

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 FOR GOOD CAUSE**

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. 40) issued by the presiding acting chief administrative law judge (“CALJ”) granting an unopposed motion to partially terminate the investigation with respect to respondent KGS Sourcing Ltd. (“KGS”) for good cause. KGS is hereby terminated from this investigation.

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”); Hobby Lobby Stores, Inc. of Oklahoma City, Oklahoma; La Modish Boutique of West Covina, California; Loeffler Randall Inc. of New York, New York; Maxhouse Rise Ltd. of Hong Kong; Star Bay Group Inc. of Hackensack, New Jersey; Quanzhou ZhengDe Network Corp. of Quanzhou, Fujian Province, China; and Royal Deluxe Accessories, LLC 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 Dongguan Eastar Footwear Enterprises Co., Ltd. (“Eastar”) and KGS Sourcing Ltd. (“KGS”), 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).

On February 4, 2022, the Commission partially terminated the investigation with respect to Eastar. Order No. 39 (Jan. 11, 2022), *unreviewed by* Comm’n Notice (Feb. 4, 2022).

On January 19, 2022, Crocs and KGS jointly moved to partially terminate the investigation with respect to KGS for good cause. On January 24, 2022, OUII filed a response in support of the joint motion to terminate KGS. No other party filed a response to the motion.

On February 1, 2022, the presiding acting CALJ issued the subject ID (Order No. 40) granting the unopposed motion to terminate KGS for good cause because Crocs longer contends that KGS took any action in violation of Section 337. The ID further finds that, pursuant to Commission Rule 210.21(a) (19 CFR 210.21(a)), the parties have stipulated that there are no

other agreements, written or oral, express or implied, between them concerning the subject matter of this investigation.

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

The Commission has determined not to review Order No. 40. KGS is hereby terminated from this investigation.

The Commission vote for this determination took place on February 22, 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.

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

Lisa R. Barton
Secretary to the Commission

Issued: February 22, 2022