

Preparing to Defend a Section 337 Action: What District Court Litigators Need to Know



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THE U.S. INTERNATIONAL TRADE COMMISSION (“ITC” or “the Commission”) is an important venue for patentees. Cases are guaranteed a decision within sixteen months of the institution of the investigation and success provides injunctive relief without the need to satisfy the traditional equitable standard applicable in patent cases under *EBay Inc. v. MercExchange, L.L.C.*¹ Moreover, the venue allows for multiple, unrelated defendants to be pursued in a single proceeding. For these reasons and others, the number of investigations in the ITC under Section 337 of the Tariff Act of 1930 (“Section 337”)² has trended upward over most of the past ten years.³

Section 337 proscribes a variety of acts associated with the importation of articles into the United States, including “[t]he importation into the United States, the sale for importation, or the sale within the United States after importation by the owner, importer, or consignee, of articles that (i) infringe a valid and enforceable United States patent...; or (ii) are made, produced, processed, or mined under, or by means of, a process covered by the claims of a valid and enforceable United States patent.”⁴ The statute authorizes the Commission to investigate alleged violations in a quasi-judicial proceeding, which is conducted by an administrative law judge (“ALJ”) on the record after notice and opportunity for a hearing.⁵ Most of the issues and procedures with which counsel are familiar in a typical patent case, such as claim construction, infringement, and invalidity play their accustomed role in a proceeding for patent infringement in the ITC.



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The remedies available to a successful patent holder in the ITC are, however, quite different and may, in some circumstances, be potentially more compelling than those available in federal court. Damages are not available. Instead, if the Commission determines that a violation has occurred, it “shall direct that the articles concerned, imported by any person violating the provision of this section, be excluded from entry into the United States” unless public interest concerns dictate a contrary outcome (an exception only rarely invoked).⁶ Notably, an exclusion order may in certain circumstances reach beyond the particular respondents named in the complaint to exclude a class of products regardless of the source, an *in rem* remedy that can be quite effective (and subject to potential abuse).⁷ Moreover, Customs and Border Protection enforces an exclusion order, typically with input from the successful patent holder, with the effect that goods found to infringe may be seized and forfeited at the port of entry.⁸ In addition, the Commission may issue a cease and desist order that precludes the sale within the U.S. as well as the importation into the U.S. of infringing articles, which subject the named respondents to possible penalties of up to \$100,000 per day of violation.⁹

Given the potentially significant impact of these remedies, defense counsel new to the venue should have a thorough appreciation of the important differences between litigating a patent case in the ITC and in U.S. district court. Probably the most important is this: the development of the major evidence, theories, and themes of the case must be front-loaded to an extent rarely seen outside the most aggressive of

district court rocket dockets. Deadlines to respond to pleadings and discovery are expedited and defendants (referred to as “respondents” in the ITC) are required to make substantive showings much earlier than in usual district court practice. It is imperative that counsel effectively prepare their clients for the pace of the proceedings and the required disclosures, as well as the significant disruption that may result from the need to gather electronic discovery on an expedited basis.¹⁰

THE INVESTIGATION MOVES AT WARP SPEED

The first step in an ITC investigation is, as in district court, the filing of a complaint.¹¹ However, because the ITC is an administrative agency rather than a court, the filing of the complaint is not sufficient to invoke the tribunal’s adjudicative authority. The Commission must determine whether to institute an investigation within thirty days of the filing of the complaint.¹² If the complaint is procedurally sufficient, the Commission will typically go forward with an investigation, and will serve non-confidential copies of the complaint, exhibits, and notice of investigation upon each respondent.¹³

When an investigation is instituted, an ALJ will be assigned to the proceeding and a protective order will be entered. Respondents’ counsel should make their appearances and agree to be bound to the protective order as soon as possible following service so that they can request a copy of the confidential complaint and exhibits and prepare their responses. Respondents have twenty days from the date of service of the complaint and notice of investigation to file a written response.¹⁴ While professional courtesy and the local rules of many district courts often permit a more leisurely approach to the filing of a responsive pleading, in the ITC respondents should assume that any extension will be short.¹⁵ A respondent that fails to respond will find itself in default, with potentially severe consequences (including a finding of waiver of respondent’s right to appear, to be served with documents, and to contest the allegations at issue in the complaint).

