

UNITED STATES COURT OF INTERNATIONAL TRADE

THE UNITED STATES,)	
)	
Plaintiff,)	No. 11-00048
)	
v.)	
)	
KENPO JEANS, INC.,)	
)	
Defendant.)	

COMPLAINT

The United States, by its undersigned attorneys, hereby brings this action and alleges the following:

1. This is an action to enforce a civil penalty for violations of 19 U.S.C. § 1592.
2. This Court possesses exclusive jurisdiction to entertain this action pursuant to 28 U.S.C. § 1582.
3. Upon information and belief, defendant Kenpo Jeans, Inc. (“Kenpo”) is a California corporation, located at 333 South Broadway Street, Los Angeles, California, 90013.
4. Between March 2, 2006 and May 19, 2006, Kenpo entered, or caused to be entered, certain merchandise consisting of men’s and boys’ apparel under cover of four entries at the Port of Los Angeles. Each of these entries is identified on the document marked as Exhibit A, attached hereto and incorporated by reference.
5. The dutiable value of the merchandise covered by the four entries identified in Exhibit A was \$333,173.00.
6. In each of the entries identified in Exhibit A, Kenpo stated that the country of origin of the apparel was Indonesia.

7. The actual country of origin of the apparel covered by the entries identified in Exhibit A was the People's Republic of China.

8. By stating that Indonesia was the country of origin, Kenpo entered the merchandise referenced in paragraph 4 by means of false statements and omissions in that the entry documentation provided a false country of origin, in violation of 19 U.S.C. § 1481, 19 U.S.C. § 1484, and 19 U.S.C. § 1485. These statements resulted from Kenpo's failure to exercise reasonable care and competence to ensure that its statements of the country of origin were correct.

9. The negligent false statements and omissions reflected in the entry documents were material because: (1) they potentially allowed the import into the United States of more merchandise from the People's Republic of China than the amount permitted under applicable quotas; (2) they circumvented visa requirements; and (3) they had the potential of precluding the United States from collecting proper trade statistics.

10. On July 15, 2010, U.S. Customs and Border Protection ("Customs") issued a penalty notice to Kenpo that demanded payment of \$66,634.60 for negligent violations of 19 U.S.C. § 1592(a).

11. All administrative notices, petitions for relief, and demands for payment were processed in accordance with applicable laws and procedures.

COUNT I

12. The allegations contained in paragraphs 1 through 11 above are restated and incorporated by reference.

13. Kenpo entered men's and boys' apparel under cover of the four entries listed in Exhibit A by means of false statements and/or material omissions in violation of 19 U.S.C. § 1592(a), which constitutes negligence under 19 U.S.C. § 1592.

14. By reason of the negligence referenced in paragraph 8, Kenpo is liable to the United States pursuant to 19 U.S.C. § 1592(c)(3) for a civil penalty in the amount of \$66,634.60, which represents 20 percent of the dutiable value of the merchandise.

15. Proper demand was made for the penalties referenced in paragraph 14. However, Kenpo has failed to pay any part of this sum and remains liable for the full amount of the penalty, plus interest as provided by law.

WHEREFORE, the United States respectfully requests that the Court enter judgment as follows:

- A. For the United States against Kenpo, in the amount of \$66,634.60, plus interest and costs of suit; and
- B. Grant such other and further relief as the Court may deem appropriate.

Respectfully submitted,

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March 2, 2011

Attorneys for Plaintiff

EXHIBIT A

Entry Number	Entry Date	Dutiable Value	Penalty Value
DGI 1835727-7	March 2, 2006	\$57,658.00	\$11,531.60
DG1 1835793-9	March 10, 2006	\$99,900.00	\$19,980.00
DG1 1835766-5	March 10, 2006	\$105,301.00	\$21,060.20
DG1 1836457-0	May 19, 2006	\$70,314.00	\$14,062.80
		\$333,173.00	\$66,634.60