substantial revenue, including worldwide revenue in excess of \$158.1 billion in 2022 and \$176.2 billion in 2023 alone. O’Rourke Decl. at ¶ 7.










B. Ford’s Strong and Famous Trademarks.

Ford’s trademarks have earned substantial fame and considerable goodwill among the public and are critical to Ford’s business success. O’Rourke Decl. at ¶ 11. Ford owns extensive common law rights in its family of FORD trademarks, including but not limited to such trademarks as FORD, the FORD Script Logo, the FORD Oval Logo, MOTORCRAFT, and the Speeding Car Logo, and others in connection with its entire line of vehicles and related genuine Ford products and services. *Id.* at ¶ 8. Ford and its predecessors have used the FORD trademark exclusively and continuously since at least as early as 1895 in connection with a wide variety of automotive, automotive parts, and other automotive-related goods and services. *Id.* at ¶¶ 3, 8.

Ford also owns the following United States Trademark Registrations for its family of FORD and MOTORCRAFT marks and logos, all of which are legally and validly registered on the Principal Register of the United States Patent and Trademark Office (“USPTO”) (collectively, “Ford Registrations”), among other registrations for these and other marks:

Mark	Reg. No.	Int’l Classes	Status
	3,658,023	12	Incontestable
	3,658,024	12	Incontestable
	257,500	7, 9, 11, 12, 15	Registered since June 11, 1929
	74,530	12	Registered since July 20, 1909
	74,765	7	Registered since August 10, 1909


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Mark	Reg. No.	Int'l Classes	Status
	115,500	7, 9, 11, 12	Registered since February 20, 1917
FORD	643,185	12	Incontestable
	1,400,808	1, 4, 6, 7, 9, 11, 12, 17	Incontestable
	1,399,080	1, 2, 3, 4, 6, 7, 9, 11, 12, 17, 27, 34	Incontestable
	1,997,203	12	Incontestable
	377,814	7, 11, 12	Registered since May 14, 1940
MOTORCRAFT	709,311	12	Incontestable
MOTORCRAFT	913,491	12, 17	Incontestable
MOTORCRAFT	912,750	7, 9, 11, 12, 15	Incontestable
MOTORCRAFT	913,268	1, 9, 10	Incontestable
MOTORCRAFT	913,349	7, 12	Incontestable
	5,428,636	1, 2, 4, 6, 7, 9, 11, 12, 17	Registered
	1,577,668	12, 17	Incontestable
FORD	1,574,747	12, 17	Incontestable
	266,454	6, 07, 11, 17, 20, 21	Registered since January 21, 1930
	260,470	6, 07, 08, 09, 11, 12, 16, 21, 28	Registered since August 27, 1929

A detailed list of these registrations identifying the goods and copies of the Certificates of Registration and USPTO Trademark Status and Document Retrieval (“TSDR”) printouts for these Ford Registrations are attached to the Declaration of Brian O’Rourke as Exhibit B thereto.

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Pursuant to 15 U.S.C. § 1057(b), Ford's federal registrations are *prima facie* evidence of the validity of its registered Ford Marks as well as Ford's ownership and exclusive right to use its registered Ford Marks in connection with the goods identified in the registration certificates.

Moreover, Ford's federal registrations for FORD®, ®, and MOTORCRAFT®, and certain of its registrations for *Ford*®, are incontestable under 15 U.S.C. § 1065 (some of Ford's registrations for *Ford*® have been registered since prior to the enactment of the Trademark Act of 1946, which created for the first time the grant of incontestability). O'Rourke Decl. at ¶ 10. Pursuant to 15 U.S.C. § 1115(b), Ford's incontestable registrations are *conclusive* evidence of the validity of the marks listed in the registrations, Ford's ownership of the marks, and Ford's exclusive right to use the marks in commerce in connection with the identified goods. The marks reflected in the Ford Registrations together with Ford's extensive common law rights are hereinafter referred to as the "Ford Marks."

The success of Ford's automotive goods and services is due, in large part, to the extensive promotion and advertising Ford has undertaken for the Ford Marks on a nationwide and worldwide basis. *Id.* at ¶ 11. Each year, Ford consistently spends tens of millions of dollars in advertising and promoting goods and services under the Ford Marks through various media, including, but not limited to, the Internet, television and radio, newspapers, direct mail, trade shows, and trade magazines. *Id.*

Ford's extensive use and advertising of the Ford Marks has resulted in consumer recognition that the Ford Marks identify Ford as the source of automotive related goods and services of only the highest level of quality, reliability and trustworthiness, which are crucial qualities in automotive industry. *Id.*

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Ford has been selling Ford-branded vehicles and automotive parts for well over 100 years - long prior to the acts of Defendants complained of herein. O'Rourke Decl. at ¶¶ 3, 8. The Ford Marks have attained among the highest recognition levels and fame of any trademarks worldwide. *Id.* at ¶ 11. For example, since its founding in 1903, Ford and FORD automobiles, parts and accessories have received numerous awards, including, for example, the 2024 North American Truck of the Year, 2022 North American Utility of the Year, and many other awards from J.D. Power & Associates and IHS' Overall Brand Loyalty Award. Moreover, the FORD brand is currently ranked as the 51st most valuable brand in the world based on Interbrand's annual survey of the "100 Most Valuable Global Brands." *Id.*

The fame of the FORD trademark has also been previously recognized by multiple U.S. federal district courts, leading legal treatises, and international arbitration panels. *Id.* at ¶ 13. For example, the U.S. District Court for the Eastern District of Michigan held, on more than one occasion, that "Ford's trademarks, some of which have been in existence for over one hundred years and are known worldwide, [are famous]." *See Ford Motor Co. v. InterMotive, Inc.*, No. 4:17-CV-11584-TGB, 2019 WL 4746811, at *10 (E.D. Mich. Sept. 30, 2019) (citing *Ford Motor Co. v. Lloyd Design Corp.*, 184 F. Supp. 2d 665 (E.D. Mich. 2002)). Similarly, a leading trademark treatise has observed, based on relevant caselaw, that "FORD is famous in the auto industry" 4 J. Thomas McCarthy, *McCarthy on Trademarks and Unfair Competition* § 24:106 (5th ed.). In addition, an international domain name dispute resolution arbitration panel found that "FORD falls within a select class of internationally strong marks that have become so famous that it is impossible for any respondent to claim that he was unaware of Ford's prior rights or has a legitimate interest in domain names that incorporate the mark." *Ford Motor Co. v. Yitao Apex*

Labs. Ltd., Case No. INDRP/672 (INDRP June 29, 2015). This third-party recognition and prior court decisions reaffirm the famous and distinctive stature of the FORD brand.

Ford’s reputation for high quality, cutting-edge style, and reliability, among other things, is also a result of Ford’s significant investment in research, design, development, and manufacturing, as well as its meticulous quality control standards. O’Rourke Decl. at ¶ 12.

In short, the Ford Marks are distinctive assets of immeasurable value and identifiers of genuine Ford products and services. *Id.* at ¶ 11. The goodwill symbolized by the Ford Marks belongs exclusively to Ford and dates back more than a century, long before Defendants’ adoption and use of the marks identical to the Ford Marks. As a result, the FORD brand is distinctive, famous, and widely recognized around the world, and it is entitled to a broad scope of protection under 15 U.S.C. § 1125(c).

C. Ford’s Global Brand Protection Team and Enforcement History.

Ford is devoted to customer service and protecting the automotive parts supply chain from counterfeit automotive parts because faulty parts can (a) damage vehicle engine and exhaust systems resulting in engine failure and impacting overall life and performance of the vehicles, and (b) potentially compromise consumer expectations because they do not meet Ford’s rigorous testing and quality control standards, among other issues. Woods Decl. at ¶¶ 7-8. Ford’s Global Brand Protection (“GBP”) team seeks to protect consumers by ensuring high quality original equipment manufacturer (“OEM”) parts recommended by Ford are used in consumers’ vehicles. *Id.* at ¶ 8.

