



7020-02

INTERNATIONAL TRADE COMMISSION

Certain Two-Way Global Satellite Communication Devices, System, and Components Thereof

[Investigation No. 337-TA-854 (Remand)]

Notice of Commission Determination to Deny a Petition to Rescind or Modify a Civil Penalty Order; Termination of Remand Proceeding

AGENCY: International Trade Commission.

ACTION: Notice.

SUMMARY: Notice is hereby given that the U.S. International Trade Commission has determined to (1) deny a petition to rescind, or in the alternative, modify a civil penalty order; and (2) terminate the proceeding on remand from the U.S. Court of Appeals for the Federal Circuit.

FOR FURTHER INFORMATION CONTACT: Clint Gerdine, Esq., Office of the General Counsel, U.S. International Trade Commission, 500 E Street, SW., Washington, D.C. 20436, telephone (202) 708-2310. 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, telephone 202-205-1810.

SUPPLEMENTARY INFORMATION: The Commission instituted Inv. No. 337-TA-854 (Enforcement Proceeding) on May 24, 2013, based on an enforcement complaint filed on behalf of BriarTek IP, Inc. ("BriarTek") of Alexandria, Virginia. 78 FR 31576-77 (May 24, 2013). The complaint alleged violations of the April 5, 2013, consent order ("the Consent Order")

issued in the underlying investigation by the continued practice of prohibited activities such as selling or offering for sale within the United States after importation any two-way global satellite communication devices, system, or components thereof that infringe one or more claims of U.S. Patent No. 7,991,380 (“the ’380 patent”). The Commission’s notice of institution of the enforcement proceeding named as respondents DeLorme Publishing Company, Inc. and DeLorme InReach LLC (collectively, “DeLorme”), now known as DBN Holding, Inc. and BDN LLC, all of Yarmouth, Maine. The Office of Unfair Import Investigations (“OUII”) was also a party to the enforcement proceeding. *Id.*

On June 10, 2014, following review of the presiding administrative law judge’s enforcement initial determination in the enforcement proceeding, the Commission issued a civil penalty order in the amount of \$6,242,500 for DeLorme’s violation of the Consent Order on 227 separate days. DeLorme appealed the Commission’s final determination to the U.S. Court of Appeals for the Federal Circuit. During the pendency of the appeal, the U.S. District Court for the Eastern District of Virginia (“EDVA”) granted summary judgment in a declaratory judgment action filed by DeLorme against the patentee, finding the relevant claims of the ’380 patent to be invalid. After requesting and receiving supplemental briefing on the issue of the effect, if any, of affirming the EDVA summary judgment on the Commission’s final determination, the Federal Circuit, on the same date, affirmed both the \$6,242,500 Commission civil penalty order and the EDVA summary judgment of invalidity. *See DeLorme v. ITC*, 805 F.3d 1328 (Fed. Cir. 2015) (“*DeLorme I*”); *DeLorme Publishing Co. v. BriarTek IP, Inc.*, 622 Fed.Appx. 912 (Fed. Cir. 2015).

On December 22, 2015, following issuance of the Federal Circuit’s decision in *DeLorme*

I, DeLorme filed a petition to rescind, or in the alternative, to modify the civil penalty order under Commission Rule 210.76(a)(1) because of “changed conditions,” *i.e.*, the EDVA invalidity judgment and the affirmance of that judgment. Stating that the arguments raised by DeLorme involved issues that could have been raised in *DeLorme I* or were raised and rejected by the Federal Circuit in *DeLorme I*, the Commission denied DeLorme’s petition based on res judicata. DeLorme appealed the Commission’s final determination denying its petition to the Federal Circuit. The Court reversed the Commission’s final determination and remanded the case for consideration of DeLorme’s petition. *See DBN Holding, Inc. v. ITC*, 755 Fed.Appx. 993, 2018 WL 6181653 (Fed. Cir. Nov. 27, 2018) (“*DeLorme II*”) (finding that although there is no requirement that the civil penalty be rescinded because of the invalidity finding, the Commission nevertheless should have considered DeLorme’s petition). The Federal Circuit issued its mandate on January 18, 2019.

On March 27, 2019, the Commission issued an order to the parties requesting briefing regarding whether the Commission should rescind or modify the civil penalty order in light of the final judgment of invalidity of the relevant claims of the ’380 patent in accordance with *DeLorme II*. DeLorme, BriarTek, and OUII filed their initial submissions on April 25, April 26, and April 26, 2019, respectively. These parties filed their response submissions on May 12, May 13, and May 12, 2019, respectively.

Having reviewed the record in this investigation, including the parties’ written submissions, the Commission has determined to deny DeLorme’s petition to rescind, or in the alternative, modify the civil penalty order. The Commission has also issued an opinion explaining the basis for the Commission’s action and has terminated the proceeding on remand from the Federal Circuit.

The Commission vote for this determination took place on July 31, 2020.

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.

Lisa Barton,
Secretary to the Commission.

Issued: July 31, 2020.

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