In the Matter of

Certain DVD Players and Recorders and Certain Products Containing Same

Investigation No. 337-TA-603

Publication 4158

June 2010



Washington, DC 20436

U.S. International Trade Commission

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U.S. International Trade Commission

Washington, DC 20436 www.usitc.gov

In the Matter of

Certain DVD Players and Recorders and Certain Products Containing Same

Investigation No. 337-TA-603



In the Matter of

CERTAIN DVD PLAYERS AND RECORDERS AND CERTAIN PRODUCTS CONTAINING SAME

Investigation No. 337-TA-603

NOTICE OF COMMISSION ISSUANCE OF A LIMITED EXCLUSION ORDER AGAINST THE INFRINGING PRODUCTS OF RESPONDENTS FOUND IN DEFAULT; TERMINATION OF INVESTIGATION

AGENCY: U.S. International Trade Commission.

ACTION: Notice.

SUMMARY: Notice is hereby given that the U.S. International Trade Commission has issued a limited exclusion order against the infringing products of Dongguan GVG Digital Products Ltd. and GVG Digital Technology Holdings Ltd. (collectively, the "GVG respondents"), who were previously found in default, and has terminated the above-captioned investigation under section 337 of the Tariff Act of 1930, as amended, 19 U.S.C. § 1337 ("section 337").

FOR FURTHER INFORMATION CONTACT: Paul M. Bartkowski, Office of the General Counsel, U.S. International Trade Commission, 500 E Street, S.W., Washington, D.C. 20436, telephone (202) 708-5432. 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: This investigation was instituted on May 8, 2007, based on a complaint filed by Toshiba Corporation of Tokyo, Japan and Toshiba America Consumer Products, L.L.C., of Wayne, New Jersey (collectively, "Toshiba"). The complaint, as supplemented, alleges violations of section 337 of the Tariff Act of 1930 (19 U.S.C. § 1337) in the importation into the United States, the sale for importation, and the sale within the United States after importation of certain DVD players and recorders and certain products containing the same by reason of infringement of certain claims of U.S. Patent Nos.: 5,587,991; 5,870,523; and 5,956,306. The complaint named over a dozen respondents, including the GVG respondents.

On June 25, 2007, Toshiba filed a motion for an order to show cause and for subsequent default judgment against the GVG respondents. On July 10, 2007, the ALJ issued an order requiring the GVG respondents to show cause by July 24, 2007, why they should not be found in default. No response to the show-cause order was received from either of the GVG respondents. Subsequently, the GVG respondents were found in default. All other respondents have been terminated from this investigation. Accordingly, the Commission requested briefing from interested parties and the public on remedy, the public interest, and bonding.

The Commission investigative attorney and Toshiba submitted briefing responsive to the Commission's request on January 4, 2008, and each proposed a limited exclusion order directed to the GVG respondents' accused products, and recommended allowing entry under bond of 100 percent of entered value during the period of Presidential review.

The Commission found that each of the statutory requirements of section 337(g)(1)(A)-(E), 19 U.S.C. § 1337(g)(1)(A)-(E), has been met with respect to the defaulting respondents. Accordingly, pursuant to section 337(g)(1), 19 U.S.C. § 1337(g)(1), and Commission rule 210.16(c), 19 CFR § 210.16(c), the Commission presumed the facts alleged in the complaint to be true.

The Commission determined that the appropriate form of relief in this investigation is a limited exclusion order prohibiting the unlicensed entry of certain DVD players and recorders and products containing same by reason of infringement of claims 6 and 7 of U.S. Patent No. 5,587,991, claim 31 of U.S. Patent No. 5,870,523, and claim 4 of U.S. Patent No. 5,956,306, and that are manufactured abroad by or on behalf of, or imported by or on behalf of, the GVG respondents. The Commission further determined that the public interest factors enumerated in section 337(g)(1), 19 U.S.C. § 1337(g)(1), do not preclude issuance of the limited exclusion order. Finally, the Commission determined that the bond under the limited exclusion order during the Presidential review period shall be in the amount of 100 percent of the entered value of the imported articles. The Commission's order was delivered to the President and the United States Trade Representative on the day of its issuance.

