

*In the Matter of*

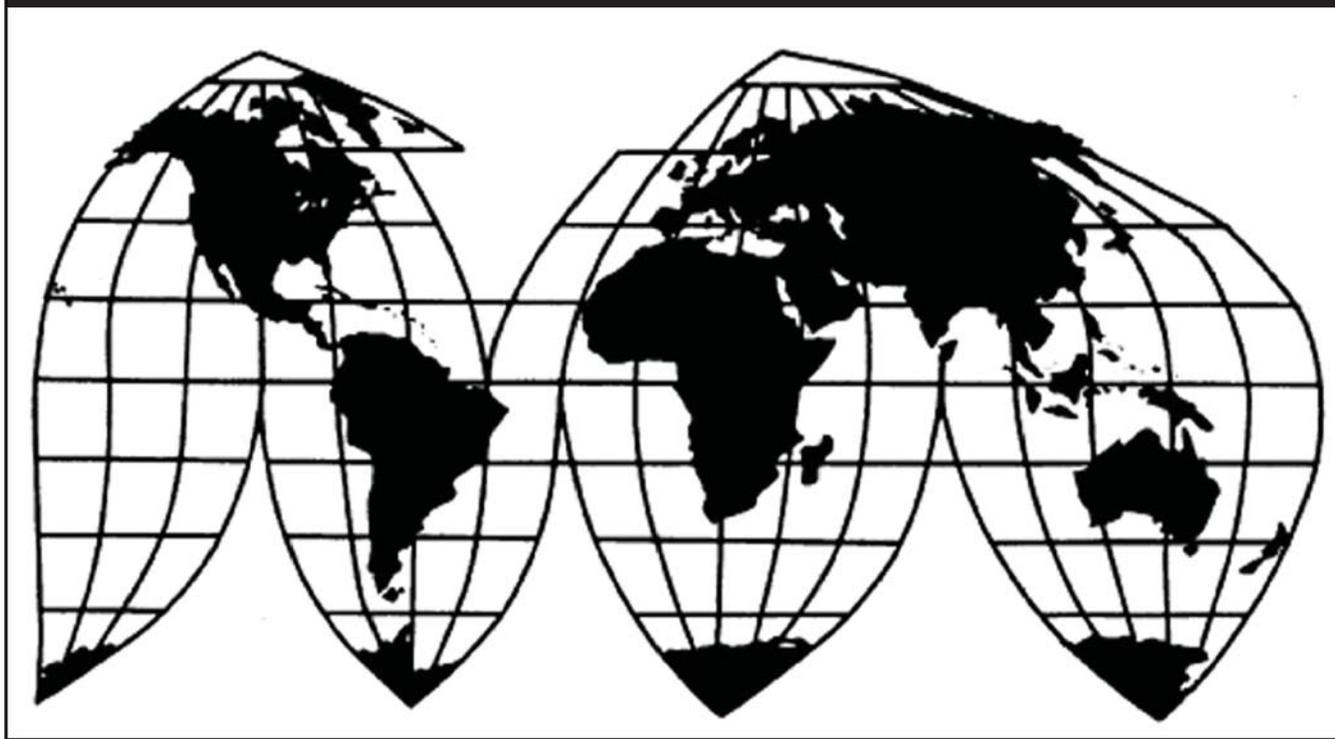
**Certain Radio Control Hobby  
Transmitters and Receivers and  
Products Containing Same**

Investigation No. 337-TA-763

Publication 4401

July 2013

**U.S. International Trade Commission**



Washington, DC 20436

# **U.S. International Trade Commission**

## **COMMISSIONERS**

**Deanna Tanner Okun, Chairman**  
**Irving A. Williamson, Vice Chairman**  
**Charlotte R. Lane, Commissioner**  
**Daniel R. Pearson, Commissioner**  
**Shara L. Aranoff, Commissioner**  
**Dean A. Pinkert, Commissioner**

**Address all communications to  
Secretary to the Commission  
United States International Trade Commission  
Washington, DC 20436**

# **U.S. International Trade Commission**

Washington, DC 20436  
[www.usitc.gov](http://www.usitc.gov)

