



## INTERNATIONAL TRADE COMMISSION

[Investigation No. 337-TA-1370]

### **Certain Power Converter Modules and Computing Systems Containing the Same; Notice of the Commission's Final Determination Finding a Violation of Section 337; Issuance of a Limited Exclusion Order and Cease and Desist Orders; Termination of the Investigation**

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

**ACTION:** Notice.

**SUMMARY:** Notice is hereby given that the U.S. International Trade Commission has found a violation of section 337 in the above-captioned investigation. The Commission has determined to issue: (1) a limited exclusion (“LEO”) prohibiting the unlicensed entry of infringing power converter modules and computing systems containing the same that are manufactured by or on behalf of, or imported by or on behalf of, the respondents; and (2) cease and desist orders (“CDOs”) against certain respondents. The investigation is terminated.

**FOR FURTHER INFORMATION CONTACT:** Joelle P. Justus, Esq., Office of the General Counsel, U.S. International Trade Commission, 500 E Street, S.W., Washington, D.C. 20436, telephone (202) 205-2593. 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](mailto: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 on (202) 205-1810.

**SUPPLEMENTARY INFORMATION:** On August 17, 2023, the Commission instituted this investigation under section 337 of the Tariff Act of 1930, as amended, 19 U.S.C. 1337 (“section 337”), based on a complaint filed by Vicor Corporation (“Vicor”) of Andover, Massachusetts. *See* 88 FR 56050-51 (Aug. 17, 2023). The complaint, as supplemented, alleges a violation of

section 337 based upon the importation into the United States, the sale for importation, and the sale within the United States after importation of certain power converter modules and computing systems containing the same by reason of the infringement of certain claims of U.S. Patent Nos. 9,166,481; 9,516,761; and 10,199,950. *See id.* The notice of investigation names the following respondents: Delta Electronics, Inc. of Taipei, Taiwan; Delta Electronics (Americas) Ltd. of Fremont, California; Delta Electronics (USA) Inc. of Plano, Texas; Cyntec Co., Ltd. of Hsinchu, Taiwan; Quanta Computer Inc. and Quanta Cloud Technology Inc., both of Taoyuan City, Taiwan; Quanta Cloud Technology USA LLC of San Jose, California; Quanta Computer USA Inc. of Fremont, California; Hon Hai Precision Industry Co. Ltd. (d/b/a, Foxconn Technology Group) of Taipei City, Taiwan; Foxconn Industrial Internet Co. Ltd. of Shenzhen, China; FII USA Inc. (a/k/a Foxconn Industrial, Internet USA Inc.) of Milwaukee, Wisconsin; Ingrasys Technology Inc. of Taoyuan City, Taiwan; and Ingrasys Technology USA Inc. of Fremont, California (collectively, “Respondents”). *See id.* The Office of Unfair Import Investigations (“OUII”) is also a party to the investigation. *See id.*

On January 25, 2024, the Commission partially terminated the investigation as to respondents Delta Electronics (USA) Inc., Quanta Cloud Technology Inc., and Quanta Cloud Technology USA LLC based on withdrawal of the complaint as to those respondents. *See Order No. 16 (Dec. 22, 2023), unreviewed by Comm’n Notice (Jan. 25, 2024).*

On January 26, 2024, the Commission amended the complaint and notice of investigation to add DET Logistics (USA) Corporation of Fremont, California as a respondent. *See Order No. 18 (Jan. 2, 2024), unreviewed by Comm’n Notice (Jan. 26, 2024).*

On March 22, 2024, the ALJ granted in part Respondents’ motion for summary determination of no infringement of any patent under the doctrine of equivalents. *See Order No. 37.* The Commission determined not to review the partial grant of summary determination. *See Comm’n Notice (Apr. 23, 2024).*

On September 27, 2024, the ALJ issued the Final ID finding a violation of section 337.

The Final ID finds, *inter alia*: (1) as to the '481 patent, the accused power converter modules manufactured by or on behalf of Cyntec (“Cyntec Products”) infringe asserted claim 1 but that the accused power converter modules manufactured by or on behalf of Delta (“Delta Products”) and certain asserted redesign products do not infringe claim 1, asserted claim 1 is not invalid, and certain asserted domestic industry products practice asserted claim 1; (2) as to the '761 patent, the accused Delta Products infringe asserted claims 1-7, claims 1-3 and 7 are invalid as anticipated, claims 4-6 are not invalid for obviousness or indefiniteness, and the asserted domestic industry products practice claims 1-7; (3) as to the '950 patent, the accused Delta and Cyntec Products do not infringe asserted claims 9, 13, 14, and 33-38, the asserted claims are not invalid for obviousness, and the domestic industry products do not practice any asserted claim; (4) Respondents do not have a license to practice the asserted patents; and (5) Vicor has satisfied the domestic industry requirement of section 337 with respect to each of the asserted patents.

The ALJ also issued a Recommended Determination on remedy and bonding (“RD”). The RD recommends that, if the Commission finds a violation, it should issue a limited exclusion order. The RD also recommends the issuance of cease and desist orders as to all Respondents. The RD further recommended that the Commission set a bond of zero percent (0%) as to the Cyntec Products and various bond amounts as to the other infringing products imported during the period of Presidential review.

On October 29, 2024, Vicor and respondent FII USA submitted public interest comments pursuant to Commission Rule 210.50(a)(4) (19 CFR 210.50(a)(4)). No submissions were filed in response to the Commission’s *Federal Register* notice seeking submissions on the public interest. *See* 89 FR 80604-05 (Oct. 3, 2024).