The Commission has terminated this investigation. 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 sections 210.16(c) and 210.41 of the Commission's Rules of Practice and Procedure (19 CFR § 210.16(c) and § 210.41).

By order of the Commission.

Marilyn R. Abbott

Secretary to the Commission

Issued: February 15, 2008

In the Matter of CERTAIN DVD PLAYERS AND RECORDERS AND CERTAIN PRODUCTS CONTAINING SAME

Inv. No. 337-TA-603

LIMITED EXCLUSION ORDER

The Commission has previously found Dongguan GVG Digital Products

Ltd. and GVG Digital Technology Holdings Ltd. in default for failing to respond

to the Notice of Investigation and the Complaint that alleged a violation of section

337 of the Tariff Act of 1930 (19 U.S.C. § 1337) in the unlawful importation and
sale of certain DVD players and recorders and products containing same by reason

of infringement of claims 6 and 7 of U.S. Patent No. 5,587,911 ("the '991 patent),
claim 31 of U.S. Patent No. 5,870,523 ("the '523 patent"), and claim 4 of U.S.

Patent No. 5,956,306 ("the '306 patent").

Having reviewed the record in this investigation, including the written submissions of the parties, the Commission has made its determination on the issues of remedy, the public interest, and bonding. The Commission has determined that the appropriate form of relief as to the defaulting respondents is a limited exclusion order prohibiting the unlicensed entry of DVD players and recorders and products containing the same that are covered by one or more of claims 6 and 7 of the '991 patent, claim 31 of the '523 patent, and claim 4 of the '306 patent, and that are manufactured abroad by or on behalf of, or imported by

or on behalf of, Dongguan GVG Digital Products Ltd. and GVG Digital Technology Holdings Ltd.

The Commission has further determined that the public interest factors enumerated in 19 U.S.C. § 1337(d) do not preclude issuance of the limited exclusion order, and that the bond during the Presidential review period shall be in the amount of 100% of entered value of the DVD players, DVD recorders and products containing the same that are subject to this Order.

Accordingly, the Commission hereby **ORDERS** that:

- 1. DVD players and recorders and products containing the same within the scope of the investigation that are covered by one or more of claims 6 and 7 of the '991 patent, claim 31 of the '523 patent, and claim 4 of the '306 patent, and that are manufactured abroad by or on behalf of, or imported by or on behalf of, Dongguan GVG Digital Products Ltd. and GVG Digital Technology Holdings Ltd., or any of their affiliated companies, parents, subsidiaries, or other related business entities, or any of their successors or assigns, shall be excluded from entry for consumption into the United States, entry for consumption from a foreign trade zone, or withdrawal from a warehouse for consumption, for the remaining term of the patents, except under license of the patent owner or as provided by law.
- 2. DVD players and recorders and products containing the same that are excluded by paragraph 1 of this Order are entitled to entry for consumption

into the United States, entry for consumption from a foreign trade zone, or withdrawal from a warehouse for consumption, under bond in the amount of 100% of entered value pursuant to subsection (j) of section 337 of the Tariff Act of 1930, as amended, 19 U.S.C. § 1337(j), and the Presidential Memorandum for the United States Trade Representative of July 21, 2005 (70 Fed. Reg. 43251), from the day after this Order is received by the United States Trade Representative until such time as the United States Trade Representative notifies the Commission that this action is approved or disapproved but, in any event, not later than 60 days after the date of receipt of this action.

- 3. At the discretion of U.S. Customs and Border Protection ("CBP") and pursuant to procedures it establishes, persons seeking to import DVD players and recorders and products containing the same that are potentially subject to this Order may be required to certify that they are familiar with the terms of this Order, that they have made appropriate inquiry, and thereupon state that, to the best of their knowledge and belief, the products being imported are not excluded from entry under paragraphs 1 through 7 of this Order. At its discretion, Customs may require persons who have provided the certification described in this paragraph to furnish such records or analyses as are necessary to substantiate the certification.
- 4. In accordance with 19 U.S.C. § 1337(1), the provisions of this

 Order shall not apply to DVD players and recorders and products containing the
 same that are imported by and for the use of the United States, or imported for,

and to be used for, the United States with the authorization or consent of the Government.

