

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, D.C.

In the Matter of

**CERTAIN INK STICKS FOR SOLID
INK PRINTERS**

Investigation No. 337-TA-549

**ISSUANCE OF A LIMITED EXCLUSION ORDER AGAINST RESPONDENTS FOUND
IN DEFAULT; ISSUANCE OF A CEASE AND DESIST ORDER AGAINST A
RESPONDENT 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 issued a limited exclusion order against the two respondents found in default in the above-captioned investigation, has issued a cease and desist order against the sole domestic respondent found in default in the above-captioned investigation, and has terminated the investigation.

FOR FURTHER INFORMATION CONTACT: Michelle Walters, Esq., Office of the General Counsel, U.S. International Trade Commission, 500 E Street, S.W., Washington, D.C. 20436, telephone (202) 708-5468. 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 September 6, 2005, based on a complaint filed by Xerox Corporation of Stamford, Connecticut. The complaint, as amended, alleges violations of section 337 of the Tariff Act of 1930, 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 ink sticks used in solid ink printers by reason of infringement of claim 16 of United States Patent No. 6,739,713 ("the '713 patent"), claims 5-10 and 13-14 of United States Patent No. 6,840,613 ("the '613 patent"), and claims 1-2 of United States Patent No. 6,840,612 ("the '612 patent"). The complaint further alleges the existence of a domestic industry. The Commission's notice of investigation names HANA

Corporation (“HANA”) of Seoul, Republic of Korea, and InkSticks.com, Inc. (“InkSticks.com”) of Cheyenne, Wyoming, as respondents.

The administrative law judge (“ALJ”) issued an initial determination on December 20, 2005, finding HANA and InkSticks.com in default, because neither respondent replied to the complaint or notice of investigation, and neither respondent replied to a show cause order issued by the ALJ on November 5, 2005. The Commission declined to review the ALJ’s determination that respondents HANA and InkSticks.com, the only respondents named in the investigation, defaulted. Commission Notice, dated January 13, 2006.

On February 10, 2006, the Commission issued a notice requesting briefing on the issues of remedy, the public interest, and bonding relating to the default finding of unlawful importation and sale of infringing products by HANA and InkSticks.com. Complainant submitted a brief along with proposed orders on February 24, 2006. The Commission investigative attorney (“IA”) also submitted a brief on remedy, the public interest, and bonding along with proposed orders on February 24, 2006. The complainant and the IA chose not to file reply briefs.

Having examined the record of this investigation, including the submissions of the parties, the Commission has determined that each of the statutory requirements of section 337(g)(1), 19 U.S.C. § 1337(g)(1), has been met with respect to defaulting respondents HANA and InkSticks.com. Accordingly, pursuant to section 337(g)(1), 19 U.S.C. § 1337(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. The Commission determined that the appropriate form of relief in this investigation is a limited exclusion order prohibiting the unlicensed entry of ink sticks for solid ink printers covered by one or more of claim 16 of the ‘713 patent, claims 5-10 and 13-14 of the ‘613 patent, or claims 1-2 of the ‘612 patent that are manufactured abroad by or on behalf of, or imported by or on behalf of, HANA or InkSticks.com or any of their affiliated companies, parents, subsidiaries, or other related business entities, or their successors or assigns. The Commission further determined that the appropriate form of relief also includes a cease and desist order prohibiting InkSticks.com from importing, selling for importation, marketing, advertising, distributing, offering for sale, selling, transferring (except for exportation), advertising, and soliciting United States agents or distributors for ink sticks for solid ink printers that are covered by one or more of claim 16 of the ‘713 patent, claims 5-10 and 13-14 of the ‘613 patent, or claims 1-2 of the ‘612 patent.

The Commission 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 or the cease and desist order. Finally, the Commission determined that the amount of bond to permit temporary importation during the Presidential review period, under 19 U.S.C. § 1337(j), shall be in the amount of 100 percent of the entered value of the infringing imported ink sticks for solid ink printers. The Commission’s orders were delivered to the President and the United States Trade Representative on the day of their issuance.

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 section 210.16(c) of the Commission's Rules of Practice and Procedure, 19 C.F.R. § 210.16(c).

By order of the Commission.

Marilyn R. Abbott
Secretary to the Commission

Issued: April 11, 2006