UNITED STATES INTERNATIONAL TRADE COMMISSION Washington, D.C.

In the Matter of

CERTAIN DISPOSABLE VAPORIZER DEVICES

Inv. No. 337-TA-1410

NOTICE OF INSTITUTION OF INVESTIGATION

Institution of investigation pursuant to 19 U.S.C. 1337

AGENCY: U.S. International Trade Commission

ACTION: Notice

SUMMARY: Notice is hereby given that a complaint was filed with the U.S. International Trade Commission on June 11, 2024, under section 337 of the Tariff Act of 1930, as amended, on behalf of RAI Strategic Holdings, Inc. of Winston-Salem, North Carolina; R.J. Reynolds Vapor Company of Winston-Salem, North Carolina; R.J. Reynolds Tobacco Company of Winston-Salem of North Carolina; and RAI Services Company of Winston-Salem, North Carolina. Supplements were filed on June 12, 2024 and July 1, 2024. The complaint, as supplemented, alleges violations of section 337 based upon the importation into the United States, the sale for importation, and the sale within the United States after importation of certain disposable vaporizer devices and components thereof by reason of the infringement of certain claims of U.S. Patent No. 11,925,202 ("the '202 patent"). The complaint further alleges that an industry in the United States exists as required by the applicable Federal Statute.

The complainant requests that the Commission institute an investigation and, after the investigation, issue a general exclusion order, or in the alternative a limited exclusion order, and cease and desist orders.

A motion for temporary relief filed concurrently with the complaint, requests that the Commission issue a temporary exclusion order and temporary cease and desist orders prohibiting the importation into and the sale within the United States after importation of certain disposable vaporizer devices and components thereof during the course of the Commission's investigation.

ADDRESSES: The complaint, except for any confidential information contained therein, 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>. Hearing impaired individuals are advised that information on this matter can be obtained by contacting the Commission's TDD terminal on (202) 205-1810. Persons with mobility impairments who will need special assistance in gaining access to the Commission should contact the Office of the Secretary at (202) 205-2000. General information concerning the Commission may also be obtained by accessing its internet server at <u>https://www.usitc.gov</u>.

FOR FURTHER INFORMATION CONTACT: Pathenia M. Proctor, The Office of Unfair Import Investigations, U.S. International Trade Commission, telephone (202) 205-2560.

SUPPLEMENTARY INFORMATION:

AUTHORITY: The authority for institution of this investigation is contained in section 337 of the Tariff Act of 1930, as amended, 19 U.S.C. 1337, and in section 210.10 of the Commission's Rules of Practice and Procedure, 19 C.F.R. 210.10 (2024).

SCOPE OF INVESTIGATION: Having considered the complaint, the U.S. International Trade Commission, on July 16, 2024, ORDERED THAT –

(1) Pursuant to subsection (b) of section 337 of the Tariff Act of 1930, as amended, an investigation be instituted to determine whether there is a violation of subsection (a)(1)(B) of section 337 in the importation into the United States, the sale for importation, or the sale within the United States after importation of certain products identified in paragraph (2) by reason of infringement of one or more of claims 1, 3, 4, 8-13, and 15 of the '202 patent, and whether an industry in the United States exists as required by subsection (a)(2) of section 337;

(2) Pursuant to section 210.10(b)(1) of the Commission's Rules of Practice and Procedure, 19 C.F.R. 210.10(b)(1), the plain language description of the accused products or category of accused products, which defines the scope of the investigation, is "disposable electronic vapor device[s] designed to hold and heat a liquid during use to generate an aerosol";

(3) Pursuant to section 210.58 of the Commission's Rules of Practice and Procedure, 19 C.F.R. 210.58, the motion for temporary relief under subsection (e) of section 337 of the Tariff Act of 1930, which was filed with the complaint, is provisionally accepted and referred to the presiding administrative law judge for investigation;

