PUBLIC VERSION

UNITED STATES INTERNATIONAL TRADE COMMISSION Washington, D.C.

In the Matter of

CERTAIN TONER CARTRIDGES AND COMPONENTS THEREOF

Inv. No. 337-TA-918

Order No. 13: INITIAL DETERMINATION Terminating the Investigation As to the Print-Rite Respondents

Pursuant to 19 C.F.R. § 210.21(c), complainants Canon Inc.; Canon U.S.A., Inc.; and Canon Virginia, Inc. (collectively, "Canon") and respondents Print-Rite Holdings Ltd.; Print-Rite N.A., Inc.; Union Technology International (M.C.O.) Co. Ltd.; Print-Rite Unicorn Image Products Co. Ltd.; and Innotex Precision Ltd. (collectively, the "Print-Rite Respondents") filed a joint motion to terminate this investigation as to the Print-Rite Respondents based upon a consent order stipulation and proposed consent order. Motion Docket No. 918-19. Respondents International Laser Group, Inc.; Ninestar Image Tech Limited; Zhuhai Seine Technology Co., Ltd.; Ninestar Technology Company, Ltd.; Seine Tech (USA) Co., Ltd.; Seine Image (USA) Co., Ltd.; and Nano Pacific Corporation filed a response stating they do not oppose termination as to the Print-Rite Respondents, but objecting to the redactions made to the public version of the settlement agreement (Exhibit 3 to the pending motion). The Commission Investigative Staff ("Staff") filed a response supporting the motion to terminate.

Commission Rule 210.21(c) provides that "[a] motion for termination by consent order shall contain copies of any licensing or other settlement agreement, any supplemental agreements, and a statement that there are no other agreements, written or oral, express or

implied between the parties concerning the subject matter of the investigation." 19 C.F.R. § 210.21(c). The pending motion includes the following exhibits: a consent order stipulation signed by Canon and the Print-Rite Respondents (Exhibit 1), an unredacted copy of a settlement agreement signed by Canon and the Print-Rite Respondents (Exhibit 2), and a redacted copy of the settlement agreement (Exhibit 3). Further, it is stated that "Canon and the Print-Rite Respondents certify that there are no other agreements, written or oral, express or implied, between Canon and the Print-Rite Respondents concerning the subject matter of this investigation." Mot. at 3. The pending motion therefore satisfies the requirements of Commission Rule 210.21(c).

Commission Rule 210.21(c)(3) sets forth the requirements for a consent order stipulation. 19 C.F.R. § 210.21(c)(3). It is determined that the consent order stipulation submitted as Exhibit 1 to the pending motion satisfies the requirements set forth in Commission Rule 210.21(c)(3).

Commission Rule 210.21(c)(4) sets forth the requirements for a consent order. 19 C.F.R. § 210.21(c)(4). It is determined that the proposed consent order submitted as Exhibit A to Exhibit 1 to the pending motion satisfies the requirements set forth in Commission Rule 210.21(c)(4).

Commission Rule 210.50(b)(2) provides that, in the case of a proposed termination by settlement agreement, consent order, or arbitration agreement, the parties may file statements regarding the impact of the proposed termination on the public interest, and the administrative law judge may hear argument, although no discovery may be compelled, with respect to issues relating solely to the public interest. 19 C.F.R. § 210.50(b)(2). The administrative law judge is

¹ The pending motion also satisfies the requirements of Commission Rule 210.21(b), which governs motions to terminate an investigation on the basis of a licensing or other settlement agreement. *See* 19 C.F.R. § 210.21(b).

directed to consider and make appropriate findings "regarding the effect of the proposed settlement on the public health and welfare, competitive conditions in the U.S. economy, the production of like or directly competitive articles in the United States, and U.S. consumers." *See id.*

Canon and the Print-Rite Respondents state that "[e]ntry of the proposed consent order will fully resolve the dispute between Canon and the Print-Rite Respondents with respect to the relief sought by Canon from the Commission as to the Print-Rite Respondents, and will remove the need for further adjudication as to the Print-Rite Accused Products." Mot. at 2. It is argued that "[e]ntry of the proposed consent order is in the public interest, which favors the private resolution of disputes to avoid needless litigation and to conserve resources." *Id*.

With respect to the public interest, the Staff states that it "is not aware of any public interest concerns militating against termination of the investigation based on the settlement agreement and consent order." Staff Resp. at 8. The Staff argues that "there is nothing to suggest that the Agreement would impose an undue burden on the 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." *Id.* at 8-9 (citing 19 U.S.C. § 1337(d)). The Staff further argues that "[t]he public interest favors the protection of presumptively valid intellectual property rights," and that "the public interest also favors settlement to avoid needless litigation and to conserve public and private resources." *Id.* at 9.

Having reviewed the exhibits submitted with the pending motion, the undersigned does not find any evidence that terminating this investigation as to the Print-Rite Respondents based on the settlement agreement, consent order stipulation, and the proposed consent order would be contrary to the public interest.

Accordingly, it is the initial determination of the undersigned that Motion No. 918-19 is granted. This investigation is terminated as to the Print-Rite Respondents.

Pursuant to 19 C.F.R. § 210.42(h), this initial determination shall become the determination of the Commission unless a party files a petition for review of the initial determination pursuant to 19 C.F.R. § 210.43(a), or the Commission, pursuant to 19 C.F.R. § 210.44, orders on its own motion a review of the initial determination or certain issues contained herein.

David P. Shaw

Administrative Law Judge

Issued: October 9, 2014