- 5. The Commission may modify this Order in accordance with the procedures described in section 210.76 of the Commission's Rules of Practice and Procedure, 19 C.F.R. § 210.76.
- 6. The Secretary shall serve copies of this Order upon each party of record in this investigation and upon the Department of Health and Human Services, the Department of Justice, the Federal Trade Commission, and the U.S. Bureau of Customs and Border Protection.
 - 7. Notice of this Order shall be published in the *Federal Register*.

 By Order of the Commission.

Marilyn R. Abbott

Secretary to the Commission

Issued: February 15, 2008

CERTAIN DVD PLAYERS AND RECORDERS AND CERTAIN PRODUCTS CONTAINING SAME

337-TA-603

PUBLIC CERTIFICATE OF SERVICE

I, Marilyn R. Abbott, hereby certify that the attached NOTICE OF COMMISSION ISSUANCE OF A LIMITED EXCLUSION ORDER AGAINST THE INFRINGING PRODUCTS OF RESPONDENTS FOUND IN DEFAULT; TERMINATION OF INVESTIGATION has been served by hand upon the Commission Investigative Attorney, Rett Snotherly, Esq., and the following parties as indicated, on February 19, 2008

Marilyn R. Abbott, Secretary
U.S. International Trade Commission
500 E Street, SW
Washington, DC 20436

ON BEHALF OF COMPLAINANTS TOSHIBA CORPORATION AND TOSHIBA AMERICA CONSUMER PRODUCTS:

G. Brian Busey, Esq. Cynthia Lopez Beverage, Esq. John L. Kolakowski, Esq. MORRISON & FOERSTER LLP 2000 Pennsylvania Ave., NW Suite 5500 Washington, DC 20006 P-202-887-1500 F-202-887-0763	() Via Hand Delivery () Via Overnight Mail () Via First Class Mail () Other:
RESPONDENTS:	
Dongguan GVG Digital Technology Ltd. DaPing Percinct Tang Xia Town, Dongguan Guangdong Province, China	() Via Hand Delivery () Via Overnight Mail () Via First Class Mail () Other:

Certificate of Service – Page 2

GVG Digital Technology Holdings Ltd. Rm 1822, Grantech Centre 8 On Ping Street Siu Lek Yuen Shatin, New Territories, Hong Kong	() Via Hand Delivery () Via Overnight Mail () Via First Class Mail () Other:	
GOVERNMENT AGENCIES:		
Edward T. Hand, Chief Foreign Commerce Section Antitrust Division U.S. Department of Justice 601 Street, NW, Room 10023 Washington, DC 20530	() Via Hand Delivery () Via Overnight Mail () Via First Class Mail () Other:	
George F. McCray, Chief Intellectual Property Rights Branch U.S. Bureau of Customs and Border Protection Mint Annex Building 1300 Pennsylvania Avenue, NW Washington, DC 20229	() Via Hand Delivery () Via Overnight Mail (Via First Class Mail () Other:	
Elizabeth Kraus, Deputy Director International Antitrust Federal Trade Commission 600 Pennsylvania Avenue, Room 498 Washington, DC 20580	() Via Hand Delivery () Via Overnight Mail () Via First Class Mail () Other:	
Richard Lambert, Esq. Office of General Counsel Dept. of Health & Human Services National Institutes of Health Building 31, Room 2B50 9000 Rockville Pike Bethesda, MD 20892-2111	() Via Hand Delivery () Via Overnight Mail () Via First Class Mail () Other:	

In the Matter of

CERTAIN DVD PLAYERS AND RECORDERS AND CERTAIN PRODUCTS CONTAINING SAME Investigation No. 337-TA-603

NOTICE OF A CORRECTED LIMITED EXCLUSION ORDER

AGENCY: U.S. International Trade Commission.

