UNITED STATES INTERNATIONAL TRADE COMMISSION Washington, D.C.

In the Matter of

CERTAIN CASUAL FOOTWEAR AND PACKAGING THEREOF

Investigation No. 337-TA-1270

NOTICE OF A COMMISSION DETERMINATION NOT TO REVIEW TWO INITIAL DETERMINATIONS PARTIALLY TERMINATING THE INVESTIGATION WITH RESPECT TO CERTAIN RESPONDENTS BASED ON CONSENT ORDERS; ISSUANCE OF TWO CONSENT ORDERS

AGENCY: U.S. International Trade Commission.

ACTION: Notice.

SUMMARY: Notice is hereby given that the U.S. International Trade Commission ("Commission") has determined not to review two initial determinations ("ID") (Order Nos. 22, 23) issued by the presiding chief administrative law judge ("CALJ") partially terminating the investigation with respect to respondents Fullbeauty Brands Inc. ("Fullbeauty") and Legend Footwear, Inc. d/b/a Wild Diva ("Wild Diva"), respectively, based on settlement agreements, consent order stipulations, and consent orders. Fullbeauty and Wild Diva are hereby terminated from this investigation, and the two consent orders are issued herewith.

FOR FURTHER INFORMATION CONTACT: Carl P. Bretscher, Esq., Office of the General Counsel, U.S. International Trade Commission, 500 E Street S.W., Washington, D.C. 20436, telephone (202) 205-2382. Copies of non-confidential documents filed in connection with this investigation may be viewed on the Commission's electronic docket (EDIS) at <u>https://edis.usitc.gov</u>. For help accessing EDIS, please email <u>EDIS3Help@usitc.gov</u>. General information concerning the Commission may also be obtained by accessing its Internet server at <u>https://www.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: The Commission instituted this investigation on July 9, 2021, based on a complaint filed by Crocs, Inc. of Broomfield, Colorado ("Crocs"). 86 FR 36303-304 (July 9, 2021). The complaint, as supplemented, alleges violations of section 337 of the Tariff Act of 1930, as amended, 19 U.S.C. 1337 ("Section 337"), in the importation into the United States, sale for importation, or sale in the United States after importation of certain casual footwear and packaging thereof by reason of infringement of one of more of U.S. Trademark Registration Nos. 3,836,415; 5,149,328; and 5,273,875. *Id.* The complaint further alleges that a domestic industry exists. *Id.*

The Commission's notice of investigation named twenty-three respondents: Fullbeauty of New York, New York; Wild Diva of City of Industry, California; Dr. Leonard's Healthcare Corp. d/b/a Carol Wright of Edison, New Jersey ("Dr. Leonard's"); Cape Robbin Inc. of Pomona, California ("Cape Robbin"); SG Footwear Meser Grp. Inc. a/k/a Goldberg & Co. of

Hackensack, New Jersey ("SG Footwear"); Skechers USA, Inc. of Manhattan Beach, California ("Skechers"); Bijora, Inc. of Chicago, Illinois; Crocsky of Austin, Texas; Hawkins Footwear, Sports, Military & Dixie Store of Brunswick, Georgia; Hobibear Shoes and Clothes Ltd. of Brighton, Colorado; Hobby Lobby Stores, Inc. of Oklahoma City, Oklahoma; Ink Tee of Los Angeles, California; La Modish Boutique of West Covina, California; Loeffler Randall Inc. of New York, New York; Maxhouse Rise Ltd. of Hong Kong; PW Shoes, Inc. of Maspeth, New York; Shoe-Nami Inc. of Gretna, Louisiana; Star Bay Group Inc. of Hackensack, New Jersey; Yoki Fashion International LLC of New York, New York; Quanzhou ZhengDe Network Corp. of Quanzhou, Fujian Province, China; 718 Closeouts of Brooklyn, New York; Royal Deluxe Accessories, LLC of New Providence, New Jersey; and Fujian Huayuan Well Import and Export Trade Co. of Fuzhou, Fujian Province, China. The Office of Unfair Import Investigations ("OUII") was also named as a party to this investigation.

On August 24, 2021, the Commission partially terminated the investigation with respect to Skechers due to a settlement agreement between Crocs and Skechers. Order No. 12 (Aug. 11, 2021), *unreviewed by* Comm'n Notice (Aug. 24, 2021).

On September 24, 2021, the Commission partially terminated the investigation with respect to Cape Robbin and SG Footwear based on a settlement agreement, consent order, and consent order stipulation and issued the two consent orders. Order No. 16 (Aug. 26, 2021) (SG Footwear), Order No. 17 (Aug. 16, 2021) (Cape Robbin), *unreviewed by* Comm'n Notice (Sept. 24, 2021).

On September 29, 2021, the Commission partially terminated the investigation with respect to Dr. Leonard's based on a settlement agreement, consent order, and consent order stipulation and issued the consent order. Order No. 20 (Sept. 1, 2021), *unreviewed by* Comm'n Notice (Sept. 29, 2021).

On October 7, 2021, the Commission partially terminated the investigation with respect to Fujian based on a settlement agreement, consent order, and consent order stipulation and issued the consent order. Order No. 24 (Sept. 17, 2021), *unreviewed by* Comm'n Notice (Oct. 7, 2021).

On August 25, 2021, Crocs and Fullbeauty jointly moved to terminate the investigation with respect to Fullbeauty based on a settlement agreement, consent order stipulation, and consent order.

On August 30, 2021, Crocs and Wild Diva jointly moved to terminate the investigation with respect to Wild Diva based on a settlement agreement, consent order stipulation, and consent order.

On September 1 and 7, 2021, OUII filed responses in support of the joint motions to terminate Fullbeauty and Wild Diva, respectively.

On September 9, 2021, the presiding CALJ issued the two subject IDs. Order No. 22 grants the motion to terminate the investigation with respect to Fullbeauty. Order No. 23 grants the motion to terminate the investigation with respect to Wild Diva. Order Nos. 22 and 23 each find that the parties' consent order stipulation and consent order comply with the requirements of Commission Rules 210.21(c)(3) and (4) (19 CFR 210.21(c)(3), (4)). Each Order also finds that the settling parties have stipulated that there are no other agreements, written or oral, express or implied, in accordance with Commission Rule 210.21(b)(1) (19 CFR 210.21(b)(1)). Order Nos. 22 and 23 also find that each of the parties' settlement agreements is in the public interest, as it avoids litigation, conserves public and private resources, and does not impose any undue burdens on public health and welfare, competitive conditions in the United States economy, production of like or directly competitive articles in the United States, or United States consumers.

No party filed a petition for review of either of the two subject IDs.

The Commission has determined not to review Order No. 22 or Order No. 23. Fullbeauty and Wild Diva are hereby terminated from this investigation, and the consent orders are issued to each respondent herewith.

The Commission vote for this determination took place on October 7, 2021.

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: October 7, 2021