



7020-02

INTERNATIONAL TRADE COMMISSION

[Investigation No. 337-TA-613]

Certain 3g Mobile Handsets and Components Thereof

Commission Determination to Remand Investigation to the Chief Administrative Law Judge Pursuant to Remand from the U.S. Court of Appeals for the Federal Circuit

AGENCY: U.S. International Trade Commission.

ACTION: Notice.

SUMMARY: Notice is hereby given that the U.S. International Trade Commission has determined to remand the above-captioned investigation to the Chief Administrative Law Judge for assignment to an administrative law judge (“ALJ”) for an initial determination on remand (“RID”) concerning certain infringement, affirmative defense, and public interest issues following remand from the U.S. Court of Appeals for the Federal Circuit (“Federal Circuit”).

FOR FURTHER INFORMATION CONTACT: Megan M. Valentine, Office of the General Counsel, U.S. International Trade Commission, 500 E Street, S.W., Washington, D.C. 20436, telephone (202) 708-2301. Copies of non-confidential documents filed in connection with this investigation are or will be 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, S.W., Washington, D.C. 20436, telephone (202) 205-2000. General information concerning the Commission may also be obtained by accessing its Internet server at <http://www.usitc.gov>. The public record for this investigation may be viewed on the Commission’s electronic docket (EDIS) at <http://edis.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 Inv. No. 337-TA-613 on September 11, 2007, based on a complaint filed by InterDigital Communications Corp. of King of Prussia, Pennsylvania and InterDigital Technology Corp. of Wilmington, Delaware (collectively, “InterDigital”) on August 7, 2007. 72 *Fed. Reg.* 51838 (Sept. 11, 2007). The complaint, as amended, alleged violations of section 337 of the Tariff Act of 1930 (19 U.S.C. § 1337) in the importation into the United States, the sale for importation, and the sale within the United States after importation of certain 3G mobile handsets and components thereof by reason of infringement of certain claims of U.S. Patent Nos. 7,117,004 (“the ‘004 patent”); 7,190,966 (“the ‘966 patent”); and 7,286,847 (“the ‘847 patent”); and 6,693,579 (“the ‘579 patent”). The notice of investigation named Nokia Corporation of Espoo, Finland and Nokia Inc. of Irving, Texas (collectively, “Nokia”) as respondents.

On February 13, 2009, InterDigital moved for summary determination that a domestic industry exists because its licensing activities in the United States satisfy the domestic industry requirement under 19 U.S.C. § 1337(a)(3)(C). On March 10, 2009, the presiding Administrative Law Judge (“ALJ”) issued an initial determination (“ID”) (Order No. 42) granting the motion. On April 9, 2009, the Commission determined not to review the ID. Notice (Apr. 9, 2009).

On August 14, 2009, the ALJ issued his final ID, finding no violation of section 337. In particular, he found that the asserted claims of the patents-in-suit are not infringed and that they are not invalid. The ALJ further found that there is no prosecution laches relating to the ‘004, ‘966, and ‘847 patents and that the ‘579 patent is not unenforceable.

On October 16, 2009, the Commission determined to review the Final ID in part. 74 *Fed. Reg.* 55068-69 (Oct. 26, 2009) (“Notice of Review”). In particular, although the Commission affirmed the ID’s determination of no violation of section 337, the Commission reviewed and

modified the ID's claim construction of the term “access signal” found in the asserted claims of the '847 patent. The Commission also reviewed, but took no position on, the ID's construction of the term “synchronize” found in the asserted claims of the '847 patent. The Commission further reviewed, but took no position on, validity with respect to any of the asserted patents. The Commission did not review the ID's construction of the claim limitations “code” and “increased power level” in the asserted claims of the '966 and '847 patents, and terminated the investigation.

InterDigital timely appealed the Commission's final determination of no violation of section 337 as to the '966 and '847 patents to Federal Circuit. Specifically, InterDigital appealed the final ID's unreviewed constructions of the claim limitations “code” and “increased power level” in the '966 and '847 patents. Respondent Nokia, the intervenor on appeal, raised as an alternate ground of affirmance the issue of whether the Commission correctly determined that InterDigital has a license-based domestic industry.

On August 1, 2012, the Federal Circuit reversed the Commission's construction of the claim limitations “code” and “increased power level” in the '966 and '847 patents, reversed the Commission's determination of non-infringement as to the asserted claims of those patents, and remanded to the Commission for further proceedings. *InterDigital Commc'ns, LLC v. Int'l Trade Comm'n.*, 690 F.3d 1318 (Fed. Cir. 2012). In particular, the Court rejected the final ID's construction of the “code” limitation as being limited to “a spreading code or a portion of a spreading code” and, instead, constructed “code” as “a sequence of chips” and as “broad enough to cover both a spreading code and a non-spreading code.” *Id.* at 1323-27. The Court also rejected the final ID's construction of the limitation “increased power level” as requiring that the power level of a transmission “increases during transmission,” holding instead that the limitation “include[s] both intermittent and continuous increases in power.” *Id.* at 1323, 1327-28. The

Court affirmed the Commission's determination that InterDigital has a domestic industry. *Id.* Nokia subsequently filed a combined petition for panel rehearing and rehearing en banc on the issue of domestic industry. On January 10, 2013, the Court denied the petition and issued an additional opinion addressing several issues raised in Nokia's petition for rehearing. *InterDigital Commc'ns, LLC v. Int'l Trade Comm'n*, 707 F.3d 1295 (Fed. Cir. 2013) (Fed. Cir. Jan. 10, 2013). The mandate issued on January 17, 2013, returning jurisdiction to the Commission.

