## 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; ISSUANCE OF A CONSENT ORDER

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 Nos. 34) issued by the presiding chief administrative law judge ("CALJ") partially terminating the investigation with respect to respondent 718Closeouts based on a settlement agreement, consent order stipulation, and consent order. 718Closeouts is hereby terminated from this investigation and the consent order is issued herewith.

**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 <u>https://edis.usitc.gov</u>. For help accessing EDIS, please email <u>EDIS3Help@usitc.gov</u>. General information concerning the Commission may also be obtained by accessing its Internet server at <u>https://www.usitc.gov</u>. 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: 718Closeouts of Brooklyn, New York; Shoe-Nami, Inc. ("Shoe-Nami") of Gretna, Louisiana; PW Shoes, Inc. ("PW") of Maspeth, New York; Hawkins Footwear, Sports, Military & Dixie Store of Brunswick, Georgia ("Hawkins"); Bijora, Inc. d/b/a Akira of Chicago, Illinois ("Akira"); Yoki Fashion International LLC of New York, New York ("Yoki"); Dr. Leonard's Healthcare Corp. d/b/a Carol Wright of Edison, New Jersey ("Dr. Leonard's"); Cape Robbin Inc. of Pomona, California ("Cape Robbin"); SG Footwear Meser Grp. Inc. a/k/a Goldberg & Co. of Hackensack, New Jersey ("SG Footwear"); Skechers USA, Inc. of Manhattan Beach, California ("Skechers"); Fujian Huayan Well Import and Export Trade Co., Ltd. of Fuzhou, Fujian Province, China ("Fujian"); Fullbeauty Brands Inc. of New York, New York ("Fullbeauty"); Legend Footwear, Inc. d/b/a Wild Diva of City of Industry, California ("Wild Diva"); 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, settlements, and consent order stipulations. *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), 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), 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. 27 (Oct. 6, 2021) (Hawkins), *unreviewed by* Comm'n Notice (Oct. 29, 2021).

On November 17, 2021, the Commission amended the complaint and notice of investigation to add certain new respondents and to partially terminate the investigations with respect to Crocsky, Ink Tee, and Hobibear. Order No. 30 (Oct. 21, 2021), *unreviewed by* Comm'n Notice (Nov. 17, 2021).

On October 29, 2021, Crocs and 718Closeouts moved to terminate the investigation with respect to 718Closeouts based on a settlement, consent order stipulation, and a consent order. On November 8, 2021, OUII filed a response in support of the joint motion to terminate 718Closeouts.

On November 10, 2021, the presiding CALJ issued the subject ID granting the motion to terminate 718Closeouts. The subject ID finds that the parties' consent order stipulation and consent order comply with the requirements of Commission Rules 210.21(c)(3) and (4) (19 CFR 210.21(c)(3), (4)). The ID also finds that the settling parties have stipulated that there are no other agreements, written or oral, express or implied, in accordance with Commission Rule 210.21(b)(1) (19 CFR 210.21(b)(1)). The subject ID also finds that the parties' settlement agreement is in the public interest, as it avoids litigation, conserves public and private resources, and does not impose any undue burdens on public health and welfare, competitive conditions in

the United States economy, production of likely or directly competitive articles in the United States, or United States consumers.

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

The Commission has determined not to review Order No. 34. 718Closeouts is hereby terminated from this investigation and the consent order to 718Closeouts is issued herewith.

The Commission vote for this determination took place on December 6, 2021.

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.

Lisa R. Barton Secretary to the Commission

Issued: December 6, 2021