ACTION: Notice.

SUMMARY: Notice is hereby given that the U.S. International Trade Commission has issued a corrected limited exclusion order in the above-captioned investigation. The corrected order adds language, inadvertently left out of the previous order, noting that products of Dongguan GVG Digital Products Ltd. and GVG Digital Technology Holdings Ltd. (collectively, the "GVG respondents") that practice the method of claim 16 of the U.S. Patent No. 5,870,523 ("the '523 patent") are excluded from entry.

FOR FURTHER INFORMATION CONTACT: Paul M. Bartkowski, Office of the General Counsel, U.S. International Trade Commission, 500 E Street, S.W., Washington, D.C. 20436, telephone (202) 708-5432. 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: This investigation was instituted on May 8, 2007, based on a complaint filed by Toshiba Corporation of Tokyo, Japan and Toshiba America Consumer Products, L.L.C., of Wayne, New Jersey (collectively, "Toshiba"). The complaint, as supplemented, alleges violations of section 337 of the Tariff Act of 1930 (19 U.S.C. § 1337) in the importation into the United States, the sale for importation, and the sale within the United States after importation of certain DVD players and recorders and certain products containing the

same by reason of infringement of claims 6 and 7 of U.S. Patent No. 5,587,991, claims 16 and 31 of the '523 patent, and claim 4 of U.S. Patent No. 5,956,306. The complaint named over a dozen respondents, including the GVG respondents.

Each respondent has been terminated from the investigation on the basis of settlement, consent order, or, in the case of the GVG respondents, default. Because the GVG respondents were found in default, and thus subject to a limited exclusion order under section 337(g)(1), 19 U.S.C. § 1337(g)(1), the Commission requested briefing from interested parties on remedy, the public interest, and bonding on December 17, 2007.

On February 15, 2008, the Commission issued a limited exclusion order prohibiting the unlicensed entry of certain DVD players and recorders and products containing same by reason of infringement of claims 6 and 7 of U.S. Patent No. 5,587,991, claim 31 of the '523 patent, and claim 4 of U.S. Patent No. 5,956,306, and that are manufactured abroad by or on behalf of, or imported by or on behalf of, the GVG respondents. The Commission's order was delivered to the President and the United States Trade Representative on the day of its issuance.

Under section 337(g)(1), 19 U.S.C. § 1337 (g)(1), in the case of a defaulting respondent, the Commission presumes facts alleged in the complaint to be true. Accordingly, method claim 16 of the '523 patent should have been included in the limited exclusion order. The inclusion of method claim 16 will not broaden the scope of products covered by the exclusion order. Rather, it will merely provide an additional basis for exclusion of the products already covered by the order.

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 section 210.16(c) of the Commission's Rules of Practice and Procedure (19 CFR § 210.16(c)).

By order of the Commission.

Marilyn R. Abbott

Secretary to the Commission

Issued: March 14, 2008

In the Matter of CERTAIN DVD PLAYERS AND RECORDERS AND CERTAIN PRODUCTS CONTAINING SAME

Inv. No. 337-TA-603

[CORRECTED] LIMITED EXCLUSION ORDER

The Commission has previously found Dongguan GVG Digital Products Ltd. and GVG Digital Technology Holdings Ltd. in default for failing to respond to the Notice of Investigation and the Complaint that alleged a violation of section 337 of the Tariff Act of 1930 (19 U.S.C. § 1337) in the unlawful importation and sale of certain DVD players and recorders and products containing same by reason of infringement of claims 6 and 7 of U.S. Patent No. 5,587,911 ("the '991 patent), claims 16 and 31 of U.S. Patent No. 5,870,523 ("the '523 patent"), and claim 4 of U.S. Patent No. 5,956,306 ("the '306 patent").

