



7020-02

## INTERNATIONAL TRADE COMMISSION

[Investigation No. 337-TA-1088]

### Certain Road Construction Machines and Components Thereof

#### Notice of Commission Determination to Institute a Modification Proceeding; Request for Written Submissions

**AGENCY:** U.S. International Trade Commission.

**ACTION:** Notice.

**SUMMARY:** Notice is hereby given that the U.S. International Trade Commission has determined to institute a modification proceeding in the above-captioned investigation and is requesting written submissions from the parties on the issues discussed herein.

**FOR FURTHER INFORMATION CONTACT:** Megan Valentine, Office of the General Counsel, U.S. International Trade Commission, 500 E Street SW., Washington, DC 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 SW., Washington, D.C. 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 on (202) 205-1810.

**SUPPLEMENTARY INFORMATION:** The Commission instituted this investigation on November 29, 2017, based on a complaint, as supplemented, filed by Caterpillar Inc. of Peoria, Illinois and Caterpillar Paving Products, Inc. of Minneapolis, Minnesota (collectively,

“Complainants”). *See* 82 FR 56625-26 (Nov. 29, 2017). The complaint, as supplemented, alleged violations of section 337 of the Tariff Act of 1930, as amended (19 U.S.C. 1337), based upon the importation into the United States, the sale for importation, and the sale within the United States after importation of certain road construction machines and components thereof by reason of infringement of certain claims of U.S. Patent Nos. 7,140,693 (“the ’693 patent”); 9,045,871; and 7,641,419. *See id.* The notice of investigation identified the following respondents: Wirtgen GmbH of Windhagen, Germany; Joseph Vögele AG of Ludwigshafen, Germany; Wirtgen Group Holding GmbH (“Wirtgen Group”) of Windhagen, Germany; and Wirtgen America, Inc. (“Wirtgen America”) of Antioch, Tennessee. *See id.* The Office of Unfair Import Investigations was not a party to this investigation. *See id.*

On February 14, 2019, the Administrative Law Judge (“ALJ”) issued a final initial determination (“FID”) finding a violation of section 337 with respect to claim 19 of the ’693 patent. On June 27, 2019, the Commission affirmed with modification the FID’s findings. *See* 84 FR 31910 (July 3, 2019). The Commission issued a limited exclusion order (“LEO”) against the infringing products of respondents Wirtgen GmbH, Wirtgen Group, and Wirtgen America (collectively, “Wirtgen”), and a cease and desist order against Wirtgen America. *See id.* In particular, the LEO covers certain of Wirtgen’s series 1810 road-milling machines which were found to infringe claim 19 of the ’693 patent but explicitly does not cover Wirtgen’s series 1310 road-milling machines, which were found not to infringe that claim. *See* Comm’n Op. at 46, 50; LEO at ¶ 2 (including an explicit exemption for Wirtgen’s series 1310 machines).

On August 9 and 27, 2019, respectively, Wirtgen filed a first motion before the Commission and before the Federal Circuit requesting a stay of the remedial orders pending appeal. *See* ECF No. 2 (Appeal No. 19-2320). On September 12, 2019, the Commission denied

Wirtgen's motion. EDIS Doc. No. 688119. On October 10, 2019, the Federal Circuit denied Wirtgen's motion.

On December 6, 2019, the Commission received a letter from United States Customs and Border Protection ("CBP") requesting clarification as to whether the Commission adjudicated any redesigned versions of Wirtgen's series 1810 milling machines. *See* EDIS Doc. No. 699429. On December 12, 2019, the Commission responded to CBP's letter and confirmed that it did not adjudicate Wirtgen's redesigned series 1810 machines. *See* EDIS Doc. No. 699436.

On December 18, 2019, CBP excluded certain Wirtgen cold milling machines (Models W 120 XFi and W 120 XTi) from entry into the United States.

On December 31, 2019, Wirtgen filed a renewed motion ("Renewed Motion") to stay the Commission's remedial orders. Should the Commission deny its Renewed Motion, Wirtgen requests that the Commission "clarify that the current remedial order does not exclude Wirtgen's Redesigned 1810 Series machines." *See* Renewed Motion at 12; *see also id.* at 3, 7 (discussing "changed circumstances" warranting a stay).

The Commission has determined to institute a modification proceeding pursuant to Commission authority under 19 U.S.C. § 1337(k) and Commission Rule 210.76, 19 CFR 210.76. The modification proceeding is addressed to whether Wirtgen's redesigned Models XFi and XTi machines infringe claim 19 of the '693 patent and therefore fall within the scope of the LEO, or whether the LEO should be modified to include an explicit exemption for Wirtgen's Model XFi and XTi redesigned machines.

