UNITED STATES INTERNATIONAL TRADE COMMISSION
WASHINGTON, DC

In the Matter of

CERTAIN LIQUID CRYSTAL eWRITERS AND COMPONENTS THEREOF

Investigation No. 337-TA-1035

LIMITED EXCLUSION ORDER

The United States International Trade Commission ("Commission") has determined that there is a violation of section 337 of the Tariff Act of 1930, as amended (19 U.S.C. § 1337), in the unlawful importation, sale for importation, or sale within the United States after importation by Respondent Shenzhen SUNstone Technology Co., Ltd. d/b/a iQbe ("iQbe") of certain liquid crystal eWriter and components thereof covered by one or more of claims 1-5, 10, 11, 13-16, 18-23, 26, and 27 of U.S. Patent No. 7,351,506 ("the '506 patent") and claims 1, 2, 9-11, 15-17, 21, and/or 22 of U.S. Patent No. 8,947,604 ("the '604 patent") (collectively, "Asserted Patents").

Having reviewed the record in this investigation, including the written submission of the parties, the Commission has made its determination on the issues of remedy, public interest, and bonding. The Commission has determined that the appropriate form of relief is a limited exclusion order prohibiting the unlicensed entry of certain covered liquid crystal eWriters and components thereof manufactured by or on behalf of iQbe or any of its affiliate companies, parents, subsidiaries, licensees, or other related business entities, or its successors or assigns.

The Commission has determined that the public interest factors enumerated in 19 U.S.C. § 1337(g)(1) do not preclude issuance of the limited exclusion order, and that there shall be a
bond of 100 percent of the entered value for all covered liquid crystal eWriters and components thereof during the period of Presidential review.

Accordingly, the Commission hereby ORDERS that:

1. Liquid crystal eWriters and components thereof that are covered by one or more of claims 1-5, 10, 11, 13-16, 18-23, 26, and 27 of the '506 patent and claims 1, 2, 9-11, 15-17, 21, and 22 of the '604 patent and that are manufactured abroad by or on behalf of, imported by or on behalf of, or sold after importation by or on behalf of iQbe, or any of its affiliated companies, parents, subsidiaries, or other related business entities, or its successors or assigns, are excluded from entry for consumption into the United States, entry for consumption from a foreign-trade zone, or withdrawal from a warehouse for consumption, for the remaining term of the Asserted Patents, except under license of the patent owner or as provided by law.

2. Notwithstanding paragraph 1 of this Order, the aforesaid liquid crystal eWriters and components thereof are entitled to entry into the United States for consumption, entry for consumption from a foreign-trade zone, or withdrawal from a warehouse for consumption under bond in the amount of 100 percent of the entered value of such articles pursuant to subsection (j) of Section 337 of the Tariff Act of 1930, as amended (19 U.S.C. § 1337(j)), and the Presidential Memorandum for the United States Trade Representative of July 21, 2005 (70 Fed. Reg. 43251), from the day after this Order is received by the United States Trade Representative until such time as the United States Trade Representative notifies the Commission that this Order is approved or
disapproved but, in any event, not later than sixty (60) days after the date of receipt of this Order.

3. At the direction of U.S. Customs and Border Protection ("CBP") and pursuant the procedures it establishes, persons seeking to import liquid crystal eWriters and components thereof that are potentially subject to this Order may be required to certify that they are familiar with the terms of this Order, that they have made appropriate inquiry, and thereupon state that, to the best of their knowledge and belief, the products being imported are not excluded from entry under paragraph 1 of this Order. At its discretion, CBP may require persons who have provided the certification described in this paragraph to furnish such records or analyses as are necessary to substantiate this certification.

4. In accordance with 19 U.S.C. § 1337(l), the provisions of this Order shall not apply to liquid crystal eWriters and components thereof that are imported by and for the use of the United States, or imported for and to be used for, the United States with the authorization or consent of the Government.

