



7020-02

INTERNATIONAL TRADE COMMISSION
[Investigation No. 337-TA-1158]

Certain Digital Video Receivers, Broadband Gateways, and Related Hardware and Software Components; Commission Decision to Review in Part an Initial Determination Finding a Violation of Section 337; Request for Written Submissions on the Issues Under Review and Remedy, the Public Interest, and Bonding

AGENCY: U.S. International Trade Commission.

ACTION: Notice.

SUMMARY: Notice is hereby given that the U.S. International Trade Commission has determined to review in part a final initial determination (“ID”) of the presiding administrative law judge (“ALJ”) finding a violation of section 337. The Commission requests written submissions from the parties on the issues under review and from the parties, interested government agencies, and interested persons on the issues of remedy, the public interest, and bonding, under the schedule set forth below.

FOR FURTHER INFORMATION CONTACT: Clint Gerdine, Esq., Office of the General Counsel, U.S. International Trade Commission, 500 E Street, S.W., 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: On May 29, 2019, the Commission instituted this investigation based on a complaint filed by Rovi Corporation and Rovi Guides, Inc. (collectively,

“Rovi”), both of San Jose, California. 84 FR 24814-15 (May 29, 2019). 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 digital video receivers, broadband gateways, and related hardware and software components by reason of infringement of certain claims of U.S. Patent Nos. 7,779,445 (“the ’445 patent”); 7,200,855 (“the ’855 patent”); 8,156,528 (“the ’528 patent”); 8,001,564 (“the ’564 patent”); 7,301,900 (“the ’900 patent”); and 7,386,871 (“the ’871 patent”). The complaint further alleged the existence of a domestic industry. The Commission’s notice of investigation named as respondents Comcast Corporation, Comcast Cable Communications, LLC, Comcast Cable Communications Management, LLC, and Comcast Holdings Corporation (collectively, “Comcast”), all of Philadelphia, Pennsylvania. The Office of Unfair Import Investigations (“OUII”) is partially participating in the investigation. The ’528, ’855, and ’445 patents remain in the investigation and the ’564, ’900, and ’871 patents have been terminated from the investigation. Order No. 18 (Sept. 30, 2019), *unreviewed by Comm’n Notice* (Oct. 15, 2019).

On July 14, 2020, the ALJ issued a written *Markman* Order. See Order No. 41 (Jul. 14, 2020).

On July 28, 2020, the ALJ issued the final ID finding a violation of section 337 as to the ’528 and ’855 patents based on infringement of the asserted claims by Comcast’s accused products. Specifically, the ID found that: (1) Comcast’s accused products infringe claims 13, 27, and 30 of the ’528 patent and claims 60 and 63 of the ’855 patent; (2) Comcast’s accused products do not infringe asserted claim 5 of the ’445 patent; (3) the asserted claims of the ’528 and ’855 patents are not invalid; (4) claims 5 and 15 of the ’445 patent are invalid as anticipated

under 35 U.S.C. 102(g)(2) by Comcast's VOD Vision System; and (5) Rovi has satisfied both prongs of the domestic industry requirement. The final ID also included the ALJ's recommended determination, which recommended the issuance of a limited exclusion order directed to Comcast's infringing products and a cease and desist order directed to Comcast.

On August 10, 2020, Rovi petitioned, and Comcast petitioned and contingently petitioned, for review of the final ID. On August 18, 2020, Rovi and Comcast each filed a response in opposition to the other party's petition for review.

Having reviewed the record of the investigation, including the parties' petitions and responses thereto, the Commission has determined to review the subject ID in part. Specifically, the Commission has determined to review: (1) Order No. 41's and the ID's construction of the claim limitations: "same functions," "personal video recorder device," "personal video recorder-compliant device," "personal video recorder functionality," and "first interactive television program guide ... are implemented" ("where the first interactive television program guide and the second interactive program guide ... are distinctly implemented") of asserted claims 13, 27, and 30 of the '528 patent; (2) the ID's finding that Comcast's Accused Products infringe the asserted claims of the '528 patent and that the asserted claims are not invalid; (3) the ID's finding that Rovi has satisfied the technical prong of the domestic industry requirement with respect to the '528 patent; (4) the ID's identification of Comcast's products that infringe the asserted claims of the '855 patent; (5) the ID's finding that Comcast's redesigns for the '855 patent are not sufficiently fixed in design to warrant adjudication; (6) the ID's finding that the Accused Products are not "articles that infringe" claim 5 of the '445 patent; (7) the ID's finding that claims 5 and 15 of the '445 patent are invalid as anticipated under 35 U.S.C. 102(g)(2) by Comcast's VOD Vision System; (8) the ID's finding that Comcast has engaged in

sales within the United States after importation of accused products in accordance with section 337(a)(1)(B); and (9) the ID's finding that Rovi satisfied the economic prong of the domestic industry requirement. The Commission has determined not to review the remainder of the ID.