The Commission finds such institution to be warranted in the present investigation in view of the following facts. First, Wirtgen's Renewed Motion requests the Commission to clarify the scope of the Commission's remedial orders. Second, as noted above, the Commission

did not adjudicate whether any redesigned products infringe the asserted patent claims. Wirtgen alleges that it requested the ALJ to make findings as to those products in the underlying violation investigation. *See* Renewed Motion at 13. When the ALJ declined to do so, Wirtgen did not petition the Commission for review of that decision, and those issues were “deemed to have been abandoned” pursuant to Commission Rule 210.43(b)(2). Third, when CBP sought to adjudicate, pursuant to CBP’s authority under 19 CFR part 177, whether the redesigned products infringe, Wirtgen declined to consent to an *inter partes* proceeding in which Caterpillar would be able to be heard, and thus declined CBP’s invitation for CBP to issue a ruling under 19 CFR part 177.

Pursuant to the pilot program to test expedited procedures for modification proceedings (*see* [https://www.usitc.gov/press\\_room/featured\\_news/pilot\\_program\\_will\\_test\\_expedited\\_procedures\\_usitc.htm](https://www.usitc.gov/press_room/featured_news/pilot_program_will_test_expedited_procedures_usitc.htm)), the parties shall provide their positions as to whether the modification proceeding requires extensive or limited fact-finding and whether delegation to an ALJ for issuance of a recommended determination is warranted. As part of their arguments concerning the appropriate procedure, the parties may also identify any evidence from the record establishing whether or not Wirtgen’s redesigned Models XFi and XT*i* machines infringe claim 19 of the ’693 patent and whether or not the LEO should be modified to include an explicit exemption for Wirtgen’s Model XFi and XT*i* machines. The parties shall also propose a schedule for issuing the ALJ’s recommended determination, if any, and the final Commission determination in the modification proceeding.

**WRITTEN SUBMISSIONS:** Parties to the investigation are requested to file written submissions on the issues discussed herein.

Written submissions must be filed no later than close of business on January 31, 2020, and may not exceed 30 pages in length, exclusive of any exhibits. Reply submissions must be

filed no later than the close of business on February 7, 2020, and may not exceed 15 pages in length, exclusive of any exhibits. No further submissions on any of these issues will be permitted unless otherwise ordered by the Commission.

Persons filing written submissions must file the original document electronically on or before the deadlines stated above and submit eight (8) true paper copies to the Office of the Secretary by noon the next day pursuant to section 210.4(f) of the Commission's Rules of Practice and Procedure (19 CFR 210.4(f)). Submissions should refer to the investigation number ("Inv. No. 337-TA-1088") in a prominent place on the cover page and/or the first page. (*See Handbook for Electronic Filing Procedures, [https://www.usitc.gov/documents/handbook\\_on\\_filing\\_procedures.pdf](https://www.usitc.gov/documents/handbook_on_filing_procedures.pdf)*). Persons with questions regarding filing should contact the Secretary (202-205-2000).

Any person desiring to submit a document to the Commission in confidence must request confidential treatment. All such requests should be directed to the Secretary to the Commission and must include a full statement of the reasons why the Commission should grant such treatment. *See* 19 CFR 201.6. Documents for which confidential treatment by the Commission is properly sought will be treated accordingly. All information, including confidential business information and documents for which confidential treatment is properly sought, submitted to the Commission for purposes of this Investigation may be disclosed to and used: (i) by the Commission, its employees and Offices, and contract personnel (a) for developing or maintaining the records of this or a related proceeding, or (b) in internal investigations, audits, reviews, and evaluations relating to the programs, personnel, and operations of the Commission including under 5 U.S.C. Appendix 3; or (ii) by U.S. government employees and contract

personnel<sup>[1]</sup>, solely for cybersecurity purposes. All non-confidential written submissions will be available for public inspection at the Office of the Secretary and on [EDIS](#).

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). To the extent that Commission Rule 210.76, 19 CFR 210.76, contemplates, as is ordinarily the case, the existence of a petition for a modification proceeding, the Commission has determined that Wirtgen’s renewed motion for stay is tantamount to such a petition. Alternatively, the Commission has determined that institution of a modification proceeding is also warranted based on the Commission’s authority, *sua sponte*, to institute a modification proceeding. Commission Rule 210.76(a)(1), 19 CFR 210.76(a)(1) (“The Commission may also in its own initiative consider such action” to modify its remedial orders.). The Commission also finds that good cause exists, for the reasons set forth above—including Wirtgen’s previous failures to exhaust administrative processes—to waive or suspend Rule 210.76’s contemplation of a petition. Commission Rule 201.4(b), 19 CFR 201.4.

By order of the Commission.

Issued: January 16, 2020.

Lisa Barton,  
Secretary to the Commission.

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<sup>[1]</sup> All contract personnel will sign appropriate nondisclosure agreements.

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