

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, D.C. 20436

In the Matter of

**CERTAIN PERSONAL COMPUTERS,
SERVER COMPUTERS, AND COMPONENTS
THEREOF**

Inv. No. 337-TA-509

NOTICE OF COMMISSION DECISION TO REMAND-IN-PART AND VACATE-IN-PART AN INITIAL DETERMINATION FINDING A VIOLATION OF SECTION 337 OF THE TARIFF ACT OF 1930; REFERRAL OF MOTION TO ADMINISTRATIVE LAW JUDGE

AGENCY: U.S. International Trade Commission.

ACTION: Notice.

SUMMARY: Notice is hereby given that the U.S. International Trade Commission has determined to reverse the presiding administrative law judge (“ALJ”) findings in the above-captioned investigation of literal infringement with respect to the asserted claims of U.S. Patent No. 6,138,184 (“the ‘184 patent”) and U.S. Patent No. 5,892,976 (“the ‘976 patent”) and to remand the investigation to the ALJ for a determination of whether claims 7, 24, and 41 of the ‘184 patent and claim 9 of the ‘976 patent are infringed under the doctrine of equivalents, and whether a domestic industry exists as to those patents. The Commission has also determined to vacate that portion of the ID which concerns infringement of claim 1 of U.S. Patent No. 6,085,318 (“the ‘318 patent”) under the doctrine of equivalents. The Commission has determined to affirm the remainder of the ID. Finally, the Commission has directed the ALJ to set a new target date in the investigation and to rule on a motion filed on October 27, 2005, by respondent concerning a recently discovered license agreement related to the patents at issue in this investigation.

FOR FURTHER INFORMATION CONTACT: Rodney Maze, Esq., Office of the General Counsel, U.S. International Trade Commission, 500 E Street, S.W., Washington, D.C. 20436, telephone (202) 205-3065. Copies of non-confidential documents filed in connection with this investigation are or will be available for inspection during official business hours (8:45 a.m. to 5:15 p.m.) in the Office of the Secretary, U.S. International Trade Commission, 500 E Street, S.W., Washington, D.C. 20436, telephone (202) 205-2000. General information concerning the Commission may also be obtained by accessing its Internet server (<http://www.usitc.gov>). The public record for this investigation may be viewed on the Commission's electronic docket

(EDIS) at <http://edis.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: This investigation was instituted by the Commission on June 7, 2004, based on a complaint filed by Hewlett-Packard Development Company, L.P. of Houston, Texas and Hewlett-Packard Company of Palo Alto, California (collectively "HP"). 69 *Fed. Reg.* 31844 (June 7, 2004). The complainants alleged violations of section 337 of the Tariff Act of 1930, 19 U.S.C. § 1337, in the importation and sale of certain personal computers, server computers, and components thereof, by reason of infringement of seven U.S. patents. The complainants named Gateway, Inc. of Poway, California (Gateway) as the only respondent. Claim 1 of U.S. Patent No. 5,737,604, claims 1, 3, 4, 6-8, 18, 20, 21, 23-25, 35, 37, 38, and 40-42 of the '184 patent, claim 9 of the '976 patent, and claim 1 of the '318 patent remain at issue in this investigation.

On May 24, 2005, the ALJ issued an ID (Order No. 45) extending the target date of the investigation by three months or until December 8, 2005. No party petitioned for review of the ID. The Commission has determined not to review this ID.

On August 8, 2005, the ALJ issued his final ID on violation and his recommended determination on remedy and bonding. The final ID incorporates by reference Order No. 15 setting forth the ALJ's construction of the claim terms at issue in this investigation. The ALJ found a violation of section 337 by reason of infringement of claims 7, 24, and 41 of the '184 patent and claim 9 of the '976 patent. He found all other asserted claims of the '184 and '976 patents to be invalid. The ALJ did not find a violation of section 337 with respect to the other two patents. Petitions for review were filed by HP, Gateway, and the Commission investigative attorney (IA) on August 18, 2005.

On August 23, 2005, the Commission issued a notice indicating that it had determined to extend the deadline for determining whether to review the final ID by 14 days, *i.e.*, from September 22, 2005, until October 6, 2005. On August 25, 2005, all parties filed responses to the petitions. On October 6, 2005, the Commission issued a notice indicating that it had determined to extend the deadline for determining whether to review the final ID by 8 days, *i.e.*, from October 6, 2005, until October 14, 2005.

On October 20, 2005, the Commission issued a notice indicating that it had determined to review the final ID in its entirety. 70 *Fed. Reg.* 61157 (October 20, 2005). In connection with its review, the Commission requested written submissions on the issues under review and the issues of remedy, the public interest, and bonding. On October 27, 2005, Gateway filed a motion to stay the Commission's review of the ID and remand to the ALJ for additional findings concerning a license agreement related to the patents at issue in this investigation. On November 7, 2005, HP and the IA filed separate responses to Gateway's motion.

Having examined the record of this investigation, including the final ID and the submissions of the parties, the Commission has determined to reverse the ALJ's finding of literal

infringement with respect to claims 7, 24, and 41 of the '184 patent and claim 9 of the '976 patent and to remand the investigation to the ALJ for findings concerning infringement of these claims under the doctrine of equivalents and whether the technical prong of the domestic industry requirement has been met in regard to the '184 and '976 patents. The Commission has also determined to vacate that portion of the ID which concerns infringement of claim 1 of the '318 patent under the doctrine of equivalents. The Commission has determined to affirm the remainder of the ID. The Commission has also directed the ALJ to consider and rule on Motion Docket No. 52C, filed by Gateway on October 27, 2005, which concerns a license agreement related to the patents at issue in this investigation. Finally, the Commission has directed the ALJ to extend the target date of the investigation as may be necessary to conclude the proceedings and to issue his findings on remand two months before the new target date.

This action is taken under the authority of section 337 of the Tariff Act of 1930, as amended (19 U.S.C. § 1337), and section 210.45 of the Commission's Interim Rules of Practice and Procedure (19 C.F.R. § 210.45).

By order of the Commission.

Marilyn R. Abbott
Secretary to the Commission

Issued: December 8, 2005