5. The Commission may modify this Order in accordance with the procedures described in Rule 210.76 of the Commission’s Rules of Practice and Procedure (19 C.F.R. § 210.76).
6. The Secretary shall serve copies of this Order upon each party of record in this investigation and CBP.

7. Notice of this Order shall be published in the *Federal Register*.

By order of the Commission

[Signature]

Lisa R. Barton  
Secretary to the Commission

Issued: September 26, 2017
CERTAIN LIQUID CRYSTAL EWRITERS AND
COMPONENTS THEREOF

PUBLIC CERTIFICATE OF SERVICE

I, Lisa R. Barton, hereby certify that the attached LIMITED EXCLUSION ORDER has been served by hand upon the following parties as indicated, on 9/26/2017

Lisa R. Barton, Secretary
U.S. International Trade Commission
500 E Street, SW, Room 112
Washington, DC 20436

On Behalf of Complainant Kent Displays, Inc.:

Michael L. Doane, Esq.
ADDUCI, MASTRIANI & SCHAUMBERG, LLP
1133 Connecticut Avenue, NW
Washington, DC 20036

☐ Via Hand Delivery
☐ Via Express Delivery
☒ Via First Class Mail
☐ Other: ____________

Respondents:

Shenzhen SUNstone Technology Co., Ltd.
d/b/a IQbe
3/F, Bldg. F. No. 1 Industry Park,
Guanlong Village, Xili, Shenzhen
China

☐ Via Hand Delivery
☐ Via Express Delivery
☒ Via First Class Mail
☐ Other: ____________
In the Matter of

CERTAIN LIQUID CRYSTAL 
etWriters AND COMPONENTS 
THEREOF

Investigation No. 337-TA-1035

CEASE AND DESIST ORDER

IT IS HEREBY ORDERED THAT Shenzhen SUNstone Technology Co., Ltd. d/b/a iQbe, 3/F, Bldg. F, No. 1 Industry Park, Guanlong Village, Xili, Shenzhen, China, cease and desist from conducting any of the following activities in the United States: importing, selling, marketing, advertising, distributing, transferring (except for exportation), offering for sale, soliciting United States agents, retailers, resellers and distributors, or aiding or abetting other entities in the importation, sale for importation, sale after importation, transfer or distribution of liquid crystal eWriters and components thereof covered by one or more of claims 1-5, 10, 11, 13-16, 18-23, 26, and 27 of U.S. Patent No. 7,351,506 ("the '506 patent") and claims 1, 2, 9-11, 15-17, 21, and/or 22 of U.S. Patent No. 8,947,604 ("the '604 patent") (collectively, "Asserted Patent") in violation of Section 337 of the Tariff Act of 1930, as amended (19 U.S.C. §1337).

I. DEFINITIONS

As used in this Order:

(A) "Commission" shall mean the United States International Trade Commission.

(B) "Complainant" shall mean Kent Displays, Inc., 343 Portage Boulevard, Kent, OH 44240.
(C) "Respondent" refers to Shenzhen SUNstone Technology Co., Ltd. d/b/a iQbe, 3/F, Bldg. F, No. 1 Industry Park, Guanlong Village, Xili, Shenzhen, China.

(D) "Person" shall mean an individual, or any non-governmental partnership, firm, association, corporation, or other legal or business entity other than Respondent or its majority owned or controlled subsidiaries, or its successors or assigns.

(E) "United States" shall mean the fifty states, the District of Columbia, and Puerto Rico.

(F) The terms "import" and "importation" refer to importation for entry for consumption under the Customs laws of the United States.

(G) The term "covered products" shall mean liquid crystal eWriters and components thereof that infringe one or more of claims 1-5, 10, 11, 13-16, 18-23, 26, and 27 of the '506 patent and claims 1, 2, 9-11, 15-17, 21, and/or 22 of the '604 patent.

