

PUBLIC VERSION
UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, D.C.

In the Matter of

**CERTAIN INKJET INK SUPPLIES AND
COMPONENTS THEREOF**

Inv. No. 337-TA-691

**ORDER NO. 13: INITIAL DETERMINATION TERMINATING RESPONDENT
INKPLUSTONER.COM ON THE BASIS OF SETTLEMENT
AGREEMENT**

(March 15, 2010)

On March 9, 2010, complainant Hewlett-Packard Company (“HP”) filed a motion to terminate the investigation as to respondent InkPlusToner.com (“InkPlusToner”) on the basis of a settlement agreement. (Motion Docket No. 691-010.) On March 12, 2010, the Commission Investigative Staff (“Staff”) filed a response in support of the motion.

The Commission’s Rules provide that “[a]ny party may move at any time for an order to terminate an investigation in whole or in part as to any or all respondents on the basis of a settlement, a licensing or other agreement . . .” 19 C.F.R. § 210.21(a)(2); *see also Certain Organizer Racks And Products Containing Same*, Inv. No. 337-TA-466, Order No. 7 at 2, February 19, 2001.

In the instant investigation, the motion to terminate is based on a settlement agreement between HP and InkPlusToner. In accordance with Commission Rule 210.21(b), the parties filed a public version of the settlement agreement, attached herein as Appendix A. The motion further states, consistent with Commission Rule 210.21(b)(1), that there are no other agreements, written or oral, express or implied, between HP and InkPlusToner concerning the subject matter of this investigation. (Motion at 1.) The settlement agreement appears to resolve the dispute between

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HP and InkPlusToner.

Commission Rule 210.50(b)(2) provides that in the case of a proposed termination by settlement agreement or consent order, 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). In any initial determination terminating an investigation by settlement agreement or consent order, the administrative law judge is directed to consider and make appropriate findings regarding the effect of the proposed settlement on the public health and welfare, competitive conditions in the United States economy, the production of like or directly competitive articles in the United States, and United States consumers. *Id.*

In their motion, HP asserts that termination of this investigation is in the public interest. (Motion at 2.) Staff does not dispute this representation and finds that terminating the investigation would not be contrary to public interest. (Staff Resp. at 4-5.)

Based on the pleadings filed in connection with the motion to terminate the investigation, the ALJ finds that there is no indication that termination of this investigation based on the settlement agreement would have an adverse impact on the public interest. The ALJ finds that termination of this investigation does not impose any undue burdens on the public health and welfare, competitive conditions in the United States economy or United States consumers.

Accordingly, it is the Initial Determination that the motion to terminate this investigation be GRANTED. This initial determination, along with supporting documentation, is hereby certified to the Commission.

Pursuant to 19 C.F.R. § 210.42(h), this Initial Determination shall become the

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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 herein.

SO ORDERED.

A handwritten signature in black ink, appearing to read 'Theodore R. Essex', is written over a horizontal line.

Theodore R. Essex
Administrative Law Judge

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APPENDIX A

PUBLIC VERSION

**UNITED STATES INTERNATIONAL TRADE COMMISSION
WASHINGTON, D.C.**

**Before The Honorable Theodore R. Essex
Administrative Law Judge**

In the Matter of

CERTAIN INKJET INK SUPPLIES AND
COMPONENTS THEREOF

Investigation No. 337-TA-691

**MOTION TO TERMINATE INVESTIGATION AS TO RESPONDENT
INKPLUSTONER.COM BASED ON SETTLEMENT AGREEMENT**

Complainant Hewlett-Packard Company (“HP”) respectfully moves, pursuant to 19 C.F.R. §§ 210.21(a)(2) and 210.21(b), to terminate this Investigation as to Respondent InkPlusToner.com (“InkPlusToner”) on the basis that HP and InkPlusToner have reached a Settlement Agreement. The Investigative Staff has been informed of HP’s intention to file this motion, and has indicated that it will set forth its position in written responses after the motion is filed.

