

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, D.C.

In the Matter of

**CERTAIN TONER SUPPLY CONTAINERS
AND COMPONENTS THEREOF (I)**

Investigation No. 337-TA-1259

(Modification)

**NOTICE OF COMMISSION DETERMINATION TO INSTITUTE A
MODIFICATION PROCEEDING; SCHEDULE AND PROCEDURE FOR
THE MODIFICATION PROCEEDING**

AGENCY: U.S. International Trade Commission.

ACTION: Notice.

SUMMARY: Notice is hereby given that the U.S. International Trade Commission (“Commission”) has determined to institute a modification proceeding in the above-captioned investigation. The Commission has also determined to delegate the modification proceeding to the Chief Administrative Law Judge (“ALJ”) to designate a presiding ALJ to make all necessary factual and legal findings as to infringement and to issue a recommended determination.

FOR FURTHER INFORMATION CONTACT: Lynde Herzbach, Office of the General Counsel, U.S. International Trade Commission, 500 E Street S.W., Washington, D.C. 20436, telephone (202) 205-3228. 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, telephone (202) 205-1810.

SUPPLEMENTARY INFORMATION: On April 13, 2021, 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 Canon Inc. of Tokyo, Japan; Canon U.S.A., Inc. of Melville, New York; and Canon Virginia, Inc. of Newport News, Virginia (collectively, “Complainants”). *See* 86 FR 19284-86. The complaint, as supplemented, alleges a violation of section 337 based upon the importation into the United States, sale for importation, or sale after importation into the United States of certain toner supply containers and components thereof by reason of infringement of certain claims of U.S. Patent Nos. 10,209,667 (“the ’667 patent”); 10,289,060 (“the ’060 patent”); 10,289,061 (“the ’061 patent”); 10,295,957 (“the ’957 patent”); 10,488,814 (“the ’814 patent”); 10,496,032 (“the ’032 patent”); 10,496,033 (“the ’033 patent”);

10,514,654 (“the ’654 patent”); 10,520,881 (“the ’881 patent”); 10,520,882 (“the ’882 patent”); 8,565,649; 9,354,551; and 9,753,402. *Id.* The complaint further alleges that a domestic industry exists. *Id.*

The Commission instituted two separate investigations based on the complaint and defined the scope of the present investigation as whether there is a violation of section 337 in the importation, sale for importation, or sale within the United States after importation of toner supply containers and components thereof by reason of infringement of certain claims the ’667 patent, the ’060 patent, the ’061 patent, the ’957 patent, the ’814 patent, the ’032 patent, the ’033 patent, the ’654 patent, the ’881 patent, and the ’882 patent (collectively, “the Asserted Patents”). *Id.*

The notice of investigation (“NOI”) names twenty-six respondents, including twenty-two later found in default: (1) Sichuan XingDian Technology Co., Ltd. (“Sichuan XingDian”) of Sichuan, China; (2) Sichuan Wiztoner Technology Co., Ltd. (“Sichuan Wiztoner”) of Sichuan, China; (3) Copier Repair Specialists, Inc. (“Copier Repair Specialists”) of Lewisville, Texas; (4) Digital Marketing Corporation d/b/a Digital Buyer Marketing Company (“Digital Buyer”) of Los Angeles, California; (5) Ink Technologies Printer Supplies, LLC (“Ink Tech”) of Dayton, Ohio; (6) Kuhlmann Enterprises, Inc. d/b/a Precision Roller (“Precision Roller”) of Phoenix, Arizona; (7) NAR Cartridges of Burlingame, California; (8) Zhuhai Henyun Image Co., Ltd. (“Zhuhai Henyun”) of Zhuhai, China; (9) Zinyaw LLC d/b/a TonerPirate.com and Supply District (“Zinyaw”) of Houston, Texas; (10) Do It Wiser, Inc. d/b/a Image Toner (“Do It Wiser”) of Wilmington, Delaware; (11) MITOCOLOR INC. (“MITOCOLOR”) of Rowland Heights, California; (12) Anhuiyatengshangmaoyouxiangongsi (“Yatengshang”) of Ganyuqu, China; (13) ChengDuXiangChangNanShiYouSheBeiYouXianGongSi (“ChengDuXiang”) of SiChuanSheng, China; (14) Hefeierlandianzishangwuyouxiangongsi (“Erlandianzishang”) of Chengdushi, China; (15) Xianshi yanliangqu canqiubaihuodianshanghang (“CJ-us”) of Shanxisheng, China; (16) Ninestar Corporation of Guangdong, China; (17) Ninestar Image Tech Limited (“Ninestar Image”) of Guangdong, China; (18) Ninestar Technology Company, Ltd. (“Ninestar Tech”) of Chino, California (where Ninestar Corporation, Ninestar Image, and Ninestar Tech are collectively, “Ninestar Respondents”); (19) Static Control Components, Inc. (“Static Control”) of Sanford, North Carolina; (20) Easy Group, LLC (“Easy Group”) of Irwindale, California; (21) LD Products, Inc. (“LD Products”) of Long Beach, California; and (22) The Supplies Guys, Inc. (“Supplies Guys”) of Lancaster, Pennsylvania; (collectively, “Defaulting Respondents”). *Id.* The NOI also names the following respondents who were previously terminated from the investigation: General Plastic Industrial Co. Ltd. (“General Plastic”) of Taichung, Taiwan; Katun Corporation (“Katun”) of Minneapolis, Minnesota; Sun Data Supply, Inc. (“Sun Data Supply”) of Los Angeles, California; and Shenzhenshi Keluodeng Kejiyouxiangognsi (“KenoGen”) of Guangdong, China. *Id.* The Office of Unfair Import Investigations (“OUII”) was also a party to the investigation. *Id.*

