

**Before the
Federal Communications Commission
Washington, DC 20554**

In the Matter of)	
)	
C.T.S. Technology Co., Limited)	File No.: EB-SED-12-00005692
CTStechtechnologys.com)	NAL/Acct. No.: 201432100017
Aiswa.com)	FRN: 0023572043
Shenzhen C.T.S. Import and Export Co., Limited)	
)	
Shenzhen, Guangdong)	
People's Republic of China)	

FORFEITURE ORDER

Adopted: May 24, 2016

Released: May 25, 2016

By the Commission:

1. We impose a penalty of \$34,912,500 against C.T.S. Technology Co., Limited, (C.T.S. Technology) for marketing 285 models of signal jamming devices to U.S. consumers via its Aiswa.com website. These devices, which were advertised for sale to U.S. consumers, were designed to disrupt a variety of communications systems, including all major cellphone networks, Wi-Fi systems, and even Global Positioning System (GPS) channels. Some of the more dangerous devices were advertised as having the capacity to jam communications for a distance of over one-half mile. C.T.S. Technology in fact sold several of these high-powered jamming devices to undercover FCC personnel, who had posed as consumers, and shipped the equipment to the United States.

2. Signal jamming devices overpower, jam, or interfere with authorized communications. They can endanger life and property by preventing individuals from making 9-1-1 or other emergency calls, interfering with the communications of first responders such as police officers and firefighters, or disrupting the basic communications essential to aviation and marine safety. Jammers also prevent consumers and businesses from engaging in numerous, daily lawful forms of communications, ranging from simple one-on-one phone conversations to the use of GPS-based map applications to social media use. For these reasons, signal jammers are illegal. They may not be marketed to the public and have no lawful consumer use within the United States.¹

3. On June 18, 2014, the Commission issued a Notice of Apparent Liability for Forfeiture² (*NAL*) proposing a \$34,912,500 forfeiture against C.T.S. Technology for willful and repeated violation of Section 302(b) of the Communications Act of 1934, as amended, and Sections 2.803 and 15.201(b) of the Commission's rules,³ for marketing illegal radio frequency devices to consumers in the United States. Copies of the *NAL* in English and Simplified Chinese were transmitted to the Chinese government for

¹ See, e.g., *Cell Jammers, GPS Jammers and Other Jamming Devices*, FCC Enforcement Advisory, 27 FCC Rcd 2309 (2012) (warning both consumers and retailers that jammers may not be advertised or imported in the United States). In very limited circumstances and consistent with applicable procurement requirements, jamming devices may be marketed to and used by the U.S. federal government for authorized, official use. See 47 U.S.C. § 302a(c).

² The *NAL* includes a more complete discussion of the facts and history of this case and is incorporated herein by reference. *C.T.S. Technology Co., Limited*, Notice of Apparent Liability for Forfeiture and Order, 29 FCC Rcd 8107 (2014).

³ 47 U.S.C. § 302a(b); 47 C.F.R. §§ 2.803, 15.201(b).

service on C.T.S. Technology, at its last known address, in accordance with methods prescribed by international law.⁴ While C.T.S. Technology has neither filed a response to the *NAL* nor paid the proposed forfeiture, we observe that the press has reported the Chief Executive Officer of C.T.S. Technology was aware of the issuance of the *NAL* when it was released,⁵ and that C.T.S. Technology subsequently took certain actions, consistent with the requirements set forth in the *NAL*, to come into compliance with U.S. law and ensure that the company does not again make an illegal sale of signal jamming devices within the United States.⁶ To date, however, we have received no official confirmation from the International Legal Cooperation Center of China's Ministry of Justice that the *NAL* was successfully served on C.T.S. Technology.

4. Despite the lack of official confirmation of service, The Hague Service Convention expressly provides that a default judgment may be entered when service of a document cannot be confirmed within a reasonable period of time of no less than six months, provided that "every reasonable effort" has been made to obtain a certificate of service through the competent authorities of the State in which the document is to be served.⁷ On March 6, 2015, the International Legal Cooperation Center of the Ministry of Justice, which China has designated as its central authority for administering foreign requests for service of process, received the *NAL* and related materials in the manner required by The Hague Service Convention.⁸ On four subsequent occasions—November 10, 2015, December 1, 2015,

⁴ See generally, *The Hague Convention on the Service Abroad of Judicial and Extrajudicial Documents in Civil or Commercial Matters*, Nov. 15, 1965, 20 U.S.T. 361, 658 U.N.T.S. 163 (treaty specifying the means by which documents may be transmitted for service upon litigants in signatory states) (The Hague Service Convention).

