

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, D.C.

In the Matter of

**CERTAIN PICKUP TRUCK FOLDING
BED COVER SYSTEMS AND
COMPONENTS THEREOF**

Investigation No. 337-TA-1143

LIMITED EXCLUSION ORDER

The United States International Trade Commission (“Commission”) has found Ningbo Huadian Cross Country Automobile Accessories Co., Ltd. (“Respondent”) in default pursuant to 19 U.S.C. § 1337(g)(1) and 19 C.F.R. § 210.16 for failing to respond to a Notice of Institution of Investigation and a Complaint that alleged 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 of certain folding cover assemblies for pickup truck cargo boxes and components thereof that infringe one or more of claim 11 of U.S. Patent No. 7,188,888 (“the ’888 patent”); claim 18 of U.S. Patent No. 8,182,021 (“the ’021 patent”); U.S. Trademark Registration No. 5,104,393 (“the ’393 trademark”); and U.S. Trademark Registration No. 3,904,016 (“the ’016 trademark”) (“covered articles”).

Having reviewed the record in this investigation, including the written submissions 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 folding cover assemblies for pickup truck cargo boxes and components thereof manufactured abroad by or on behalf of, or imported by or on behalf of, Respondent or any of its affiliated companies, parents, subsidiaries, or other related business entities, or their successors or assigns.

The Commission has also determined that the public interest factors enumerated in 19 U.S.C. § 1337(g)(1) do not preclude the issuance of the limited exclusion order, and that the bond during the period of Presidential review shall be in the amount of 100 percent of the entered value of the covered articles.

Accordingly, the Commission hereby **ORDERS** that:

1. Folding cover assemblies for pickup truck cargo boxes and components thereof that infringe one or more of claim 11 of the '888 patent and claim 18 of the '021 patent that are manufactured abroad by or on behalf of, or imported by or on behalf of, Respondent, or its affiliated companies, parents, subsidiaries, or other related business entities, or their 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 terms of the patents, except under license of the patent owner or as provided by law.
2. Folding cover assemblies for pickup truck cargo boxes and components thereof that infringe one or more of the '393 trademark and the '016 trademark that are manufactured abroad by or on behalf of, or imported by or on behalf of, Respondent, or its affiliated companies, parents, subsidiaries, or other related business entities, or their 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, except under license from, or with permission provided in writing from, the trademark owner or as

provided by law, until such date as the trademarks are abandoned, canceled, or rendered invalid or unenforceable.

3. The '393 and '016 trademark registrations are attached as Exhibit 1. For the purpose of assisting U.S. Customs and Border Protection ("CBP") in the enforcement of this Order, and without in any way limiting the scope of the Order, the Commission has attached to this Order as Exhibit 2 a copy of a photograph provided to the Commission by Complainants of an exemplary folding cover assembly for a pickup truck cargo box having the protected trademarks.
4. Notwithstanding paragraphs 1 and 2 of this Order, covered articles 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 the products, pursuant to subsection (j) of Section 337 (19 U.S.C. § 1337(j)) and the Presidential Memorandum for the United States Trade Representative of July 21, 2005 (70 *Fed. Reg.* 43,251), 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. All entries of covered articles made pursuant to this paragraph are to be reported to CBP, in advance of the date of the entry, pursuant to procedures CBP establishes.

5. This Order does not exempt infringing articles from seizures under the trademark laws enforced by CBP, most notably 19 U.S.C. § 1526(e) and 19 U.S.C. § 1595a(c)(2)(C) for a violation of 15 U.S.C. § 1124.
6. At the discretion of CBP and pursuant to the procedures it establishes, persons seeking to import covered articles 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 paragraphs 1-2 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 the certification.
7. In accordance with 19 U.S.C. § 1337(l), the provisions of this Order shall not apply to covered articles 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.
8. Complainants shall file a written statement with the Commission, made under oath, each year on the anniversary of the issuance of this Order stating whether Complainants continue to use the '393 trademark and the '016 trademark in commerce in the United States in connection with folding cover assemblies for pickup truck cargo boxes and components thereof and whether the '393 trademark or the '016 trademark has been abandoned, canceled, or rendered invalid or unenforceable.

9. The Commission may modify this Order in accordance with the procedures described in section 210.76 of the Commission's Rules of Practice and Procedure (19 C.F.R. § 210.76).
10. The Secretary shall serve copies of this Order upon each party of record in this investigation and upon CBP.
11. Notice of this Order shall be published in the *Federal Register*.

By order of the Commission.

A handwritten signature in black ink, appearing to read "Lisa R. Barton". The signature is stylized and cursive.

Lisa R. Barton
Secretary to the Commission

Issued: October 23, 2019

PUBLIC CERTIFICATE OF SERVICE

I, Lisa R. Barton, hereby certify that the attached **ORDER** has been served by hand upon the Commission Investigative Attorney, **Vu Bui, Esq.**, and the following parties as indicated, on **October 23, 2019**.



