

International Trade Commission (ITC)

- We have one of the leading International Trade Commission section 337 investigation practices in the United States
 - Counsel in over 50 section 337 investigations
 - Investigations have involved numerous technology areas and numerous causes of action, including patent, trademark and copyright infringement. Most investigations have involved concurrent litigation in federal district courts where members of the Firm served in similar capacity
- Our representative clients include
 - Amgen
 - Creative Labs
 - Hitachi
 - Linear Technology
 - Qualcomm
 - Renesas
 - Seagate
 - Trend Micro

Ranked as one of the most active firms before the ITC

Corporate Counsel 2010

“The team has handled a significant proportion of the ITC cases heard before the Commission over the last two years, whilst also often litigating simultaneously in federal court...”

Legal 500 US 2010

Ranked as a leading ITC firm in *Managing Intellectual Property's* 2010 annual survey of the world's leading IP Firms.

International Trade Commission

Recent complainant experience

McDermott
Will & Emery

McDermott Client	ITC Matter	Inv. No.
Biax Corporation	<i>In the Matter of Certain Digital Processors and Digital Processing Systems, Components Thereof, and Products Containing Same</i>	337-TA-559*
Blackboard, Inc.	<i>In the Matter of Certain Course Management System Software Products</i>	337-TA-677
Creative Labs / Creative Technology	<i>In the Matter of Certain Portable Digital Media Players</i>	337-TA-573
FormFactor, Inc.	<i>In the Matter of Certain Probe Card Assemblies, Components Thereof and Certain Tested DRAM and NAND Flash Memory Devices</i>	337-TA-621*
Funai	<i>Digital Televisions and Certain Products Containing Same and Methods of Using Same</i>	337-TA-617
Linear Technology	<i>In the Matter of Certain Wireless Communications Devices, Components Thereof</i>	337-TA-583
Linear Technology	<i>In the Matter of Certain Voltage Regulator Circuits, Components Thereof</i>	337-TA-564*
Prism Technologies LLC	<i>In the Matter of Certain Authentication Systems, Including Software and Handheld Electronic Devices</i>	337-TA-697
Qualcomm Inc.	<i>In the Matter of Certain Mobile Telephone Handsets, Wireless Communication Devices, and Components Thereof</i>	337-TA-578*
Rovi / United Video Properties Index Systems	<i>In the Matter of Certain Products Containing Interactive Program Guide and Parental Controls Technology</i>	337-TA-747
Spansion	<i>In the Matter of Certain Flash Memory Chips and Products Containing the Same</i>	337-TA-735
Spansion	<i>In the Matter of Certain Flash Memory Chips and Products Containing The Same</i>	337-TA-664
Trend Micro Incorporated	<i>In the Matter of Certain Systems for Detecting and Removing Viruses or Worms, Components Thereof, and Products Containing Same</i>	337-TA-624

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Recent respondent experience

McDermott
Will & Emery

McDermott Client	ITC Matter	Inv. No.
Barber Tianrui Railway Supply, LLC Standard Car and Truck Co.	<i>In the Matter of Cast Steel Railway Wheels, Certain Processes for Manufacturing or Relating to Same and Certain Products Containing Same</i>	337-TA-655
Ciena / Nortel Networks Optical Networking / Tellabs	<i>In the Matter of Certain Tunable Laser Chips, Assemblies, and Products Containing Same</i>	337-TA-662
Cipla, Ltd.**	<i>In the Matter of Certain Alendronate Products and Salts Containing Same</i>	337-TA-584
Creative Labs / Creative Technology	<i>In the Matter of Certain Portable Digital Media Players and Components Thereof</i>	337-TA-576
Dataproducts USA LLC	<i>In the Matter of Certain Ink Cartridges and Components Thereof</i>	337-TA-565
Funai Corporation, Inc. Funai Electric Co., Ltd.	<i>In the Matter of Certain Integrated Circuits, Chipsets, and Products Containing Same Including Televisions, Media Players, and Cameras</i>	337-TA-709
Hitachi	<i>In the Matter of Short-Wavelength Light Emitting Diodes, Laser Diodes and Products Containing Same</i>	337-TA-640
Hitachi	<i>In the Matter of Certain Short Wavelength Semiconductor Lasers and Products Containing Same</i>	337-TA-627
Hitachi / Panasonic Matsushita Electric Industrial Co.	<i>In the Matter of Certain Rechargeable Lithium-Ion Batteries, Components Thereof, and Products Containing the Same</i>	337-TA-600
Neptun Light, Inc.	<i>In the Matter of Certain Lighting Control Devices Including Dimmer Switches and Parts Thereof</i>	337-TA-681