***In the Matter of***

**Certain Radio Control Hobby  
Transmitters and Receivers and  
Products Containing Same**

Investigation No. 337-TA-763





**UNITED STATES INTERNATIONAL TRADE COMMISSION**  
**Washington, D.C.**

---

**In the Matter of**

**CERTAIN RADIO CONTROL HOBBY  
TRANSMITTERS AND RECEIVERS  
AND PRODUCTS CONTAINING SAME**

**Investigation No. 337-TA-763**

---

**NOTICE OF COMMISSION ISSUANCE OF LIMITED EXCLUSION ORDER AGAINST  
INFRINGEMENT PRODUCTS OF RESPONDENTS FOUND IN DEFAULT;  
TERMINATION OF INVESTIGATION**

**AGENCY:** U.S. International Trade Commission.

**ACTION:** Notice.

**SUMMARY:** Notice is hereby given that the U.S. International Trade Commission has terminated the above-captioned investigation under section 337 of the Tariff Act of 1930, as amended (19 U.S.C. §§ 1337), and has issued a limited exclusion order against infringing products of respondents previously found in default, Koko Technology, Ltd. ("Koko") and Cyclone Toy & Hobby ("Cyclone") of China.

**FOR FURTHER INFORMATION CONTACT:** Clint Gerdine, Esq., Office of the General Counsel, U.S. International Trade Commission, 500 E Street, S.W., Washington, D.C. 20436, telephone (202) 708-2310. 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, S.W., Washington, D.C. 20436, telephone (202) 205-2000. General information concerning the Commission may also be obtained by accessing its Internet server at <http://www.usitc.gov>. The public record for this investigation may be viewed on the Commission's electronic docket (EDIS) at <http://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 March 9, 2011, based on a complaint filed by Horizon Hobby, Inc. ("Horizon") of Champaign, Illinois. *76 Fed. Reg.* 12995-96 (March 9, 2011). The complaint, as amended, alleges violations of section 337 of the Tariff Act of 1930, as amended, 19 U.S.C. § 1337, in the importation into the United States, the sale for importation, and the sale within the United States after importation of certain radio control hobby transmitters and receivers and products containing same by reason of infringement of certain claims of U.S. Patent No. 7,391,320 ("the '320 patent"), U.S. Copyright Reg. No. TX-7-226-001 ("the '001 copyright"), and U.S. Trademark Reg. No. 3,080,770 ("the '770 mark"). The complaint further alleges the existence of a domestic industry. The Commission's notice of investigation named Koko and Cyclone as the only respondents. The complaint and

notice of investigation were served on respondents on March 3, 2011. No responses were received.

On April 11, 2011, Horizon moved, pursuant to 19 C.F.R. § 210.16, for: (1) an order directing respondents Koko and Cyclone to show cause why they should not be found in default for failure to respond to the complaint and notice of investigation as required by § 210.13; and (2) the issuance of an ID finding Koko and Cyclone in default upon their failure to show cause. Koko and Cyclone did not respond to the motion. On April 22, 2011, the presiding administrative law judge ("ALJ") issued Order No. 5 which required Koko and Cyclone to show cause no later than May 12, 2011, as to why they should not be held in default and judgment rendered against them pursuant to § 210.16. No response was received from either Koko or Cyclone to the show cause order.

The ALJ issued an initial determination ("ID") (Order No. 6) on May 16, 2011, finding both Koko and Cyclone in default, pursuant to §§ 210.13, 210.16, because both respondents did not respond to the complaint and notice of investigation, or to Order No. 5 to show cause. Also, on May 17, 2011, the ALJ issued an ID (Order No. 7) terminating the investigation because Koko and Cyclone are the only respondents in the investigation. On June 3, 2011, the Commission issued notice of its determination not to review the ALJ's IDs finding Koko and Cyclone in default and terminating the investigation. *76 Fed. Reg.* 33362-63 (June 8, 2011). In the same notice, the Commission requested written submissions on the issues of remedy, the public interest, and bonding with respect to respondents found in default.

Horizon and the Commission investigative attorney ("IA") submitted briefing responsive to the Commission's request on June 24, 2011, and the IA submitted a reply brief on July 1, 2011. Horizon requested both a limited exclusion order directed to Koko's and Cyclone's infringing products and a general exclusion order as well. The IA recommended a limited exclusion order and opposed Horizon's request for a general exclusion order.