⁵ On the day that the *NAL* was released and published on the FCC website, the company's Chief Executive Officer was quoted as saying that he had not yet received a copy of the document, adding that his company "rarely sells jamming devices to the U.S." Thomas Gryta and Gautham Nagesh, *FCC Levels Record Fine Against Maker of Cellphone Jammers*, *The Wall Street Journal* (Tech), (June 19, 2014), <http://www.wsj.com/articles/fcc-levels-record-fine-against-chinese-maker-of-cellphone-jammers-1403205812>.

⁶ After release of the *NAL*, at least one of C.T.S. Technology's own web sites, the ctstechologys.com webpage, was revised to add a hyperlink directing its website visitors to an FCC jammer enforcement webpage that published the *NAL* and to expressly warn potential U.S. customers that, to comply with FCC regulations, signal jamming devices would only be sold to authorized government agencies. See Attention for Jammer, <http://ctstechologys.com/attention-jammer> (follow "<http://www.fcc.gov/encyclopedia/jammer-enforcement>" hyperlink) (last visited June 18, 2015); cf. *NAL*, 29 FCC Rcd at 8114, para. 20 (ordering the company to implement all necessary measures to prevent future sales of jamming devices to U.S. consumers). This webpage further notes that the company's order processing system will automatically exclude U.S. addresses. *Id.*

⁷ The Hague Service Convention provides, in relevant part:

Each contracting State shall be free to declare that the judge, notwithstanding the provisions of the first paragraph of this article, may give judgment even if no certificate of service or delivery has been received, if all the following conditions are fulfilled –

- (a) the document was transmitted by one of the methods provided for in this Convention,
- (b) a period of time of not less than six months, considered adequate by the judge in the particular case, has elapsed since the date of the transmission of the document,
- (c) no certificate of any kind has been received, even though every reasonable effort has been made to obtain it through the competent authorities of the State addressed.

Hague Service Convention, 20 U.S.T. 361, art. 15, para. 2; see *id.* at Declarations Table (documenting that China and the United States have each adopted this proviso).

⁸ According to The Hague Service Convention website, the relevant Chinese authorities report that requests for service in China are generally executed within three to four months. See China—Central Authority & practical information, <https://www.hcch.net/en/states/authorities/details3/?aid=243>. Survey data from 2013, the most recent available, instead indicates that only half of the requests for service are executed within six months, and 31% of

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January 16, 2016, and February 26, 2016—Commission personnel successfully communicated with the authority but were unable to obtain the certificate of service from the authority or to expedite its return. Accordingly, more than one year after the *NAL* was transmitted via the methods provided for in The Hague Service Convention, the Commission concludes that it has made every reasonable effort to obtain the certificate.⁹ Despite these efforts, the Commission has received no certificate of any kind from China’s designated authority for these matters. Consequently, we find it appropriate to enter a default judgment against C.T.S. Technologies. Thus, based on the information before us, we affirm the forfeiture proposed in the *NAL*.

5. Accordingly, **IT IS ORDERED** that, pursuant to Section 503(b) of the Communications Act of 1934, as amended (Act)¹⁰ and Section 1.80 of the Commission’s rules (Rules),¹¹ C.T.S. Technology Co., Limited **IS LIABLE FOR A MONETARY FORFEITURE** in the amount of thirty-four million nine hundred and twelve thousand and five hundred dollars (\$34,912,500) for willfully and repeatedly violating Section 302(b) of the Communications Act of 1934, as amended,¹² and Sections 2.803 and 15.201(b) of the Commission’s rules.¹³

6. Payment of the forfeiture shall be made in the manner provided for in Section 1.80 of the Rules within thirty (30) calendar days after the release date of this Forfeiture Order.¹⁴ If the forfeiture is not paid within the period specified, the case may be referred to the U.S. Department of Justice for enforcement of the forfeiture pursuant to Section 504(a) of the Act.¹⁵