Specifically, Ford’s GBP team focuses on: (1) preventing the distribution of and removing counterfeit parts from the marketplace; (2) ensuring that Ford’s trademarks are used appropriately; and (3) maintaining the integrity of the sale and distribution of genuine Ford parts. *Id.* at ¶ 9. GBP

operates the website www.fordbrandprotection.com and regularly interacts with law enforcement and customs officials regarding counterfeit automotive parts and their sources and supply chains. Woods Decl. at ¶ 9.

As part of this work, Ford engages a third-party monitoring service to identify potentially counterfeit and infringing listings on ecommerce platforms such as eBay and its Verified Rights Owner (“VeRO”) program. *Id.* at ¶ 11. When the GBP team identifies potentially counterfeit and infringing listings, it reviews the listings to determine whether the products are genuine Ford parts. *Id.* at ¶ 12. When they are not, the Ford GBP team submits takedown requests with the relevant ecommerce platform(s) and/or attempts other non-litigation options, such as sending cease and desist letters directly to the sellers. *Id.*

Ford submits thousands of takedown requests to eBay and tens of thousands of takedown requests across multiple platforms annually, and, where appropriate, it escalates such disputes to outside counsel for further enforcement, and/or federal law enforcement for potential criminal raid actions. *Id.* at ¶ 13. Despite these efforts, nothing has stopped the widespread, rampant sale of counterfeit parts on ecommerce platforms like eBay, especially from sellers located in China, like Defendants. *Id.* at ¶ 14.

D. Defendants’ Counterfeiting and Infringing Conduct in Violation of Ford’s Ford Marks.

Despite having constructive and actual knowledge of Ford’s prior rights to the Ford Marks, Defendants are each promoting, advertising, distributing, offering for sale, and/or selling goods in interstate commerce bearing and/or using counterfeit and spurious imitations of one or more of the Ford Marks on Counterfeit Parts, all without authorization or consent from Ford.

Specifically, as part of Ford’s online monitoring program, Ford identified Defendants’ eBay stores advertising and selling DG-511 ignition coils, as listed in Exhibit “A” (“eBay Stores”).

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Woods Decl. at ¶ 15. The eBay listings for the Counterfeit Parts include photographs of ignition coils and packaging that are nearly identical to Ford’s genuine DG-511 ignition coils and that bear counterfeit versions of Ford Marks, including the marks FORD, the FORD Script Logo, the FORD Oval Logo, MOTORCRAFT, and the Speeding Car Logo. *Id.* at ¶ 16. A side-by-side comparison of a genuine Ford part and a Counterfeit Part is shown below, and a summary of the Counterfeit Parts is attached to the Declaration of Lisa Woods as Exhibit B thereto.



To give the appearance of legitimacy, the packaging for the Counterfeit Parts, as shown above, lists Ford’s genuine MOTORCRAFT website at www.motorcraft.com, and even states that “Motorcraft® is a registered trademark of Ford Motor Company” and contains other trademark notices identical or nearly identical to those on packaging of Ford’s genuine products. As a result, Defendants had actual knowledge of Ford and Ford’s prior registered trademark rights.

In a further effort to confuse customers as to source and give the false impression to customers that they are purchasing genuine Ford parts, the eBay listings use Ford Marks in the product descriptions, and some of them also include the following language:

- a. Watermarking of the word GENUINE across the photographs;

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- b. Statement: “Authenticity Guarantee”;¹ or
- c. Statement: “GENUINE, OEM, Brand new and high quality.”

True and correct copies of these eBay listings are attached to the Declaration of Lisa Woods as Exhibit C thereto, and representative examples of a few of the listings are below.

The image displays two eBay listings for Motorcraft ignition coils. The top listing is for a single unit, "1PC NEW OEM DG-511 Ignition Coil For Mustang F150 Expedition 4.6L 5.4L 2004-2009", priced at US \$19.88. The bottom listing is for a bulk purchase, "8PCS OEM DG-511 Ignition Coil For Mustang F150 Expedition 4.6L 5.4L 2004-2009", priced at US \$99.99/ea. Both listings show the Motorcraft packaging and include details like condition, compatibility, and shipping options.

Defendants sold the Counterfeit Parts bearing the Ford Marks from their eBay Stores and shipped these Counterfeit Parts to the Northern District of Illinois. Woods Decl. at ¶¶ 23, 32; *see also* Declaration of Luis Moreau (“Moreau Decl.”) at ¶¶ 5, 7-8. Although the Counterfeit Parts,

¹ According to eBay, the Authenticity Guarantee utilizes a team of authenticators to examine items and guarantee they are authentic. Woods Decl. at FN 1.

packaging, and the eBay Stores are designed to give the appearance they are offering genuine Ford parts, based on its review of the eBay listings and photographs of the Counterfeit Parts, Ford identified a number of inconsistencies with the Counterfeit Parts that would not appear on genuine Ford parts/packaging and confirmed the parts were not manufactured or authorized by Ford. Woods Decl. at ¶¶ 18, 21. For example, genuine Ford packaging contains several codes that correspond to part and packaging requirements, manufacture dates, etc. *Id.* at ¶ 19. However, the codes shown on the Counterfeit Parts packaging do not accurately correspond to the relevant part or manufacture date codes. *Id.* For example, each of Defendants are using the same inaccurate date code “21MAY2019” on packaging for the Counterfeit Parts (a date that changes based on the manufacturing of the part and packaging of that part). Moreover, the inaccurate “21MAY2019” date code is the exact same code that was identified in a prior counterfeiting raid involving DG-511 ignition coils bearing counterfeit Ford Marks, including a batch of counterfeit Ford ignition coils that were seized by federal agents in a criminal raid action in connection with that case. Woods Decl. at ¶ 19.

Ford also identified additional indicia confirming the Counterfeit Parts were not manufactured or authorized by Ford and are counterfeit, such as the pricing of the individual Counterfeit Parts, which was considerably below the pricing of genuine Ford parts; Ford regularly employs security features on its packaging and these security features were missing on some of the packaging; some parts and/or packaging had misspelled or misstated terms or were missing required trademarks; and Ford does not manufacture any of its genuine Ford parts at issue in China and yet the Counterfeit Parts originate from, and all Defendants are located in, China.² Woods Decl. at ¶ 20.

² All of Defendants self-identify their location as China on their eBay Store pages. Woods Decl. at FN 2.

E. Defendants’ Coordinated Scheme to Defraud Consumers and Evade Enforcement.

Based on similarities in Defendants’ operation of their eBay Stores, the common features of Defendants and their businesses, and other common counterfeit indicia, Ford believes Defendants are related, acting in cooperation, and are advertising, manufacturing, selling, and/or distributing the Counterfeit Parts as part of the same, coordinated scheme to defraud unsuspecting customers. *Id.* at ¶ 22. In particular, Defendants share the following similarities in the operation of their eBay Stores, including use of the same or similar tactics to evade detection and enforcement and make it more difficult for Ford to stop the sale of counterfeit parts in the United States and elsewhere.

- a. Defendants all sell the exact same counterfeit versions of Ford’s DG-511 ignition coils and the packaging for all of these products includes the same inaccurate package code, through the same ecommerce platform (eBay), are located in China, and directly target the sale of such products to U.S. consumers, including in Illinois, by listing the Counterfeit Parts in English, shipping the products to Illinois residents, and accepting payment in U.S. dollars. Woods Decl. at ¶ 23.
- b. Defendants regularly list products 30-60 days only to relist the same products later. *Id.* at ¶ 28.
- c. Defendants’ eBay listings for the Counterfeit Parts are highly similar in appearance and structure, including the use of the same or similar product photographs, product descriptions and layouts, similar structure and words in their eBay Store names, and/or other similarities. *Id.* at ¶ 24. For example, several of Defendants blur or otherwise obscure Ford’s trademarks in the photographs of the Counterfeit Parts in their eBay listings, which is also a tactic to avoid detection by Ford. *Id.* Representative examples of the Counterfeit Parts from Defendants’ eBay Stores are shown below.