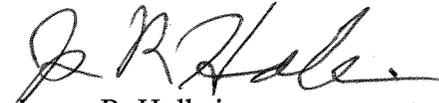
Having reviewed the record in the investigation, including the written submissions of the parties, the Commission has made its determination on the issues of remedy, the public interest, and bonding. The Commission has determined to issue relief directed solely to the defaulting respondents pursuant to Section 337(g)(1). 19 U.S.C. § 1337(g)(1). The Commission found that the statutory requirements of section 337(g)(1)(A)-(E) (19 U.S.C. § 1337(g)(1)(A)-(E)) were met with respect to the defaulting respondents. Pursuant to section 337(g)(1) and Commission Rule 210.16(c) (19 C.F.R. § 210.16(c)), the Commission presumed the facts alleged in the complaint to be true. Based on the record in this investigation and the written submissions of the parties, the Commission has determined that the appropriate form of relief is a limited exclusion order directed to the defaulting respondents prohibiting the unlicensed entry of radio control hobby transmitters and receivers and products containing same that are covered by one or more of claims 1-5 of the '320 patent, the '001 copyright, or the '770 mark, and that are manufactured abroad by or on behalf of, or are imported by or on behalf of, Koko or Cyclone, or any of their affiliated companies, parents, subsidiaries, licensees, contractors, or other related business entities, or its successors or assigns. 19 U.S.C. § 1337(g)(1). The Commission has determined not to issue a general

exclusion order because Horizon did not establish the evidentiary showing required by 19 U.S.C. § 1337(g)(2) and it did not declare that it sought a general exclusion order under Commission rule 210.16(c)(2) (19 C.F.R. 210.16(c)(2)).

The Commission has further determined that the public interest factors enumerated in section 337(g)(1) (19 U.S.C. § 1337(g)(1)) do not preclude issuance of the limited exclusion order. Finally, the Commission has determined that a bond of 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 was delivered to the President and to the United States Trade Representative on the day of its issuance.

The Commission has terminated this investigation. 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 sections 210.16(c) and 210.41 of the Commission's Rules of Practice and Procedure (19 C.F.R. §§ 210.16(c) and 210.41).

By order of the Commission.



James R. Holbein  
Secretary to the Commission

Issued: September 27, 2011



**UNITED STATES INTERNATIONAL TRADE COMMISSION**  
**Washington, D.C.**

---

**In the Matter of**

**CERTAIN RADIO CONTROL HOBBY  
TRANSMITTERS AND RECEIVERS AND  
PRODUCTS CONTAINING SAME**

**Inv. No. 337-TA-763**

---

**LIMITED EXCLUSION ORDER**

The Commission has previously found Respondents Koko Technology Ltd. ("Koko") and Cyclone Toy & Hobby ("Cyclone") (collectively "Respondents") of China in default for failing to respond to the Notice of Investigation and the 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, and sale after importation of certain radio control hobby transmitters and receivers and products containing same by reason of infringement of claims 1-5 of U.S. Patent No. 7, 391,320 ("the '320 patent"), U.S. Copyright Reg. No. TX-7-226-001 ("the '001 copyright"), and U.S. Trademark Reg. No. 3,080,770 ("the '770 mark").

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, the public interest, and bonding. The Commission has determined that the appropriate form of relief is a limited exclusion order prohibiting the unlicensed entry of radio control hobby transmitters and receivers and products containing same that are covered by one or more of claims 1-5 of the '320 patent, the '001 copyright, or the '770 mark, and that are manufactured abroad by or on behalf of, or imported by or on behalf of either Respondent.

The Commission has further 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 a bond in the amount of 100 percent of the articles in question shall be required during the period of Presidential review.

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

1. Radio control hobby transmitters and receivers and products containing same covered by one or more of claims 1-5 of the '320 patent, the '001 copyright, or the '770 mark (or any marks confusingly similar thereto) that are manufactured abroad by or on behalf of, or imported by or on behalf of, either Respondent or any of their affiliated companies, parents, subsidiaries, successors, assigns, or other related business entities, 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 intellectual property rights, except under license of the owner or as provided by law.

2. Notwithstanding paragraph 1 of this Order, the aforesaid products are entitled to entry for consumption into the United States, entry for consumption from a foreign trade zone, or withdrawal from a warehouse for consumption, under bond in the amount of 100 percent of 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 action is approved or disapproved but, in any event, not later than 60 days after the date of receipt of this action.

3. At the discretion of U.S. Customs and Border Protection ("CBP") and pursuant to

procedures it establishes, persons seeking to import radio control hobby transmitters and receivers and products containing same 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 the certification.