7. Payment of the forfeiture must be made by check or similar instrument or wire transfer, and must include the *NAL*/Account Number and FRN referenced in the caption above. C.T.S. Technology Co., Limited shall send electronic notification of payment to the Spectrum Enforcement Division at jammerinfo@fcc.gov on the date said payment is made. Regardless of the form of payment, a completed FCC Form 159 (Remittance Advice) must be submitted.¹⁶ When completing the Form 159, enter the Account Number in block number 23A (call sign/other ID) and enter the letters “FORF” in

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requests remain “pending” more than a year after submission. See Details, <https://www.hcch.net/en/publications-and-studies/details4/?pid=6042&dtid=33> (follow “China: Mainland” hyperlink).

⁹ In the first of several attempts to obtain the certificate, we asked the authority whether service had been achieved and when the Commission should expect the certificate of service to arrive. We *expressly* asked that the authority please contact us if we could be of any assistance in expediting the return of the certificate. The authority responded that the case was registered and was being processed by the court system and that it would notify the Commission when service was completed. In response to our next inquiry, the authority advised only that the court had not yet responded. In response to a third inquiry, the authority advised that the court system was still processing. However, we also asked: 1) whether it would be permissible or useful to contact the court directly; 2) if permissible, to which individual and email address should the inquiry be directed, and 3) whether the authority could offer any additional guidance on how to obtain the certificate of service. The authority provided a name but stated that the individual speaks only Mandarin, provided a phone number in the Beijing time zone rather than an email address, and added that the court does not prefer direct inquiry from foreign parties. As of this writing, the Commission has received no response to its fourth attempt to obtain the certificate of service.

¹⁰ 47 U.S.C. § 503(b).

¹¹ 47 C.F.R. § 1.80.

¹² 47 U.S.C. § 302a(b).

¹³ 47 C.F.R. §§ 2.803, 15.201(b).

¹⁴ 47 C.F.R. § 1.80.

¹⁵ 47 U.S.C. § 504(a).

¹⁶ An FCC Form 159 and detailed instructions for completing the form may be obtained at <http://www.fcc.gov/Forms/Form159/159.pdf>.

block number 24A (payment type code). Below are additional instructions that should be followed based on the form of payment selected:

- Payment by check or money order must be made payable to the order of the Federal Communications Commission. Such payments (along with the completed Form 159) must be mailed to Federal Communications Commission, P.O. Box 979088, St. Louis, MO 63197-9000, or sent via overnight mail to U.S. Bank – Government Lockbox #979088, SL-MO-C2-GL, 1005 Convention Plaza, St. Louis, MO 63101.
- Payment by wire transfer must be made to ABA Number 021030004, receiving bank TREAS/NYC, and Account Number 27000001. To complete the wire transfer and ensure appropriate crediting of the wired funds, a completed Form 159 must be faxed to U.S. Bank at (314) 418-4232 on the same business day the wire transfer is initiated.

8. Any request for making full payment over time under an installment plan should be sent to: Chief Financial Officer – Financial Operations, Federal Communications Commission, 445 12th Street, SW, Room 1-A625, Washington, DC 20554.¹⁷ Questions regarding payment procedures should be directed to the Financial Operations Group Help Desk by telephone, 1-877-480-3201, or by e-mail, ARINQUIRIES@fcc.gov.

9. **IT IS FURTHER ORDERED** that, in accordance with U.S. and international law, a copy of this Forfeiture Order **SHALL BE SERVED** on C.T.S. Technology Co., Limited, by transmitting copies of this Order (one in English and one translated into Simplified Chinese), along with any requisite fee and procedural paperwork, to the Ministry of Justice, International Legal Cooperation Center, No. 6 Chaoyangmen Nandajie, Chaoyang District, Beijing 100020, People’s Republic of China, and requesting that these copies of the Order be served on C.T.S. Technology Co., Limited at the following addresses: (a) 3F, OCT Building, No. 2010, Shennan Road E., Shenzhen, Guangdong, People’s Republic of China, 518000, and (b) Rm 4B128, Pacific Security Market Bldg., Huanqiang Rd (N.), Futian, Shenzhen, 518031, Guangdong, People’s Republic of China.

FEDERAL COMMUNICATIONS COMMISSION

Marlene H. Dortch
Secretary

¹⁷ See 47 C.F.R. § 1.1914.