



7020-02

INTERNATIONAL TRADE COMMISSION

[Investigation No. 337-TA-1012]

Certain Magnetic Data Storage Tapes and Cartridges Containing the Same

Notice of Commission Determination to Rescind Remedial Orders; Termination of Enforcement Proceeding

AGENCY: U.S. International Trade Commission.

ACTION: Notice.

SUMMARY: Notice is hereby given that the U.S. International Trade Commission (“Commission”) has determined to rescind the limited exclusion order and cease and desist orders issued in the above-captioned investigation and to terminate the enforcement proceeding.

FOR FURTHER INFORMATION CONTACT: Ron Traud, Office of the General Counsel, U.S. International Trade Commission, 500 E Street, S.W., Washington, D.C. 20436, telephone (202) 205-3427. 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 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 on (202) 205-1810.

SUPPLEMENTARY INFORMATION: The Commission instituted the original investigation on July 1, 2016, based on a complaint filed by Fujifilm Corporation of Tokyo, Japan and

Fujifilm Recording Media U.S.A., Inc. of Bedford, Massachusetts (collectively, “Fujifilm”). 81 FR 43243 (July 1, 2016). The complaint alleged violations of 19 U.S.C. 1337, as amended (“Section 337”), through the importation into the United States, sale for importation, or sale within the United States after importation of certain magnetic data storage tapes and tape cartridges containing same that allegedly infringe certain asserted claims of U.S. Patent Nos. 6,641,891 (“the ’891 patent”), 6,767,612 (“the ’612 patent”), 6,703,106 (“the ’106 patent”), 8,236,434 (“the ’434 patent”), and 7,355,805 (“the ’805 patent”). *Id.* The Commission’s notice of investigation named Sony Corporation of Tokyo, Japan; Sony Corporation of America of New York, New York; and Sony Electronics Inc. of San Diego, California (collectively, “Sony”) as respondents. *Id.* The Office of Unfair Import Investigations (“OUII”) was also named as a party to the investigation.

On March 14, 2018, the Commission determined that a violation of Section 337 occurred with respect to the ’891 patent but not the ’612, ’106, ’434, or ’805 patents. 83 FR 11245 (March 14, 2018). The Commission issued a limited exclusion order and cease and desist orders against the Sony respondents, but exempted magnetic data storage tapes and tape cartridges that are imported or used for the purpose of fulfilling Sony’s warranty, service, repair, or compliance verification obligations. *Id.*; *see also* Comm’n Opinion (March 8, 2018).

On June 13, 2018, the Commission instituted an enforcement proceeding and named the original three Sony entities as respondents, in addition to Sony Storage Media Solutions Corporation of Tokyo, Japan; Sony Storage Media Manufacturing Corporation of Miyagi, Japan; Sony DADC US Inc. of Terre Haute, Indiana; and Sony Latin America Inc. of Miami, Florida (collectively, “the Sony Respondents”). 83 FR 27626 (June 13, 2018). OUII was also named as

a party. *Id.*

While the enforcement proceeding was ongoing, the Sony Respondents filed a request for an advisory opinion and petition for modification of the remedial orders to clarify that certain of its redesigned tape products are outside the scope of the remedial orders. *See* 83 FR 42690 (Aug. 23, 2018). The Commission instituted the modification proceeding on August 23, 2018, and consolidated it with the enforcement proceeding. *Id.* The Commission, however, subsequently terminated the modification proceeding that had been consolidated with the enforcement proceeding on a motion filed by the Sony Respondents. 83 FR 58594 (Nov. 20, 2018).

On July 3, 2019, the presiding administrative law judge (“ALJ”) issued an initial determination in the enforcement proceeding (“EID”), finding that the Sony Respondents violated the cease and desist orders and recommending a civil penalty of \$210,134 as the appropriate enforcement measure. EID at 1, 60-61.

The Sony Respondents filed a petition to review the EID on July 15, 2019. On July 17, 2019, however, the parties filed a joint motion for an extension of time to file a response to the Sony Respondents’ petition in order to accommodate the parties’ settlement discussions.

On July 25, 2019, Fujifilm and the Sony Respondents filed a joint petition to rescind the remedial orders and a joint motion to terminate the enforcement proceeding due to their settlement agreement and patent cross-license. *See* 19 U.S.C. 1337(k); 19 CFR 210.21(b), 210.76(a). On August 1, 2019, OUII filed a response in support of the parties’ joint petition to rescind the remedial orders and their joint motion to terminate the enforcement proceeding.

The Commission, having reviewed the parties’ joint petition and other materials, has

determined to grant the parties' petition and motion, rescind the limited exclusion order and cease and desist orders issued in the underlying investigation, and terminate the enforcement proceeding.

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: August 13, 2019.

Lisa Barton,
Secretary to the Commission.

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