4. In accordance with 19 U.S.C. § 1337(l), the provisions of this Order shall not apply to radio control hobby transmitters and receivers and products containing same 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. Complainant Horizon Hobby, Inc. ("Horizon") shall file a written statement with the Commission, made under oath, each year on the anniversary of the issuance of this Order stating whether Horizon continues to use the '770 mark in commerce in the United States in connection with radio control hobby transmitters and receivers and products containing the same, whether the aforesaid trademark has been abandoned, canceled, or rendered invalid or unenforceable, and whether Horizon continues to satisfy the economic requirements of Section 337(a)(2).

6. 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.

7. The Secretary shall serve copies of this Order upon each party of record in this

investigation and upon the Department of Health and Human Services, the Department of Justice, the Federal Trade Commission, and CBP.

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

By Order of the Commission.



James R. Holbein  
Secretary to the Commission

Issued: September 27, 2011

**CERTAIN VAGINAL RING BIRTH CONTROL DEVICES**

**337-TA-763**

**CERTIFICATE OF SERVICE**

I, James R. Holbein, hereby certify that the attached **NOTICE** has been served by hand upon the Commission Investigative Attorney, Thomas S. Fusco, Esq., and the following parties as indicated, on **September 27, 2011**.

  
James R. Holbein, Secretary  
U.S. International Trade Commission  
500 E Street, SW  
Washington, DC 20436

**On Behalf of Complainants, Horizon Hobby, Inc.:**

Sean Patrick Suiter, Esq.  
**SUITER SWANTZ PC LLO**  
14301 FNB Parkway, Suite 220  
Omaha, NE 68154

- Via Hand Delivery
- Via Overnight Mail
- Via First Class Mail
- Other: \_\_\_\_\_

**Respondents:**

Koko Technology Ltd.  
4F, Building 3, Area B  
Hedan Industrial Zone, No. 41  
Wuhe Road South  
Bantian Shenzhen Guangdong  
China

- Via Hand Delivery
- Via Overnight Mail
- Via First Class Mail
- INTERNATIONAL

Cyclone Toy & Hobby  
4/F Dawei Bldg.  
Industrial West Rd.  
Longhua Bao'an District  
Shenzhen, Guangdong  
China

- Via Hand Delivery
- Via Overnight Mail
- Via First Class Mail
- INTERNATIONAL



**UNITED STATES INTERNATIONAL TRADE COMMISSION  
Washington, D.C. 20436**

**In the Matter of**

**CERTAIN RADIO CONTROL HOBBY  
TRANSMITTERS AND RECEIVERS  
AND PRODUCTS CONTAINING SAME**

**Investigation No. 337-TA-763**

**NOTICE OF A COMMISSION DETERMINATION NOT TO REVIEW INITIAL  
DETERMINATIONS FINDING BOTH RESPONDENTS IN DEFAULT AND  
TERMINATING THE INVESTIGATION; REQUEST FOR WRITTEN SUBMISSIONS  
ON REMEDY, THE PUBLIC INTEREST, AND BONDING**

**AGENCY:** U.S. International Trade Commission.

**ACTION:** Notice.

**SUMMARY:** Notice is hereby given that the U.S. International Trade Commission has determined not to review initial determinations ("IDs") (Order Nos. 6, 7) of the presiding administrative law judge ("ALJ") finding both respondents in the above-captioned investigation, Koko Technology, Ltd. ("Koko") and Cyclone Toy & Hobby ("Cyclone") of China, in default, and terminating the investigation. The Commission is also requesting briefing on remedy, the public interest, and bonding.

**FOR FURTHER INFORMATION CONTACT:** Clint Gerdine, Esq., Office of the General Counsel, U.S. International Trade Commission, 500 E Street, S.W., Washington, D.C. 20436, telephone (202) 708-2310. 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, S.W., Washington, D.C. 20436, telephone (202) 205-2000. General information concerning the Commission may also be obtained by accessing its Internet server at <http://www.usitc.gov>. The public record for this investigation may be viewed on the Commission's electronic docket (EDIS) at <http://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 March 9, 2011, based on a complaint filed by Horizon Hobby, Inc. ("Horizon") of Champaign, Illinois. 76 *Fed. Reg.* 12995-96 (March 9, 2011). The complaint, as amended, alleges violations of section 337 of the Tariff Act of 1930, as amended, 19 U.S.C. §§ 1337, in the importation into the United States, the sale for importation, and the sale within the United States after importation of certain radio control hobby transmitters and receivers and products containing same by reason of infringement of certain claims of U.S. Patent No. 7,391,320, U.S. Copyright Reg. No. TX-7-

226-001, and U.S. Trademark Reg. No. 3,080,770. The complaint further alleges the existence of a domestic industry. The Commission's notice of investigation named Koko and Cyclone as the only respondents. The complaint and notice of investigation were served on respondents on March 3, 2011. No responses were received.

