

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, D.C.

In the Matter of

**CERTAIN RUBBER RESINS AND
PROCESSES FOR MANUFACTURING
SAME**

Inv. No. 337-TA-849

**NOTICE OF COMMISSION DETERMINATION TO AFFIRM-IN-PART AND
REVERSE-IN-PART THE FINAL INITIAL DETERMINATION OF THE
ADMINISTRATIVE LAW JUDGE AND TO TERMINATE THE INVESTIGATION
WITH A FINDING OF VIOLATION WITH RESPECT TO CERTAIN RESPONDENTS;
ISSUANCE OF LIMITED EXCLUSION ORDER**

AGENCY: U.S. International Trade Commission.

ACTION: Notice.

SUMMARY: Notice is hereby given that the U.S. International Trade Commission has determined to affirm-in-part and reverse-in-part the final initial determination ("final ID") of the administrative law judge ("ALJ") in the above-identified investigation and to terminate the investigation with a finding of violation with respect to certain respondents. The Commission has issued a limited exclusion order.

FOR FURTHER INFORMATION: James A. Worth, Office of the General Counsel, U.S. International Trade Commission, 500 E Street, S.W., Washington, D.C. 20436, telephone 202-205-3065. 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, S.W., Washington, D.C. 20436, telephone 202-205-2000. General information concerning the Commission may also be obtained by accessing its Internet server (<http://www.usitc.gov>). The public record for this investigation may be viewed on the Commission's electronic docket (EDIS) at <http://edis.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 June 26, 2012, based on a complaint filed on behalf of SI Group, Inc. of Schenectady, New York ("SI Group") on May 21, 2012, as supplemented on June 12, 2012. 77 *Fed. Reg.* 38083-84 (June 26, 2012). The complaint alleged violations of Section 337 of the Tariff Act of 1930, as amended, 19 U.S.C. § 1337 ("Section 337"), in the sale for importation, importation, or sale after importation into the United States of certain rubber resins by reason of misappropriation of trade secrets, the threat or effect of which is to destroy or substantially injure an industry in the United

States. The Commission's notice of investigation named as respondents Red Avenue Chemical Corp. of America of Rochester, New York; Thomas R. Crumlish, Jr. of Rochester, New York; Precision Measurement International LLC of Westland, Michigan; Sino Legend (Zhangjiagang) Chemical Co., Ltd. of Zhangjiagang City, China; Sino Legend Holding Group, Inc. c/o Mr. Richard A. Peters of Kowloon, Hong Kong; Sino Legend Holding Group Ltd. of Hong Kong; HongKong Sino Legend Group, Ltd. of North Point, Hong Kong; Red Avenue Chemical Co. Ltd. of Shanghai, China; Ning Zhang of North Vancouver, Canada; Quanhai Yang of Beijing, China; and Shanghai Lunsai International Trading Company of Shanghai City, China. A Commission investigative attorney participated in this investigation.

On January 14, 2013, the Commission issued notice of its determination not to review an ID to amend the complaint and notice of investigation to add Red Avenue Group Limited of Kowloon, Hong Kong; Sino Legend Holding Group Inc. of Majuro, Marshall Islands; Gold Dynasty Limited c/o ATC Trustees (Cayman) Limited of Grand Cayman, Cayman Islands; Elite Holding Group Inc. c/o Morgan & Morgan Trust Corporation (Belize) Limited of Belize City, Belize as respondents. 78 *Fed. Reg.* 3817-18 (January 17, 2013).

On June 17, 2013, the presiding ALJ issued his final ID, finding a violation of Section 337. On July 1, 2013, SI and the Respondents filed petitions for review. On July 9, 2013, SI, the Respondents, and the Commission investigative attorney filed responses thereto. On July 16, 2013, Respondents filed a notice of new authority. On July 24, 2013, the Complainant submitted an objection to the notice of new authority.

