



INTERNATIONAL TRADE COMMISSION

[Investigation No. 337-TA-1352]

Certain Selective Thyroid Hormone Receptor-Beta Agonists, Processes for Manufacturing or Relating to Same, and Products Containing Same; Notice of Commission Final Determination Finding a Violation of Section 337; Issuance of a Limited Exclusion Order and Cease and Desist Orders; 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 found a violation of section 337 of the Tariff Act of 1930, as amended, in the above-captioned investigation by respondents Ascleitis Pharma Inc. of Hangzhou, Zhejiang Province, China; Ascleitis Pharmaceuticals Co. Ltd. of Shaoxing, Zhejiang Province, China; Ascleitis Bioscience Co., Ltd. of Hangzhou, Zhejiang Province, China; and Gannex Pharma Co., Ltd. of Shanghai, China (collectively, “Corporate Respondents”), based on their misappropriation of certain asserted trade secrets. The Commission has determined to issue a seven-year limited exclusion order (“LEO”) prohibiting the unlicensed entry into the United States of certain selective thyroid hormone receptor-beta agonists, processes for manufacturing or relating to same, and products containing same, imported by or on behalf of the Corporate Respondents, and a cease and desist order (“CDO”) against each of the Corporate Respondents. The investigation is terminated.

FOR FURTHER INFORMATION CONTACT: Houda Morad, Esq., Office of the General Counsel, U.S. International Trade Commission, 500 E Street S.W., Washington, D.C. 20436, telephone (202) 708-4716. 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 on (202) 205-1810.

SUPPLEMENTARY INFORMATION: The Commission instituted this investigation on February 9, 2023, based on a complaint, as supplemented, filed by Viking Therapeutics, Inc. (“Viking” or “Complainant”) of San Diego, California. 88 FR 8455-56 (Feb. 9, 2023). The complaint alleges a violation of section 337 the Tariff Act, as amended, 19 U.S.C. 1337 (“section 337”), by way of the importation into the United States of certain selective thyroid hormone receptor-beta agonists, processes for manufacturing or relating to same, and products containing same by reason of misappropriation of trade secrets, the threat or effect of which is to destroy or substantially injure a domestic industry or prevent the establishment of a domestic industry. *Id.* The notice of investigation named the following respondents: (1) the Corporate Respondents; and (2) Jinzi Jason Wu (“Dr. Wu”) of Seattle, Washington (collectively, “Respondents”). *Id.* The Office of Unfair Import Investigation (“OUII”) is also participating in the investigation. *Id.*

On September 22, 2023, the Commission granted a motion to intervene filed by Foster, Murphy, Altman & Nickel, PC for the “limited purpose of defending Foster Murphy and its attorneys’ interests in response to Complainant Viking Therapeutics, Inc.’s Omnibus Motion for Sanctions.” *See* Order No. 37 (Aug. 28, 2023), *unreviewed by* Comm’n Notice (Sept. 22, 2023). Respondents’ former counsel, Rimon PC, also filed a motion to intervene on February 7, 2024, and the Chief Administrative Law Judge (“Chief ALJ”) granted that motion in part, allowing Rimon PC to participate as an intervenor to address the Chief ALJ’s sanctions decisions.

The Chief ALJ held an evidentiary hearing from November 13 to 16, 2023.

On October 3, 2024, the Chief ALJ issued a final initial determination (“FID”) finding a violation of section 337. Specifically, the FID finds that: (1) the Commission has statutory authority to conduct this investigation; (2) the asserted trade secrets are protectable; (3) Respondents misappropriated the asserted trade secrets; (4) Complainant has demonstrated both that a domestic industry exists and is in the process of being established; and (5) Respondents’ unfair acts have caused actual and threatened injury to Viking’s domestic industry and prevented the establishment of an industry. The FID also grants Complainant’s

motion for sanctions under Commission Rule 210.33 (19 CFR 210.33) and imposes certain non-monetary and monetary sanctions against Respondents and/or their former counsel, Rimon PC.

The Chief ALJ also issued a recommended determination (“RD”) recommending, should the Commission find a violation of section 337, that the Commission issue: (1) a seven-year LEO against certain selective thyroid hormone receptor-beta agonists, processes for manufacturing or relating to same, and products containing same that are imported by or on behalf of Respondents; and (2) a CDO against each of the Respondents. The RD also recommends that the Commission impose a one hundred percent (100%) bond against covered articles imported by or on behalf of the Respondents during the period of Presidential review. Regarding the public interest, the RD finds that the statutory public interest factors do not weigh against the issuance of remedial orders.