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- d. Multiple different Defendants use the same product description pages, layout, images, and language as other Defendants, including the same typos or other grammatical errors/nonsensical statements, such as “Please make sure well your car” and “Please leaving correct address can minimize delay,” as shown in the eBay Stores below. *Id.* at ¶ 25.

Item description from the seller

Product Description

Features:

- Superior quality parts
- Easy to install
- Please make sure well your car
- Part No:DG-511
- Built to strict quality control standards
- Ready to use, Direct Replacement

Interchange Part Number:

DG511, FD508 C1659, C1541, DG-511
5C1584, E508, 52-1839, IC558, 3L3E-12A366-CA, 3L3Z-12029-BA, DG 511, FD-508, UF-537

Package includes:

8X Ignition Coils NEW


Shipping	Returns and Replacement	Payment	Feedback
----------	-------------------------	---------	----------

Shipping from the USA.

Your order will be usually shipped out on the same day or the next day when you paid for it.

Handling time: 1-2 business day and 2 business day on weekend (Orders are not processed on holidays).

Item is shipped to ebay address. Please leaving correct address can minimize delay.



favorite22shop
100% Positive Feedback
172 Items sold

[Seller's other items](#)
[Contact](#)
[Save seller](#)

Item description from the seller

Product Description

Features:

Superior quality parts

Easy to install

Please make sure well your car

Part No:DG-511

Built to strict quality control standards

Ready to use, Direct Replacement

Interchange Part Number:

DG511, FD508 C1659, C1541, DG-511

5C1584, E508, 52-1839, IC558, 3L3E-12A366-CA, 3L3Z-12029-BA, DG 511, FD-508, UF-537

Package includes:

8X Ignition Coils NEW

Shipping

Returns and Replacement

Payment

Feedback

Shipping from the USA.


Your order will be usually shipped out on the same day or the next day when you paid for it.

Handling time: 1-2 business day and 2 business day on weekend (Orders are not processed on holidays).

Item is shipped to ebay address. Please leaving correct address can minimize delay.

TONGTOOL

 DataCaciques
ERP, Listing, Data, Cross Selling



bestseller-v

97.8% positive feedback

15K Items sold

Joined Jun 2021

Visit store

Contact

Save seller

- e. Most of Defendants actively discourage customers from reporting Defendants' Counterfeit Products and/or eBay Stores to eBay, or initiating any eBay disputes against them, which is another tactic employed by them to evade enforcement. Woods Decl. at ¶ 26. Specifically, most product listing pages include one of the following statements, each of which is used by multiple Defendants verbatim (including with the same typos or other grammatical errors):
 - i. "Communication is the best way to solve the problem. If you have any problems after purchasing, please contact us in time before opening return or case."

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- ii. “If you have any problem with your order, please contact us and we will do our best to make you satisfied, please do not leave a negative feedback before we resolve your problem.”
- iii. Similar statements such as: “Before leaving us neutral or negative feedback, please contact us first. We will do everything we can to give you a satisfying solution” or “Before leaving negative feedback call us so we can fix it.” *Id.*
- f. Most if not all Defendants disable their eBay Stores and/or products listings in an attempt to disappear as soon as they receive takedown requests, only to reappear shortly thereafter under new fictitious store names or product listings. *Id.* at ¶ 28. On multiple occasions, some Defendants have created new store names by simply adding a number or an extra letter or word to the existing store name, including, for example, *Newte_98's store* (previously *Newte_98*), and *Bigwheella2* and *Bigwheel-la2* (previously *Bigwheel-la*). *Id.*
- g. On multiple occasions, some Defendants have geo-blocked IP addresses where Ford or its counsel are located or increased shipping fees to those locations to \$10,000 or more (possibly in response to increased web traffic related to Ford's investigations). *Id.*; Moreau Decl. at ¶ 12.
- h. Defendants all use the same 3-5 warehouses and shipping fulfillment centers in the U.S. Woods Decl. at ¶ 29.

Moreover, eBay sellers have stated to Ford that some of them own and operate multiple stores under different store names. Moreau Decl. at ¶ 11. It is therefore possible, if not likely, that some Defendants similarly own and operate multiple stores under different store names, especially given the similarities in Defendants' operation of their eBay Stores. *Id.*; Woods Decl. at ¶ 25.

As part of their overall unlawful scheme, Defendants are concurrently employing and benefiting from nearly identical advertising and marketing strategies, as described herein. Defendants' use of Ford's famous FORD trademarks is designed to attract and confuse consumers searching for genuine Ford parts, thereby contributing to the creation and maintenance of an illegal marketplace operating in parallel with the legitimate marketplace for Ford's genuine goods. Such conduct deprives Ford of its right to fairly compete for space online by reducing the visibility of Ford's genuine goods online, and erodes the goodwill associated with the Ford Marks. Woods

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Decl. at ¶ 31; O'Rourke Decl. at ¶ 17-18. Defendants are concurrently conducting and targeting their counterfeiting and infringing activities toward consumers and likely causing unified harm within this District and elsewhere throughout the United States. As a result, Defendants are defrauding Ford and the consuming public for Defendants' own benefit.

Defendants are operating a sophisticated scheme that seeks to avoid detection and evade enforcement. If Defendants were to prematurely learn of this action, they are likely to destroy relevant evidence, hide assets and engage in other acts that would frustrate Ford's ability to obtain its requested relief. In fact, there are several websites for China-based ecommerce sellers that regularly monitor trademark infringement filings to alert sellers, like Defendants, of recent actions and allow them to take down listings and transfer money out of their financial accounts. Moreau Decl. at ¶¶ 14-18.

Defendants' payment and financial accounts, including but not limited to those specifically set forth on Exhibit "A," are being used by Defendants to accept, receive, and deposit profits from Defendants' trademark counterfeiting and infringing and unfairly competitive activities connected to their ecommerce stores on eBay and any other alias seller identification names being used and/or controlled by them. However, in light of Defendants' pattern of conduct and other conduct described herein, Defendants are likely to transfer or conceal their assets to avoid payment of any monetary judgment awarded to Ford.

Defendants had actual knowledge of Ford's prior rights because Defendants are copying Ford's identical Ford Marks and logos for use in connection with the same goods for which Ford uses and owns registrations for its Ford Marks, are using substantially similar product packaging as Ford's genuine products, and are directing consumers to Ford's legitimate website at www.motorcraft.com, all in an effort to appear legitimate and deceive unsuspecting consumers

into purchasing non-genuine Ford products. Defendants had constructive notice of Ford's ownership of the federally registered rights to the FORD mark under 15 U.S.C. § 1072, at least as early as August 10, 1909, the MOTORCRAFT mark at least as early as January 3, 1961, and the Speeding Car Logo at least as early as March 20, 2018.

Ford never authorized, licensed or otherwise permitted Defendants to use or reproduce the Ford Marks or any confusingly similar variation thereof. O'Rourke Decl. at ¶ 16. Simply put, there is no legitimate reason or need for Defendants to use the Ford Marks in this fashion. *Id.* The only purpose in using the Ford Marks is to lure customers into believing they are purchasing genuine and authentic Ford automotive parts for use in vehicles on U.S. roadways, when they are not. Woods Decl. at ¶ 31. Such conduct not only infringes upon Ford's registered Ford Marks, but may also implicate consumer safety concerns, including in the State of Illinois. *Id.* at ¶ 33; O'Rourke Decl. at ¶ 18.