The complaint and NOI were later amended to correct the name of originally-identified respondent Do It Wiser, LLC d/b/a Image Toner to Do It Wiser, Inc. d/b/a Image Toner. Order No. 5 (May 13, 2021), *unreviewed by* 86 FR 29292-93 (June 1, 2021).

The Commission found the Ninestar Respondents, Static Control, Easy Group, LD Products, and Supplies Guys in default. Order No. 7 (June 22, 2021), *unreviewed by* Notice (July 6, 2021). The Commission also found respondents Sichuan XingDian, Sichuan Wiztoner, Copier Repair Specialists, Digital Buyer, Ink Tech, Precision Roller, NAR Cartridges, Zhuhai Henyun, Zinyaw, Do It Wiser, MITOCOLOR, Yatengshang, ChengDuXiang, Erlandianzishang, and CJ-us in default. Order No. 18 (Sept. 28, 2021), *unreviewed by* Notice (Oct. 27, 2021). The Commission terminated respondents General Plastic, Katun, and Sun Data Supply from the investigation pursuant to consent order stipulations. Order No. 10 (July 1, 2021), *unreviewed by* Notice (July 19, 2021). The Commission further terminated respondent KenoGen from the investigation based on partial withdrawal of the complaint. Order No. 13, *unreviewed by* Notice (Aug. 25, 2021).

The Commission also terminated investigation as to certain claims of the Asserted Patents. Order No. 11, *unreviewed by* Notice (Aug. 25, 2021).

On October 1, 2021, Canon filed a motion seeking summary determination that the Defaulting Respondents have violated section 337 and requesting that the presiding ALJ recommend that the Commission issue a general exclusion order (“GEO”) and cease and desist orders (“CDOs”) against certain respondents and set a 100 percent bond for any importations of infringing goods during the period of Presidential review.

On May 15, 2022, the presiding Chief ALJ issued an initial determination (“ID”) granting Canon’s motion and finding violations of section 337 by the Defaulting Respondents with respect to certain asserted patent claims. The Chief ALJ recommended that the Commission: (i) issue a GEO; (ii) issue CDOs against respondents Ninestar Tech, Static Control, Copier Repair Specialists, Digital Buyer, Do It Wiser, Easy Group, Ink Tech, Precision Roller, LD Products, NAR Cartridges, Supplies Guys, MITOCOLOR, Zinyaw, Ninestar Corporation, Ninestar Image, Sichuan XingDian, Sichuan Wiztoner, Yatengshang, ChengDuXiang, and Erlandianzishang; and (iii) set a 100 percent bond for any importations of infringing products during the period of Presidential review.