On April 11, 2011, Horizon moved, pursuant to 19 C.F.R. § 210.16, for the following: (1) an order directing respondents Koko and Cyclone to show cause why they should not be found in default for failure to respond to the complaint and notice of investigation as required by § 210.13; and (2) the issuance of an ID finding Koko and Cyclone in default upon their failure to show cause. Koko and Cyclone did not respond to the motion.

On April 22, 2011, the ALJ issued Order No. 5 which required Koko and Cyclone to show cause no later than May 12, 2011, as to why they should not be held in default and judgment rendered against them pursuant to § 210.16. No response was received from either Koko or Cyclone to the show cause order.

The ALJ issued Order No. 6 on May 16, 2011, finding both Koko and Cyclone in default, pursuant to §§ 210.13, 210.16, because neither respondent responded to the complaint and notice of investigation, or to Order No. 5 to show cause. On May 17, 2011, the ALJ issued Order No. 7 terminating the investigation because Koko and Cyclone are the only respondents in the investigation. No party petitioned for review of the IDs pursuant to 19 C.F.R. § 210.43(a), and the Commission found no basis for ordering a review on its own initiative pursuant to 19 C.F.R. § 210.44. The Commission has determined not to review the IDs.

Section 337(g)(1) (19 U.S.C. § 1337(g)(1)) and Commission Rule 210.16(c) (19 C.F.R. § 210.16(c)) authorize the Commission to order limited relief against a respondent found in default, unless after consideration of the public interest factors in Section 337(g)(1)(E), it finds that such relief should not issue. The Commission may (1) issue an order that could result in the exclusion of the subject articles from entry into the United States, and/or (2) issue one or more cease and desist orders that could result in the respondent being required to cease and desist from engaging in unfair acts in the importation and sale of such articles. Accordingly, the Commission is interested in receiving written submissions that address the form of remedy, if any, that should be ordered. If a party seeks exclusion of an article from entry into the United States for purposes other than entry for consumption, the party should so indicate and provide information establishing that activities involving other types of entry are either adversely affecting it or likely to do so. For background, see *In the Matter of Certain Devices for Connecting Computers via Telephone Lines*, Inv. No. 337-TA-360, USITC Pub. No. 2843 (December 1994) (Commission Opinion).

If the Commission contemplates some form of remedy, it must consider the effects of that remedy upon the public interest. The factors the Commission will consider include the effect that an exclusion order and/or cease and desist order would have on (1) the public health and welfare, (2) competitive conditions in the U.S. economy, (3) U.S. production of articles that are like or directly competitive with those that are subject to investigation, and (4) U.S. consumers.

The Commission is therefore interested in receiving written submissions that address the aforementioned public interest factors in the context of this investigation.

If the Commission orders some form of remedy, the U.S. Trade Representative, as delegated by the President, has 60 days to approve or disapprove the Commission's action. *See* Presidential Memorandum of July 21, 2005, 70 *Fed. Reg.* 43251 (July 26, 2005). During this period, the subject articles may be entitled to enter the United States under bond, in an amount determined by the Commission and prescribed by the Secretary of the Treasury. The Commission is therefore interested in receiving submissions concerning the amount of the bond that should be imposed if a remedy is ordered.

**WRITTEN SUBMISSIONS:** The parties to the investigation, interested government agencies, and any other interested parties are encouraged to file written submissions on the issues of remedy, the public interest, and bonding. The Commission requests submitters to file a response to the following question:

Does section 337(j)(3) (19 U.S.C. § 1337(j)(3)) or any other statutory authority authorize the Commission to permit default respondents subject to an exclusion order under section 337(g)(1) to import infringing products under bond during the sixty (60) day Presidential period of review? Please cite any relevant statutory language and legislative history.

Complainant and the Commission investigative attorney are requested to submit proposed remedial orders for the Commission's consideration. Complainant is requested to state the date that the patent at issue expires and the HTSUS numbers under which the accused products are imported. The written submissions and proposed remedial orders must be filed no later than close of business on June 24, 2011. Reply submissions must be filed no later than the close of business on July 1, 2011. No further submissions on these issues will be permitted unless otherwise ordered by the Commission.

