

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, D.C.

In the Matter of

**CERTAIN REDUCED IGNITION PROCLIVITY
CIGARETTE PAPER WRAPPERS AND
PRODUCTS CONTAINING SAME**

Inv. No. 337-TA-756

**NOTICE OF COMMISSION DETERMINATION TO REVIEW AN INITIAL
DETERMINATION GRANTING COMPLAINANT'S MOTION FOR SUMMARY
DETERMINATION WITH RESPECT TO THE ECONOMIC PRONG OF THE
DOMESTIC INDUSTRY REQUIREMENT AND ON REVIEW TO TAKE NO POSITION
WITH RESPECT TO SECTION 337(a)(3)(C)**

AGENCY: U.S. International Trade Commission.

ACTION: Notice.

SUMMARY: Notice is hereby given that the U.S. International Trade Commission has determined to review an initial determination ("ID") (Order No. 24) granting complainant's motion for summary determination with respect to the economic prong of the domestic industry requirement, and on review to take no position with respect to section 337(a)(3)(C).

FOR FURTHER INFORMATION CONTACT: James A. Worth, Office of the General Counsel, U.S. International Trade Commission, 500 E Street, S.W., Washington, D.C. 20436, telephone (202) 205-3065. Copies of non-confidential documents filed in connection with this investigation are or will be available for inspection during official business hours (8:45 a.m. to 5:15 p.m.) in the Office of the Secretary, U.S. International Trade Commission, 500 E Street, S.W., Washington, D.C. 20436, telephone (202) 205-2000. General information concerning the Commission may also be obtained by accessing its Internet server (<http://www.usitc.gov>). The public record for this investigation may be viewed on the Commission's electronic docket (EDIS) at <http://edis.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 January 27, 2011, based on a complaint filed by Schweitzer-Mauduit International, Inc. of Alpharetta, Georgia ("SWM"). 76 *Fed. Reg.* 4935 (January 27, 2011). The complaint alleges violations of Section 337 of the Tariff Act of 1930, as amended, 19 U.S.C. § 1337, by reason of infringement of certain claims of U.S. Patent Nos. 6,725,867 and 5,878,753. The Commission's notice of investigation named Astra Tobacco Corporation of Chapel Hill, North Carolina; delfortgroup AG of Traun, Austria; LIPTec GmbH of Neidenfels, Germany; and Julius Glatz GmbH of Neidenfels, Germany as respondents. On April 15, 2011, the Commission issued notice of its determination not to review an ID granting SWM's motion to amend the complaint and

notice of investigation to add seven respondents: Dr. Franz Feurstein GmbH of Traun, Austria; Papierfabrik Wattens GmbH & Co. KG of Wattens, Austria; Dosal Tobacco Corp. of Miami, Florida; Farmer's Tobacco Co. of Cynthia, Kentucky; KneX Worldwide, LLC of Charlotte, North Carolina; S&M Brands, Inc. of Keysville, Virginia; Tantus Tobacco LLC of Russell Springs, Kentucky.

On July 6, 2011, SWM filed a motion for summary determination that its domestic activities satisfy the economic prong of the domestic industry requirement. Specifically, SWM argued that it possesses significant investment in plant and equipment, significant employment of labor and capital, and substantial investment in research, development, design, and engineering. On July 15, 2011, SWM supplemented its motion. On July 26, 2011, the Commission investigative attorney ("IA") filed a response in support of SWM's motion. The IA indicated that SWM has satisfied the domestic industry requirement within the context of the low ignition paper industry. On July 27, 2011, respondents delfortgroup AG, Dr. Franz Feurstein GmbH, Papierfabrik Wattens GmbH & Co. KG, Astra Tobacco Corp., Farmer's Tobacco Co., S&M Brands, Inc., and Tantus Tobacco LLC filed a response, and also on July 27, 2011, respondents Julius Glatz GmbH, LIptec GmbH, and KneXWorldwide LLC filed a response. Both sets of respondents made objections with respect to the technical prong of the domestic industry requirement.

On October 24, 2011, the ALJ issued the subject ID, granting SWM's motion. No petitions for review were filed.

The Commission has determined to review the subject ID and to take no position with respect to 19 U.S.C. § 1337(a)(3)(C). The Commission affirms the ID with respect to 19 U.S.C. § 1337(a)(3)(A) and (B).

This action is taken under the authority of section 337 of the Tariff Act of 1930, as amended (19 U.S.C. § 1337), and of section 210.42(h) of the Commission's Rules of Practice and Procedure (19 C.F.R. § 210.42(h)).

By order of the Commission.

/s/
James R. Holbein
Secretary to the Commission

Issued: November 23, 2011