F. Defendants' Intentional Actions Have Caused Extensive Harm and Damage to Ford.

Defendants' willful actions are intentional and intended to trade on the reputation and goodwill of Ford and the Ford Marks. Defendants had actual knowledge and constructive notice of Ford's ownership of the Ford Marks. Despite this, Defendants proceeded to willfully infringe upon Ford's rights. By selecting and using marks that are identical to the Ford Marks in connection with the Counterfeit Parts, Defendants have caused substantial harm to Ford in the State of Illinois knowing that such harm would be felt here. Woods Decl. at ¶ 32.

Defendants' use of the Ford Marks is likely to mislead, deceive, and confuse the purchasing public and the trade. It is likely that consumers will mistakenly believe that Defendants are connected, associated or in some way affiliated with Ford, when in fact no such connection, association or affiliation exists, and/or that the Counterfeit Goods are genuine Ford goods, when

they are not. Indeed, Ford has identified or been made aware of multiple instances where consumers were actually confused as to the source of Defendants' Counterfeit Products and mistakenly believed such products originated from Ford. Woods Decl. at ¶ 31. For example, multiple consumer reviews on various product listings for the Counterfeit Parts are negative and either explicitly state or strongly suggest that the consumers believed they were buying genuine Ford parts when they were actually buying Defendants' Counterfeit Parts. *Id.* Ford has also received inquiries/complaints from customers who bought or saw Defendants' Counterfeit Parts online believing they were genuine Ford parts, when they were not. *Id.* As a result, Defendants' activities are causing actual confusion in the marketplace and actual harm to Ford. *Id.*

Defendants' activities are causing irreparable harm to Ford. O'Rourke Decl. at ¶ 17. It is crucial for a global automotive manufacturer such as Ford to have a reputation for safety and reliability. For decades, Ford has sought to be a true leader in the automotive industry. *Id.* at ¶ 3. As a result of these efforts, Ford has earned its place as a trustworthy provider of cutting-edge, high-quality vehicles, parts, and accessories, and related automotive services. *Id.* at ¶ 12. Ford has become an iconic, globally recognized company and famous brand. *Id.* at ¶ 14.

Defendants' unauthorized use of the Ford Marks irreparably harms Ford's integrity through damage to Ford reputation, diminished goodwill, loss of exclusivity and control over use, and possible diversion of sales. *Id.* at ¶ 17; Woods Decl. at ¶ 33. Moreover, the dollar value of the harm resulting from Defendants' actions cannot be calculated with any degree of precision. O'Rourke Decl. at ¶ 18. Consequently, harm suffered by Ford cannot be adequately compensated through monetary damages. *Id.*; Woods Decl. at ¶ 33. Instead, Ford is left with a potentially diminished reputation caused by Defendants' Counterfeit Parts. More importantly, the use of counterfeit automotive parts potentially implicates consumer safety concerns and adversely impacts Ford

operations. O’Rourke Decl. at ¶ 18; Woods Decl. at ¶ 33. Ford’s injuries are and will continue to be irreparable, unless Defendants’ infringing actions are enjoined.

III. LEGAL STANDARD FOR A TEMPORARY RESTRAINING ORDER

The Seventh Circuit applies the same standard for granting a temporary restraining order as that for granting a preliminary injunction. *Domanus v. Lewicki*, 857 F. Supp. 2d 719, 723 (N.D. Ill. 2012) (citations omitted). A party seeking to obtain a temporary restraining order must demonstrate: (1) that its case has *some* likelihood of success on the merits; (2) that no adequate remedy at law exists; and (3) that it will suffer irreparable harm if the injunction is not granted. *Ty, Inc. v. The Jones Group, Inc.*, 237 F.3d 891, 895 (7th Cir. 2000) (emphasis added). If the court is satisfied that these three conditions have been met, it then must consider the irreparable harm that the nonmoving party will suffer if preliminary relief is granted, balancing such harm against the irreparable harm the moving party will suffer if relief is denied. *Id.* Finally, the court must consider the non-party public interest in denying or granting the injunction. *Id.*

The court then weighs all of these factors, “sitting as would a chancellor in equity,” when it decides whether to grant the injunction. *Id.* (quoting *Abbott Labs. v. Mead Johnson & Co.*, 971 F.2d 6, 12 (7th Cir. 1992)). In doing so, the court employs a “sliding scale approach”: the more likely the plaintiff will succeed on the merits, the less the balance of irreparable harms need favor the plaintiff’s position. *Id.*

IV. ARGUMENT

A. Ford Is Likely to Succeed on the Merits of its Trademark Infringement and Trademark Counterfeiting Claims.

To establish the first element for obtaining a temporary restraining order, Ford need only show that it has a “better than negligible” chance of succeeding on the merits. *Ty*, 237 F.3d at 897.

To prove a likelihood of success on its trademark infringement and counterfeiting claims under 15 U.S.C. § 1114(1)(a), and its unfair false designation claim under 15 U.S.C. § 1125(a)(1)(A), Ford must establish: (1) it has protectable trademarks, and (2) a likelihood of confusion as to origin of Defendants' goods. *Deckers Outdoor Corp. v. Partnerships & Unincorporated Associations*, No. 13 C 2167, 2013 WL 1337616, at *3 (N.D. Ill. Mar. 27, 2013). Additionally, in order to be "counterfeit," the defendant must not have been authorized to use the mark at the time the goods and services were manufactured or produced. *Id.* (citing 15 U.S.C. § 1116(d)(1)(B)). Ford's evidence demonstrates it is likely to succeed on the merits of its claims and well exceeds the threshold for obtaining a temporary restraining order.

1. Ford Owns Protectable and Registered Trademarks.

As established above, Ford has extensively and continuously used and owns protectable trademark rights in the Ford Marks, including U.S. registrations for FORD, the FORD Script Logo



, the FORD Oval Logo



, MOTORCRAFT, and the Speeding Car Logo



, all of which are the subject of incontestable U.S. trademark registrations. Under 15 U.S.C. § 1115(b), Ford's incontestable registrations are *conclusive* evidence of the validity of the marks listed in the registrations, Ford's ownership of the marks, and Ford's exclusive right to use the marks in commerce in connection with the identified goods. *Brach Van Houten Holding, Inc. v. Save Brach's Coalition for Chicago*, 856 F. Supp. 472, 475 (N.D. Ill. 1994). Therefore, Ford has established its protectable rights in the Ford Marks.

2. There Is a Likelihood of Confusion.

In determining the existence of a likelihood of confusion as to origin of Defendants' goods, the Seventh Circuit examines seven factors. *Sorensen v. WD-40 Co.*, 792 F.3d 712, 726 (7th Cir.

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2015). As discussed below, these factors demonstrate that confusion is likely in light of Defendants' use of identical marks for identical goods.

a. *The Marks Are Identical in Appearance and Suggestion.*

The marks at issue are identical, so consumer confusion is inevitable. *See, e.g., MasterCard Int'l Inc. v. Trehan*, 629 F. Supp. 2d 824, 832 (N.D. Ill. 2009) (the court found that because the infringing domain names Mastercard.com (with the "Mastercard" position in Hindi) and Mastercard.com so resembled the MASTERCARD marks in sight, sound and appearance that confusion was inevitable). Without Ford's authorization or consent, Defendants publicly advertise, sell, offer for sale, and distribute counterfeit ignition coils bearing the trademarks reflected in the Ford Registrations. In particular, all of Defendants are using Ford's *identical* FORD, FORD Script

Logo , FORD Oval Logo , MOTORCRAFT, and Speeding Car Logo




marks on and in connection with the Counterfeit Parts. Thus, the first factor indisputably weighs in favor of issuance of a temporary restraining order.