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

**On Behalf of Complainants Extang Corporation and Laurmark
Enterprises, Inc. d/b/a BAK Industries:**

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On Behalf of Respondent Sunwood Industries

Lyle Vander Schaaf, Esq.
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Respondents:

Ningbo Huadian Cross Country
Automobile Accessories Co., Ltd.
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Ningbo China 315000

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- Other: _____

UNITED STATES INTERNATIONAL TRADE COMMISSION
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In the Matter of

**CERTAIN PICKUP TRUCK FOLDING
BED COVER SYSTEMS AND
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Investigation No. 337-TA-1143

CEASE AND DESIST ORDER

IT IS HEREBY ORDERED THAT Respondent Ningbo Huadian Cross Country Automobile Accessories Co., Ltd. (“Respondent”) cease and desist from conducting any of the following activities in the United States: importing, selling, offering for sale, marketing, advertising, distributing, transferring (except for exportation), soliciting United States agents or distributors, and aiding or abetting other entities in the importation, sale for importation, sale after importation, transfer (except for exportation), or distribution of folding cover assemblies for pickup truck cargo boxes and components thereof that infringe one or more of claim 11 of U.S. Patent No. 7,188,888 (“the ’888 patent”); claim 18 of U.S. Patent No. 8,182,021 (“the ’021 patent”); U.S. Trademark Registration No. 5,104,393 (“the ’393 trademark”); and U.S. Trademark Registration No. 3,904,016 (“the ’016 trademark”), 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) “Complainants” shall mean Extang Corporation and Laurmark Enterprises, Inc. d/b/a BAK Industries.
- (C) “Respondent” shall mean Ningbo Huadian Cross Country Automobile Accessories Co., Ltd., whose address is represented to be Room 2402, Huijin Building No. 77, Heyi Road, Ningbo, China 315000.
- (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, 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 folding cover assemblies for pickup truck cargo boxes and components thereof that infringe one or more of claim 11 of the ’888 patent; claim 18 of the ’021 patent; the ’393 trademark; and the ’016 trademark. Covered products shall not include articles for which a provision of law or license avoids liability for infringement.

II. Applicability

The provisions of this Cease and Desist Order shall apply to 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 this Order. For the remaining terms of the '888 and '021 patents, and while the '393 and '016 trademarks remain valid and enforceable, as applicable, Respondent shall not:

- (A) import or sell for importation into the United States covered products;
- (B) market, distribute, offer for sale, sell, or otherwise transfer (except for exportation) imported covered products;
- (C) advertise imported covered products;
- (D) solicit U.S. agents 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:

- (A) in a written instrument, the owner of the '888 patent, '021 patent, '393 trademark, or '016 trademark licenses or authorizes such specific conduct; or
- (B) 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 requirement, the reporting periods shall commence on January 1 of each year and shall end on the subsequent December 31. The first report required under this section shall cover the period from the date of issuance of this order through December 31, 2019.

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 dollars of covered products that it 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 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-1143") in a prominent place on the cover pages and/or the first page. *See Handbook for Electronic Filing Procedures*, http://www.usitc.gov/secretary/fed_reg_notices/rules/handbook_on_electronic_filing.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

¹ Complainants 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.

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 the purpose of securing compliance with this Order, Respondent shall retain any and all records relating to the sale, 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.
- (B) For the purposes of determining or securing compliance with this Order and for no other purpose, subject to any privilege recognized by the federal courts of the United States, and upon reasonable written notice by the Commission or its staff, duly authorized representatives of the Commission shall be permitted access and the right to inspect and copy, in Respondent's principal offices during office hours, and in the presence of counsel or other representatives if Respondent so chooses, all books, ledgers, accounts, correspondence, memoranda, and other records and documents, in detail and in summary form, that must be retained under 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 respective 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 subparagraph VII(A) of this order, a copy of the 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 VII(B) of this order, together with the date on which service was made.

The obligations set forth in subparagraphs VII(B) and VII(C) shall remain in effect until the '888 and '021 patents expire and until the '393 and '016 trademarks have been abandoned, canceled, or rendered invalid or unenforceable.

VIII. Confidentiality

Any request for confidential treatment of information obtained by the Commission pursuant to section VI of this order should be made in accordance with section 201.6 of the Commission's Rules of Practice and Procedure (19 C.F.R. § 201.6). For all reports for which confidential treatment is sought, Respondent must 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's Rules of Practice and Procedure (19 C.F.R. § 210.75), including an action for civil penalties under section 337(f) of the Tariff Act of 1930 (19 U.S.C. § 1337(f)), as well as any other action that the Commission deems appropriate. In determining whether Respondent is

in violation of this order, the Commission may infer facts adverse to Respondent if it 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 (60) 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)), provided Respondents post a bond in the amount of 100% of the entered value of the covered products. This bond provision does not apply to conduct that is otherwise permitted by section IV of this Order. Covered products imported on or 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: October 23, 2019

² See Footnote 1.

PUBLIC CERTIFICATE OF SERVICE

I, Lisa R. Barton, hereby certify that the attached **ORDER** has been served by hand upon the Commission Investigative Attorney, **Vu Bui, Esq.**, and the following parties as indicated, on **October 23, 2019**.



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500 E Street, SW, Room 112
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On Behalf of Respondent Sunwood Industries

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