The Settlement Agreement submitted herewith represents the entire agreement between HP and InkPlusToner, and there are no other agreements, written or oral, express or implied, between these parties concerning the subject matter of this Investigation. The Settlement Agreement contains confidential business information within the meaning of 19 C.F.R. § 201.6. Thus, pursuant to 19 C.F.R. § 210.21(b)(1), a redacted copy of the Settlement Agreement without any confidential business information is attached to the public version of this motion as Exhibit 1. Pursuant to 19 C.F.R. § 210.21(b)(1), a copy of the Settlement Agreement containing confidential business information is attached to the confidential version of this motion as Confidential Exhibit 1.

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Commission policy and the public interest generally favor settlements. *See, e.g.,* Ground Rule 7, Order No. 2; *Certain Synchronous Dynamic Random Access Memory Devices, Microprocessors, and Products Containing Same*, Inv. No. 337-T-431, Order No. 11 at 2 (July 12, 2000). By this submission, this Investigation should be terminated as to Respondent InkPlusToner. Further, there is no evidence that termination of this Investigation as to InkPlusToner pursuant to the settlement as herein requested will prejudice the public interest. HP submits that the requirements of 19 C.F.R. § 210.21 are satisfied and respectfully requests that the Administrative Law Judge issue an Order terminating this Investigation with respect to InkPlusToner.

Respectfully submitted,

FISH & RICHARDSON P.C.

Dated: March 9, 2010

By:

/s/ Ahmed J. Davis

Ruffin B. Cordell

Ahmed J. Davis

Jeffrey R. Whieldon

Cherylyn Esoy Mizzo

FISH & RICHARDSON P.C.

1425 K Street, N.W., 11th Floor

Washington, D.C. 20005

Telephone: (202) 783-5070

Facsimile: (202) 783-2331

Counsel for Hewlett-Packard Company

CERTIFICATE OF SERVICE

I hereby certify that true and correct copies of the foregoing document, **PUBLIC VERSION OF MOTION TO TERMINATE INVESTIGATION AS TO RESPONDENT INKPLUSTONER.COM BASED ON SETTLEMENT AGREEMENT**, have been served on this 9th day of March, 2010, on the following:

<p>The Honorable Marilyn R. Abbott Secretary U.S. INTERNATIONAL TRADE COMMISSION 500 E Street, S.W. Washington, D.C. 20436</p>	<p><input type="checkbox"/> Via First-Class Mail <input type="checkbox"/> Via Hand-Delivery <input type="checkbox"/> Via Federal Express <input checked="" type="checkbox"/> Via Electronic Filing</p>
<p>The Honorable Theodore R. Essex Administrative Law Judge U.S. International Trade Commission 500 E Street S.W. Washington, D.C. 20436</p>	<p><input type="checkbox"/> Via First-Class Mail <input checked="" type="checkbox"/> Via Hand-Delivery (2 copies) <input type="checkbox"/> Via Federal Express <input type="checkbox"/> Via E-mail</p>
<p>Ben Levi, Esq. Office of Unfair Import Investigations U.S. International Trade Commission 500 E Street SW Washington, DC 20436</p>	<p><input type="checkbox"/> Via First-Class Mail <input checked="" type="checkbox"/> Via Hand-Delivery <input type="checkbox"/> Via Federal Express <input type="checkbox"/> Via E-mail</p>
<p>InkPlusToner.com 7851 Alabama Ave. #5 Canoga Park, California 91304 Tel: (818) 914-0346</p>	<p><input type="checkbox"/> Via First-Class Mail <input type="checkbox"/> Via Hand-Delivery <input checked="" type="checkbox"/> Via Federal Express <input type="checkbox"/> Via E-mail</p>