b. *The Products Are Identical.*

Likewise, Defendants' Counterfeit Parts are automotive parts, namely, DG-511 ignition coils, which are offered or advertised to be the same as Ford's genuine parts (even though they are not genuine) and these goods are covered by the registrations for Ford's FORD, FORD Script

Logo , FORD Oval Logo , MOTORCRAFT, and Speeding Car Logo



marks. For example, the U.S. Registration No. 74,530 for the mark  covers "automobiles and their parts." Thus, consumer confusion is inevitable. *Id.* Therefore, the second factor heavily favors the issuance of a temporary restraining order.

c. *The Area and Manner of Concurrent Use Directly Overlaps.*

Ford's use and Defendants' use are certainly concurrent. Both Ford and Defendants are operating in the global automotive market and are present on the internet. Genuine Ford automotive parts are marketed and/or sold to consumers through various genuine channels of distribution online, including on Ford's websites at <https://parts.ford.com/> and <https://www.motorcraft.com/>, and on ecommerce marketplaces such as eBay by authorized Ford dealers, among other trade channels. Defendants are similarly operating online by selling the Counterfeit Parts through eBay. As a result, Ford's genuine parts and Defendants' Counterfeit Parts directly overlap in the same ecommerce marketplace and there is an incredible amount of overlap between Ford's and Defendants' trade channels. *See Ent. One UK Ltd. v. 2012Shiliang*, 384 F. Supp. 3d 941, 951 (N.D. Ill. 2019) (holding that the parties' channels of trade overlapped where defendants sold the infringing products online and plaintiffs sold its genuine products both online and in brick-and-mortar retail stores). Thus, the third factor weighs in favor of the issuance of a temporary restraining order.

d. *The Degree of Care Likely to be Exercised by Consumers Weighs in Favor of Ford.*

The degree of care factor weighs in favor of the trademark holder when consumers are less likely to exercise care in distinguishing products. *See CAE, Inc. v. Clean Air Eng'g, Inc.*, 267 F.3d 660, 683 (7th Cir. 2001); *see also Lincoln Fin. Advisors Corp. v. SagePoint Fin., Inc.*, 1:09-cv-15RM, 2009 U.S. Dist. LEXIS 28142, at *18 (N.D. Ill. Apr. 2, 2009). Moreover, "when there is a strong likelihood of confusion created by other facts, even a high level of care exercised by an ordinary purchaser . . . will not be sufficient to tip the scales in the other direction." 4 J. Thomas McCarthy, *McCarthy on Trademarks and Unfair Competition* § 23:95 (5th ed.).

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Here, Ford’s genuine parts at issue in this case are limited to ignition coils, are widely available to the general public, and not just car dealerships, technicians, or mechanics, such that “consumers will exercise a lesser degree of care and discrimination in their purchases.” *CAE, Inc.*, 267 F.3d at 683 (holding that consumers exercise a lesser degree of care when the goods at issue are “widely accessible and inexpensive”). Genuine Ford automotive parts are marketed and sold to consumers through various genuine channels of distribution, including on Ford’s websites at <https://parts.ford.com/> and <https://www.motorcraft.com/>, by authorized Ford dealers at their various brick-and-mortar locations throughout the United States and globally, and at big box retail stores such as Walmart and AutoZone. Authorized Ford dealers also sell genuine Ford automotive parts online, including on ecommerce marketplaces such as eBay. As a result, Ford’s genuine parts are relatively accessible to the general public. *See Am. Auto. Ass’n, Inc. v. Waller*, No. 1:16-CV-2890-WTL-MPB, 2017 WL 6387315, at *5 (S.D. Ind. Dec. 14, 2017) (“the relative accessibility and inexpensive nature of automotive products and services suggests that consumers will not use more than an ordinary degree of care in discriminating between various sources of those products and services”); *see also Jae Enterprises, Inc. v. Oxford Inc.*, No. 5:15-CV-228-TBR, 2016 WL 319877, at *7 (W.D. Ky. Jan. 25, 2016) (“automobile accessories . . . do not require special expertise on the part of the purchaser who is buying them from an online retailer. . . . This factor also weighs in favor of confusion.”). Even if Ford sells some of its genuine parts directly to dealers, some of whom may or may not be sophisticated, it is clear that some, if not a significant majority, of Ford’s genuine parts ultimately reach the consuming public, such that confusion is likely. *See Ford Motor Co. v. B & H Supply, Inc.*, 646 F. Supp. 975, 995–97 (D. Minn. 1986), *supplemented sub nom. Ford Motor Co. v. B&H Supply, Inc.*, No. CIV. 3-85-865, 1987 WL 59519 (D. Minn. Apr. 13, 1987) (“sophistication of the dealers varies significantly, with some purchases being

relatively unsophisticated. . . . Moreover, some of the automotive parts marketed and distributed by the defendants ultimately reach the consuming public, who would not exercise a great deal of care when purchasing automotive parts.”). Even the most prudent consumer could be duped by Defendants’ counterfeiting scheme because Defendants have meticulously crafted product packaging and product listings for the Counterfeit Parts to use the identical Ford Marks for identical or closely related goods. Therefore, this factor also weighs in favor of the issuance of the temporary restraining order.

e. *The Ford Marks Are Strong.*

Through longstanding use and promotion for more than 100 years, the FORD mark and logos have attained among the highest recognition levels and fame of any trademarks in the United States and worldwide. Indeed, as discussed above, multiple U.S. federal district courts, not to mention international arbitration panels, treatises, etc., have held that the FORD, FORD Script Logo, and FORD Oval Logo are famous under 15 U.S.C. § 1125(c), and are therefore entitled to a broad scope of protection. *See, e.g., Ford Motor Co.*, 2019 WL 4746811, at *10 (“Ford’s trademarks, some of which have been in existence for over one hundred years and are known worldwide, [are famous.]”); *see also Ford Motor Co. v. Heritage Mgmt. Grp., Inc.*, 911 F. Supp. 2d 616, 629 (E.D. Tenn. 2012) (holding that Ford “easily satisfies” that its Ford Marks are “(1) famous and (2) distinctive”); *Ford Motor Co. v. Ultra Coachbuilders Inc.*, No. NO. EDCV 00-00243-VA, 2000 WL 33256536, at *9 (C.D. Cal. July 11, 2000), *aff’d*, 238 F.3d 428 (9th Cir. 2000) (holding that the FORD mark and logos are “undoubtedly famous marks”). As a result of Ford’s extensive use and promotion of its FORD, FORD Script Logo, and FORD Oval Logo marks, these marks became famous long before Defendants’ infringing actions.

Moreover, Ford’s MOTORCRAFT mark is also strong and distinctive. For example, Ford

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has used the MOTORCRAFT mark for more than 60 years. In addition, the FORD, FORD Script Logo, FORD Oval Logo, MOTORCRAFT, and Speeding Car Logo marks are all the subject of incontestable U.S. trademark registrations, which “constitute[s] conclusive evidence of ownership and validity.” 15 U.S.C. §§1115(a) & (b); *Brach Van Houten*, 856 F. Supp. at 475.