The parties are requested to brief their positions with reference to the applicable law and the evidentiary record regarding the questions provided below:

- (1) Please explain, with citations to the record, how construing the limitation “same functions” of claims 13, 27 and 30 of the '528 patent to mean “all of the same functions” would impact the findings on infringement.
- (2) Please explain, with citations to the record, how construing the limitations “personal video recorder device,” “personal video recorder-compliant device,” and “personal video recorder functionality” of claims 13, 27 and 30 of the '528 patent not to require (1) recording to local storage and (2) the automatic recording of programs that users are watching in real-time would impact the findings on infringement and validity.
- (3) Please explain, with citations to the record, how construing the limitation “first interactive television program guide ... are implemented” of claims 13, 27 and 30 of the '528 patent to “include the components of a system that can manipulate guide data and user inputs to provide an interactive, visual display of media listings and other guidance functions” would impact the findings on infringement.
- (4) Please explain whether (a) the documents provided by SeaChange (RX-0053), (b) the 10/24/02 *Baltimore Sun* article (RX-60), or (c) Ms. Scilingo's own contemporaneous documents, individually or in combination, are legally

sufficient to corroborate Ms. Scilingo's testimony with respect to 35 U.S.C. 102(g). Discuss any relevant case law for each.

- (5) Please address whether the practice in the United States of the method of claim 5 of the '445 patent by Comcast's X1 System using an accused set-top box along with other components makes the box an "article that -- infringes" under section 337(a)(1)(B), taking into account the nature of the accused product, the combination with other components, and the specific limitations of claim 5. Please support your response with reference to the statutory language, legislative history and Commission and court precedent regarding the scope of section 337.
- (6) With respect to whether there is a violation concerning the '445 patent, how should the fact that an article would be an "article that – infringes" based on an importer's indirect infringement (through supply of an imported article to an infringing third party that directly infringes an asserted claim) inform the Commission's consideration of whether the same article is an "article that – infringes" based on the importer's (own) direct infringement?
- (7) Please comment on the following possible approaches to evaluating whether an importer's own practice of a patented method using a combination of an imported article with other articles may give rise to a section 337 violation. Also discuss whether, under each of these approaches, there would be a violation of section 337 with respect to claim 5 of the '445 patent given the facts in this investigation.

- a. drawing guidance from the provisions of 35 U.S.C. 271(b), concerning inducement of infringement, and therefore examining, *inter alia*, whether the imported article is a device distributed with the purpose of bringing about infringing acts.
 - b. drawing guidance from the provisions of 35 U.S.C. 271(c), concerning contributory infringement; (which is one of the few parts of section 271 that specifically references components of an infringing invention), and therefore examining:
 - (i) whether the imported article is a material part of the invention, known to be especially made or especially adapted for use in an infringement of such patent, and not a staple article or commodity of commerce suitable for substantial non-infringing use.
 - (ii) whether the imported article is a material part of the invention and specifically designed for use in the combination that practices the patented invention.
- (8) For each of the two redesigns individually and in combination, please explain whether Rovi has preserved arguments as to infringement in light of its admissions of noninfringement. *See* Tr. at 1402 (Kamprath). If so, please explain whether each of the two redesigns, individually and in combination, infringe or do not infringe the asserted claims of the '855 patent. Please explain whether each redesign alters the accused products physically or alters the code that resides on the accused products to turn off the MoCA functionality. Please also explain whether any redesigned articles have been

imported, and whether, for redesigned articles that have yet to be imported, whether the redesigns would be imported with the physical alterations and/or altered code. (add line space)

- (9) Please explain, on a patent-by-patent basis, how Complainants' claimed investments are significant under Section 337(a)(3)(A) and (B). *See Lelo Inc. v. Int'l Trade Comm'n*, 786 F.3d 879, 883-84 (Fed. Cir. 2015); *Certain Carburetors and Products Containing Such Carburetors*, Inv. No. 337-TA-1123, Comm'n Op. at 17-19 (Oct. 28, 2019).

