## UNITED STATES INTERNATIONAL TRADE COMMISSION Washington, DC 20436

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In the Matter of	)	
	)	Investigation No. 337-TA-295
CERTAIN NOVELTY TELEIDOSCOPES	)	
	_)	

## ORDER

On March 7, 1989, Homespun Imports, Inc., doing business as Silver Deer, Inc. (Silver Deer), filed a complaint under section 337 of the Tariff Act of 1930 (19 U.S.C. § 1337) alleging violation of section 337 in the importation and sale of certain novelty teleidoscopes by six proposed respondents, one of which was Universal Manufacturing Co. of Hong Kong. The Commission instituted an investigation of the complaint and issued a notice of investigation published in the Federal Register on April 13, 1989 (54 Fed. Reg. 14874). On June 7, 1989, the presiding administrative law judge (ALJ) issued an initial determination (ID) amending the complaint and notice of investigation to add four additional respondents: New Lon Industry Co., Ltd. and Rich Trees International, both of Taiwan, and Prosperity Industrial Co. and Fred Kort International, both of Hong Kong. The Commission determined not to review that ID. On July 14, 1989, the ALJ issued an ID amending the complaint and notice of investigation to add two additional respondents, one of which was ABC Cosmos Trading Co., Ltd. of Taiwan. The Commission determined not to review that ID.

On October 13, 1989, the ALJ issued an ID finding respondents Universal Manufacturing Co. of Hong Kong,.-New Lon Industries Co., Prosperity Industrial Co., ABC Cosmos Trading

Co., Ltd., and Fred Kort International in default. The Commission determined not to review the ID. On October 24, 1989, the ALJ issued an ID finding respondent Rich Trees International in default. The Commission determined not to review the ID. All other respondents have been terminated from the investigation.

On November 27, 198 is the ALJ ordered complainant Silver Deer to declare the relief that it is seeking. On December 1, 1989, Silver Deer declared that, pursuant to interim rule 210.25(c), it sought limited exclusion orders against all respondents found to be in default.

Section 337(g)(1) of the Tariff Act of 1930 provides that the Commission shall presume the facts alleged in a complaint to be true and, upon request, issue a limited exclusion order and/or cease and desist order if: (1) a complaint is filed against a person' under section 337, (2) the complaint and a notice of investigation are served on the person, (3) the person fails to respond to the complaint and notice or otherwise fails to appear to answer the complaint and notice, (4) the person fails to show good cause why he should not be found in default, and (5) complainant seeks relief limited solely to that person. 19 U.S.C. 1337(g)(1). Such an order shall be issued unless, after considering the effect of such exclusion upon the public health and welfare, competitive conditions in the United States economy, the production of like or directly competitive articles in the United States, and United States consumers, the Commission finds that such exclusion should not be issued.

Each of the statutory requirements for the issuance of a limited exclusion order has been met for each of the six defaulting foreign respondents in this investigation. The Commission has no reason to conclude that limited exclusion would have an adverse effect upon the public health and welfare, competitive conditions in the United States economy, the production of like or directly competitive

articles in the United States, or United States consumers. Accordingly, the Commission has determined to issue a limited exclusion order covering novelty teleidoscopes manufactured by the six foreign respondents found to be in default in this investigation.

## Accordingly, it is hereby ORDERED:

- 1. Certain novelty teleidoscopes manufactured by or on behalf of respondents Universal Manufacturing Co., GPO Box 4687, Dominion Center, 17th Floor, Queen's Road East, Hong Kong; New Lon Industry Co., Ltd., No. 41, Lane 110, Long Choi Road, Fu Hsin Shiang, Chang Wa Shien, Taiwan; Fred Kort International, 501-2 Peninsula Center, 67 Mody Road, Tsim Sha Tsui East, Kowloon, Hong Kong; Rich Trees International, P.O. Box 68-866, Taipei, Taiwan; ABC Cosmos Trading Co., Ltd., P.O. Box 67-647, 6-7Fl., No. 33, Sec. 2, Chien Ko, North Road, Taipei, Taiwan; and Prosperity Industrial Co., Rm. 1-2 and 15, llth Floor, Blk. A, Vigor Industrial Bldg., 14-20 Cheung Tat Road, Tsing Yi Island, Kowloon, N.T., Hong Kong, or any of their affiliated companies, parents, subsidiaries, licensees, contractors, or other related entities, or their successors or assigns, that are conical in shape and have an exaggerated rim or lip at either end of the cone are excluded from entry into the United States, except under license of complainant Homespun Imports, Inc., doing business as Silver Deer Ltd.
- 2. In accordance with 19 U.S.C. § 1337(l), the provisions of this Order do not apply to novelty teleidoscopes imported by or for the United States.
- 3. The novelty teleidoscopes ordered to be excluded from entry into the United States shall be entitled to entry under bond in the amount of 100 percent of the entered value of the imported articles, for the period starting on the day after this Order is received by the President pursuant to subsection (j) of section 337 of the Tariff Act of 1930, as amended (19 U.S.C. § 1337(j)), until such time as the President notifies the Commission that he approves or disapproves this Order, but in any event, not later than 60 days after receipt of this order by the President.
- 4. The Commission may amend this Order in accordance with the procedure described in section 211.57 of the Commission's Interim Rules of Practice and Procedure, 19 C.F.R. § 211.57.
- 5. The Secretary shall serve copies of this Order upon each party of record in this investigation and upon the Department of Health and Human Services, the Department of Justice, the Federal Trade Commission, and the U.S. Customs Service.

6. Notice of this Order shall be published in the <u>Federal Register</u>.

By order of the Commission.

Kenneth R. Mason Secretary

Issued: April 11, 1990