UNITED STATES INTERNATIONAL TRADE COMMISSION Washington, D.C.

In the Matter of

CERTAIN SOFT PROJECTILE LAUNCHING DEVICES, COMPONENTS THEREOF, AMMUNITION, AND PRODUCTS CONTAINING SAME **Investigation No. 337-TA-1325**

NOTICE OF THE COMMISSION'S FINAL DETERMINATION FINDING NO VIOLATION OF SECTION 337; TERMINATION OF THE INVESTIGATION

AGENCY: U.S. International Trade Commission.

ACTION: Notice.

SUMMARY: Notice is hereby given that the U.S. International Trade Commission has determined to find no violation of section 337 of the Tariff Act of 1930, as amended in the above-captioned investigation. The investigation is hereby terminated.

FOR FURTHER INFORMATION CONTACT: Robert Needham, Office of the General Counsel, U.S. International Trade Commission, 500 E Street SW, Washington, DC 20436, telephone 202-205-5468. Copies of non-confidential documents filed in connection with this investigation may be viewed on the Commission's electronic docket (EDIS) at https://edis.usitc.gov. For help accessing EDIS, please email EDIS3Help@usitc.gov. General information concerning the Commission may also be obtained by accessing its Internet server at https://www.usitc.gov. Hearing-impaired persons are advised that information on this matter can be obtained by contacting the Commission's TDD terminal, telephone 202-205-1810.

SUPPLEMENTARY INFORMATION: The Commission instituted this investigation on August 26, 2022, based on a complaint filed by complainants Hasbro, Inc. of Pawtucket, Rhode Island ("Hasbro"), and Spin Master, Inc. of Los Angeles, California ("Spin Master") (together, "Complainants"). 87 FR 52595-96 (Aug. 26, 2022). The complaint, as supplemented, alleges a violation of section 337 of the Tariff Act of 1930, as amended, 19 U.S.C. 1337 ("section 337"), based upon the importation into the United States, the sale for importation, and the sale within the United States after importation of certain soft projectile launching devices, components thereof, ammunition, and products containing same by reason of the infringement of one or more of claims 1-15 and 17-21 of U.S. Patent No. 8,371,282 ("the '282 patent") and claims 1-6 and 10-15 of U.S. Patent No. 8,640,683 ("the '683 patent"). *Id.* at 52595. The complaint further alleges that an industry in the United States exists or is in the process of being established. *Id.* The

notice of investigation names as respondents Shenzhen Yi Jin Electronics Science of Shenzhen City, China, Guangdong Yu Lee Technology Corp. of Dongguan City, China, Yu Lee Company Ltd. of Tsuen Wan, Hong Kong, and Gel Blaster Inc. f/k/a Gel Blaster, LLC of Austin, Texas (together, "the Gel Blaster Respondents"); S-Beam Precision Products Ltd. of Zhongshan City, China, Splat-R-Ball, LLC of Rogers, Arkansas, and Daisy Manufacturing Company of Rogers, Arkansas (together, "the Splat-R-Ball Respondents"); and Prime Time Toys Ltd. of Kwun Tong, Hong Kong, Prime Time Toys LLC of Pompton Lakes, New Jersey, and Easebon Services Ltd. of Kwun Tong, Hong Kong (together, "PTT") (collectively, "Respondents"). *Id.* The Office of Unfair Import Investigations ("OUII") is a party to the investigation. *Id.* at 52595-96.

The Commission previously terminated the investigation with respect to claims 1-7, 9-15, 17, 18, and 21 of the '282 patent and claims 1-4, 6, 10-12, 13 and 15 of the '683 patent based on Complainants' partial withdrawal of the complaint. Order No. 10 (Oct. 25, 2022), *unreviewed by* Comm'n Notice (Nov. 16, 2022); Order No. 21 (Jan. 18, 2023), *unreviewed by* Comm'n Notice (Feb. 14, 2023); Order No. 44 (May 17, 2023), *unreviewed by* Comm'n Notice (May 30, 2023). Accordingly, at the time of the evidentiary hearing, claims 8, 19, and 20 of the '282 patent and claims 5 and 14 of the '683 patent remained at issue.

On November 10, 2022, Complainants and Respondents stipulated that the '282 and '683 patents share a common specification and describe projectile launchers, soft projectiles made with "super absorbent polymers," and systems comprised of projectile launchers and soft projectiles. Technology Stipulation (Nov. 10, 2022).

On November 21, 2022, Respondents stipulated that the importation requirement is satisfied. Gel Blaser Respondents' Stipulation and Waiver Regarding Importation (Nov. 21, 2022) (EDIS Doc. ID 784955); Prime Time Toys Respondents' Stipulation and Waiver Regarding Importation (Nov. 21, 2022) (EDIS Doc. ID 784927); Splat-R-Ball Respondents' Stipulation and Waiver Regarding the Issue of Importation (Nov. 21, 2022) (EDIS Doc. ID 784914). On May 16, 2023, Complainants and Respondents stipulated that the technical prong of the domestic industry requirement is satisfied under the presiding administrative law judge's ("ALJ") construction of "super absorbent polymer." Stipulation Regarding Domestic Industry Products (May 16, 2023) (EDIS Doc. ID 796608). On May 18, 2023, the parties stipulated regarding the disclosure of prior art. Stipulation Regarding Prior Art (May 18, 2023) (EDIS Doc. ID 796787).

