



STATE OF KANSAS  
OFFICE OF THE ATTORNEY GENERAL

**DEREK SCHMIDT**  
ATTORNEY GENERAL

MEMORIAL HALL  
120 SW 10TH AVE., 2ND FLOOR  
TOPEKA, KS 66612-1597  
(785) 296-2215 • FAX (785) 296-6296  
[WWW.AG.KS.GOV](http://WWW.AG.KS.GOV)

May 6, 2022

Lisa R. Barton  
Secretary to the Commission  
U.S. International Trade Commission  
500 E Street, S.W., Room 112  
Washington, D.C. 20436

Re: *Certain Plant-Derived Recombinant Human Serum Albumins ("rHSA") and Products Containing Same*, Inv. No. 337-TA-1238

Dear Ms. Barton:

Pursuant to 19 C.F.R. §210.50(a)(4), the Attorney General of Kansas respectfully files the following comments in the matter regarding Certain Plant-Derived Recombinant Human Serum Albumins ("rHSA") and Products Containing Same, Docket No. 337-3513. Ventria Bioscience Inc., a Kansas and Colorado-based biotechnology firm, has developed a family of serum-free, animal-free products that improve the performance and safety of biologic drug manufacturing and final product formulation. Ventria's rHSA products are developed and made entirely in the United States. These products enable the manufacture of certain medicines and therapeutics, among other uses. Today, Ventria's rHSA products are used in the production of vaccines, including the development of COVID-19 vaccines, in cooperation with leading U.S. pharmaceutical companies. Ventria has invested enormous resources in not only developing this novel technology, but also in establishing the industry itself and achieving commercial acceptance of the resulting products.

Biotechnology is an important part of the Kansas economy and is a crucial component of the modern U.S. economy. Protecting American innovation in this sector is critically important. Unsurprisingly, the intersection of biotechnology and agribusiness—at which this case squarely sits—is a key focus of the Chinese Communist Party. Individuals and companies affiliated with the Chinese Communist Party have specifically targeted rice-seed technology, including technology developed by Ventria.

China has used its Thousand Talents Plan systematically to target U.S. biotechnology. Ventria's adversary and the Respondent in this case, Wuhan Healthgen, was founded by a

former Ventria employee, Daichang Yang, who is part of the Chinese government's Thousand Talents Plan and is considered "one of China's chief scientists." See [https://usa.chinadaily.com.cn/china/2017-05/17/content\\_29386745.htm](https://usa.chinadaily.com.cn/china/2017-05/17/content_29386745.htm); <https://www.recombinant-hsa.com/sale-8750596-no-fragments-polymers-hsa-cell-culture-keep-stem-cell-undifferentiation-protein-powder-hsa.html>.

Ventria has faced repeated unfair competition and economic espionage from China, with one instance resulting in a high-profile criminal prosecution of individuals who stole the company's proprietary rice seeds. See <https://www.justice.gov/opa/pr/chinese-scientist-sentenced-prison-theft-engineered-rice>; <https://www.justice.gov/usao-ks/pr/kansas-agricultural-scientist-convicted-theft-engineered-rice>.

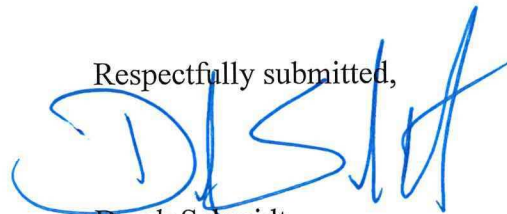
In the instant case, I understand that the Administrative Law Judge found that Respondent Wuhan Healthgen and its U.S. distributors have violated Section 337 by importing and selling rHSA products that infringe one of Ventria's U.S. patents. I further understand that Wuhan Healthgen's distributors were found in default, and that the Administrative Law Judge recommended remedial orders against those entities in relation to violations of the Lanham Act for failing to label the accused products as being "Made in China."

The ITC's exclusion of the infringing Wuhan Healthgen products from the U.S. market would undoubtedly promote the U.S. public interest.

First, it is crucial to protect innovative American companies from unfair foreign competition – especially where, as here, the technology is extremely sensitive and important to the U.S. economy. Second, the challenges faced by Ventria dovetail with broader U.S. policy concerns relating to China. Thus, this case epitomizes why Congress gave the ITC unique powers in regulating unfair trade practices. See <https://www.forbes.com/sites/russellflannery/2020/07/07/china-theft-of-us-information-ip-one-of-largest-wealth-transfers-in-history-fbi-chief/?sh=302ebe0e4440>. Third, I understand that Ventria is fully prepared to replace the excluded products with its domestically manufactured rHSA, and that ample alternative products exist (such as non-plant-derived HSA).

In sum, as the chief law enforcement official of the State of Kansas, and in accordance with the protections afforded by Section 337 of the Tariff Act of 1930 (19 U.S.C. § 1337), I urge the Commission to impose the remedies requested by Ventria.

Respectfully submitted,



Derek Schmidt  
Kansas Attorney General