On November 4, 2024, Complainant filed a statement on the public interest pursuant to Commission Rule 210.50 (19 CFR 210.50). Respondents did not submit a statement on the public interest pursuant to Commission Rule 210.50. In addition, the Commission did not receive any submissions from the public in response to its post-RD *Federal Register* notice. *See* 89 FR 82256-57 (Oct. 10, 2024).

On November 8, 2024, Respondents, Rimon PC, and OUII petitioned for Commission review of the FID. On the same day, Complainant filed a contingent petition for review of the FID. More specifically, Respondents requested Commission review of the FID’s findings with respect to: (1) the Commission’s statutory authority over Dr. Wu, who is the Chief Executive Officer or President of each of the Corporate Respondents; (2) sanctions against Respondents and their former counsel, Rimon PC; (3) misappropriation of trade secrets; and (4) injury to a domestic industry. Rimon PC also petitioned for Commission review of the sanctions order against Respondents and their former counsel. Additionally, OUII petitioned for review of: (1) the Chief ALJ’s failure to issue an ID at the conclusion of the 100-day proceeding; (2) the FID’s findings regarding the existence and misappropriation of trade secrets; and (3) the FID’s

findings regarding the existence and injury to a domestic industry. Lastly, Complainant contingently petitioned for review of the FID's findings with respect to: (1) misappropriation of trade secrets; (2) existence of a domestic industry and injury thereto; and (3) sanctions against Respondents and their former counsel. On November 27, 2024, the parties filed responses to the petitions.

On February 12, 2025, the Commission issued a notice determining to review the FID in its entirety. *See* 90 FR 9910-13 (Feb. 19, 2025) ("the WTR Notice"). The WTR Notice also requested written submissions from the parties, interested government agencies, and any other interested parties on issues of remedy, the public interest, and bonding. *See id.* Additionally, the notice requested responses to certain public interest questions. *See id.* As directed in the WTR Notice, the parties filed written submissions concerning the issues of remedy, the public interest, and bonding on February 28, 2025, and replies thereto on March 7, 2025. The Commission did not receive any submissions from the public in response to the WTR Notice.

On April 3, 2025, the Commission issued a notice requesting supplemental briefing on whether the alleged unfair acts have caused substantial actual or threatened injury to Complainant's domestic industry and/or prevented the establishment of such an industry ("Supplemental Notice"). As directed in the Supplemental Notice, the parties filed initial submissions on April 11, 2025, and replies thereto on April 18, 2025.

Having examined the record of this investigation, including the FID, the RD, and the parties' submissions, the Commission has determined to affirm in part and reverse in part the FID's finding of a violation of section 337. Specifically, as explained in the Commission Opinion issued concurrently herewith, the Commission affirms with modification the FID's finding of a violation of section 337 by the Corporate Respondents and adopts the Chief ALJ's sanctions order against those respondents and their former counsel, Rimon PC. As to Dr. Wu, the Commission reverses the FID's finding of a violation of section 337 and vacates the sanctions order against him. More specifically, the Commission: (1) finds that it has statutory

authority over this investigation including with respect to Dr. Wu, but finds insufficient evidence to establish liability by Dr. Wu in his personal capacity; (2) affirms with modification the FID's findings as to misappropriation of trade secrets by the Corporate Respondents; and (3) affirms with modification the FID's findings as to the domestic industry requirement and threat of injury thereto. The Commission takes no position on the FID's findings that Respondents' unfair acts have caused actual injury to Viking's domestic industry or prevented the establishment of such an industry. The Commission affirms all other findings in the FID that are not inconsistent with its opinion.

The Commission has determined that the appropriate remedy is a seven-year LEO prohibiting the unlicensed entry into the United States of certain selective thyroid hormone receptor-beta agonists, processes for manufacturing or relating to same, and products containing same, imported by or on behalf of the Corporate Respondents, and a CDO against each of the Corporate Respondents. The Commission has also determined that the public interest factors enumerated in subsections 337(d)(1) and (f)(1) (19 U.S.C. 1337(d)(1), (f)(1)) do not preclude the issuance of the LEO and CDOs. The Commission has further determined to set a bond during the period of Presidential review (19 U.S.C. 1337(j)) in the amount of one hundred percent (100%) of the entered value of the covered articles.

Accordingly, the investigation is terminated with a finding of a violation of section 337 by the Corporate Respondents.

The Commission's orders and opinion were delivered to the President and to the United States Trade Representative on the day of their issuance.

The Commission vote for this determination took place on May 29, 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.

Issued: May 29, 2025.

Lisa Barton,

Secretary to the Commission.

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