

**INTERNATIONAL TRADE COMMISSION**

[Investigation No. 337-TA-413]

**Certain Rare-Earth Magnets and Magnetic Materials and Articles Containing the Same; Notice of Investigation****AGENCY:** U.S. International Trade Commission.**ACTION:** Institution of investigation pursuant to 19 U.S.C. 1337.

**SUMMARY:** Notice is hereby given that a complaint was filed with the U.S. International Trade Commission on July 31, 1998, under section 337 of the Tariff Act of 1930, as amended, 19 U.S.C. 1337, on behalf of Magnequench International, Inc. of Anderson, Indiana and Sumitomo Special Metals Co., Ltd. of Osaka, Japan. A letter supplementing the complaint was filed on August 24, 1998. The complaint, as supplemented, alleges violations of section 337 in the importation into the United States, the sale for importation, and the sale within the United States after importation of certain rare-earth magnets and magnetic materials and articles containing the same by reason of infringement of claims 1, 4, 5, 8, 9, and 11 of U.S. Letters Patent 4,851,058, claims 1-6, 10, 14-16, and 18-20 of U.S. Letters Patent 4,802,931, claims 13-18 of U.S. Letters Patent 4,496,395, claims 1-9, 12-20, 23-27, and 29-34 of U.S. Letters Patent 4,770,723, claims 1-6, 8-10, 13-19, 21-24, 27-35, and 37-39 of U.S. Letters Patent 4,792,368, and claims 1-3, 5, 15, 18, 19, 21, and 22 of U.S. Letters Patent 5,645,651. The complaint further alleges that there exists an industry in the United States as required by subsection (a)(2) of section 337.

The complainants request that the Commission institute an investigation and, after the investigation, issue permanent exclusion orders and permanent cease and desist orders.

**ADDRESSES:** The complaint, except for any confidential information contained therein, is 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, SW, Room 112, Washington, DC 20436, telephone 202-205-2000. Hearing-impaired individuals are advised that information on this matter can be obtained by contacting the Commission's TDD terminal on 202-205-1810. Persons with mobility impairments who will need special assistance in gaining access to the Commission should contact the Office of the Secretary at 202-205-2000.

General information concerning the Commission may also be obtained by accessing its internet server (<http://www.usitc.gov>).

**FOR FURTHER INFORMATION CONTACT:** Jay H. Reiziss, Esq., Office of Unfair Import Investigations, U.S. International Trade Commission, telephone 202-205-2579.

**Authority:** The authority for institution of this investigation is contained in section 337 of the Tariff Act of 1930, as amended, and in section 210.10 of the Commission's Rules of Practice and Procedure, 19 CFR 210.10 (1998).

**Scope of Investigation**

Having considered the complaint, the U.S. International Trade Commission, on August 31, 1998, Ordered that—

(1) Pursuant to subsection (b) of section 337 of the Tariff Act of 1930, as amended, an investigation be instituted to determine whether 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 rare-earth magnets or magnetic materials or articles containing the same that infringe claims 1, 4, 5, 8, 9, or 11 of U.S. Letters Patent 4,851,058, claims 1-6, 10, 14-16, or 18-20 of U.S. Letters Patent 4,802,931, claims 13-18 of U.S. Letters Patent 4,496,395, claims 1-9, 12-20, 23-27, or 29-34 of U.S. Letters Patent 4,770,723, claims 1-6, 8-10, 13-19, 21-24, 27-35, or 37-39 of U.S. Letters Patent 4,792,368, or claims 1-3, 5, 15, 18, 19, 21, or 22 of U.S. Letters Patent 5,645,651, and whether there exists an industry in the United States as required by subsection (a)(2) of section 337.

(2) For the purpose of the investigation so instituted, the following are hereby named as parties upon which this notice of investigation shall be served:

(a) The complainants are—  
Magnequench International, Inc., 6435 Scatterfield Road, Anderson, Indiana 46013

Sumitomo Special Metals Co., Ltd., 4-7-19, Kitahama Chuo-ku, Osaka 541, Japan

(b) The respondents are the following companies alleged to be in violation of section 337, and are the parties upon which the complaint is to be served:  
Houghes International, Inc., 40 Hicks Lane, Great Neck, New York 11023  
International Magnaproducts Inc., 3103 Cascade Drive, Valparaiso, Indiana 46383

Multi-Trend International Corp., a/k/a MTI-Modern Technology Inc., 43288 Christy Street, Fremont, California 94538

American Union Group, Inc., 20807 Tall Forest Drive, Germantown, Maryland 20876

High End Metals Corp., No. 14 Industrial 4th Road, Hsinchu Industrial Park, Hsinchu Hsein, Taiwan

Harvard Industrial America, Inc., 470 Nibus Street, Brea, California 92621

H.T.I.E., Inc., 782 Pearl Street, Sharon, Pennsylvania 16146

CYNNY Magnetics, 5 Highview Court, Montville, New Jersey 07045

(c) Jay H. Reiziss, Esq., Office of Unfair Import Investigations, U.S. International Trade Commission, 500 E Street, SW, Room 401-L, Washington, DC 20436, who shall be the Commission investigative attorney, party to this investigation; and

(3) For the investigation so instituted, the Honorable Paul J. Luckern is designated as the presiding administrative law judge.

Responses to the complaint and the notice of investigation must be submitted by the named respondents in accordance with section 210.13 of the Commission's Rules of Practice and Procedure, 19 CFR 210.13. Pursuant to 19 CFR 201.16(d) and 210.13(a), such responses will be considered by the Commission if received no later than 20 days after the date of service by the Commission of the complaint and notice of investigation. Extensions of time for submitting responses to the complaint will not be granted unless good cause therefor is shown.

Failure of a respondent to file a timely response to each allegation in the complaint and in this notice may be deemed to constitute a waiver of the right to appear and contest the allegations of the complaint and this notice, and to authorize the administrative law judge and the Commission, without further notice to the respondent, to find the facts to be as alleged in the complaint and this notice and to enter both an initial determination and a final determination containing such findings, and may result in the issuance of a limited exclusion order or a cease and desist order or both directed against such respondent.

Issued: August 31, 1998.

By order of the Commission.

**Donna R. Koehnke,**  
Secretary.

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