The following parties and members of the public have submitted statements on the public interest: the Complainant (July 17, 2013); the New York State Chemical Alliance (August 14, 2013); and the American Chemistry Council (August 14, 2013).

On September 9, 2013, the Commission issued notice of its determination to review the final ID in its entirety and to solicit briefing on the issues on review and on remedy, the public interest, and bonding. 78 *Fed. Reg.* 56734-36 (Sept. 13, 2013). On September 23, 2013, each of the parties filed a written submission, and on September 30, 2013, each of the parties filed a reply submission.

After considering the written submissions on review and the record in this investigation, the Commission has determined to affirm-in-part and reverse-in-part the final ID of the ALJ and to terminate the investigation with a finding of violation of Section 337. Specifically, the Commission has found the following respondents in violation: Precision Measurement International LLC of Westland, Michigan; Sino Legend (Zhangjiagang) Chemical Co., Ltd. of Zhangjiagang City, China; Sino Legend Holding Group, Inc. of Kowloon, Hong Kong; Sino Legend Holding Group Ltd. of Hong Kong; Red Avenue Chemical Co. Ltd. of Shanghai, China; Shanghai Lunsai International Trading Company of Shanghai City, China; Red Avenue Group Limited of Kowloon, Hong Kong; and Sino Legend Holding Group Inc. of Majuro, Marshall Islands. After considering the submissions of the parties on remedy, the public interest, and bonding, the Commission has determined to issue a limited exclusion order for a period of ten (10) years prohibiting the unlicensed importation of rubber resins made using any of the SP-1068 Rubber Resin Trade Secrets that are manufactured by, for, or on behalf of violating respondents or any of their affiliated companies, parents, subsidiaries, licensees, contractors, or other related

business entities, or their successors or assigns. The Commission has determined that the public interest factors of 19 U.S.C. § 1337(d) do not preclude the issuance of a remedy. The Commission has further determined that the covered products may be imported during the period of Presidential review pursuant to 19 U.S.C. § 1337(j) under bond in the amount of 19% of entered value.

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 C.F.R. Part 210).

By order of the Commission.

A handwritten signature in black ink, appearing to read 'Lisa R. Barton', with a stylized flourish at the end.

Lisa R. Barton
Acting Secretary to the Commission

Issued: January 15, 2014

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, D.C.

In the Matter of

**CERTAIN RUBBER RESINS AND
PROCESSES FOR MANUFACTURING
SAME**

Investigation No. 337-TA-849

LIMITED EXCLUSION ORDER

Having reviewed the record and submissions in this investigation, the Commission has found Precision Measurement International LLC of Westland, Michigan; Sino Legend (Zhangjiagang) Chemical Co., Ltd. of Zhangjiagang City, China; Sino Legend Holding Group, Inc. of Kowloon, Hong Kong; Sino Legend Holding Group Ltd. of Hong Kong; Red Avenue Chemical Co. Ltd. of Shanghai, China; Shanghai Lunsai International Trading Company of Shanghai City, China; Red Avenue Group Limited of Kowloon, Hong Kong; and Sino Legend Holding Group Inc. of Majuro, Marshall Islands (collectively, "Respondents") in violation of Section 337 of the Tariff Act of 1930, as amended (19 U.S.C. § 1337). Specifically, the Commission has found the aforementioned Respondents to have violated Section 337 in the unlawful importation, sale for importation, and sale after importation of certain rubber resins made using any of Complainant's trade secrets (the "SP-1068 Rubber Resin Trade Secrets") asserted in this investigation.

The Commission has also made its determination on the issues of remedy, the public interest, and bonding. The Commission has determined that a limited exclusion order barring from entry for consumption is necessary, and accordingly, the Commission has determined to

issue a limited exclusion order prohibiting the unlicensed importation of rubber resins made using any of the SP-1068 Rubber Resin Trade Secrets that are manufactured by, for, or on behalf of Respondents or any of their affiliated companies, parents, subsidiaries, licensees, contractors, or other related business entities, or their successors or assigns.

