

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, D.C.

In the Matter of

**CERTAIN AUTOMATED TELLER
MACHINES, ATM MODULES,
COMPONENTS THEREOF, AND
PRODUCTS CONTAINING THE SAME**

Investigation No. 337-TA-989
(Enforcement)

**NOTICE OF COMMISSION DETERMINATION NOT TO REVIEW AN INITIAL
DETERMINATION EXTENDING THE TARGET DATE**

AGENCY: U.S. International Trade Commission.

ACTION: Notice.

SUMMARY: Notice is hereby given that the U.S. International Trade Commission (“the Commission”) has determined not to review an initial determination (“ID”) (Order No. 47) to extend the target date for completion of this enforcement proceeding from December 24, 2018, to January 24, 2019, in view of a recent decision by the U.S. Court of Appeals for the Federal Circuit that the subject patent claims at issue are invalid as indefinite under 35 U.S.C. § 112(6).

FOR FURTHER INFORMATION CONTACT: Carl P. Bretscher, Office of the General Counsel, U.S. International Trade Commission, 500 E Street SW., Washington, DC 20436, telephone 202-205-2382. 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 SW., Washington, DC 20436, telephone 202-205-2000. General information concerning the Commission may also be obtained by accessing its Internet server at <https://www.usitc.gov>. The public record for this investigation may be viewed on the Commission’s electronic docket (“EDIS”) at <https://edis.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 March 14, 2016, the Commission instituted this investigation on a Complaint filed by Nautilus Hyosung Inc. (now Hyosung TNS Inc.) of Seoul, Republic of Korea and Nautilus Hyosung America Inc. of Irving, Texas (collectively “Nautilus”). 81 FR 13149 (Mar. 14, 2016). In pertinent part, the Complaint alleged Section 337 of the Tariff Act of 1930, as amended, 19 U.S.C. 1337, was being violated by the importation into the United States, sale for importation, or sale within the United States after importation of certain automated teller machines (“ATMs”), ATM modules, components thereof, or products containing same that allegedly infringe one or more of claims 1-3, 6, 8, and 9 of U.S. Patent No. 8,523,235 (“the ’235 patent”). *Id.* The Complaint also alleged infringement of certain claims of

U.S. Patent Nos. 7,891,551, 7,950,655, and 8,152,165, but those patents were later terminated from the investigation. Order No. 11 (June 30, 2016), Comm'n Notice of Non-Review (July 27, 2016); Order No. 17 (July 21, 2016), Comm'n Notice of Non-Review (August 16, 2016).

The notice of institution of this investigation named Diebold Nixdorf, Incorporated and Diebold Self-Service Systems both of North Canton, Ohio (collectively, "Diebold") as Respondents. 81 FR 13149; 82 FR 13501 (Mar. 13, 2017). The Office of Unfair Import Investigations ("OUII") was not named as a party. 81 FR 13149.

On July 14, 2017, the Commission found Diebold was violating Section 337 as to the '235 patent and issued a limited exclusion order ("LEO") as well as cease and desist orders ("CDOs"). The LEO prohibits the unlicensed entry of ATMs, ATM modules, components thereof, and products containing the same that are manufactured by or on behalf of, or are imported by or on behalf of Diebold or any of its affiliated companies, parents, subsidiaries, agents, or other related business entities, or their successors or assigns and that infringe one or more of claims 1-3, 6, 8, and 9 of the '235 patent. *Id.* The CDOs prohibit, among other things, the importation, sale, and distribution of infringing products by Diebold. *Id.*

Diebold subsequently appealed the Commission's final determination to the U.S. Court of Appeals for the Federal Circuit ("Federal Circuit"). 82 FR 33513-14 (July 20, 2017).

On December 22, 2017, the Commission instituted the subject enforcement proceeding based upon a complaint filed by Nautilus alleging that Diebold was violating the July 14, 2017, remedial orders issued in the underlying investigation. Diebold is named as a Respondent, and OUII is named as a party.

On August 15, 2018, the Federal Circuit issued its opinion in the above-referenced appeal that the asserted claims of the '235 patent are invalid as indefinite under Section 112(6) of the Patent Act, 35 U.S.C. § 112(6). *Diebold Nixdorf, Inc. v. International Trade Comm'n*, Appeal No. 2017-2553, 2018 WL 3862648 (Aug. 15, 2018).

On August 21, 2018, Diebold moved to stay the enforcement proceeding in view of the Federal Circuit's invalidity decision. Nautilus opposed the stay. OUII supported a stay or extension of the target deadline.

On August 24, 2018, the ALJ issued the subject initial determination (Order No. 47) pursuant to Commission Rule 210.51(a)(2), 19 C.F.R. §§ 210.51(a)(2), to extend the target date of the enforcement proceeding by one (1) month, to January 24, 2019. The ID notes that this extension will have the effect of extending the date for issuance of the enforcement initial determination by one (1) month, to October 24, 2018. The ID explains that this extension will provide sufficient time for the parties to petition the Federal Circuit for a rehearing, for the Federal Circuit to issue its mandate, and for the Commission to act on the Court's mandate.

No petitions to review the subject ID were timely filed.

The Commission has determined not to review the subject ID.

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', with a stylized flourish at the end.

Lisa R. Barton
Secretary to the Commission

Issued: September 14, 2018