

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, D.C.

In the Matter of

**CERTAIN CAPACITIVE DISCHARGE
IGNITION SYSTEMS, COMPONENTS
THEREOF, AND PRODUCTS
CONTAINING THE SAME**

Investigation No. 337-TA-1390

**NOTICE OF COMMISSION DETERMINATION TO REVIEW AND, ON REVIEW, TO
AFFIRM AN INITIAL DETERMINATION GRANTING IN PART SUMMARY
DETERMINATION THAT COMPLAINANT HAS SATISFIED THE ECONOMIC
PRONG OF THE DOMESTIC INDUSTRY REQUIREMENT**

AGENCY: U.S. International Trade Commission.

ACTION: Notice.

SUMMARY: Notice is hereby given that the U.S. International Trade Commission has determined to review and, on review, to affirm an initial determination (“ID”) (Order No. 13) of the presiding chief administrative law judge (“CALJ”) granting in part complainant’s motion for summary determination that it has satisfied the economic prong of the domestic industry requirement.

FOR FURTHER INFORMATION CONTACT: Namo Kim, Esq., Office of the General Counsel, U.S. International Trade Commission, 500 E Street, S.W., Washington, D.C. 20436, telephone (202) 205-3459. 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 this investigation on February 14, 2024, based on a complaint filed by Altronic, LLC of Girard, Ohio (“Altronic”). 89 FR 11314-15 (Feb. 14, 2024). The complaint, as supplemented, alleges violations of section 337 of the Tariff Act of 1930, as amended, 19 U.S.C. 1337 (“section 337”), based on the importation into the United States, the sale for importation, and/or the sale within the United States after importation of certain capacitive discharge ignition systems, components thereof, and products containing the same by reason of the infringement of certain claims of U.S. Patent No. 7,401,603 (“the ’603 patent”). *Id.* The complaint further alleges that a domestic industry (“DI”) exists. *Id.* The notice of investigation named as respondents MOTORTECH GmbH of Celle, Germany and

MOTORTECH Americas, LLC of New Orleans, Louisiana (collectively “MOTORTECH”). *Id.* The Office of Unfair Import Investigations is not named as a party. *Id.*

On July 18, 2024, Altronic filed a motion for summary determination (“Altronic MSD”) that it has satisfied the economic prong of the domestic industry requirement as to the ’603 patent under section 337(a)(3)(A), (B), and (C). Altronic asserted the following Altronic products as practicing at least one claim of the ’603 patent: “MORIS, CPU-XL, CPU-95EVS, DEIS, CD200EVS, NGI-1000, CCD-6, WCD-20, IPMD2, and LMB” (collectively “DI products”).

On July 29, 2024, MOTORTECH filed an opposition to Altronic’s motion for summary determination. In its opposition, MOTORTECH stipulated that it “does not oppose entry of [a] contingent summary determination that Altronic’s collective investments in all DI Products” are quantitatively significant under either section 337(a)(3)(A) or (B) “if Altronic succeeds in satisfying the technical prong as to all DI Products.”

On August 1, 2024, Altronic moved for leave to file a reply to MOTORTECH’s opposition. On August 12, 2024, MOTORTECH filed a response stating that it does not oppose Altronic’s motion for leave to file a reply.

On September 19, 2024, the CALJ issued the subject ID (Order No. 13) granting in part Altronic’s motion for summary determination that Altronic has satisfied the economic prong of the domestic industry requirement with respect to the MORIS product (but not the other asserted DI products) for the ’603 patent under sections 337(a)(3)(A) and (B). Based on the evidence submitted, the ID finds that there can be no reasonable dispute as to the significance of Altronic’s plant and equipment investments as well as Altronic’s labor and capital investments related to the MORIS product. The ID therefore finds that Altronic has satisfied the economic prong of the domestic industry requirement with respect to the MORIS product under both sections 337(a)(3)(A) and (B). Lastly, the ID explains that the grant of summary determination on the economic prong does not affect any future consideration whether Altronic has satisfied the technical prong. The CALJ also granted Altronic’s motion for leave to file in support of its summary determination motion.

The CALJ did not address and, presumably, denied Altronic’s motion for summary determination with respect to finding a domestic industry under section 337(a)(3)(C), and that determination is not before the Commission. *See* 19 CFR 210.18(f) (“An order of summary determination shall constitute an initial determination of the administrative law judge.”).

No petitions for review of the subject ID were filed.

Having examined the record of this investigation, the Commission has determined to review the subject ID in its entirety and, on review, to affirm the ID’s findings that Altronic has satisfied the economic prong of the domestic industry requirement with respect to the MORIS

product for the '603 patent under sections 337(a)(3)(A) and (B).^{1, 2}

The Commission vote for this determination took place on October 23, 2024.

¹ Commissioner Kearns finds that the economic prong of the domestic industry requirement is satisfied in this investigation under section 337(a)(3)(A) and (B). However, he does not rely upon comparisons of sales of the DI products to Altronic's total sales or to its total ignition sales as a basis to find the relevant investments or expenditures significant. "A firm's operations in engineering, researching, developing, and producing a product almost entirely in the United States, with the attendant significant investments in plant and equipment and employment of labor and capital, would be no less a domestic industry if the firm also had larger operations on other product lines. Thus, this mode of comparison could put large firms with many product lines at a disadvantage in demonstrating a domestic industry compared to small, focused firms." *Certain Automated Put Walls and Automated Storage and Retrieval Systems, Associated Vehicles, Associated Control Software, and Component Parts Thereof*, Inv. No. 337-TA-1293, Comm'n Op. at 26 n.21 (July 31, 2023). Nor does he rely on a comparison of the cognizable investments and expenditures to sales of the DI products. While such a comparison can be a measure of value added in the United States where, for example, the DI product is manufactured overseas, this comparison is not necessary here. Rather, he finds significance based on the undisputed facts showing that 100 percent of Altronic's economic activity related to the DI products take place in the United States. *See id.* at 26 n.22 ("Commissioner Kearns notes that where the DI products are entirely or nearly entirely engineered, researched, developed, and manufactured in the United States, as the record indicates is the case here (and which Respondents do not contest), the value added by the domestic operations will usually be significant.").

² Chair Karpel also affirms the ID's finding that Altronic's investments in plant and equipment and labor and capital related to the MORIS product are significant under section 337(a)(3)(A) and (B). She notes that, consistent with the ID, complainant's investments are quantitatively significant based on the undisputed facts showing that 100 percent of Altronic's investments in plant and equipment and labor and capital to develop and manufacture the MORIS domestic industry products are in the United States and in comparison to MORIS sales generated during the same period. *See ID* at 5-6; *Altronic MSD* at 7, 26. Moreover, qualitative significance was shown by sales of MORIS products compared to Altronic's total sales, and its total ignition sales. *ID* at 5-7.

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.

A handwritten signature in black ink, appearing to read 'Lisa R. Barton', written in a cursive style.

Lisa R. Barton
Secretary to the Commission

Issued: October 23, 2024