The Commission has further determined that the public interest factors enumerated in 19 U.S.C. § 1337(d) do not preclude the issuance of the limited exclusion order, and that the bond during the Presidential review period shall be in the amount of nineteen percent (19%) of the entered value.

Accordingly, the Commission hereby **ORDERS** that:

1. Rubber resins that are made using any of the SP-1068 Rubber Resin Trade Secrets by, for, or on behalf of Respondents or any of their affiliated companies, parents, subsidiaries, licensees, contractors, or other related business entities, or their successors or assigns are excluded from entry for consumption into the United States, entry for consumption from a foreign-trade zone, or withdrawal from a warehouse for consumption, for a period of ten (10) years from the effective date of this order, except under license of the owner of the SP-1068 Rubber Resin Trade Secrets asserted in this investigation, or as provided by law.
2. Notwithstanding paragraph 1 of this Order, the aforesaid rubber resins are entitled to entry into the United States for consumption, entry for consumption from a foreign-trade zone, or withdrawal from a warehouse for consumption under bond in the amount of nineteen percent (19%) of the entered value, pursuant to subsection (j) of Section 337 (19 U.S.C. § 1337(j)) and the Presidential

Memorandum for the United States Trade Representative of July 21, 2005 (70 *Fed. Reg.* 43,251), from the day after this Order is received by the United States Trade Representative until such time as the United States Trade Representative notifies the Commission that this Order is approved or disapproved but, in any event, not later than sixty days after the date of receipt of this Order.

3. At the discretion of U.S. Customs and Border Protection (“CBP”) and pursuant to procedures that it establishes, persons seeking to import rubber resins that are potentially subject to this Order may be required to certify that they are familiar with the terms of this Order, that they have made appropriate inquiry, and thereupon state that, to the best of their knowledge and belief, the products being imported are not excluded from entry under paragraph 1 of this Order. At its discretion, CBP may require persons who have provided the certification described in this paragraph to furnish such records or analyses as are necessary to substantiate the certification.
4. In accordance with 19 U.S.C. § 1337(l), the provisions of this Order shall not apply to rubber resins imported by and for the use of the United States, or imported for, and to be used for, the United States with the authorization or consent of the Government.
5. The Commission may modify this Order in accordance with the procedures described in section 210.76 of the Commission’s Rules of Practice and Procedure (19 C.F.R. § 210.76).

6. 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 CBP.
7. Notice of this Order shall be published in the *Federal Register*.

By order of the Commission.

A handwritten signature in black ink, appearing to read 'Lisa R. Barton', with a stylized flourish at the end.

Lisa R. Barton

Acting to Secretary to the Commission

Issued: January 15, 2014

**CERTAIN RUBBER RESINS AND PROCESSES FOR
MANUFACTURING SAME**

337-TA-849

CERTIFICATE OF SERVICE

I, Lisa R. Barton, hereby certify that the attached **NOTICE** has been served by hand upon the Commission Investigative Attorney, **John Shin, Esq.**, and the following parties as indicated, on **January 15, 2014**



Lisa R. Barton, Acting Secretary
U.S. International Trade Commission
500 E Street, SW
Washington, DC 20436

ON BEHALF OF COMPLAINANT SI GROUP, INC.:

Lawrence T. Kass, Esq.

MILBANK, TWEED, HADLEY & MCCLOY, LLP

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() Via Hand Delivery
☒ Via Express Delivery
() Via First Class Mail
() Other: _____

**ON BEHALF OF RESPONDENTS REDAVENUE
CHEMICAL CORP. OF AMERICA, THOMAS R.
CRUMLISH, JR., PRECISION MEASUREMENT
INTERNATIONAL LLC, SINO LEGEND
(ZHANGJIAGANG) CHEMICAL CO., LTD., SINO
LEGEND HOLDING GROUP, INC., SINO LEGEND
HOLDING GROUP LIMITED, HONGKONG SINO
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