In connection with the final disposition of this investigation, the statute authorizes issuance of, *inter alia*, (1) an exclusion order that could result in the exclusion of the subject articles from entry into the United States; and/or (2) cease and desist orders that could result in the respondents being required to cease and desist from engaging in unfair acts in the importation and sale of such articles. Accordingly, the Commission is interested in receiving written submissions that address the form of remedy, if any, that should be ordered. If a party seeks exclusion of an article from entry into the United States for purposes other than entry for consumption, the party should so indicate and provide information establishing that activities involving other types of entry either are adversely affecting it or likely to do so. For background, see *Certain Devices for Connecting Computers via Telephone Lines*, Inv. No. 337-TA-360, USITC Pub. No. 2843, Comm'n Op. at 7-10 (December 1994).

The statute requires the Commission to consider the effects of that remedy upon the public interest. The factors the Commission will consider include the effect that an exclusion order and/or cease and desist orders would have on: (1) the public health and welfare, (2) competitive conditions in the U.S. economy, (3) U.S. production of articles that are like or

directly competitive with those that are subject to investigation, and (4) U.S. consumers. The Commission is therefore interested in receiving written submissions that address the aforementioned public interest factors in the context of this investigation.

If the Commission orders some form of remedy, the U.S. Trade Representative, as delegated by the President, has 60 days to approve, disapprove, or take no action on the Commission's determination. *See* Presidential Memorandum of July 21, 2005. 70 FR 43251 (July 26, 2005). During this period, the subject articles would be entitled to enter the United States under bond, in an amount determined by the Commission and prescribed by the Secretary of the Treasury. The Commission is therefore interested in receiving submissions concerning the amount of the bond that should be imposed if a remedy is ordered.

Written Submissions: The parties to the investigation are requested to file written submissions on the issues under review that specifically address the Commission's questions set forth in this notice.¹ The submissions should be concise and thoroughly referenced to the record in this investigation. Parties to the investigation, interested government agencies, and any other interested parties are encouraged to file written submissions on the issues of remedy, the public interest, and bonding. Such submissions should address the recommended determination by the ALJ on remedy and bonding.

In their initial submissions, Complainants are also requested to identify the remedy sought and Complainants and OUII are requested to submit proposed remedial orders for the

¹ In seeking briefing on these issues, the Commission has not determined to excuse any party's noncompliance with Commission rules and the ALJ's procedural requirements, including requirements to present issues in petitions and pre-hearing and post-hearing submissions. *See, e.g.,* Order No. 2 (June 7, 2019) (ground rules); 19 C.F.R. § 210.43(a)(2). The Commission may, for example, decline to disturb certain findings in the final ID upon finding that issue was not presented in a timely manner to the ALJ or to the Commission.

Commission's consideration. Complainants are also requested to state the dates that the asserted patents expire, to provide the HTSUS subheadings under which the accused products are imported, and to supply the identification information for all known importers of the products at issue in this investigation. The written submissions and proposed remedial orders must be filed no later than close of business on October 23, 2020. Reply submissions must be filed no later than the close of business on October 30, 2020. No further submissions on 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. The Commission's paper filing requirements in 19 CFR 210.4(f) are currently waived. 85 FR 15798 (March 19, 2020). Submissions should refer to the investigation number ("Inv. No. 337-TA-1158") in a prominent place on the cover page and/or the first page. (*See Handbook on Filing Procedures, https://www.usitc.gov/documents/handbook_on_filing_procedures.pdf*). Persons with questions regarding filing should contact the Secretary at (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 of the Commission and must include a full statement of the reasons why the Commission should grant such treatment. *See* 19 CFR 210.6. Documents for which confidential treatment by the Commission is sought will be treated accordingly. A redacted non-confidential version of the document must also be filed simultaneously with any confidential filing. 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, solely for cybersecurity purposes. All contract personnel will sign appropriate nondisclosure agreements. All non-confidential written submissions will be available for public inspection at the Office of the Secretary and on EDIS.

The Commission vote for this determination took place on October 9, 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.

Issued: October 13, 2020.

Lisa Barton,
Secretary to the Commission.

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