II. APPLICABILITY

The provisions of this Cease and Desist Order shall apply to the Respondent and to any of its principals, stockholders, officers, directors, employees, agents, licensees, distributors, controlled (whether by stock ownership or otherwise) and majority owned business entities, successors, and assigns, and to each of them, insofar as they are engaging in conduct prohibited by Section III, infra, for, with, or otherwise on behalf of, Respondent.

III. CONDUCT PROHIBITED

The following conduct of Respondent in the United States is prohibited by the Order. For the remaining term of the Asserted Patents, Respondent shall not:
(A) import, sell for importation, or sell after importation into the United States covered products;

(B) market, distribute, offer for sale, or otherwise transfer (except for exportation) in the United States imported covered products;

(C) advertise imported covered products;

(D) solicit U.S. agents, retailers, resellers or distributors for imported covered products; or

(E) aid or abet other entities in the importation, sale for importation, sale after importation, transfer or distribution of covered products.

IV. CONDUCT PERMITTED

Notwithstanding any other provision of this Order, specific conduct otherwise prohibited by the terms of this Order shall be permitted if, in a written instrument, the owner of the Asserted Patents licenses or authorizes such specific conduct, or such specific conduct is related to the importation or sale of covered products by or for the United States.

V. REPORTING

For purposes of this reporting requirement, the reporting periods shall commence on January 1 of each year and shall end on the subsequent December 31. However, the first report required under this section shall cover the period from the date of issuance of this Order through December 31, 2017. This reporting requirement shall continue in force until such time as Respondent has truthfully reported, in two consecutive timely filed reports, that it has no inventory of covered products in the United States.

Within thirty (30) days of the last day of the reporting period, Respondent shall report to the Commission: (a) the quantity in units and the value in U.S. dollars of covered products that Respondent has (i) imported and/or (ii) sold in the United States after importation during the reporting period, and (b) the quantity in units and value in U.S. dollars of reported covered
products that remain in inventory in the United States at the end of the reporting period.

When filing written submissions, Respondent must file the original document electronically on or before the deadlines stated above and submit eight (8) true paper copies to the Office of the Secretary by noon the next day pursuant to section 210.4(f) of the Commission’s Rules of Practice and Procedure (19 C.F.R. § 210.4(f)). Submissions should refer to the investigation number ("Inv. No. 337-TA-1035") in a prominent place on the cover pages and/or the first page. See Handbook for Electronic Filing Procedures, https://www.usitc.gov/secretary/documents/handbook_on_filing_procedures.pdf. Persons with questions regarding filing should contact the Secretary (202-205-2000). If Respondent desires to submit a document to the Commission in confidence, it must file the original and a public version of the original with the Office of the Secretary and must serve a copy of the confidential version on Complainant’s counsel.¹

Any failure to make the required report or the filing of any false or inaccurate report shall constitute a violation of this Order, and the submission of a false or inaccurate report may be referred to the U.S. Department of Justice as a possible criminal violation of 18 U.S.C. § 1001.

VI. RECORD KEEPING AND INSPECTION

(A) For purposes of securing compliance with this Order, Respondent shall retain any and all records relating to the sale, sale after importation, offer for sale, marketing or distribution in the United States of covered products, made and received in the usual and ordinary course of business, whether in detail or in summary form, for a period of three (3) years from the close of the fiscal year to which they pertain.

¹Complainant must file a letter with the Secretary identifying the attorney to receive reports and bond information associated with this Order. The designated attorney must be on the protective order entered in the investigation.
(B) For purposes of determining or securing compliance with this Order and for no other purpose, and subject to any privilege recognized by the federal courts of the United States, duly authorized representatives of the Commission, upon reasonable written notice by the Commission or its staff, shall be permitted access and the right to inspect and copy in Respondent’s principal office during office hours, and in the presence of legal counsel, or other representatives if Respondent so chooses, all books, ledgers, accounts, correspondence, memoranda, financial statements, income statements, tax returns and other records and documents, both in detail and in summary form as are required to be retained by subparagraph VI(A) of this Order.

