



7020-02

INTERNATIONAL TRADE COMMISSION

[Investigation No. 337-TA-989 (Rescission Proceeding)]

Certain Automated Teller Machines, ATM Modules, Components Thereof, and Products Containing the Same

Commission Determination to Institute a Rescission Proceeding, to Rescind the Remedial Orders, and to Terminate the Rescission Proceeding

AGENCY: U.S. International Trade Commission.

ACTION: Notice.

SUMMARY: Notice is hereby given that the U.S. International Trade Commission (“the Commission”) has determined to institute a rescission proceeding, to rescind a limited exclusion order and two cease-and-desist orders, and to terminate the rescission proceeding.

FOR FURTHER INFORMATION CONTACT: Robert J. Needham, Esq., Office of the General Counsel, U.S. International Trade Commission, 500 E Street SW, Washington, DC 20436, telephone 202-205-2382. 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 SW., Washington, DC 20436, telephone 202-205-2000. General information concerning the Commission may also be obtained by accessing its Internet server at <https://www.usitc.gov>. The public record for this investigation may be viewed on the Commission’s electronic docket (“EDIS”) at <https://edis.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: On March 14, 2016, the Commission instituted the original investigation based on a Complaint filed by Nautilus Hyosung Inc. (now Hyosung TNS Inc.) of Seoul, Republic of Korea, and Nautilus Hyosung America Inc. of Irving, Texas

(collectively, “Complainants”). The Notice of Investigation named Diebold Nixdorf, Incorporated, and Diebold Self-Service Systems, both of North Canton, Ohio (collectively, “Respondents”) as Respondents. The Complaint alleged Respondents were violating section 337 of the Tariff Act of 1930, as amended, 19 U.S.C. § 1337, by importing into the United States, selling for importation, or selling within the United States after importation certain automated teller machines, ATM modules, components thereof, and products containing same that infringe one or more of claims 1-3, 6, 8, and 9 (“the asserted claims”) of U.S. Patent No. 8,523,235 (“the ’235 patent”). The Office of Unfair Import Investigations (“OUII”) was not named as a party.

On July 14, 2017, the Commission found Respondents in violation of section 337 with respect to the asserted claims of the ’235 patent, and issued a limited exclusion order and two cease-and-desist orders with respect to the asserted claims (“the remedial orders”). Respondents appealed the Commission’s determination to the U.S. Court of Appeals for the Federal Circuit (“Federal Circuit”).

On August 15, 2018, the Federal Circuit issued an opinion finding the asserted claims of the ’235 patent invalid for indefiniteness pursuant to 35 U.S.C. § 112(6), and reversing the Commission’s determination that Respondents violated section 337. *Diebold Nixdorf, Inc. v. International Trade Comm’n*, Appeal No. 2017-2553, 899 F.3d 1291 (Fed. Cir. 2018). The mandate issued on November 9, 2018.

On November 13, 2018, Respondents petitioned the Commission to rescind the remedial orders based on the Federal Circuit ruling that the asserted claims are invalid. On November 23, 2018, Complainants opposed the petition, and argued that the Commission should instead reopen the record for further evidence on indefiniteness.

Also on November 13, 2018, Complainants moved to reopen the record for the limited purpose of admitting evidence relating to indefiniteness. On November 23, 2018, Respondents opposed the motion, arguing that the Federal Circuit invalidity ruling is binding on the Commission. Respondents also argued Complainants should have to show cause why they should not be sanctioned for a frivolous filing. On November 29, 2018, Complainants moved for leave to file a reply in support of their motion.

Having considered the petition and response, the Commission has determined to institute a rescission proceeding, and finds that the Federal Circuit's ruling that the asserted claims are invalid is a changed circumstance that warrants rescinding the remedial orders. The Commission therefore has determined to rescind the remedial orders.

In light of the Commission's determination to rescind the remedial orders, the Commission has also determined to deny as moot Complainants' motion to reopen the record. The Commission also denies Respondents' request for sanctions, and denies Complainants' motion for leave to file a reply. The rescission proceeding is hereby terminated.

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: December 11, 2018.

Lisa Barton,
Secretary to the Commission.

[FR Doc. 2018-27193 Filed: 12/14/2018 8:45 am; Publication Date: 12/17/2018]