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Recent respondent experience

McDermott
Will & Emery

McDermott Client	ITC Matter	Inv. No.
Precision Mastech Enterprises Shenzhen Everbest Machinery Shenzhen Victor Hi-Tech Co.	<i>In the Matter of Certain Digital Multimeters, and Products With Multimeter Functionality</i>	337-TA-588
Promethean	<i>In the Matter of Certain Collaborative System Products and Components Thereof (II)</i>	337-TA-728
Qualcomm Inc.	<i>In the Matter of Certain Wireless Communication Chips and Chipsets, and Products Containing Same, Including Wireless Handsets and Network Interface Cards</i>	337-TA-614
Qualcomm Inc. Spansion**	<i>In the Matter of Certain Semiconductor Chips With Minimized Chip Package Size and Products Containing Same</i>	337-TA-605*
Spansion / D-Link / Alpine Electronics	<i>In the Matter of Certain Flash Memory and Products Containing Same</i>	337-TA-685

- Section 337 of the Tariff Act of 1930
 - Prohibits unfair methods of competition in connection with products imported or sold for importation or after importation into the United States
 - Statute declares unlawful importation, sale for importation or sale within the United States by the owner, importer or consignee, of articles that infringe a United States Patent
 - Investigations are based on complaints by private parties, reviewed by the International Trade Commission
- Elements of proof in a Section 337 investigation
 - Unfair method of trade
 - Makes actionable unfair acts such as patent, trademark or copyright infringement
 - Importation
 - Requires the sale for importation, importation or sale after importation of products
 - Unfair act must be committed by the “owner, importer, consignee, or agent of either.” As a result of the broad language, the foreign manufacturer need not be involved in importation or sale to be named a party
 - Domestic Industry
 - Requires that an industry in the United States relating to the articles protected by the patent either exists or is being established

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ITC remedies

- Limited or general exclusion orders
 - Directs that articles concerned, imported by any person violating the provisions, be excluded from entry into the United States
 - Limited exclusion orders apply to named respondents and those in privity
 - General exclusion orders also apply to third parties, but require showing of pattern of violation
- Cease and desist orders
 - Usually directed at domestic activities, or
 - Importation of software
 - Commission must consider the effects of such actions upon the public health and welfare and competitive conditions in the United States economy
- Sanctions for violation of orders
 - \$100K per day or twice value of imported goods

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Review of ITC remedies

- All final determinations are subject to review by the U.S. Court of Appeals for the Federal Circuit
- All determinations are subject to presidential review
 - The scope of presidential review is restricted to public policy concerns
 - The president has only rejected recommendations in a handful of cases
 - Presidential review is actually conducted by an interagency committee chaired by the U.S. Trade Representative's Office. The committee includes representatives from the ITC, the Customs Service, the Executive Office, the Commerce Department, the Treasury Department and the Patent Office

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Section 337 actions

- Section 337 actions differ significantly from court actions
 - Faster (typically 12-15 months)
 - Fewer discovery restrictions
 - Federal rules are not binding
 - Additional elements of proof
 - Two phases of investigation: ALJ oversees the first, Commission oversees the second
 - ITC staff attorney participates as a party
 - ALJs handle only a handful of cases
 - Any counterclaims are transferred to district court
 - Any district court action involving same IP rights can be stayed at respondent's option
 - Remedies are prospective and enforced by customs

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Role of investigative attorney in ITC actions

McDermott
Will & Emery

- Represents the public interest
- Participates in case – submits positions to ALJ & Commission
- Objective/impartial
- Asks questions and takes evidence
- Files motions and can attack validity of patents
- Ensures complete record
- Can be friend or foe

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Eight stages of Section 337 investigation

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- Pre-complaint
- Complaint
- Investigation
- Hearing
- Initial Determination (7-9 months)
- Final Commission Decision (12-15 months from initiation)
- Presidential Review (60 days)
- Post Decision (Appeal)

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Section 337 investigation timeline