Persons filing written submissions must file the original document and 12 true copies thereof on or before the deadlines stated above with the Office of the Secretary. Any person desiring to submit a document (or portion thereof) to the Commission in confidence must request confidential treatment unless the information has already been granted such treatment during the proceedings. All such requests should be directed to the Secretary of the Commission and must include a full statement of the reasons why the Commission should grant such treatment. *See* 19 C.F.R. § 210.6. Documents for which confidential treatment by the Commission is sought will be treated accordingly. All nonconfidential written submissions will be available for public inspection at the Office of the Secretary.

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 sections 210.16, 210.42(h), and 210.50 of the Commission's Rules of Practice and Procedure (19 C.F.R. §§ 210.16, 210.42(h), and 210.50).

By order of the Commission.



James R. Holbein  
Secretary to the Commission

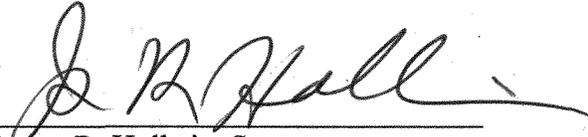
Issued: June 3, 2011

**CERTAIN VAGINAL RING BIRTH CONTROL DEVICES**

**337-TA-763**

**CERTIFICATE OF SERVICE**

I, James R. Holbein, hereby certify that the attached **NOTICE** has been served by hand upon the Commission Investigative Attorney, Thomas S. Fusco, Esq., and the following parties as indicated, on \_\_\_\_\_ June 03, 2011 \_\_\_\_\_.



James R. Holbein, Secretary  
U.S. International Trade Commission  
500 E Street, SW  
Washington, DC 20436

**On Behalf of Complainants, Horizon Hobby, Inc.:**

Sean Patrick Suiter, Esq.  
**SUITER SWANTZ PC LLO**  
14301 FNB Parkway, Suite 220  
Omaha, NE 68154

- Via Hand Delivery
- Via Overnight Mail
- Via First Class Mail
- Other: \_\_\_\_\_

**Respondents:**

Koko Technology Ltd.  
4F, Building 3, Area B  
Hedan Industrial Zone, No. 41  
Wuhe Road South  
Bantian Shenzhen Guangdong  
China

- Via Hand Delivery
- Via Overnight Mail
- Via First Class Mail
- INTERNATIONAL

Cyclone Toy & Hobby  
4/F Dawei Bldg.  
Industrial West Rd.  
Longhua Bao'an District  
Shenzhen, Guangdong  
China

- Via Hand Delivery
- Via Overnight Mail
- Via First Class Mail
- INTERNATIONAL



UNITED STATES INTERNATIONAL TRADE COMMISSION  
Washington, D.C.

In the Matter of

CERTAIN RADIO CONTROL HOBBY  
TRANSMITTERS AND RECEIVERS AND  
PRODUCTS CONTAINING SAME

Inv. No. 337-TA-763

Order No. 7: Initial Determination Terminating The Investigation In Its Entirety

Order No. 6, which issued on May 16, 2011, found each of respondents Koko Technology, Ltd. and Cyclone Toy & Hobby in the investigation in default pursuant to Commission rule 210.16. Since said respondents are the only respondents in said investigation, the investigation is terminated in its entirety. See Notice of Commission Determination Not To Review An Initial Determination Finding Both Respondents In Default; Request For Written Submissions On Remedy, The Public Interest, And Bonding (Inv. No. 337-TA-759) which issued on May 2, 2011.

This initial determination, pursuant to Commission rule 210.42(c), is hereby CERTIFIED to the Commission. Pursuant to Commission rules 210.42(h)(3) and 210.42(h)(6), this initial determination shall become the determination of the Commission within forty-five (45) days after the date of service hereof unless the Commission grants a petition for review of this initial determination pursuant to Commission rule 210.43, or orders on its own motion a review of the initial determination or certain issues therein pursuant to Commission rule 210.44.

  
Paul J. Luckem  
Chief Administrative Law Judge

Issued: May 17, 2011

**CERTAIN RADIO CONTROL HOBBY TRANSMITTERS AND  
RECEIVERS AND PRODUCTS CONTAINING SAME**

**337-TA-763**

**CERTIFICATE OF SERVICE**

I, James R. Holbein, hereby certify that the attached **Order** has been served by hand upon the Commission Investigative Attorney, Thomas S. Fusco, Esq., and the following parties as indicated, on May 17, 2011.