Having reviewed the record in this investigation, including the written submissions of the parties, the Commission has made its determination on the issues of remedy, the public interest, and bonding. The Commission has determined that the appropriate form of relief as to the defaulting respondents is a limited exclusion order prohibiting the unlicensed entry of DVD players and recorders and products containing the same that are covered by one or more of claims 6 and 7 of the '991 patent, claim 31 of the '523 patent, and claim 4 of the

'306 patent, and/or that practice the method of claim 16 of the '523 patent, and that are manufactured abroad by or on behalf of, or imported by or on behalf of, Dongguan GVG Digital Products Ltd. and GVG Digital Technology Holdings Ltd.

The Commission has further determined that the public interest factors enumerated in 19 U.S.C. § 1337(d) do not preclude issuance of the limited exclusion order, and that the bond during the Presidential review period shall be in the amount of 100% of entered value of the DVD players, DVD recorders and products containing the same that are subject to this Order.

Accordingly, the Commission hereby **ORDERS** that:

1. DVD players and recorders and products containing the same within the scope of the investigation that are covered by one or more of claims 6 and 7 of the '991 patent, claim 31 of the '523 patent claim 4 of the '306 patent, and/or that practice the method of claim 16 of the '523 patent, and that are manufactured abroad by or on behalf of, or imported by or on behalf of, Dongguan GVG Digital Products Ltd. and GVG Digital Technology Holdings Ltd., or any of their affiliated companies, parents, subsidiaries, or other related business entities, or any of their successors or assigns, shall be excluded from entry for consumption into the United States, entry for consumption from a foreign trade zone, or withdrawal from a warehouse for consumption, for the

remaining term of the patents, except under license of the patent owner or as provided by law.

- 2. DVD players and recorders and products containing the same that are excluded by paragraph 1 of this Order are entitled to entry for consumption into the United States, entry for consumption from a foreign trade zone, or withdrawal from a warehouse for consumption, under bond in the amount of 100% of entered value pursuant to subsection (j) of section 337 of the Tariff Act of 1930, as amended, 19 U.S.C. § 1337(j), and the Presidential Memorandum for the United States Trade Representative of July 21, 2005 (70 Fed. Reg. 43251), from the day after this Order is received by the United States Trade Representative until such time as the United States Trade Representative notifies the Commission that this action is approved or disapproved but, in any event, not later than 60 days after the date of receipt of this action.
- 3. At the discretion of U.S. Customs and Border Protection ("CBP") and pursuant to procedures it establishes, persons seeking to import DVD players and recorders and products containing the same that are potentially subject to this Order may be required to certify that they are familiar with the terms of this Order, that they have made appropriate inquiry, and thereupon state that, to the best of their knowledge and belief, the products being imported are not excluded from entry under paragraphs 1 through 7 of this Order. At its discretion, Customs may

require persons who have provided the certification described in this paragraph to furnish such records or analyses as are necessary to substantiate the certification.

- 4. In accordance with 19 U.S.C. § 1337(1), the provisions of this Order shall not apply to DVD players and recorders and products containing the same that are imported by and for the use of the United States, or imported for, and to be used for, the United States with the authorization or consent of the Government.
- 5. The Commission may modify this Order in accordance with the procedures described in section 210.76 of the Commission's Rules of Practice and Procedure, 19 C.F.R. § 210.76.
- 6. The Secretary shall serve copies of this Order upon each party of record in this investigation and upon the Department of Health and Human Services, the Department of Justice, the Federal Trade Commission, and the U.S. Bureau of Customs and Border Protection.
 - 7. Notice of this Order shall be published in the *Federal Register*.

 By Order of the Commission.

