

## **E-Cig Cos. Must Pay 281% Bond On Imported Juul Pod Copies**

By **Sarah Martinson**

*Law360 (April 13, 2020, 3:04 PM EDT)* -- The U.S. International Trade Commission has ordered four e-cigarette manufacturers who failed to participate in its investigation over alleged infringement of Juul's patents to pay a 281% bond on the infringing products that they sold, according to a Federal Register notice published Monday.

Chinese companies Shenzhen OVNS Technology Co. Ltd., Shenzhen Haka Flavor Technology Co. Ltd. and Shenzhen OCIGA Technology Co. Ltd. and Florida-based DripTip Vapes LLC must also stop selling and importing their e-cigarette cartridges, also known as pods, which Juul Labs Inc. alleged infringed five of its patents, the ITC said.

The commission launched a probe into possible infringement of Juul's patents by 23 U.S. and Chinese companies in December 2018 under Section 337 of the Tariff Act, which prohibits the importation of infringing products, after receiving a complaint from Juul accusing the manufacturers of seeking to profit from its success.

"Respondents market these JUUL pod look-alikes at a fraction of the price of the JUUL pods, without the same attention to quality control that JLI employs," Juul said in its November 2018 complaint.

Juul reached settlements with 19 e-cigarette manufacturers between February 2019 and January 2020, leaving only OVNS, Haka, OCIGA and DripTip as respondents in the commission's investigation, according to the notice.

But the four companies didn't cooperate with the probe, and Juul requested that the commission immediately issue orders stopping the manufacturers from selling their infringing products, the notice said.

With no more respondents remaining, the ITC concluded its investigation, according to the notice.

The commission is still investigating the infringement of Juul's e-cigarettes by 21 other competitors in the U.S., China, Uruguay and France in a separate investigation that was also launched in December 2018. The ITC is expected to issue its final determination in that investigation on April 20.

DripTip, OVNIS, Haka Flavor and OCIGA did not respond to requests for comment. Counsel for Juul declined to comment.

Juul is represented by Daniel E. Yonan of Sterne, Kessler, Goldstein & Fox.

Counsel for the DripTip, OVNIS, Haka Flavor and OCIGA could not be determined.

The case is Certain Cartridges for Electronic Nicotine Delivery Systems and Components Thereof, investigation number 337-TA-1141, before the U.S. International Trade Commission.

--Additional reporting by Kevin Penton. Editing by Gemma Horowitz.

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