

## **Everlight Electronics Co., Ltd.**

1757<sup>th</sup> Commissioners' Meeting (2025)

Case: Everlight Electronics violated the Fair Trade Law for sending patent infringement legal attest letters to LED light fixture distributors without justification

Keyword(s): LED, light fixture, warning letter

Reference: Fair Trade Commission decision of June 25, 2025 (the 1757<sup>th</sup> Commissioners' Meeting); Disposition Kung Ch'u Tzu No.114058

Industry: Manufacture of Light Bulbs and Tubes (2841)

Relevant Law: Article 25 of the Fair Trade Act

### Summary:

1. Everlight Electronics Co., Ltd. (hereinafter referred to as “Everlight Electronics”) was complained for sending warning letters to distributors and requested them to remove products allegedly infringing its LED patent within a specified period. Everlight Electronics had further required these distributors to purchase its products or otherwise would bring them to the court. In addition, the warning letters had not provided any information of confirmed infringement, such as the judgment of the court of first instance.
2. Findings of the FTC after investigation:  
Everlight Electronics is the patentee of the patent in dispute. The company had started sending warning letters to distributors such as Carrefour, Rt-Mart, PX Mart, Test Rite, etc. since October 2022. These entities were the trading counterparts of Everlight Electronics competitors. In the letter, Everlight Electronics claimed that its competitors had infringed its patent, thereby enabling the distributors to learn from the letters that the relevant products were involved in patent disputes. However, Everlight Electronics had not provided any complete infringement analysis reports sufficient for the distributors to confirm the infringement.
3. Grounds for disposition:
  - (1) When Everlight Electronics sent warning letters to the distributors, the court of first instance did not confirm any infringement of its patent rights yet. Moreover, the letters had contained only lists of allegedly infringing products compiled by Everlight Electronics or its own internal

infringement analysis reports. The company had not submitted the allegedly infringing products to a professional appraisal institution for an expert report.

- (2) Before sending the warning letters to the distributors, Everlight Electronics had not notified suspected infringing manufacturers in advance or concurrently. Instead, the company sent warning letters to distributors and requested removal of the alleged infringement without clearly specifying the precise content, the scope of the patent right, and the concrete details of the infringement. Therefore, the letter recipients could not fully understand the possible infringement of the disputed rights. At the same time, the warning letters had not clearly identified the specific product items or the details of the alleged infringement. Furthermore, the information provided to manufacturers about the alleged infringing products was less than that provided to the distributors, making it difficult for the manufacturers to fully understand the infringement disputes. Nonetheless, the product removal request in the warning letters had resulted in distributors removing competing lighting products, thereby affecting the sales of LED lighting products offered by Everlight Electronics' competitors.
- (3) The issuance of warning letters by Everlight Electronics was obviously unfair conduct sufficient to affect trading order and violated Article 25 of the Fair Trade Act. After assessing the motivation, purpose, benefits derived on account of the unlawful act, the level of harm to trading order, the duration, and market position, the FTC cited the first section of Article 42 of the Fair Trade Act, ordered Everlight Electronics to cease the unlawful act, and imposed the company a fine of NT\$2 million.

Appendix:

Everlight Electronics Co., Ltd.'s Uniform Invoice Number: 34516147

Summarized by: Fang, Yen-Hsiu ; Supervised by: Huang, Chia-Chi