UNITED STATES INTERNATIONAL TRADE COMMISSION Washington, D.C.

In the Matter of

CERTAIN LIQUID CRYSTAL EWRITERS AND COMPONENTS THEREOF **Investigation No. 337-TA-1035**

NOTICE OF COMMISSION FINAL DETERMINATION OF VIOLATION OF SECTION 337; TERMINATION OF INVESTIGATION; ISSUANCE OF LIMITED EXCLUSION ORDER AND CEASE AND DESIST ORDER

AGENCY: U.S. International Trade Commission.

ACTION: Notice.

SUMMARY: Notice is hereby given that the U.S. International Trade Commission has found a violation of section 337 of the Tariff Act of 1930, as amended, 19 U.S.C. § 1337 ("section 337") in the above-captioned investigation. The Commission has determined to issue a limited exclusion order and cease and desist order. The investigation is terminated.

FOR FURTHER INFORMATION CONTACT: Megan M. Valentine, Office of the General Counsel, U.S. International Trade Commission, 500 E Street, SW., Washington, D.C. 20436, telephone (202) 708-2301. Copies of non-confidential documents filed in connection with this investigation are or will be available for inspection during official business hours (8:45 a.m. to 5:15 p.m.) in the Office of the Secretary, U.S. International Trade Commission, 500 E Street, SW., Washington, D.C. 20436, telephone (202) 205-2000. General information concerning the Commission may also be obtained by accessing its Internet server (https://www.usitc.gov). The public record for this investigation may be viewed on the Commission's electronic docket (EDIS) at https://edis.usitc.gov. Hearing-impaired persons are advised that information on this matter can be obtained by contacting the Commission's TDD terminal on (202) 205-1810.

SUPPLEMENTARY INFORMATION: The Commission instituted this investigation on January 13, 2017, based on a complaint filed by Kent Displays, Inc. of Kent, Ohio ("Kent Displays"). 82 FR 4418. The complaint alleges violations of section 337 of the Tariff Act of 1930, as amended, 19 U.S.C. § 1337 ("section 337"), in the importation into the United States, the sale for importation, and the sale within the United States after importation of certain liquid crystal eWriters and components thereof that infringe U.S.

Patent Nos. 7,351,506 ("the '506 patent") and 8,947,604 ("the '604 patent"). *Id.* The Commission's notice of investigation named as respondents Shenzhen Howshow Technology Co., Ltd., d/b/a Shenzhen Howshare Technology Co., Ltd., d/b/a Howshare ("Howshare") of Shenzhen, China, and Shenzhen SUNstone Technology Co., Ltd., d/b/a iQbe ("iQbe") of Shenzhen, China. *Id.* The Office of Unfair Import Investigations is not participating in this investigation. *Id.*

On April 11, 2017, the ALJ issued an ID finding iQbe in default for failing to respond to the complaint, the notice of investigation, and multiple discovery requests, and for failing to respond to an order to show cause why it should not be found in default. Order No. 9, *not reviewed*, Notice (May 11, 2017).

On May 31, 2017, the ALJ issued an ID, granting Kent Displays' motion to terminate the investigation with respect to Howshare based on a withdrawal of the complaint. Order No. 11 (May 31, 2017).

On June 1, 2017, Kent Displays filed a declaration seeking a limited exclusion order ("LEO") and a proposed cease and desist order ("CDO") against the defaulted respondent iQbe pursuant to section 337(g)(1) and Commission Rule 210.16(c). The declaration contains Kent Displays' views on remedy, the public interest, and bonding. A proposed LEO and CDO were attached to the declaration.

On June 26, 2017, the Commission issued a notice determining not to review Order No. 11. Notice (Jun. 26, 2017); 82 FR 29930-31 (June 30, 2017). The notice also requested written submissions on the issues of remedy, the public interest, and bonding concerning the requested LEO and CDO against iQbe. *Id*.

On July 10, 2017, Kent Displays filed its submission on remedy, the public interest, and bonding. No other submissions were received.

Having reviewed the submissions on remedy, the public interest, and bonding filed in response to the Commission's Notice, and the information provided in the complaint, the Commission has determined, pursuant to section 337(g)(1), 19 U.S.C. § 1337(g)(1), that the appropriate form of relief in this investigation is: (1) an LEO against iQbe, prohibiting the unlicensed entry of liquid crystal eWriters and components thereof that infringe claims 1-5, 10, 11, 13-16, 18-23, 26, and 27 of the '506 patent and/or claims 1, 2, 9-11, 15-17, 21, and 22 of the '604 patent and (2) an order that iQbe cease and desist from importing, selling, 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 liquid crystal eWriters and components thereof that infringe claims 1-5, 10, 11, 13-16, 18-23, 26, and 27 of the '506 patent and/or claims 1, 2, 9-11, 15-17, 21, and 22 of the '604 patent.

The Commission has determined that the public interest factors enumerated in section 337(g)(1), 19 U.S.C. § 1337(g)(1), do not preclude the issuance of the LEO or CDO. The Commission has determined that bonding at 100 percent of the entered value of the covered products is required during the period of Presidential review, 19 U.S.C. § 1337(j).

The Commission's order and opinion were delivered to the President and the United States Trade Representative on the day of their issuance.

The investigation is terminated.

The authority for the Commission's determination is contained in section 337 of the Tariff Act of 1930, as amended (19 U.S.C. 1337), and in part 210 of the Commission's Rules of Practice and Procedure (19 CFR part 210).

By order of the Commission.

Lisa R. Barton

Secretary to the Commission

Issued: September 26, 2017