(4) Pursuant to Commission Rule 210.50(b)(l), 19 C.F.R. § 210.50(b)(1), the presiding administrative law judge shall take evidence or other information and hear arguments from the parties or other interested persons with respect to the public interest in this investigation, as appropriate, and provide the Commission with findings of fact and a recommended determination on this issue, which shall be limited to the statutory public interest factors set forth in 19 U.S.C. §§ 1337(d)(l), (f)(1), (g)(1);

(5) For the purpose of the investigation so instituted, the following are hereby named as parties upon which this notice of investigation shall be served:

(a) The complainants are:

RAI Strategic Holdings, Inc. 401 North Main Street Winston-Salem, NC 27101 R.J. Reynolds Vapor Company 401 North Main Street Winston-Salem, NC 27101

R.J. Reynolds Tobacco Company 401 North Main Street Winston-Salem, NC 27101

RAI Services Company 401 North Main Street Winston-Salem, NC 27101

(b) The respondents are the following entities alleged to be in violation of section 337, and are the parties upon which the complaint is to be served:

Breeze Smoke, LLC 4654 Lilly Court West Bloomfield, MI 48323

Dongguan (Shenzhen) Shikai Technology Co., Ltd. Room 501-510, Building 16, Nan'an Plaza, Exhibition Bay, Zhancheng Community, Fuhai Street, Bao'an District, Shenzhen, Guangdong Province, China 518103

Vapeonly Technology Co. Ltd. 19H Maxgrand Plaza No. 3 Tai Yau Street San Po Kong, Kowloon, Hong Kong

iMiracle (Shenzhen) Technology Co., Ltd. Unit 3510-37, Luohu Business Center No. 2028 Shennan East Road Chengdong Community, Dongmen Street Luohu District, Shenzhen, China 518001

Guangdong Qisitech Co., Ltd. Room 201, Building 3 No. 36, Fuxhing Road, Chang'an Town Dongguan, Guangdong Province, China 523873

Fewo Intelligent Manufacturing Ltd. Room 101, Building 9, No. 243 Huiade Road, Humen Town Dongguan City, Guangdong Province, China 523926 Nevera (HK) Ltd. 19H, Maxgrand Plaza No.3 Tai Yau Street San Po Kong, Kowloon, Hong Kong

Guangdong Cellular Workshop Electronics Technology Co., Ltd. Room 201, Building 3 No. 216, Chang'an Bubugao Road Chang'an Town, Dongguan City Guangdong Province, China 523850

Wonder Ladies Ltd. Sea Meadow House P.O. Box 116, Road Town Tortola, British Virgin Islands VG1110

Sailing South Ltd. Sea Meadow House P.O. Box 116, Road Town Tortola, British Virgin Islands VG1110

Marea Morada Ltd. Sea Meadow House P.O. Box 116, Road Town Tortola, British Virgin Islands VG1110

Social Brands, LLC Beshoy Saad (registered agent) Suite 385 9696 Skillman Street, Dallas, TX 75243

Zhuhai Qisitech Co., Ltd. Room 201, Building 5, No. 16, Jinxing Road Tangjiwan Town, High-Tech Zone, Zhuhai, Guangdong Province, China 519085

Shenzhen Han Technology Co., Ltd. Room 401 and Floors 4-6, Building D Shenzhen Qianwan Hard Technology Industrial Park, Nanchang Community, Xixiang Street, Bao'an District, Shenzhen, Guangdong Province, China 518102 Palma Terra Ltd. Sea Meadow House, P.O. Box 116, Road Town, Tortola, British Virgin Islands VG1110

Shenzhen IVPS Technology Co., Ltd. Room 101, Building B8, No. 2 Cengyao Industrial Area, Yulu Community Yutang Street, Guangming District Shenzhen, Guangdong Province, China 518132

Heaven Gifts International Ltd. 19H, Maxgrand Plaza No.3 Tai Yau Street San Po Kong, Kowloon, Hong Kong