<p>Mipo International Ltd. Flat B, 11F, Wong Tze Bldg., No.71 Hoi Yuen Road, Kwun Tong, Kowloon, Hong Kong 8523 Tel: (852) 27307883</p>	<p><input type="checkbox"/> Via First-Class Mail <input type="checkbox"/> Via Hand-Delivery <input checked="" type="checkbox"/> Via Federal Express <input type="checkbox"/> Via E-mail</p>
<p>Mextec Group Inc. d/b/a Mipo America Ltd. 1305 N. Biscayne Pt. Road Miami Beach, FL 33122 Tel: (305) 599-9989</p>	<p><input type="checkbox"/> Via First-Class Mail <input type="checkbox"/> Via Hand-Delivery <input checked="" type="checkbox"/> Via Federal Express <input type="checkbox"/> Via E-mail</p>
<p>Shanghai Angel Printer Supplies Co. Ltd. Room 1208, No. 495 Jiangning Road Shanghai, China 200233 Tel: 86-21-3214-0047</p>	<p><input type="checkbox"/> Via First-Class Mail <input type="checkbox"/> Via Hand-Delivery <input checked="" type="checkbox"/> Via Federal Express <input type="checkbox"/> Via E-mail</p>
<p>SmartOne Services LLC d/b/a InkForSale.net 27613 Del Norte Court Hayward, California 94545 Tel: (510) 782-9541</p>	<p><input type="checkbox"/> Via First-Class Mail <input type="checkbox"/> Via Hand-Delivery <input checked="" type="checkbox"/> Via Federal Express <input type="checkbox"/> Via E-mail</p>
<p>Shenzhen Print Media Co., Ltd. # 310, Huayuan Business Building Xixiang Town, Baoan District Shenzhen, Guangdong, China 518102 Tel: 86-0755-8386-6819</p>	<p><input type="checkbox"/> Via First-Class Mail <input type="checkbox"/> Via Hand-Delivery <input checked="" type="checkbox"/> Via Federal Express <input type="checkbox"/> Via E-mail</p>
<p>Comptree Ink d/b/a Meritline, ABCInk, EZ Label, and CDR DVDR Media 18961 East Arenth Ave City of Industry, California 91748 Tel: (626) 912-8886</p>	<p><input type="checkbox"/> Via First-Class Mail <input type="checkbox"/> Via Hand-Delivery <input checked="" type="checkbox"/> Via Federal Express <input type="checkbox"/> Via E-mail</p>

<p>Zhuhai National Resources & Jingjie Imaging Products Co., Ltd. No. 1 Industrial Building, 2 Road Nanping S&T Industrial Community Zhuhai, Guangdong, China 519060 Tel: 86-756-6118999</p>	<p><input type="checkbox"/> Via First-Class Mail <input type="checkbox"/> Via Hand-Delivery <input checked="" type="checkbox"/> Via Federal Express <input type="checkbox"/> Via E-mail</p>
<p>Tatrix International 10 C, Garden Building No. 1083 JiuZhou Road, Jida Zhuhai, Guangdong, China 519015 Tel: 0086-756-6181180</p>	<p><input type="checkbox"/> Via First-Class Mail <input type="checkbox"/> Via Hand-Delivery <input checked="" type="checkbox"/> Via Federal Express <input type="checkbox"/> Via E-mail</p>
<p>Ourway Image Co., Ltd. 15F, No. 125 Renmin East Road, Xiangzhong Zhuhai Guangdong China Tel: 86-756-262-9565 x608</p>	<p><input type="checkbox"/> Via First-Class Mail <input type="checkbox"/> Via Hand-Delivery <input checked="" type="checkbox"/> Via Federal Express <input type="checkbox"/> Via E-mail</p>

/s/ Patrick Edelin, Jr.
Patrick E. Edelin, Jr.

UNITED STATES INTERNATIONAL TRADE COMMISSION
WASHINGTON, D.C.

Before the Honorable Theodore R. Essex
Administrative Law Judge

In the matter of

CERTAIN INKJET INK SUPPLIES AND
COMPONENTS THEREOF

Investigation No. 337-TA-691

**[PROPOSED] ORDER NO. __: INITIAL DETERMINATION GRANTING HP'S
MOTION TO TERMINATE THE INVESTIGATION WITH RESPECT TO
INKPLUSTONER.COM BASED ON SETTLEMENT AGREEMENT**

On March 9, 2010, Complainant Hewlett-Packard Company ("HP") filed a motion to terminate the above-captioned investigation ("Investigation") with respect to Respondent InkPlusToner.com ("InkPlusToner") on the basis of settlement. The motion to terminate is based on a Settlement Agreement ("Settlement Agreement") entered into by HP and InkPlusToner. In accordance with Commission Rule 210.21(b), in addition to submitting a Confidential version of the Settlement Agreement to the Commission, HP attached to its motion a public version of the Settlement Agreement (a copy of which is also attached to this Order).