As a result, this factor heavily weighs in favor of issuance of the temporary restraining order.

f. *There Is Evidence of Actual Confusion.*

Although evidence of actual confusion is not required for a temporary restraining order or preliminary injunction, “evidence of actual confusion, if available, is entitled to substantial weight.” *Meridian Mutual Ins. Co. v. Meridian Ins. Group, Inc.*, 128 F.3d 111, 1118 (7th Cir. 1997); *see also* 4 J. Thomas McCarthy, *McCarthy on Trademarks and Unfair Competition* § 23:12 (5th ed.) (stating that “a plaintiff who seeks only injunctive relief need only prove a likelihood of confusion”). Here, not only is there a likelihood of confusion based on Defendants’ use of Ford’s identical FORD, FORD Script Logo, FORD Oval Logo, MOTORCRAFT, and Speeding Car Logo marks in connection with identical or closely related goods, there is evidence of *actual confusion* in the marketplace based on consumer inquiries/complaints received by Ford and consumer product reviews on the eBay Stores that state or strongly suggest the consumers mistakenly believed the Counterfeit Parts originated from Ford. This factor therefore weighs in favor of issuance of the temporary restraining order. *See, e.g., Seko Worldwide, LLC v. Seko Logistics India Priv. Ltd.*, No. 09 C 05055, 2009 WL 10740114, at *5 (N.D. Ill. Oct. 27, 2009) (“Because Defendants’ activities have resulted in actual confusion in only the short period since it began its unauthorized use of the SEKO Trademarks, this factor weighs heavily in favor of [granting temporary restraining order/preliminary injunction].”).

g. *Defendants Have a Willful and Clear Intent to Palm Off Their Counterfeit Parts as Genuine Ford Parts.*

A defendant's intent to palm off its goods as that of plaintiff supports a finding of a likelihood of confusion. *Sands, Taylor & Wood Co. v. Quaker Oats Co.*, 978 F.2d 947, 961 (7th Cir. 1992). A court may infer a defendant's intent to confuse consumers "from the similarity of the marks where the senior mark has attained great notoriety." *AutoZone, Inc. v. Strick*, 543 F.3d 923, 934 (7th Cir. 2008) ("If the marketing and business presence of the senior mark . . . is nearly ubiquitous in the geographic area where the junior mark competes, a trier of fact can easily conclude that the creator of a strikingly similar junior mark intended to confuse.").

Here, as demonstrated above, Defendants are using *identical* and spurious imitations of Ford's famous FORD marks and logos and distinctive MOTORCRAFT and Speeding Car Logo marks in connection with *identical* automotive parts, namely, ignition coils. This conduct in and of itself is sufficient to show that Defendants "intended to confuse and deceive consumers into believing that their products are affiliated with or made by" Ford. *See Monster Energy Co. v. Jing*, No. 15 C 277, 2015 WL 4081288, at *3 (N.D. Ill. July 6, 2015); *see also H-D U.S.A., LLC v. Guangzhou Tomas Crafts Co., Ltd.*, No. 16-CV-10096, 2017 WL 6733685, at *4 (N.D. Ill. Dec. 18, 2017) ("Given the similarity of the marks and products at issue here and the notoriety of Plaintiff's mark, the evidence shows that Defendant intended to "palm off" his product as Plaintiff's."). As further evidence of Defendants' bad faith intent to palm off their goods as that of Ford, as demonstrated above, Defendants have actual knowledge of Ford's prior registered rights to the Ford Marks and are using packaging that is identical or substantially similar to Ford's packaging. *See Tory Burch LLC v. Partnerships & Unincorporated Associations Identified on Schedule A*, No. 13 C 2059, 2013 WL 1283824, at *5 (N.D. Ill. Mar. 27, 2013) ("Given the Defendants' use of identical trademarks . . . and near-identically designed products, it is apparent

that the Defendants intended to confuse and deceive the consuming public”). Some Defendants are also claiming in their eBay product listings that the Counterfeit Parts are “genuine” or guaranteed authentic.

Therefore, as a result of Defendants’ willful conduct, this factor weighs heavily in favor of a finding of confusion and an issuance of the temporary restraining order. *AutoZone*, 543 F.3d at 934 (stating that a defendant’s bad faith intent in adopting a trademark is given considerable weight in the likelihood of confusion analysis); *see also Rust Env’t & Infrastructure, Inc. v. Teunissen*, 131 F.3d 1210, 1219 (7th Cir. 1997).

Based on the foregoing, Ford has a high likelihood of success on the merits of its trademark infringement claim.

3. Ford Has Never Licensed or Authorized Defendants’ Use of the Ford Marks, and This Is a Clear Case of Trademark Counterfeiting.

The Lanham Act defines “counterfeit” as “a spurious mark which is identical with, or substantially indistinguishable from, a registered mark.” 15 U.S.C. § 1127. In the present case, Defendants use the identical marks in the Ford Registrations on and in connection with counterfeit automotive parts that are nearly identical to Ford’s genuine parts and for which Ford owns U.S. registrations for the Ford Marks. Ford never authorized, licensed or otherwise permitted Defendants to use or reproduce the marks reflected in the Ford Registrations or any confusingly similar variation thereof.

In particular, all of Defendants use the identical FORD Script Logo, FORD Oval Logo, MOTORCRAFT, and Speeding Car Logo marks in connection with ignition coils, which are the same parts covered by Ford Registrations for these marks. This is therefore a clear case of

counterfeiting. Accordingly, Ford is likely to succeed on the merits of its trademark counterfeiting and trademark infringement claims.³

B. Ford Has No Adequate Remedy at Law and Irreparable Harm Is Likely If the TRO Is Not Entered.

The Seventh Circuit has “clearly and repeatedly held that damage to a trademark holder’s goodwill can constitute irreparable injury for which the trademark owner has no adequate legal remedy.” *Re/Max North Cent., Inc. v. Cook*, 272 F.3d 424, 432 (7th Cir. 2001) (citing *Eli Lilly & Co. v. Natural Answers, Inc.*, 233 F.3d 456, 469 (7th Cir. 2000)); *see also Int’l Kennel Club of Chicago, Inc. v. Mighty Star, Inc.*, 846 F.2d 1079, 1092 (stating “[t]he most corrosive and irreparable harm attributable to trademark infringement is the inability of the victim to control the nature and quality of defendants’ goods”). When a plaintiff moves for a preliminary injunction based on a claim for trademark infringement under the Lanham Act, the plaintiff is “entitled to a rebuttable presumption of irreparable harm upon a finding . . . of likelihood of success on the merits.” 15 U.S.C. § 1116(a); *see also Zhang v. UAB Ekomlita*, No. 1:22-CV-05057, 2023 WL 2867798, at *11 (N.D. Ill. Apr. 10, 2023) (confirming that harm to a trademark owner’s goodwill is considered “presumptively irreparable” in trademark infringement actions); *Kraft Foods Group Brands LLC, v. Cracker Barrel Old Country Store, Inc.*, 735 F.3d 735, 741 (7th Cir. 2013) (“[I]rreparable harm is especially likely in a trademark case because of the difficulty of quantifying the likely effect on a brand of a nontrivial period of consumer confusion”).

Here, as demonstrated above, Ford is likely to succeed on the merits of its trademark counterfeiting and infringement claims, such that Ford is entitled to a presumption of irreparable

³ Because Ford is likely to succeed on the merits of its federal trademark counterfeiting and infringement claims, as a matter of law, it is also likely to succeed on Counts IV, V, VI, and VII. *See TMT N. Am., Inc. v. Magic Touch GmbH*, 124 F.3d 876, 881 (7th Cir. 1997) (stating that elements of state and federal law trademark infringement and unfair competition claims are substantially congruent). Ford’s requested relief herein does not extend to Counts III and VIII for dilution.

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harm. *See Zhang*, 2023 WL 2867798, at *11. Moreover, Defendants’ unauthorized use of the identical marks in the Ford Registrations has and will continue to irreparably harm Ford through damage to Ford’s reputation, diminished goodwill, loss of exclusivity and control over use, and possible diversion of sales. *Zhang*, 2023 WL 2867798, at *12 (holding that plaintiff’s un rebutted declaration asserting diminished goodwill and brand confidence, reputation, loss of exclusivity, and loss of future sales is sufficient to establish irreparable harm for purposes of preliminary injunction). Ford’s loss of control over its reputation is neither calculable nor precisely compensable, and the extent of the resulting harm to Ford’s reputation and goodwill (and the possible diversion of customers) is largely unquantifiable. Any inferior quality products provided

by Defendants’ under Ford’s FORD, FORD Script Logo , FORD Oval Logo



, MOTORCRAFT, and Speeding Car Logo



marks will result in increased skepticism and hesitation from consumers when presented with Ford’s legitimate goods and services. As a result, there will be further loss or undermining of Ford’s goodwill by these acts.