On February 4, 2013, the Commission issued an Order directing the parties to submit comments regarding what further proceedings must be conducted to comply with the Federal Circuit's remand. Commission Order (Feb. 4, 2013). On February 14, 2013, InterDigital, Nokia, and the Commission investigative attorney ("IA") submitted initial comments. On February 19, 2013, Nokia submitted response comments. On February 22, 2013, InterDigital and the IA submitted response comments.

Having examined the record of this investigation, including the ALJ's final ID, the petitions for review, the responses thereto, and the parties' comments on remand, the Commission has decided certain issues and has determined to remand the investigation to the Chief ALJ for assignment to a presiding ALJ to determine certain outstanding issues concerning violation of section 337 set forth below.

With respect to claim construction, the Commission construes the claim limitation "synchronize" in the asserted claims of the '847 patent to mean "establishing a timing reference with the pilot signal transmitted by a base station."

With respect to validity, the Commission affirms the final ID's finding that the Lucas reference does not anticipate the asserted claims of the '966 and '847 patents because it fails to disclose the claim limitations requiring the subscriber unit to transmit a code selected from a

“plurality of different codes,” the limitation requiring the subscriber unit to transmit a “message” in order to indicate that the subscriber unit wants to establish communications with a base station, or the limitation in those claims requiring an “access signal” to facilitate communication between the subscriber unit and the base station. The Commission also affirms the final ID’s finding that the Lucas reference does not render obvious the asserted claims of the ’966 and ’847 patent. The Commission further affirms the final ID’s finding that the asserted claims of the ’966 and ’847 patents are not rendered obvious by the IS-95 references combined with the CODIT reference.

With respect to infringement, the Commission finds that the PRACH preamble used in the accused Nokia handsets satisfies the “code”/“signal” limitation of the asserted claims of the ’966 and ’847 patents under the Federal Circuit’s revised claim construction. The Commission also finds that the transmission of the PRACH preambles meets the claim limitation “increased power level” in the asserted claims of the ’966 and ’847 patents based on the Federal Circuit’s revised claim construction. The Commission further finds waived Nokia’s argument that the PRACH preamble and PRACH message signals in the accused Nokia handsets are never transmitted. The Commission also finds that the accused handsets do not satisfy the “synchronized to a pilot signal” limitation under the doctrine of equivalents.

With respect to the issue of domestic industry, the Commission acknowledges the Federal Circuit’s finding that Nokia has waived any argument regarding the nexus between its licensing investments and the asserted patents. The Commission also declines to reconsider the issue of whether the “economic prong” of the domestic industry requirement has been satisfied under *Certain Multimedia Display and Navigation Devices and Systems, Components Thereof, and Products Containing Same*, Inv. No. 337-TA-694, Commission Opinion, Public Version (August

8, 2011).

The Commission remands the following issues to the Chief ALJ for assignment to a presiding ALJ. Specifically, the Commission remands the issue of whether the accused Nokia handsets meet the “generated using a same code” limitation or “the message being transmitted only subsequent to the subscriber unit receiving the indication” limitation in the asserted claims of the ’966 patent. The Commission also remands the issue of whether the accused Nokia handsets meet the “generated using a same code” limitation or the “function of a same code” limitation in the asserted claims of the ’847 patent. The Commission further remands the issue of whether the 3GPP standard supports a finding that the pilot signal (P-CPICH) satisfies the claim limitation “synchronized to a pilot signal” as recited in the asserted claims of the ’847 patent by synchronizing to either the P-SCH or S-SCH signals under the Commission’s construction of that claim limitation. The Commission further remands the issue, concerning the claim limitations “the message being transmitted only subsequent to the subscriber unit receiving the indication” and “transmitting, in response to receipt of said acknowledgement, an access signal” in the asserted claims of the ’847 patent and as is required by the final ID’s construction of the limitation “access signal,” whether the PRACH Message is transmitted during the power ramp up process.

The Commission also remands the investigation for the assigned ALJ to reopen the evidentiary record and take evidence concerning Nokia’s currently imported products, including: (1) whether they contain chips other than those that were previously adjudicated, (2) whether those chips infringe the asserted claims of the patents-in-suit, and (3) whether the chips are licensed. The Commission further remands the investigation in order for the assigned ALJ to: (1) take evidence concerning the public interest factors as enumerated in sections 337(d) and (f); (2)

take briefing on whether the issue of the standard-essential patent nature of the patents-in-suit is contested; (3) take evidence concerning and/or briefing on whether there is patent hold-up or reverse hold-up in this case; and (4) include an analysis of this evidence in his remand ID.

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).

By order of the Commission.

Lisa R. Barton
Acting Secretary to the Commission

Issued: February 12, 2014

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