Marilyn R. Abbett
Secretary to the Commission

Issued: March 14, 2008

Shatin, New Territories, Hong Kong

CERTAIN DVD PLAYERS AND RECORDERS AND CERTAIN PRODUCTS CONTAINING SAME

337-TA-603

PUBLIC CERTIFICATE OF SERVICE

	ne attached NOTICE OF CORRECTED been served by hand upon the Commission q., and the following parties as indicated, on	
	Marilyn R. Abbott, Secretary U.S. International Trade Commission 500 E Street, SW Washington, DC 20436	
ON BEHALF OF COMPLAINANTS T CORPORATION AND TOSHIBA AM		
CONSUMER PRODUCTS:		
G. Brian Busey, Esq. Cynthia Lopez Beverage, Esq. John L. Kolakowski, Esq. MORRISON & FOERSTER LLP 2000 Pennsylvania Ave., NW Suite 5500 Washington, DC 20006 P-202-887-1500 F-202-887-0763	() Via Hand Delivery () Via Overnight Mail (x) Via First Class Mail () Other:	
RESPONDENTS:		
Dongguan GVG Digital Technology Ltd. DaPing Percinct Tang Xia Town, Dongguan Guangdong Province, China	() Via Hand Delivery () Via Overnight Mail (x) Via First Class Mail () Other:	
GVG Digital Technology Holdings Ltd. Rm 1822, Grantech Centre 8 On Ping Street Sin Lek Yven	() Via Hand Delivery () Via Overnight Mail (x) Via First Class Mail	

GOVERNMENT AGENCIES:

Bethesda, MD 20892-2111

Edward T. Hand, Chief	() Via Hand Delivery	
Foreign Commerce Section	() Via Overnight Mail	
Antitrust Division	() Via First Class Mail () Other:	
U.S. Department of Justice		
601 Street, NW, Room 10023		
Washington, DC 20530		
George F. McCray, Chief	() Via Hand Delivery	
Intellectual Property Rights Branch	() Via Overnight Mail &) Via First Class Mail	
U.S. Bureau of Customs and Border Protection		
Mint Annex Building	() Other:	
1300 Pennsylvania Avenue, NW		
Washington, DC 20229		
Elizabeth Kraus, Deputy Director	() Via Hand Delivery	
International Antitrust	() Via Overnight Mail	
Federal Trade Commission	(x) Via First Class Mail	
600 Pennsylvania Avenue, Room 498	() Other:	
Washington, DC 20580		
Richard Lambert, Esq.	() Via Hand Delivery	
Office of General Counsel	() Via Overnight Mail	
Dept. of Health & Human Services	(x) Via First Class Mail	
National Institutes of Health	() Other:	
Building 31, Room 2B50		
9000 Rockville Pike		

In the Matter of

CERTAIN DVD PLAYERS AND RECORDERS AND CERTAIN PRODUCTS CONTAINING SAME

Investigation No. 337-TA-603

NOTICE OF COMMISSION DECISION NOT TO REVIEW AN INITIAL DETERMINATION FINDING THE GVG RESPONDENTS IN DEFAULT

AGENCY: U.S. International Trade Commission.

ACTION: Notice.

SUMMARY: Notice is hereby given that the U.S. International Trade Commission has determined not to review an initial determination ("ID") (Order No. 13) issued by the presiding administrative law judge ("ALJ") granting a motion to find respondents Dongguan GVG Digital Technology Ltd. and GVG Digital Technology Holdings Ltd. (collectively, the "GVG respondents") in default.

FOR FURTHER INFORMATION CONTACT: Paul M. Bartkowski, Esq., Office of the General Counsel, U.S. International Trade Commission, 500 E Street, S.W., Washington, D.C. 20436, telephone (202) 708-5432. 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 at 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: This investigation was instituted on May 8, 2007, based on a complaint filed by Toshiba Corporation of Tokyo, Japan and Toshiba America Consumer Products, L.L.C., of Wayne, New Jersey (collectively, "Toshiba"). The complaint, as supplemented, alleges violations of section 337 of the Tariff Act of 1930 (19 U.S.C. § 1337) in the importation into the United States, the sale for importation, and the sale within the United States after importation of certain DVD players and recorders and certain products containing the

same by reason of infringement of certain claims of U.S. Patent Nos.: 5,587,991; 5,870,523; and 5,956,306. The complaint named over a dozen respondents, including the GVG respondents.

On June 25, 2007, Toshiba filed a motion for an order to show cause and for subsequent default judgment against the GVG respondents. The Commission investigative attorney filed a response in support of the motion. No other response to Toshiba's motion was received. On July 10, 2007, the ALJ issued an order requiring the GVG respondents to show cause by July 24, 2007, why they should not be found in default. No response to the show-cause order was received from either of the GVG respondents.