VII. SERVICE OF CEASE AND DESIST ORDER

Respondent is ordered and directed to:

(A) Serve, within fifteen (15) days after the effective date of this Order, a copy of this Order upon each of its officers, directors, managing agents, agents and employees who have any responsibility for the importation, marketing, distribution or sale of imported covered products in the United States;

(B) Serve, within fifteen (15) days after the succession of any persons referred to in the preceding paragraph, a copy of this Order upon each successor; and

(C) Maintain such records as will show the name, title, and address of each person upon whom the Order has been served, as described in subparagraphs VII(A) and (B) of this Order, together with the date on which service was made.

The obligations set forth in subparagraphs VII(B) and (C) shall remain in effect until the date of expiration of U.S. Patent Nos. 7,351,506 and 8,947,604.

VIII. CONFIDENTIALITY

Any request for confidential treatment of information obtained by the Commission
pursuant to Sections V and VI of this Order should be in accordance with Commission rule 201.6, 19 C.F.R. §201.6. For all reports for which confidential treatment is sought, Respondent shall provide a public version of such report with confidential information redacted.

IX. ENFORCEMENT

Violation of this Order may result in any of the actions specified in section 210.75 of the Commission Rules of Practice and Procedure (19 C.F.R. §210.75), including an action for civil penalties in accordance with section 337(f) of the Tariff Act of 1930, as amended (19 U.S.C. §1337(f)), and any other action as the Commission may deem appropriate. In determining whether Respondent is in violation of this Order, the Commission may infer facts adverse to Respondent if Respondent fails to provide adequate or timely information.

X. MODIFICATION

The Commission may amend this Order on its own motion or in accordance with the procedure described in section 210.76 of the Commission’s Rules of Practice and Procedure (19 C.F.R. § 210.76).

XI. BONDING

The conduct prohibited by section III of this order may be continued during the sixty-day period in which this Order is under review by the United States Trade Representative, as delegated by the President (70 Fed. Reg. 43,251 (Jul. 21, 2005)), under a bond of 100 percent. This bond provision does not apply to conduct that is otherwise permitted by section IV of this Order. Covered products imported after the date of issuance of this Order are subject to the entry bond as set forth in the exclusion order issued by the Commission, and are not subject to this bond provision.

The bond is to be posted in accordance with the procedures established by the Commission for the posting of bonds by complainants in connection with the issuance of temporary exclusion orders. See 19 C.F.R. § 210.68. The bond and any accompanying
documentation are to be provided to and approved by the Commission prior to the commencement of conduct that is otherwise prohibited by section III of this Order. Upon the Secretary’s acceptance of the bond, (a) the Secretary will serve an acceptance letter on all parties, and (b) Respondent must serve a copy of the bond and accompanying documentation on Complainant’s counsel.²

The bond is to be forfeited in the event that the United States Trade Representative approves this Order (or does not disapprove it within the review period), unless (i) the U.S. Court of Appeals for the Federal Circuit, in a final judgment, reverses any Commission final determination and order as to Respondent on appeal, or (ii) Respondent exports or destroys the products subject to this bond and provides certification to that effect that is satisfactory to the Commission.

This bond is to be released in the event the United States Trade Representative disapproves this Order and no subsequent order is issued by the Commission and approved (or not disapproved) by the United States Trade Representative, upon service on Respondent of an order issued by the Commission based upon application therefore made by Respondent to the Commission.

By order of the Commission

Lisa R. Barton
Secretary to the Commission

Issued: September 26, 2017

² See Footnote 1.
CERTAIN LIQUID CRYSTAL EWITERS AND COMPONENTS THEREOF

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500 E Street, SW, Room 112
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On Behalf of Complainant Kent Displays, Inc.:

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ADUCI, MASTRIANI & SCHAUMBERG, LLP
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