On October 11, 2024, Vicor filed a petition for review of the Final ID’s findings concerning: (1) as to the '481 patent, no infringement by the Delta accused products and certain aspects of the Final ID’s validity analysis; (2) as to the '761 patent, that certain claims are invalid as anticipated and certain subsidiary aspect of the Final ID’s remaining validity analysis; (3) as

to the '950 patent, no infringement, that the domestic industry products do not practice any asserted claim, and certain aspects of the Final ID's economic prong analysis; and (4) as to all patents, that Vicor has not shown the secondary indicia of non-obviousness of copying. Also on October 11, 2024, Respondents filed a petition for review of the Final ID's findings concerning: (1) as to the '481 patent, that claim 1 is not invalid as obvious; (2) as to the '761 patent, that the accused products infringe the asserted claims and claims 4-6 are not invalid as obvious; (3) as to the '950 patent, that the asserted claims are not invalid as obvious; (4) certain of the ALJ's pre-hearing orders; and (5) that Vicor has satisfied the economic prong as to each Asserted Patent. On October 21, 2024, OUII filed a combined response to the petitions. On October 22, 2024, Vicor and Respondents each filed responses to the other party's petition.

On December 4, 2024, the Commission determined to review the Final ID in part. 89 FR 99278-80 (Dec. 10, 2024). Specifically, the Commission determined to review the Final ID's findings regarding: (1) as to the '481 patent, whether the accused Delta Products infringe claim 1 and whether Vicor has demonstrated commercial success to overcome a finding of prima facie obviousness; (2) as to the '761 patent, whether the accused Delta Products infringe asserted claims 1-7 and whether the asserted claims are valid; (3) as to the '950 patent, whether the accused Delta and Cyntec Products and redesign products infringe asserted claims 9, 13, 14, and 33-36 and whether Vicor showed the domestic industry products practice any asserted claim; (4) whether Vicor has satisfied the economic prong of the domestic industry requirement as to all of the asserted patents; and (5) the license defense asserted by respondents FII USA, Inc., Ingrasys Technology, Inc., and Ingrasys Technology USA Inc. The Commission determined not to review the remainder of the Final ID's findings. *Id.* at 99278. The Commission requested briefing from the parties on certain issues under review, and from the parties, interested government agencies, and other interested persons on the issues of remedy, the public interest, and bonding. *Id.* at 99279-80.

On January 7, 2025, Vicor and OUII filed their written submissions on the issues under

review and on remedy, public interest, and bonding. On January 8, 2025, the Chair granted Respondents' request to file out of time their written submission on the issues under review and on remedy, public interest, and bonding. On January 15, 2025, the parties filed their reply submissions. The Commission did not receive comments on the public interest from non-parties.

Having examined the record in this investigation, including the Final ID, the petitions for review, and the responses thereto, the Commission has determined to find a violation of section 337 as to the '481 and '761 patents and to find no violation as to the '950 patent. As set forth in the simultaneously-issued Commission opinion, as to the issues on review, the Commission finds as follows:

- As to the '481 patent: affirm the Final ID's finding that the accused Delta Products do not infringe claim 1 and take no position regarding whether Vicor has demonstrated commercial success as a secondary consideration of non-obviousness.
- As to the '761 patent: affirm the Final ID's finding that the accused Delta Products infringe claims 1-7; reverse the Final ID's finding that claims 1-3 and 7 are invalid as anticipated and/or obvious; affirm in part and take no position in part regarding Vicor's purported secondary considerations of non-obviousness; and otherwise affirm the Final ID's finding that the asserted claims are not invalid.
- As to the '950 patent: affirm the Final ID's finding that the accused Delta and Cyntec Products and the asserted redesign products do not infringe claims 9, 13, 14, and 33-36; and affirm the Final ID's finding that Vicor has failed to show the domestic industry products practice at least one asserted claim.
- Reverse the Final ID and find FII USA, Inc. and Ingrasys Technology, Inc. have a license to the '761 patent.
- Affirm with modified reasoning the Final ID's finding that Vicor has satisfied the economic prong of the domestic industry requirement as to the '481 and '761 patents and take no position regarding whether Vicor satisfied the economic prong of the

domestic industry requirement as to the '950 patent.

The Commission otherwise affirms the findings and analysis of the Final ID that are not inconsistent with the Commission's opinion.

The Commission has determined that the appropriate form of relief is an LEO prohibiting the unlicensed entry of infringing power converter modules and computing systems containing the same manufactured by or on behalf of Respondents or any of their affiliated companies, parents, subsidiaries, or other related business entities, or their successors or assigns. The Commission has also determined to issue CDOs to respondents Delta Electronics (Americas) Ltd., FII USA Inc., Ingrasys Technology USA Inc., Quanta Computer Inc., and Quanta Computer USA Inc.

The Commission has further determined that the public interest factors enumerated in subsections (d)(l) and (f)(1) (19 U.S.C. 1337(d)(l), (f)(1)) do not preclude issuance of the above-referenced remedial orders. Additionally, the Commission has determined to impose a bond of zero percent (0%) as to Cyntec Products, and various bond amounts as to the other infringing products imported during the period of Presidential review (19 U.S.C. 1337(j)).

The investigation is terminated.

The Commission vote for this determination took place on February 13, 2025.

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: February 13, 2025.

**Lisa Barton,**

*Secretary to the Commission.*