

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 AN INITIAL
DETERMINATION PARTIALLY TERMINATING THE INVESTIGATION WITH
RESPECT TO A CERTAIN RESPONDENT BASED ON A CONSENT ORDER**

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 an initial determination (“ID”) (Order No. 54) issued by the presiding administrative law judge (“ALJ”) granting an unopposed motion to partially terminate the investigation with respect to respondent Royal Deluxe Accessories, LLC (“Royal Deluxe”) based on a consent order and consent order stipulation. Royal Deluxe is hereby terminated from this investigation and a consent order is issued thereto.

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 <https://edis.usitc.gov>. For help accessing EDIS, please email EDIS3Help@usitc.gov. General information concerning the Commission may also be obtained by accessing its Internet server at <https://www.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 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: Skechers USA, Inc. of Manhattan Beach, California (“Skechers”); SG Footwear Meser Grp. Inc. a/k/a Goldberg & Co. of Hackensack, New Jersey (“SG Footwear”); Cape Robbin Inc. of Pomona, California (“Cape Robbin”); Dr. Leonard’s Healthcare Corp. d/b/a Carol Wright of Edison, New Jersey (“Dr. Leonard’s”); Fullbeauty Brands Inc. of New York, New York (“Fullbeauty”);

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

The Commission has partially terminated the investigation with respect to certain respondents on the basis of settlement agreements or consent orders. *See* Order No. 12 (Aug. 11, 2021) (terminating Skechers), *unreviewed by* Comm’n Notice (Aug. 24, 2021); Order No. 16 (Aug. 26, 2021) (SG Footwear) and Order No. 17 (Aug. 16, 2021) (Cape Robbin), *unreviewed by* Comm’n Notice (Sept. 24, 2021); Order No. 20 (Sept. 1, 2021) (Dr. Leonard’s), *unreviewed by* Comm’n Notice (Sept. 29, 2021); Order No. 22 (Sept. 9, 2021) (Fullbeauty) and Order No. 23 (Wild Diva), *unreviewed by* Comm’n Notice (Oct. 7, 2021); Order No. 24 (Sept. 17, 2021) (Fujian), *unreviewed by* Comm’n Notice (Oct. 7, 2021); Order No. 25 (Sept. 22, 2021) (Yoki), *unreviewed by* Comm’n Notice (Oct. 7, 2021); Order No. 26 (Sept. 28, 2021) (Akira), *unreviewed by* Comm’n Notice (Oct. 27, 2021); Order No. 27 (Oct. 6, 2021) (Hawkins), *unreviewed by* Comm’n Notice (Oct. 29, 2021); Order No. 32 (Nov. 1, 2021) (Shoe-Nami) and Order No. 33 (Nov. 1, 2021) (PW), *unreviewed by* Comm’n Notice (Nov. 29, 2021); Order No. 34 (Nov. 10, 2021) (718 Closeouts), *unreviewed by* Comm’n Notice (Dec. 6, 2021).

On November 17, 2021, the Commission amended the complaint and notice of investigation to add certain new respondents, including Mould Industria de Matrices Ltda. d/b/a/ Boaonda (“Boaonda”); Dongguan Eastar Footwear Enterprises Co., Ltd. (“Eastar”), KGS Sourcing Ltd. (“KGS”), Fujian Wanjiaxin Industrial Developing, Inc. a/k/a Fujian Wanjiaxin Light Industrial Developing, Inc. (“Wanjiaxin”) and to terminate the investigation with respect to Crocsky, Hobibear, and Ink Tee. Order No. 30 (Oct. 21, 2021), *unreviewed by* Comm’n Notice (Nov. 17, 2021).

The Commission subsequently terminated the investigation with respect to Eastar, Maxhouse, Wanjiaxin, and Boaonda, based on consent orders and consent order stipulations. Order No. 39 (Jan. 11, 2022) (Eastar), *unreviewed by* Comm’n Notice (Feb. 4, 2022); Order No. 46 (March 3, 2022) (Maxhouse, Wanjiaxin), *unreviewed by* Comm’n Notice (March 22, 2022); Order No. 54 (March 15, 2022) (Boaonda), *unreviewed by* Comm’n Notice (April 1, 2022). The Commission also terminated the investigation with respect to KGS for good cause. Order No. 40 (Feb. 1, 2022) (KGS), *unreviewed by* Comm’n Notice (Feb. 22, 2022).

On April 11, 2022, Crocs and respondent Royal Deluxe filed an unopposed motion to terminate the investigation with respect to Royal Deluxe based on a proposed consent order and consent order stipulation. On April 15, 2022, OUII filed a response in support of the joint motion to terminate. The remaining respondents indicated they did not oppose the joint motion.

On April 22, 2022, the presiding ALJ issued the subject ID (Order No. 54) granting the joint motion to terminate the investigation with respect to Royal Deluxe. The ID finds that the respondent's proposed consent order and consent order stipulation satisfy the requirements of Commission Rules 210.21(c)(3), (4) (19 CFR 210.21(c)(3), (4)) and there are no other agreements, written or oral, express or implied, between the parties regarding the subject matter of this investigation, pursuant to Commission Rule 210.21(c) (19 CFR 210.21(c)). The ID also finds that termination of Royal Deluxe would avoid needless litigation and conserve public resources, and would not adversely impact public health and welfare, competitive conditions in the U.S. economy, the production of similar or directly competitive articles in the United States, or U.S. consumers, pursuant to Commission Rule 210.50(b)(2) (19 CFR 210.50(b)(2)).

No party filed a petition for review of the subject ID.

The Commission has determined not to review the subject ID. Royal Deluxe is hereby terminated from this investigation and a consent order is issued thereto.

The Commission vote for this determination took place on May 17, 2022.

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: May 17, 2022