  
James R. Holbein, Secretary  
U.S. International Trade Commission  
500 E Street, SW  
Washington, DC 20436

**Complainant Horizon Hobby, Inc.:**

Sean Patrick Suiter, Esq.  
**SUITER SWANTZ PC LLO**  
14301 FNB Parkway, Suite 220  
Omaha, NE 68154

Via Hand Delivery  
 Via Overnight Mail  
 Via First Class Mail  
 Other: \_\_\_\_\_

**Respondents:**

Koko Technology Ltd.  
4F, Building 3, Area B  
Hedan Industrial Zone, No. 41  
Wuhe Road South,  
Bantian Shenzhen Guangdong  
China

Via Hand Delivery  
 Via Overnight Mail  
 Via First Class Mail  
 INTERNATIONAL

Cyclone Toy & Hobby  
4/F Dawei Bldg.  
Industrial West Rd.  
Longhua Bao'an District  
Shenzhen, Guangdong, China

Via Hand Delivery  
 Via Overnight Mail  
 Via First Class Mail  
 INTERNATIONAL

**PUBLIC MAILING LIST**

Heather Hall  
LEXIS-NEXIS  
9443 Springboro Pike  
Miamisburg, OH 45342

- Via Hand Delivery
- Via Overnight Mail
- Via First Class Mail
- Other: \_\_\_\_\_

Kenneth Clair  
Thomson West  
1100 Thirteen Street, NW, Suite 200  
Washington, DC 20005

- Via Hand Delivery
- Via Overnight Mail
- Via First Class Mail
- Other: \_\_\_\_\_



UNITED STATES INTERNATIONAL TRADE COMMISSION  
Washington, D.C.

In the Matter of

CERTAIN RADIO CONTROL HOBBY  
TRANSMITTERS AND RECEIVERS AND  
PRODUCTS CONTAINING SAME

Inv. No. 337-TA-763

Order No. 6: Initial Determination Finding Each Of Koko And Cyclone In Default

On April 11, 2011, complainant Horizon Hobby, Inc. (Horizon Hobby) moved for an order directing respondents Koko Technology, Ltd. at 4F, Building 3, Area B Hedan Industrial Zone, No. 41, Wuhu Road Sought, Bantian, Shenzhen, Guangdong, China (Koko) and Cyclone Toy & Hobby 4/F Bawei Bldg., Industrial West RD, Longhua Bao'an District, Shenzhen, Guangdong, China (Cyclone) to show cause why each should not be found in default for failure to respond to the complaint and notice of investigation. (Motion Docket No. 763-1.)

The Commission Investigative Staff (staff) supported the request for an order to show cause. No other party responded to Motion No. 763-1.

Under Section 337(g)(1) of the Tariff Act of 1930, a respondent shall be found in default if (1) a complaint is filed against it; (2) the complaint and a notice of investigation are served on it; (3) it fails to respond to the complaint and notice of investigation; and (4) it fails to show good cause why it should not be found in default. 19 U.S.C. § 1337(g)(1). Commission rule 210.16(a)(1) states that “[a] party shall be found in default if it fails to respond to the complaint and notice of investigation in the manner prescribed in Commission rule 210.13 or 210.59(c), or otherwise fails to answer the complaint and notice, and fails to show cause why it should not be found in default.” Pursuant to Commission rule 210.16(b)(1) when a respondent fails to respond

or appear, "a party may file a motion for . . . an order directing that respondent to show cause why it should not be found in default. If the respondent fails to make the necessary showing, the administrative law judge shall issue an initial determination finding the respondent in default." Pursuant to Commission rule 210.16(c), a party found in default shall be deemed to have waived its right to appear, to be served with documents, and to contest the allegations at issue in the investigation.

Each of the respondents Koko and Cyclone was served with the complaint and notice of investigation by mail on March 3, 2011 as required by Commission rule 210.13.<sup>1</sup> Thus as represented by the staff the Office of the Secretary has provided the staff with a copy of the FedEx shipping histories for the copies of the Complaint and Notice of Investigation served on Koko Technology (Attachment A to staff's response) and Cyclone Toy & Hobby (Attachment B to staff's response). These shipping histories demonstrate that the each of the respondents received the complaint and notice of investigation on March 7, 2011.