On August 1, 2022, the Commission determined to affirm the ID’s determination of a violation of section 337 with respect to Defaulting Respondents. 87 FR 48039-41 (Aug. 5, 2022). Accordingly, the Commission issued: (1) a GEO prohibiting the unlicensed entry of certain toner supply containers and components thereof that infringe one or more of claim 1 of the ’667 patent; claim 1 of the ’060 patent; claim 1 of the ’061 patent; claim 1 of the ’957 patent; claims 1 and 12 of the ’814 patent; claims 50, 58, and 61 of the ’032 patent; claims 1 and 13 of the ’033 patent; claims 46 and 50 of the ’654 patent; claims 1, 10, and 13 of the ’881 patent; or claims 1 and 8 of the ’882 patent; and (2) CDOs against respondents Ninestar Tech, Static Control, Copier Repair Specialists, Digital Buyer, Do It Wiser, Easy Group, Ink Tech, Precision Roller, LD Products, NAR Cartridges, Supplies Guys, MITOCOLOR, Zinyaw, Ninestar Corporation, Ninestar Image, Sichuan XingDian, Sichuan Wiztoner, Yatengshang, ChengDuXiang, and Erlandianzishang. *Id.*

On April 25, 2023, respondents Katun and General Plastic filed a petition pursuant to Commission Rule 210.76 (19 CFR 210.76) to modify the GEO in order to clarify that the order does not cover certain Katun and General Plastic redesigned toner supply containers (“New Katun Containers”). Katun and General Plastic also assert that if Complainants “seek to extend language of the claims of the Asserted Patents to cover the New Katun Containers, such an expansion of scope is impermissible and renders the Asserted Patents invalid.” Pet. at 2-3, 29-30.

On May 5, 2023, Complainants filed an opposition to Katun’s and General Plastic’s petition for a modification of the GEO. Complainants argue that Katun and General Plastic have not shown why the redesign could not have been adjudicated in the original investigation, and thus there is no basis to conclude the redesign constitutes a changed condition of fact. Complainants further argue that Katun and General Plastic do not make a plausible showing that the New Katun Containers do not infringe the Asserted Patents, and accordingly, no modification is required. Complainants argue that if a modification proceeding is instituted, then it should be referred to an ALJ for findings of fact and an initial determination. OUII did not file a response to the petition.

The Commission has determined that the petition complies with the requirements for institution of a modification proceeding under Commission Rule 210.76(a)(1) (19 CFR 210.76(a)(1)) to determine whether Katun and General Plastic’s redesigned New Katun Containers infringe one or more of claim 1 of the ’667 patent; claim 1 of the ’060 patent; claim 1 of the ’061 patent; claim 1 of the ’957 patent; claims 1 and 12 of the ’814 patent; claims 50, 58, and 61 of the ’032 patent; claims 1 and 13 of the ’033 patent; claims 46 and 50 of the ’654 patent; claims 1, 10, and 13 of the ’881 patent; or claims 1 and 8 of the ’882 patent. The modification proceeding shall not include any validity issues because an invalidity challenge is not a proper basis to modify an exclusion order. *Mayborn Group, Ltd. v. Int’l Trade Comm’n*, 965 F.3d 1350 (Fed. Cir. 2020). Further, the consent orders issued against Katun and General Plastic prohibit them from challenging validity of the relevant patents. 19 CFR 210.21(c)(4)(vi); Consent Order to Katun and General Plastic at ¶ 9 (July 19, 2021). Accordingly, the Commission has determined to institute a modification proceeding and refer the petition to the Chief ALJ as detailed in the accompanying Order.

The assigned ALJ will make findings, may request briefing, and will issue a recommended determination (“RD”) to the Commission within six months of publication of this notice in the *Federal Register*. Should the ALJ determine that more time is necessary, the deadline may be extended for good cause shown. The Commission will issue a modification opinion within 90 days of receipt of the ALJ’s RD unless the Commission otherwise orders. The following entities are named as parties to the proceeding: (1) Canon Inc; (2) Canon U.S.A., Inc.; (3) Canon Virginia, Inc; (4) Katun; (5) General Plastic; and (6) OUII.

The Commission vote for this determination took place on May 25, 2023.

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.

A handwritten signature in black ink, appearing to read 'L.R. Barton', enclosed within a circular flourish.

Lisa R. Barton
Secretary to the Commission

Issued: May 26, 2023