UNITED STATES INTERNATIONAL TRADE COMMISSION

Washington, D.C.

In the Matter of

CERTAIN ELECTRONIC NICOTINE DELIVERY SYSTEMS AND COMPONENTS THEREOF

Investigation No. 337-TA-1139

NOTICE OF COMMISSION DECISION NOT TO REVIEW AN INITIAL DETERMINATION GRANTING A JOINT MOTION FOR PARTIAL TERMINATION OF THE INVESTIGATION AS TO A RESPONDENT BASED ON A CONSENT ORDER; ISSUANCE OF A CONSENT ORDER

AGENCY: U.S. International Trade Commission.

ACTION: Notice.

SUMMARY: Notice is hereby given that the U.S. International Trade Commission has determined not to review an initial determination ("ID") (Order No. 20) of the presiding administrative law judge ("ALJ") granting a joint motion for termination of the investigation in part as to respondent King Distribution LLC of Elmwood Park, New Jersey ("King"), based upon a consent order stipulation and a proposed consent order. The Commission has issued a consent order as to respondent King.

FOR FURTHER INFORMATION CONTACT: Houda Morad, Office of the General Counsel, U.S. International Trade Commission, 500 E Street SW., Washington, DC 20436, telephone (202) 708-4716. 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 SW., Washington, D.C. 20436, telephone (202) 205-2000. General information concerning the Commission may also be obtained by accessing its Internet server at <u>https://www.usitc.gov</u>. The public record for this investigation may be viewed on the Commission's electronic docket (EDIS) at <u>https://edis.usitc.gov</u>. 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: On December 13, 2018, the Commission instituted this investigation under section 337 of the Tariff Act of 1930, as amended, 19 U.S.C. 1337 ("section 337"), based on a complaint filed by Juul Labs, Inc. of San Francisco, California ("Complainant"). *See* 83 FR 64156-57 (Dec. 13, 2018). The complaint, as amended and supplemented, alleges a violation of section 337 based upon the importation into the United States, the sale for importation, and the sale within the United States after importation of certain electronic nicotine delivery systems and components thereof by reason of infringement of certain claims of U.S. Patent Nos. 10,070,669; 10,076,139; 10,045,568; 10,058,130; and 10,104,915.

See id. The notice of investigation names numerous respondents, including King. *See id.* The Office of Unfair Import Investigations ("OUII") is also a party to the investigation. *See id.*

On March 15, 2019, Complainant and respondent King filed a joint motion to terminate the investigation as to King based on its entry into a consent order stipulation. On March 18, 2019, Complainant and King filed a corrected joint motion. On March 27, 2019, OUII filed a response in support of the joint motion.

On April 2, 2019, the ALJ issued the subject ID (Order No. 20) granting the joint motion to partially terminate the investigation as to King. Pursuant to Commission Rule 210.21(c) (19 CFR 210.21(c)), the ID notes that the joint motion includes: (1) redacted and unredacted copies of the settlement agreement between Complainant and King, and (2) a statement that "there are no other agreements, written or oral, express or implied, relating to the subject matter of this Investigation." *See* ID at 2. In addition, the ID finds that the consent order stipulation and the proposed consent order comply with Commission Rule 210.21(c)(3)-(4) (19 CFR 210.21(c)(3)-(4)). *See id.* Furthermore, in accordance with Commission Rule 210.50(b)(2) (19 CFR 210.50(b)(2)), the ID finds no evidence that terminating the investigation as to King based on the consent order would be contrary to the public interest. *See id.* at 3. The ID also suspends the procedural schedule with respect to King pending Commission review of the ID. *See id.*

No petition for review of the subject ID was filed. The Commission has determined not to review the ID and has issued a consent order as to respondent King.

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 part 210 of the Commission's Rules of Practice and Procedure (19 CFR part 210).

By order of the Commission.

Lisa R. Barton Secretary to the Commission

Issued: April 15, 2019