On March 27, 2023, the ALJ issued a claim construction order. Order No. 28 (Mar. 27, 2023). The ALJ held an evidentiary hearing on May 19, and 22-23, 2023.

On April 27, 2023, the ALJ granted a motion for a summary determination that Respondents infringed claims 6, 8, 19, and 20 of the '282 patent and claims 1, 5, and 11 of the '683 patent. Order No. 37 (Apr. 27, 2023). Shortly thereafter, the Commission terminated the Gel Blaster Respondents and Splat-R-Ball Respondents based on settlement. Order No. 42 (May 17, 2023), *unreviewed by* Comm'n Notice (May 30, 2023); Order No. 45 (May 19, 2023), *unreviewed by* Comm'n Notice (May 30, 2023).

Also, as noted above, the Commission subsequently terminated the investigation with respect to claim 6 of the '282 patent and claims 1, and 11 of the '683 patent. Accordingly, the Commission affirmed the grant of summary determination of infringement against PTT regarding claims 8, 19, and 20 of the '282 patent and claims 5 of the '683 patent but determined to review and vacate as moot the findings with respect to the Gel Blaster Respondents, Splat-R-Ball Respondents, and the withdrawn claims. Comm'n Notice (May 30, 2023).

On October 25, 2023, the ALJ issued a final initial determination ("Final ID") finding a violation of section 337 with respect to claims 8, 19, and 20 of the '282 patent and claims 5 and 14 of the '683 patent. Final ID at ii-iii. Specifically, the Final ID notes that the Commission already found that "the Accused Blasters (i.e., blaster kits with blasters and ammunition)" directly infringe claims 8, 19, and 20 of the '282 patent and claim 5 of the '683 patent, and that PTT stipulated that the accused products directly infringe claim 14. Id. at 21-22, 38-39. The Final ID finds that PTT also induces and contributes to infringement with respect to those claims. *Id.* at 25-30, 39-41. The Final ID further finds that Complainants have satisfied the technical prong of the domestic industry requirement with respect to claims 8, 19, and 20 of the '282 patent and claims 5 and 14 of the '683 patent. Id. at 31-36, 41-44. Additionally, the Final ID finds that the asserted claims are not invalid as obvious under 35 U.S.C. 103 due to PTT's failure to provide a motivation to combine the references at issue and Complainants' showing on secondary considerations. *Id.* at 44-91. Finally, the Final ID finds that Complainants failed to show that a domestic industry exists, but that Complainants did show that a domestic industry is in the process of being established. *Id.* at 91-117.

The Commission received no comments from the public or interested government agencies regarding any public interest issues raised by the ALJ's recommended determination on remedy. 88 FR 74510-11 (Oct. 31, 2023). The Commission also received no comments concerning the public interest from the parties pursuant to Commission Rule 210.50(a)(4). 19 CFR 210.50(a)(4).

On November 6, 2023, PTT filed a petition for review challenging the Final ID's findings that: (1) PTT failed to provide motivations to combine prior art to support a finding of obviousness; (2) secondary considerations support a finding of non-obviousness; and (3) Complainants showed an industry in the process of being established. Also on November 6, 2023, Complainants filed a contingent petition for review of the Final ID's finding that Complainants failed to show that a domestic industry exists. On November 14. 2023, the Complainants and PTT filed responses opposing each other's petitions, and OUII filed a response opposing both petitions.

On January 30, 2024, the Commission determined to review the Final ID with respect to the Final ID's findings on obviousness and the economic prong of the domestic industry requirement. Comm'n Notice (Jan. 30, 2024). The Commission sought briefing from the parties on the issue of whether any argument or evidence was presented to the ALJ that a significant and unusual development(s) existed after the complaint was filed in this matter that may justify consideration of post-complaint evidence to support

Complainants' domestic industry claim. The Commission also sought briefing from the parties, interested government agencies, and other interested parties to file written submissions on the issues of remedy, the public interest, and bonding. *Id.* The Commission received initial submissions from Complainants, PTT, OUII, and Brian Hoffer, and reply submissions from Complainants, PTT, and OUII.

Having examined the record of this investigation, including the Final ID, the petitions, responses, and other submissions from the parties, the Commission has determined that Complainants have failed to show a violation of section 337. Specifically, the Commission has determined to: (1) affirm, under modified reasoning, the Final ID's finding of non-obviousness because PTT failed to show by clear and convincing evidence a motivation to combine the asserted prior art; (2) affirm the Final ID's finding that Complainants' showing of secondary considerations of commercial success and industry praise support a finding of non-obviousness; (3) affirm, under modified reasoning, the Final ID's finding that Complainants' failed to show that a domestic industry exists; and (4) reverse the Final ID's finding that a domestic industry is in the process of being established. Accordingly, the Commission finds that Complainants failed to show a violation of section 337 based on Complainants' failure to establish the economic prong of the domestic industry requirement.

The Commission's reasoning in support of its determinations is set forth more fully in its opinion. Chair Karpel dissents from the Commission's finding of no violation of section 337 for the reasons detailed in her dissenting views. All other findings in the ID under review that are consistent with the Commission's determinations are affirmed. The investigation is hereby terminated.

The Commission vote for this determination took place on December 18, 2025.

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 part 210 of the Commission's Rules of Practice and Procedure (19 CFR part 210).

By order of the Commission.

Lisa R. Barton

Secretary to the Commission

Issued: December 18, 2025