Consistent with Commission Rule 210.21 (b)(1), HP's motion states that there are "no other agreements, written or oral, express or implied, between [HP and InkPlusToner] concerning the subject matter of this Investigation." (Motion at 1.) The Settlement Agreement thus appears to resolve all relevant disputes between HP and InkPlusToner.

Commission Rule 210.50(b)(2) provides, among other things, that in the case of a proposed termination by settlement agreement, the parties may file statements regarding the impact of the proposed termination on the public interest. In their motion, HP asserts that

termination of this investigation is in the public interest. (Motion at 2.) Indeed, the termination of an investigation as to a respondent, such as that proposed by HP's motion, is generally in the public interest. Based on the pleadings filed in connection with HP's motion to terminate, there is no indication that termination of this Investigation based on the Settlement Agreement would have an adverse impact on the public interest.

Having considered the pleadings of the parties, the Administrative Law Judge concludes that no party has provided "extraordinary circumstances" that would advise against terminating the Investigation as to this Respondent. Accordingly, it is the Initial Determination that the motion to terminate this Investigation as to InkPlusToner be GRANTED. This Initial Determination, along with supporting documentation, is hereby certified to the Commission.

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 herein.

SO ORDERED.

Theodore R. Essex, Administrative Law Judge
United States International Trade Commission

EXHIBIT 1

SETTLEMENT AGREEMENT

This Settlement Agreement ("**Agreement**") is entered into effective as of [REDACTED] (the "**Effective Date**") by and between Hewlett-Packard Company ("**HP**"), having a place of business at 3000 Hanover Street, Palo Alto, California 94304 and Arnoldas Inc. d/b/a InkPlusToner.com ("**InkPlusToner**"), having a place of business at 7851 Alabama Avenue Suite #5, Canoga Park, California 91304. HP and InkPlusToner may be referred to herein separately as a "**Party**" and together as the "**Parties**."

RECITALS

A. HP filed a complaint in the United States International Trade Commission against **InkPlusToner** and others on or about September 23, 2009, which resulted in the Investigation entitled In the Matter of Certain Inkjet Ink Supplies and Components Thereof, Investigation No. 337-TA-691 ("**The ITC Action**") and a Complaint for Patent Infringement entitled Hewlett Company v. Zhuhai Gree Magneto-Electric Co. Ltd. et al., in the United States District Court for the Central District of California, Case No. 09-CV-06929, also filed on or about September 23, 2009 (the "**District Court Action**"). The ITC Action and the District Court Actions are collectively referred to as the "**Actions**").

B. HP and **InkPlusToner** desire to settle amicably the Actions and to provide a means of potentially resolving other and future disputes.

TERMS AND COVENANTS

In mutual consideration of the promises and obligations set forth below, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. **DEFINITIONS**

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

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• [REDACTED]

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3. COVENANTS NOT TO SUE AND DISMISSALS

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[REDACTED]

5. TERM AND REMEDIES

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

6. CONFIDENTIALITY AND PUBLICITY

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

7. NOTICES

[REDACTED]

[REDACTED]

[REDACTED]
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8. MISCELLANEOUS

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[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

[REDACTED]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date indicated below.

For Hewlett-Packard Company

Matthew Barkley
[Signature]

Date: 2/17/2010

Matthew Barkley
[Printed Name]

Title: IP + Brand Protection Fines.

For Arnoldas Inc. d/b/a InkPlusToner.com

[Signature]
[Signature]

Date: 02/02/10

Arnold Paliulis
[Printed Name]

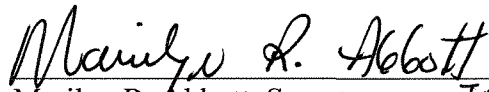
Title: CEO

**IN THE MATTER OF CERTAIN INKJET SUPPLIES
AND COMPONENTS THEREOF**

Inv. No. 337-TA-691

PUBLIC CERTIFICATE OF SERVICE

I, Marilyn R. Abbott, hereby certify that the attached **ORDER** has been served by hand upon, the Commission Investigative Attorney, **Benjamin Levi, Esq.** and the following parties as indicated on
March 15, 2010.