On July 30, 2007, the ALJ issued the subject ID, finding the GVG respondents in default. No petitions for review were filed. The Commission has determined not to review the subject ID.

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 section 210.42 of the Commission's Rules of Practice and Procedure (19 C.F.R. § 210.42).

By order of the Commission.

Marilyn R. Abb

Secretary to the Commission

Issued: August 22, 2007

F-202-887-4288

CERTAIN DVD PLAYERS AND RECORDERS AND CERTAIN PRODUCTSCONTAINING SAME

337-TA-603

CERTIFICATE OF SERVICE

	TIAL DETERMINATION FINDING THE	
	as been served by hand upon the Commission q., and the following parties as indicated, on	
_	q., and the following parties as indicated, on	
August 22, 2007 .	Marilyn R. Abbott, Secretary U.S. International Trade Commission 500 E Street, SW Washington, DC 20436	
ON BEHALF OF COMPLAINANTS TO CORPORATION AND TOSHIBA AME CONSUMER PRODUCTS:		
G. Brian Busey, Esq. Cynthia Lopez Beverage, Esq. John L. Kolakowski, Esq. MORRISON & FOERSTER LLP 2000 Pennsylvania Ave., NW Suite 5500 Washington, DC 20006 P-202-887-1500 F-202-887-0763	() Via Hand Delivery () Via Overnight Mail () Via First Class Mail () Other:	
ON BEHALF OF RESPONDENT DAEN ELECTRONICS OF AMERICA, INC.:	<u>woo</u>	
Arthur Wineburg, Esq. Jeffrey K Sherwood, Esq. Daniel E. Yonan, Esq. AKIN GUMP STRAUSS HAUER & FELD LLP 1333 New Hampshire Ave., NW Washington, DC 20036-1564 P-202-887-4000	() Via Hand Delivery () Via Overnight Mail () Via First Class Mail () Other:	

ON BEHALF OF RESPONDENTS MEMCORP INC.,
DONGGUAN TONIC ELECTRONICS CO., LTD.,
STARLIGHT ELECTRONICS CO., LTD.,
STARLIGHT INTERNATIONAL HOLDINGS
LIMITED, STARLIGHT MARKETING (HK) LTD.,
TONIC DVB MARKETING LIMITED, TONIC
DIGITAL PRODUCTS LIMITED, TONIC DIGITAL
PRODUCTS LIMITED, TONIC ELECTRONICS
LIMITED (HK), TONIC INDUSTRIES HOLDINGS
LIMITED, TONIC TECHNOLOGY LIMITED,
TONIC TECHNOLOGY (SHENZHEN) LTD., AND
TONIC TECHNOLOGY LIMITED:

Anton N. Handal, Esq.	() Via Hand Delivery
Gabriel Hedrick, Esq.	() Yia Overnight Mail
Pamela C. Chalk, Esq.	(Via First Class Mail
HANDAL ASSOCIATES	() Other:
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San Diego, CA 92101	
P-619-544-6400	
F-619-696-0323	
RESPONDENTS:	
Dongguan GVG Digital Technology Ltd.	() Via Hand Delivery
DaPing Percinct	() Yia Overnight Mail
Tang Xia Town, Dongguan	(Via First Class Mail
Guangdong Province, China	() Other:
GVG Digital Technology Holdings Ltd.	() Via Hand Delivery
Rm 1822, Grandtech Centre	() Yia Overnight Mail
8 On Ping St	(V) Via First Class Mail
Siu Lek Yuen	() Other:
Shatin, New Territotries, Hong Kong	

In the Matter of

Inv. No. 337-TA-603

CERTAIN DVD PLAYERS AND RECORDERS AND CERTAIN PRODUCTS CONTAINING SAME

Order 13: INITIAL DETERMINATION Finding the GVG Respondents in Default

By publication of a notice in the *Federal Register* on May 8, 2007, pursuant to subsection (b) of section 337 of the Tariff Act of 1930, as amended, the Commission instituted this investigation to determine:

[W]hether 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 DVD players and recorders and certain products containing same by reason of infringement of one or more of claims 6 and 7 of U.S. Patent No. 5,587,991; claims 16 and 31 of U.S. Patent No. 5,870,523; and claim 4 of U.S. Patent No. 5,956,306; and whether an industry in the United States exists as required by subsection (a)(2) of section 337.