Maduro Distributors d/b/a The Loon 3021 82nd Lane NE Minneapolis, MN 55449

Bidi Vapor, LLC 200 South Orange Avenue, Suite 2300 Orlando, FL 32801

Kimsun Technology (HuiZhou) Co., Ltd. 18th Floor, Building A, Boton Technology Park Chaguang Road, Nanshan District, Shenzhen, Guangdong Province, China 518057

Shenzhen Yanyang Technology Co., Ltd. Room 901, Building B, Guanghao Int'l Center Intersection of Meilong Rd and Zhongmei Rd Daling Community, Minzhi Street Longhua District, Shenzhen Guangdong Province, China 518131

Pastel Cartel, LLC 5900 Balcones Dr, Ste 100 Austin, TX 78731

American Vape Company, LLC 13326 Immanuel Road, Ste 3 Pflugerville, TX 78660

Affiliated Imports, LLC 5900 Balcones Dr, Ste 100 Austin, TX 78731 Shenzhen LC Technology Co., Ltd. Room 301, 3rd Floor, Building 3 Changyi Industrial Factory No. 1 Lirong Road, Xinshi Community Dalang Street, Longhua District Shenzhen, Guangdong Province, China 518109

LCF Labs, Inc. 895 S Rockefeller Avenue, Unit 103 Ontario, CA 91761

Shenzhen Kangvape Technology Co., Ltd. Floors 5 and 2, Building 3 Chuangxin Port, Hanyu Bay District, Liyuan Road, Tangwei Community Fuhai Street, Bao'an District Shenzhen, Guangdong Province, China 518104

Flumgio Technology Ltd. Room 21, Unit A, Tin Wui Industrial Building No. 3 Hing Wong Street, Tuen Mun N.T., Hong Kong

Shenzhen Pingray Technology Floors 2, 3 and 4, Building G Wanfeng Western Entrepreneurship Park, Heyi Community, Shajing Street Bao'an District, Shenzhen Guangdong Province, China 518125

SV3, LLC d/b/a Mi-One Brands 2303 N 44th Street Unit 2 Phoenix, AZ 85008

Price Point Distributors Inc. d/b/a Price Point NY 500 Smith Street Farmingdale, NY 11735

Flawless Vape Shop Inc. 5589 E Santa Ana Canyon Rd Anaheim, CA 92807

Flawless Vape Wholesale & Distribution Inc. 5589 E Santa Ana Canyon Rd Anaheim, CA 92807 TheSy, LLC d/b/a Element Vape Unit 23, 300 W. Valley Blvd Alhambra, CA 91803

VICA Trading Inc. d/b/a Vapesourcing 3045 Edinger Avenue Tustin, CA 92780

(c) The Office of Unfair Import Investigations, U.S. International Trade Commission, 500 E Street, S.W., Suite 401, Washington, D.C. 20436; and

(6) For the investigation so instituted, the Chief Administrative Law Judge, U.S. International Trade Commission, shall designate the presiding Administrative Law Judge.

Responses to the complaint and the notice of investigation must be submitted by the named respondents in accordance with section 210.13 of the Commission's Rules of Practice and Procedure, 19 C.F.R. 210.13. Pursuant to 19 C.F.R. 201.16(e) and 210.13(a), as amended in 85 Fed. Reg. 15798 (March 19, 2020), such responses will be considered by the Commission if received not later than 20 days after the date of service by the complainants of the complaint and the notice of investigation. Extensions of time for submitting responses to the complaint and the notice of investigation will not be granted unless good cause therefor is shown.

Failure of a respondent to file a timely response to each allegation in the complaint and in this notice may be deemed to constitute a waiver of the right to appear and contest the allegations of the complaint and this notice, and to authorize the administrative law judge and the Commission, without further notice to the respondent, to find the facts to be as alleged in the complaint and this notice and to enter an initial determination and a final determination containing such findings, and may result in the issuance of an exclusion order or a cease and desist order or both directed against the respondent.

By order of the Commission.

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Lisa R. Barton Secretary to the Commission

Issued: July 17, 2024