Marilyn R. Abbott, Secretary *JR ce*
U.S. International Trade Commission
500 E Street, SW, Room 112A
Washington, D.C. 20436

COMPLAINANTS HEWLETT-PACKARD COMPANY:

Jeffrey R. Whieldon, Esq.
Ruffin B. Cordell, Esq.
FISH & RICHARDSON, PC
1425 K Street, NW, Suite 100
Washington, DC 20005

() Via Hand Delivery
() Via Overnight Mail
() Via First Class Mail
() Other: _____

RESPONDENTS ZHUHAI GREE MAGNETO-ELECTRIC CO. LTD.:

Paul F. Brinkman, Esq.
ALSTON & BIRD, LLP
The Atlantic Building
950 F Street, NW
Washington, DC 20004-1404

() Via Hand Delivery
() Via Overnight Mail
() Via First Class Mail
() Other: _____

**IN THE MATTER OF CERTAIN INKJET SUPPLIES
AND COMPONENTS THEREOF**

Inv. No. 337-TA-691

CERTIFICATE OF SERVICE - PAGE 2

RESPONDENTS:

InkPlus Toner. Com
7851 Alabama Ave. Suite #5
Canoga Park, California 91304

() Via Hand Delivery
() Via Overnight Mail
() Via First Class Mail
() Other: _____

Mipo International Ltd.
Flat B, 11 F, Wong Tze Bldg.
No.71 Hoi Yuen Road
Kwun Tong, Kowloon
Hong Kong 8523

() Via Hand Delivery
() Via Overnight Mail
() Via First Class Mail
() Other: _____

Mextec Group Inc.
d/b/a Mipo America, Ltd.
1305 N. Biscayne Pt. Road
Miami, Florida 33141

() Via Hand Delivery
() Via Overnight Mail
() Via First Class Mail
() Other: _____

Shanghai Angel Printer Supplies Co. Ltd
Room 1208, No 495
Jiangning Road,
Shanghai, China 200233

() Via Hand Delivery
() Via Overnight Mail
() Via First Class Mail
() Other: _____

SmartOne Services LLC
d/b/a InkForSale.net
27613 Del Norte Court
Hayward, California 94545

() Via Hand Delivery
() Via Overnight Mail
() Via First Class Mail
() Other: _____

Shenzhen Print Media Co, Ltd.
Room Huayuan Business Building
Xiciang Town, Baoan District
Shenzhen, Guangdong, China 518102

() Via Hand Delivery
() Via Overnight Mail
() Via First Class Mail
() Other: _____

**IN THE MATTER OF CERTAIN INKJET SUPPLIES
AND COMPONENTS THEREOF**

Inv. No. 337-TA-691

CERTIFICATE OF SERVICE - PAGE 3

RESPONDENTS:

Comptree Ink d/b/a Meritline,
ABCInk, Ez Label, and
CDR DVDR Media
18961 East Areth Ave.
City of Industry, California 91748

() Via Hand Delivery
() Via Overnight Mail
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() Other: _____

Zhuhai National Resources
& Jinjie Imaging
Products Co., Ltd.
No.1 Industrial Bldg,
Pingdong 2 Road,
Nanping S&T Industrial Community.
Zhuhai, Guangdong, China 519060

() Via Hand Delivery
() Via Overnight Mail
() Via First Class Mail
() Other: _____

Tatrix International
10C, Garden Building
No. 1083 JiuZhou Road, Jida
Zhuhai, Guangdong, China 519015

() Via Hand Delivery
() Via Overnight Mail
() Via First Class Mail
() Other: _____

Ourway Image Co., Ltd.
15 F, No. 125 Renmin East Road
Xiangzhong
Zhuhai Guangdong, China 519001

() Via Hand Delivery
() Via Overnight Mail
() Via First Class Mail
() Other: _____

**IN THE MATTER OF CERTAIN INKJET SUPPLIES
AND COMPONENTS THEREOF**

Inv. No. 337-TA-691

CERTIFICATE OF SERVICE - PAGE 4

PUBLIC MAILING LIST

Heather Hall
LEXIS - NEXIS
9443 Springboro Pike
Miamisburg, OH 45342

() Via Hand Delivery
() Via Overnight Mail
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Kenneth Clair
THOMSON WEST
1100 Thirteenth Street, NW, Suite 200
Washington, D.C. 20005

() Via Hand Delivery
() Via Overnight Mail
() Via First Class Mail
() Other: _____