72 Fed. Reg. 26152 (2007).

The complainants are: Toshiba Corporation of Tokyo, Japan; and Toshiba Corporation of Wayne, New Jersey. *Id.* The notice names several respondents, including Dongguan GVG Digital Technology Ltd. of Guangdong Province, China; and GVG Digital Technology Holdings Ltd. of New Territories, Hong Kong (collectively the "GVG respondents"). The Commission Investigative Staff of the Office of Unfair Import Investigations is also a party in this investigation. *Id.*

The Commission sent copies of the complaint and notice of investigation to the two GVG respondents, and the mailings were not returned as undeliverable.¹ Nevertheless, the GVG respondents did not respond to the complaint and notice of investigation.

The Commission's Rules provide that a party shall be found in default if it fails to respond to the complaint and notice of investigation, and fails to show cause why it should not be found in default. See 19 C.F.R. § 210.16(a)(1). A party found in default is deemed to have waived its right to appear, to be served with documents, and to contest the allegations at issue in the investigation. See 19 C.F.R. § 210.16(b)(3).

On June 25, 2007, the complainants filed a motion for an order to show cause and for subsequent default judgment against the GVG respondents. (Motion Dkt. No. 603-9.) The Commission Investigative Staff of the Office of Unfair Import Investigations supported the entry of an order requiring the GVG respondents to show cause why they should not be found in default, and the subsequent entry of an initial determination of default if the required showings were not made. No other response to the complainants' motion was received.²

On July 10, 2007, the Administrative Law Judge issued Order 9, which required the GVG

In Certain Pet Food Treats, Inv. No. 337-TA-511 ("Pet Treats") the Commission Secretary served a copy of the complaint and notice of investigation upon a foreign respondent, and the mailing was not returned to the Commission. The respondent did not respond to the complaint and notice of investigation, or a subsequent show cause order. The Commission did not review an initial determination finding the respondent in default. See Pet Treats, Order 6 (show cause); Pet Treats, Order 8 (initial determination); Pet Treats, Commission Notice, 70 Fed. Reg. 20596 (2005) (non-review of Order 8 (initial determination)). See also Certain 4-Androstenediol, Inv. No. 337-TA-440, Commission Notice and Order No. 9 (Initial Determination), Pub. No. 3496 (Mar. 2002) (facts similar to those in Pet Treats).

² The Commission's Rules provide that if a nonmoving party fails to respond to a motion, it may be deemed to have consented to the granting of the motion. See 19 C.F.R. § 210.15(c).

respondents to show cause by July 24, 2007 why they should not be found in default. No

response to Order 9 was received from either GVG respondent.

Inasmuch as the GVG respondents did not respond to the complaint and notice of

investigation, and did not respond to the order to show cause, they must be found in default. See

19 C.F.R. § 210.16(a)(1).

Accordingly, it is the INITIAL DETERMINATION of the Administrative Law Judge that

respondents Dongguan GVG Digital Technology Ltd. and GVG Digital Technology Holdings

Ltd. are in default. The complainants' Motion 603-9 is GRANTED.

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.

Carl C. Charneski

Administrative Law Judge

al C. Charnesti

Issued: July 30, 2007

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CERTIFICATE OF SERVICE

I, Marilyn R. Abbott, hereby certify that the attached **ORDER** was served upon Karin J. Norton, Esq. and upon the following parties via first class mail, or air mail where necessary, on

July 30, 2007

Marilyn R. Abbott, Secretary

U.S. International Trade Commission

500 E. Street, SW

Washington, D.C. 20436

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CERTAIN DVD PLAYERS AND RECORDERS AND CERTAIN PRODUCTS CONTAINING SAME

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