In the case of trademark counterfeiting, courts have routinely found such acts to result in irreparable harm and this situation is no different. *See, e.g., SATA GmbH & Co. Kg v. Wenzhou New Century Int’l, Ltd.*, No. CV 15-08157-BRO (Ex), 2015 WL 6680807, at *8 (C.D. Cal. Oct. 19, 2015) (finding evidence that SATA “is one of the world’s leading manufacturers of high quality, high performance, paint spray guns and related equipment” and that SATA products are “well known for their quality, performance, and durability” demonstrated a likelihood of irreparable harm and granted an Ex Parte Application for a Temporary Restraining Order); *Hand & Nail Harmony, Inc. v. Guangzhou Cocome Cosmetics Co. Ltd.*, No. 2:14-cv-01106-RFB-CWH,

2014 WL 4809928, at *7 (D. Nev. Sept. 26, 2014) (finding there is little reason to believe Defendants will pay heed to any money damages awarded and that the Ford will therefore suffer irreparable harm if the Defendants are not immediately restrained from the sale and distribution of these Counterfeit Parts at trade shows and on its website); and *Chanel, Inc. v. Chanelbagsforsale-US.com*, No. 1:12-cv-22076, 2012 WL 5364300, at *5 (S.D. Fla. Oct. 31, 2012) (finding Defendants' counterfeit products on the Internet website chanelonlineshoppingusa.com created irreparable harm and confusion, particularly, because the counterfeit products bear identical markings as real Chanel merchandise, and are not manufactured to Chanel's quality standards).

All of these factors demonstrate that Ford's injuries are, and will continue to be, irreparable, unless Defendants' calculated acts of infringement and counterfeiting are enjoined.

C. The Balance of Harms Tips in Ford's Favor.

Because Ford demonstrated (1) a likelihood of success on the merits; (2) that there is no adequate remedy at law; and (3) that it will suffer irreparable harm, the Court should balance the harms in Ford's favor and grant the preliminary relief requested herein. *Promatek Indus., Ltd. v. Equitrac Corp.*, 300 F.3d 808, 813-14 (7th Cir. 2002) (where defendant used plaintiff's trademark on website that would continue to attract consumers and acquire goodwill belonging to plaintiff, the balance of the harms favored the plaintiff).

Defendants' willful actions were at their own peril because they have "no claim to the profits or advantages" derived from such conduct. *Burger King Corp. v. Majeed*, 805 F. Supp. 994, 1006 (S.D. Fla. 1992) (citations omitted). "When considering the balance of hardships between the parties in infringement cases, courts generally favor the trademark owner." *Krause Int'l Inc. v. Reed Elsevier, Inc.*, 866 F. Supp. 585, 587-88 (D.D.C. 1994). Any harm to Defendants is purely monetary – to the extent such harm exists – and this harm would be ill-gotten gains through use of Ford's intellectual property rights.

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As established above, Defendants have no legitimate need to use Ford's FORD, FORD

Script Logo , FORD Oval Logo , MOTORCRAFT, or Speeding Car Logo



marks in connection with the Counterfeit Parts or the eBay Stores. Any and all such conduct is a clear violation of Ford's registered trademark rights. Instead, the only purpose in using Ford's famous marks in this manner is to lure customers into believing they are purchasing genuine Ford parts, when they are not. Absent a temporary restraining order, Ford is unable to control the use of the Ford Marks on automotive parts and its business reputation and goodwill. In fact, "the most corrosive and irreparable harm attributable to trademark infringement is the inability of the victim to control the nature and quality of the defendant's goods." *Int'l Kennel Club*, 846 F.2d at 1088. Ford has spent over one hundred years building, cultivating and protecting its FORD brands. Without this temporary restraining order, Ford risks losing the goodwill it has built up in this period. Effectively, Ford's "entire investment" will be lost. *TV Land, L.P. v. Viacom Int'l, Inc.*, 908 F. Supp. 543, 554 (N.D. Ill. 1995).

The potential harm to Ford, particularly to its goodwill and reputation, is substantial and clearly outweighs the potential harm to Defendants, which is purely monetary, if any. Therefore, the balance of harms strongly favors Ford.

D. The Public Interest Favors Issuance of the Temporary Restraining Order.

The public interest is also served by the issuance of a temporary restraining order because "enforcement of the trademark laws prevents consumer confusion." *Eli Lilly*, 233 F.3d at 469. In the present case, Defendants are selling counterfeit DG-511 ignition coils, using Ford's registered marks without authorization. Defendants' Counterfeit Parts and corresponding eBay product listings are designed to give the appearance that they are offering genuine and authentic Ford parts, and unsuspecting customers will undoubtedly believe that they are. However, Defendants'

Counterfeit Parts are not manufactured or authorized by Ford. Faulty products of the kind offered and sold by Defendants can damage engine and exhaust systems, resulting in engine failure and impacting overall life and performance of the vehicles, among other potential issues, and also implicates consumer safety concerns.

More than fifty years ago, the Seventh Circuit held “the trade-mark laws ... are concerned not alone with the protection of a property right existing in an individual, but also with the protection of the public from fraud and deceit.” *Stahly, Inc. v. M.H. Jacobs Co.*, 183 F.2d 914, 917 (7th Cir. 1950) (citations omitted). A temporary restraining order such as the one sought here would therefore prevent, rather than cause, harm to consumers through the elimination of confusion as to source and sponsorship. *See, e.g., James Burrough Ltd. v. Sign of Beefeater, Inc.*, 540 F.2d 266, 274-75 (7th Cir. 1976); *Brach Van Houten*, 856 F. Supp. at 474. The injury to the public is clear, namely, the Counterfeit Parts give the false impression that they emanate from Ford, have met Ford’s rigorous quality control standards, and/or are sponsored, affiliated, or endorsed by Ford, when they are not. The public has a right not to be confused or defrauded as to the source of goods offered by Defendants, especially goods such as these that could potentially damage consumers’ vehicles, thereby increasing repair costs, insurance premiums, etc., and/or cause other safety concerns. Unless this Court enjoins Defendants’ conduct, the public will continue to be confused and misled. Therefore, the granting of this temporary restraining order is in the public interest.

E. Ford’s Requested Equitable Relief Is Appropriate.

As set forth in Ford’s proposed order, Ford seeks to enjoin Defendants from engaging in further infringing acts, as well as service of expedited discovery and preservation of evidence.

1. A Temporary Restraining Order Is Warranted in this Case.

Based upon the foregoing, Ford has demonstrated more than a sufficient basis warranting issuance of a temporary restraining order. Ford's overwhelming evidence establishes that: (1) it will succeed on its claims; (2) it will continue to suffer irreparable harm absent a temporary restraining order; (3) the burden overwhelmingly tips in Ford's favor; and (4) the public interest favors issuance of the temporary restraining order. As a result, this Court is justified in enjoining Defendants' conduct and the issuance of the temporary restraining order is authorized by law. *Lettuce Entertain You Enterprises, Inc. v. Leila Sophia AR, LLC*, 703 F. Supp. 2d 777, 791 (N.D. Ill. 2010) (temporary restraining order granted in favor of trademark plaintiff).

2. An Order of Preservation Will Reduce the Irreparable Harm Being Caused.

Where defendants are engaged in counterfeiting, "there is every reason to believe that, once served with notice of a lawsuit, they will not carefully preserve the evidence of their illegality." 5 J. Thomas McCarthy, *McCarthy on Trademarks and Unfair Competition* § 30:37 (5th ed.). Ford seeks an immediate order preserving the relevant evidence in this case. Defendants have engaged in willful counterfeiting and have shown a propensity to ignore the law and conceal their financial accounts, eBay accounts, and other information associated with their businesses. Defendants developed a scheme that causes irreparable harm to Ford. As a result, there is a legitimate concern that they will do anything to cover their tracks, including destroying evidence, deleting their eBay accounts, transferring and concealing ill-gotten profits, etc. If that were to happen, Ford would be prevented from uncovering the extent of the harm caused and retrieving the captured data.

