

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 RESPONDENT BASED ON A SETTLEMENT AGREEMENT**

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. 81) issued by the presiding administrative law judge (“ALJ”) granting an unopposed motion to partially terminate the investigation with respect to respondent Walmart Inc. (“Walmart”) based on a settlement agreement. Walmart 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, 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 or more of U.S. Trademark Registration Nos. 3,836,415; 5,149,328; and 5,273,875. *Id.* The complaint alleges that a domestic industry exists. *Id.*

The Commission’s notice of investigation named the following 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 of West Covina, California; Loeffler Randall Inc. of New York, New York (“Loeffler Randall”); Star Bay of Hackensack, New Jersey; Quanzhou ZhengDe Network Corp. of Quanzhou, Fujian Province, China; and Royal Deluxe Accessories, LLC of New Providence, New Jersey (“Royal Deluxe”). The Office of Unfair Import Investigations (“OUII”) was also named as a party to this investigation.

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 of Hong Kong, China (“Boaonda”), Dongguan Eastar Footwear Enterprises Co., Ltd. of Guangzhou City, China (“Eastar”); KGS Sourcing Ltd. of Hong Kong, China (“KGS”), Fujian Wanjiixin Industrial Developing, Inc. a/k/a Fujian Wanjiixin Light Industrial Developing, Inc. of Quanzhou City, China (“Wanjiixin”); Walmart of Bentonville, Arkansas; Huizhou Xinshunzu Shoes Co. of Huizhou City, China; and Jinjiang Anao Footwear Co. of Quanzhou City, China (“Anao”), 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, Wanjiixin, 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, Wanjiixin), *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).

The Commission also 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); Order No.

54 (April 22, 2022) (Royal Deluxe), *unreviewed by* Comm'n Notice (May 17, 2022); Order No. 56 (May 6, 2022) (Loeffler Randall), *unreviewed by* Comm'n Notice (May 27, 2022).

On April 26, 2022, the presiding ALJ granted a motion filed by Crocs and issued the requested show-cause order (Order No. 55) directing respondents La Modish, Star Bay, Huizhou, and Anao (the "Non-Participating Respondents") to show cause by May 18, 2022, why it should not be found in default and why judgment should not be rendered against it. Order No. 55 (April 26, 2022). None of the Non-Participating Respondents responded to Order No. 55.

On June 10, 2022, the Commission found each of the Non-Participating Respondents is in default and that each Non-Participating Respondent has waived its rights to appear, to be served with documents, and to contest the allegations in this investigation, pursuant to 19 CFR 210.16(b), 210.17(h). Order No. 58 (March 30, 2022), *unreviewed by* Comm'n notice (June 10, 2022).

On September 13, 2022, Crocs and Walmart filed a joint motion to terminate Walmart from the investigation based on a settlement agreement. On September 16, 2022, OUII filed a response in support of the joint motion to terminate. No other responses were received.

The presiding ALJ held an evidentiary hearing on September 13-16, 2022. On September 30, 2022, Crocs, the remaining respondents (Orly, Hobby Lobby, and Amoji), and OUII filed their respective initial post-hearing briefs.

On September 28, 2022, the presiding ALJ issued the subject ID (Order No. 81) granting the joint motion to partially terminate the investigation with respect to Walmart. The ID finds that the settlement agreement satisfies the requirements of Commission Rules 210.21(a)(2), (b)(1) (19 CFR 210.21(a)(2), (b)(1)), in that it resolves all issues between the parties and certifies that there are no other agreements, written or oral, express or implied, between the parties regarding the subject matter of this investigation. The ID also finds that termination of Walmart serves the public interest by saving administrative resources, and it 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. Walmart is hereby terminated from this investigation.

The Commission vote for this determination took place on October 20, 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 "Katherine M. Hiner". The signature is written in a cursive style with a large initial "K" and "M".

Katherine M. Hiner
Acting Secretary to the Commission

Issued: October 20, 2022