

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, D.C.

In the Matter of
CERTAIN COMPACT WALLET
AND COMPONENTS THEREOF

Investigation No. 337-TA-1355

NOTICE OF THE COMMISSION’S FINAL DETERMINATION FINDING A VIOLATION OF SECTION 337; ISSUANCE OF A GENERAL EXCLUSION ORDER AND CEASE AND DESIST ORDERS; TERMINATION OF THE INVESTIGATION

AGENCY: U.S. International Trade Commission.

ACTION: Notice.

SUMMARY: Notice is hereby given that the U.S. International Trade Commission has found a violation of section 337 of the Tariff Act of 1930, as amended, in this investigation and has issued a general exclusion order prohibiting the importation of infringing compact wallets and components thereof and cease and desist orders directed against Respondents Rosemar Enterprises LLC d/b/a RossM Wallet (“RossM”); INSGG; Shenzhen Swztech Co., Ltd. d/b/a SWZA (“SWZA”); and Shenzhen Pincan Technology Co., Ltd. d/b/a ARW-Wallet (“ARW”).

FOR FURTHER INFORMATION CONTACT: Cathy Chen, Esq., Office of the General Counsel, U.S. International Trade Commission, 500 E Street S.W., Washington, D.C. 20436, telephone (202) 205-2392. 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 March 15, 2023, based on a complaint filed by The Ridge Wallet, LLC of Santa Monica, California (“Ridge” or “Complainant”). 88 FR 16030-031 (Mar. 15, 2023). The complaint, as supplemented, alleged violations of section 337 of the Tariff Act of 1930, as amended, 19 U.S.C. 1337, in the importation into the United States, the sale for importation, or the sale within the United States after importation of certain compact wallets and components thereof by reason of trade dress infringement and infringement of claims 1-4, 9, and 12-17 of U.S. Patent No. 10,791,808 (“the ’808 patent”). *Id.* The Commission’s notice of investigation named as respondents RossM of Palm Springs, California; INSGG of Hangzhou City, Zhejiang Province, China; Mosaic Brands, Inc. of Alamo, California (“Mosaic”); SWZA of Shenzhen, Guangdong, China; and ARW of Shenzhen, Guangdong, China. The Office of Unfair Import Investigations (“OUII”) also participated in this investigation.

After institution, Respondents RossM and INSGG were found in default (collectively, the “Defaulting Respondents”). *See* Order No. 12 (Jul. 11, 2023), *unreviewed by* Comm’n Notice (Jul. 28, 2023). In addition, Respondent Mosaic was terminated from the investigation based on settlement. *See* Order No. 16 (Sept. 6, 2023), *unreviewed by* Comm’n Notice (Sept. 22, 2023).

Before the evidentiary hearing, the investigation was terminated as to Ridge’s trade dress allegations and as to Ridge’s infringement allegations with respect to claims 3, 4, 9, 12, 13, 15, 16, and 17 of the ’808 patent. *See* Order No. 25 (Oct. 6, 2023), *unreviewed by* Comm’n Notice (Nov. 6, 2023).

Only Respondents SWZA and ARW (collectively, the “Participating Respondents”) participated at the evidentiary hearing held on November 6-7, 2023. After the hearing, counsel for the Participating Respondents withdrew after being “discharged” by the Participating Respondents. Final Initial Determination (“ID”) at 2 (citing Order No. 30 (Dec. 13, 2023)). The Participating Respondents did not file post-hearing briefs. *Id.* at 3.

On March 15, 2024, the ALJ issued a combined ID and recommended determination (“RD”), finding a violation of section 337 by the Defaulting Respondents and the Participating Respondents. Specifically, the ID found, *inter alia*, that the “Commission has subject matter, personal, and *in rem* jurisdiction in this investigation,” *id.* at 72; that the importation requirement is satisfied as to the accused products; that the accused products infringe claims 1, 2, and 14 of the ’808 patent; that Ridge has satisfied the domestic industry requirement with respect to the ’808 patent under sections 337(a)(3)(A) and (B); and that claims 1, 2, and 14 have not been shown to be invalid. In addition, the RD recommended that the Commission issue a general exclusion order and a cease and desist order directed to each of the respondents. The RD also recommended that the Commission impose a one hundred percent (100%) bond during the period of Presidential review.

On April 15, 2024, Ridge filed a statement on public interest pursuant to Commission Rule 210.50(a)(4), 19 CFR 210.50(a)(4).

No petitions for review were filed, which means each party has abandoned all issues decided adversely to that party. *See* 19 CFR 210.43(b)(4). No public interest submissions were filed in response to the Federal Register notice seeking such submissions, 89 FR 20248 (Mar. 21, 2024).

On May 16, 2024, the Commission issued a notice determining to review the ID in part on its own initiative. 89 FR 45010 (May 22, 2024); 19 CFR 210.44. Specifically, the Commission determined to review the ID’s findings with respect to jurisdiction and the economic prong of domestic industry. The Commission also requested briefing related to the economic prong of domestic industry and briefing on remedy, bonding, and the public interest.

On May 30, 2024, Ridge and OUII filed their respective initial submissions on the issues under review, and on remedy, bonding, and the public interest. On June 6, 2024, Ridge and OUII filed their respective response submissions. No other party filed a submission before the Commission.

Having reviewed the record of the investigation, including the ID and the parties' submissions, the Commission has found a violation of section 337 as claims 1, 2, and 14 of the '808 patent. Specifically, the Commission has determined to vacate the ID's use of the language "subject matter jurisdiction" and clarifies that this term, along with "*in rem* jurisdiction" and "personal jurisdiction," are merely shorthand for the Commission's statutory authority over the present investigation. The Commission has also determined to affirm, with modifications, the ID's finding that Ridge has satisfied the economic prong of the domestic industry requirement under section 337(a)(3)(B).

The Commission has determined that the appropriate remedy is: (1) a general exclusion order prohibiting the entry of infringing compact wallets and components thereof; and (2) cease and desist orders directed to Respondents RossM, SWZA, ARW, and INSGG. The Commission has determined that the public interest factors do not preclude issuance of the general exclusion order or the cease and desist orders. The Commission has determined that a bond is required during the period of Presidential review and sets the bond in the amount of one hundred percent (100%) of the imported articles. 19 U.S.C. 1337(j)(3).

The investigation is terminated. The Commission's reasoning in support of its determinations is set forth more fully in its opinion. The Commission's orders and opinion were delivered to the President and the United States Trade Representative on the day of their issuance.

The Commission vote for this determination took place on July 29, 2024.

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: July 29, 2024