Here, movement or destruction of the documentary evidence would render prosecution of the case much more difficult and would frustrate the ultimate relief Ford seeks in this action. *See Matter of Vuitton et Fils, S.A.*, 606 F.2d 1, 5 (2d Cir. 1979) ("If notice is required, that notice all

too often appears to serve only to render fruitless further prosecution of the action. This is precisely contrary to the normal and intended role of ‘notice,’ and it is surely not what the authors of the rule either anticipated or intended”). Moreover, unlike traditional counterfeiting cases, Ford cannot seek a seizure and inspection of a brick-and-mortar shop to obtain the Counterfeit Parts and relevant business records. Instead, this counterfeiting conduct takes place entirely over the internet, making it more difficult to capture the key information, which reinforces the need for expedited discovery and order of preservation. Therefore, to prevent these occurrences, Ford requests an order that preserves all relevant evidence. In particular, Ford seeks preservation of any and all records of Defendants, and all information captured by eBay, financial institutions, payment processing providers, etc., based upon their provision of services to Defendants in furtherance of their counterfeiting and infringing activities described herein, including user information, seller/store name histories, data packets, transaction logs, sales data, and other information, which will be critical in further investigation of this action. These third parties will suffer no harm by entry of such an order.

3. Ford Is Entitled to Expedited Discovery.

Courts are granted broad authority over discovery, including the authority to grant the relief requested herein. *Patterson v. Avery Dennison Corp.*, 281 F.3d 676, 681 (7th Cir. 2002) (district courts have broad discretion in matters relating to discovery); *see also Lawrence E. Jaffe Pension Plan v. Household International, Inc.*, No. 02 C 5893, 2005 WL 3801463, at *2 (N.D. Ill. April 18, 2005) (explaining that district courts have broad discretion in resolving matters related to discovery). To determine whether to authorize expedited discovery in a particular case, courts generally apply a “good cause” standard. *See* Fed. R. Civ. P. 26(b)(1) (“For good cause, the court may order discovery of any matter relevant to the subject matter involved in the action.”).

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In this case, there is good cause to allow Ford to conduct expedited discovery to discover bank and payment system accounts that Defendants use for their counterfeit sales operations so that those accounts can be frozen in order to contain Defendants' counterfeiting and infringing conduct. Defendants are all located overseas in China and have gone to great lengths to evade detection and enforcement. For example, most if not all Defendants disable their eBay Stores and/or products listings in an attempt to disappear as soon as they receive takedown requests or notice of litigation against them, only to reappear shortly thereafter under new fictitious store names or product listings. In light of Defendants' pattern of conduct, and given that Defendants are all located overseas, Defendants are likely to transfer or conceal their assets to avoid payment of any monetary judgment awarded to Ford. This information can only be sought through discovery and there is no practical reason to delay such discovery. As a result, it is appropriate for this Court to order expedited discovery from Defendants, eBay, payment processors, and Defendants' banking and financial institutions. *See, e.g., Deckers Outdoor*, 2013 WL 1337616, at *10 ("Because the Defendants in this case are located overseas and have gone to great lengths to conceal their identities and avoid detection, it is likely that this Court's restraining order would be of little value if the Plaintiff is unable to discover the Defendants' bank accounts and serve the financial institutions maintaining those accounts."); *Tory Burch*, 2013 WL 1283824, at *10 (same).

The scope of the requested discovery is narrow and will not incur a significant burden. More importantly, the specific discovery will likely come from eBay, payment processors, and banking and financial institutions as the individual Defendants are unlikely to respond to formal discovery requests.

4. Restraint of Financial Accounts Is Required.

Under the Lanham Act, courts have inherent power to freeze defendants' assets to ensure the availability of final equitable relief. *See Reebok Int'l Ltd. v. Marnatech Enters., Inc.*, 970 F.2d 552, 559 (9th Cir.1992) (“[B]ecause the Lanham Act authorizes the district court to grant [plaintiff] an accounting of [defendant’s] profits as a form of final equitable relief, the district court had the inherent power to freeze [defendant’s] assets in order to ensure the availability of that final relief.”). Here, Ford seeks, among other relief contemplated by the Lanham Act, disgorgement of Defendants’ profits, which is an equitable remedy. Accordingly, an order freezing Defendants’ assets is within the Court’s authority. *See Indus. Xperience, LLC v. Dance Xperience*, No. 19-CV-06724, 2020 WL 1888977, at *2 (N.D. Ill. Apr. 16, 2020). Moreover, the freezing of financial assets is appropriate and necessary in this case because Defendants are likely to transfer their financial assets to overseas accounts or otherwise deplete their financial accounts, thereby depriving Ford of final equitable relief. *See Tory Burch*, 2013 WL 1283824, at *9 (granting TRO and asset restraining order where “Defendants may otherwise transfer their financial assets to overseas accounts”); *see also Deckers Outdoor*, 2013 WL 1337616, at *9 (same). In fact, ecommerce sellers, like Defendants, are known to actively monitor websites like www.sellerdefense.cn, which alerts them to recently filed trademark infringement lawsuits and advises them to shut down listings and transfer money out of financial accounts in the event they are named as a defendant. Also, as described herein, Defendants are sophisticated ecommerce sellers and have a history of shutting down their eBay Stores and reopening under new names, among other tactics used by them to evade detection and enforcement. *See Indus. Xperience*, 2020 WL 1888977, at *2 (granting TRO and freezing defendant’s assets Defendant has a history of shutting down and reopening under a new name). As a result, it is appropriate for this Court to

issue an order restraining or freezing Defendants' financial or bank accounts to ensure an accounting as part of Ford's final requested relief.

F. A Reasonable Bond Is Appropriate Here as the Risk of Harm to Defendants Is Low.

Rule 65 of the Federal Rules of Civil Procedure calls for Ford to post a bond in the event of harm to Defendants caused by issuance of the Temporary Restraining Order. Fed. R. Civ. P. 65(d). Ford has established clear and overwhelming evidence of trademark counterfeiting and infringement. There is minimal harm to Defendants in issuance of this temporary restraining order, other than harm caused by their own willful acts. While the posting of a bond is required, courts are granted a wide latitude in setting the amount of the bond. *Nano-Proprietary, Inc. v. Keesman*, No. 06 C 2789, 2007 WL 433100 at *8 (N.D. Ill. 2007) (the amount of security bond for an injunction is in the discretion of the court). In the present case, no bond is required. The purpose of requiring the party obtaining an injunction to post security is to compensate the enjoined party, if it prevails on the merits, for the pecuniary harm caused by a preliminary injunction. *Ty, Inc. v. Publications Int'l Ltd.*, 292 F.3d 512, 516 (7th Cir. 2002). Here, there is no information to support any damages to be suffered by Defendants in issuance of this Temporary Restraining Order given the serious nature of Defendants' willful conduct. As a result, it is appropriate to order a bond in the amount of \$20,000, which is more than reasonable to address any potential harm by the TRO. *Builder's World, Inc. v. Marvin Lumber & Cedar, Inc.*, 482 F.Supp.2d 1065 (E.D. Wis. 2007) (finding \$1,000 bond appropriate absent information from the parties to the contrary).

V. CONCLUSION

For the foregoing reasons, Ford respectfully requests that the Court grant Ford's Amended *Ex Parte* Motion for Temporary Restraining Order as outlined in the Proposed Order.

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Respectfully submitted,

FORD MOTOR COMPANY

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