Respondents are located outside of the United States. Thus respondents' responses to the complaint and notice of investigation were due on or before April 4, 2011. No responses were filed. Thus, the administrative law judge in his Order No. 5 which issued on April 22, 2011 found that the conditions of Commission rule 210.16 for an order to show cause were satisfied with respect to said respondents, and ordered, each of respondents Koko and Cyclone to show cause no later than May 12, 2011 why they should not be held in default. The administrative law

---

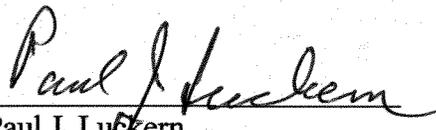
<sup>1</sup> In issue in this investigation, inter alia, are alleged infringement of certain claims of U.S. Patent No. 7,391,320 or U.S. Copyright Reg. No. TX-7-226-001 and U.S. Trademark Reg. No. 3,080,770. Order No. 4, which issued on April 14, 2011 granted a motion of complainant to the extent that the preliminary conference was stayed until further notice of the administrative law judge.

judge in his Order No. 5 also requested overnight delivery to each of respondents Koko and Cyclone.

Neither respondent Koko nor respondent Cyclone responded to Order No. 5. Hence, each of said respondents is found in default pursuant to said Section 337(g)(1) of the Tariff Act of 1930 and Commission rule 210.16. Pursuant to Commission rule 210.16(a) each of respondent Koko and respondent Cyclone in this investigation has waived its right to appear, to be served with documents, and to contest the allegations at issue.

This initial determination, pursuant to Commission rule 210.42(c), is hereby CERTIFIED to the Commission. Pursuant to Commission rule 210.42(h)(3), this initial determination shall become the determination of the Commission within thirty (30) days after the date of service hereof unless the Commission grants a petition for review of this initial determination pursuant to Commission rule 210.43, or orders on its own motion a review of the initial determination or certain issues therein pursuant to Commission rule 210.44.

The administrative law judge is requesting overnight delivery to each of respondents Koko and Cyclone.

  
Paul J. Luckern  
Chief Administrative Law Judge

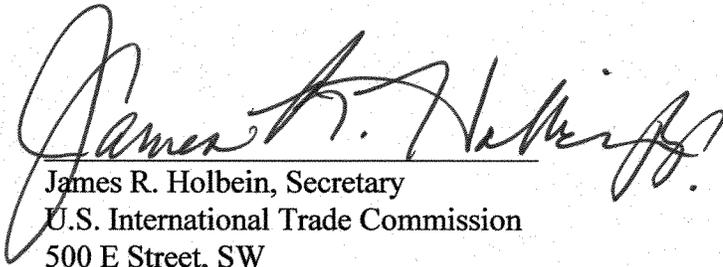
Issued: May 16, 2011

**CERTAIN RADIO CONTROL HOBBY TRANSMITTERS AND  
RECEIVERS AND PRODUCTS CONTAINING SAME**

337-TA-763

**CERTIFICATE OF SERVICE**

I, James R. Holbein, hereby certify that the attached **Order** has been served by hand upon the Commission Investigative Attorney, Thomas S. Fusco, Esq., and the following parties as indicated, on May 16, 2011.

  
James R. Holbein, Secretary  
U.S. International Trade Commission  
500 E Street, SW  
Washington, DC 20436

**Complainant Horizon Hobby, Inc.:**

Sean Patrick Suiter, Esq.  
**SUITER SWANTZ PC LLO**  
14301 FNB Parkway, Suite 220  
Omaha, NE 68154

Via Hand Delivery  
 Via Overnight Mail  
 Via First Class Mail  
 Other: \_\_\_\_\_

**Respondents:**

Koko Technology Ltd.  
4F, Building 3, Area B  
Hedan Industrial Zone, No. 41  
Wuhe Road South,  
Bantian Shenzhen Guangdong  
China

Via Hand Delivery  
 Via Overnight Mail  
 Via First Class Mail  
 INTERNATIONAL

Cyclone Toy & Hobby  
4/F Dawei Bldg.  
Industrial West Rd.  
Longhua Bao'an District  
Shenzhen, Guangdong, China

Via Hand Delivery  
 Via Overnight Mail  
 Via First Class Mail  
 INTERNATIONAL

**PUBLIC MAILING LIST**

Heather Hall  
LEXIS-NEXIS  
9443 Springboro Pike  
Miamisburg, OH 45342

- Via Hand Delivery
- Via Overnight Mail
- Via First Class Mail
- Other: \_\_\_\_\_

Kenneth Clair  
Thomson West  
1100 Thirteen Street, NW, Suite 200  
Washington, DC 20005

- Via Hand Delivery
- Via Overnight Mail
- Via First Class Mail
- Other: \_\_\_\_\_