Within forty-five days following institution of the investigation, the ALJ must issue an order setting a target date for completion of the investigation, including the completion of the Commission’s review of the ALJ’s determinations and recommendations regarding the existence of a violation of Section 337 and the appropriate remedy.¹⁶ Any target date that exceeds sixteen months from the date of institution will be reviewed by the Commission.¹⁷ In practice, ALJs rarely set a target date that exceeds sixteen months from the date of institution.¹⁸

Due to the sixteen-month timeframe, the procedural schedule in an ITC investigation is correspondingly short. Parties typically are given approximately five months for discovery, with the deadline to file summary determinations within the following two months.¹⁹ The evidentiary hearing, the ITC’s equivalent of a trial, is approximately eight to nine months from the date the notice of institution was published.²⁰

Given the short timelines, upon receiving notice of the filing of the complaint, respondents should proactively identify which of their products is accused and perform a comparison of that product to the indepen-

dent claims of the patent. Respondents should also run invalidity searches against the patents in suit, and review those search results (and the identified prior art references) well in advance of the deadline to respond.

Discovery Responses

The short schedule of an ITC investigation is reflected in discovery practice. The Commission rules provide that interrogatories, requests for production of documents, deposition notices, and requests for admission may be served immediately following the publication of the notice of institution in the Federal Register.²¹ Any response thereto is due within ten days after service.²²

In addition, if a party withholds information due to privilege, that party must make the claim at the time of the response, and must serve a privilege log within ten days of making the claim.²³

Such short timelines emphasize the importance of early communication with clients about expectations for document collection and production, and the related costs. Given the short time to respond and to produce a privilege log, document collection should begin from notice of the complaint. Further, the client should be prepared to gather relevant information within a few weeks of receipt of discovery.

Subpoena Practice

Third party discovery, such as discovery seeking materials and testimony to support an invalidity defense based on the existence of prior art or an on-sale bar, may be obtained through the service of a subpoena just as in district court litigation. Unlike in district court, counsel for the parties may not issue subpoenas. Instead, the party must make an application to the administrative law judge for issuance of a subpoena requiring a person to appear at deposition or to produce documents.²⁴ Many ALJs provide detailed guidance as to the required content of the application and the substance of the subpoena in their Ground Rules, which typically require a showing of the relevance of the information sought and the reasonableness of the scope of inquiry.²⁵ Requests for issuance of a subpoena are ruled on quickly, often within two or three days.

The speed with which subpoenas are issued contrasts with the multi-layered process for enforcement against a recalcitrant third party. First, the frustrated litigant must move before the ALJ for an order certifying a request for enforcement to the Commission.²⁶ In the event that the ALJ agrees that legitimate discovery has been thwarted, he must submit a written report concerning the purpose, relevance, and reasonableness of the subpoena.²⁷ The Commission will then review the papers and, if it agrees that the subpoena should be enforced, issue a notice stating that it has granted the request and authorizes the Office of the General Counsel (“OGC”) to seek enforcement.²⁸ The OGC will then file a motion (typically, in the U.S. District Court for the District of Columbia) to enforce the subpoena.

On a motion to enforce an ITC subpoena, the Commission (and, in the background, the interested litigant) has some advantages over

traditional district court practice, such as the availability of nationwide process.²⁹ In addition, the Supreme Court has confined the role of a court before which such a motion is pending to determining whether “the inquiry is within the authority of the agency, the demand is not too indefinite and the information sought is reasonably relevant.”³⁰ Nevertheless, it is critically important that the party seeking enforcement provide the ALJ sufficient factual support for the conclusion that the third party has in fact failed to comply, because the ALJ’s failure to articulate findings of fact that support that conclusion will likely doom the effort.³¹

That said, the rapid pace of an ITC proceeding may work against the use of these procedures to compel compliance. *In re* Certain Encapsulated Integrated Circuit Devices and Products Containing Same, Inv. No. 337-TA-501 (“*In re* Certain Encapsulated IC Devices”), is a case in point. In *In re* Certain Encapsulated IC Devices, respondents moved before the ALJ to enforce a third party document and deposition subpoena on May 19, 2004.³² The ALJ granted the motion on June 7, 2004, certifying to the Commission the respondents’ request for judicial enforcement of the subpoenas.³³ The Commission issued a notice of its determination to grant the request for judicial enforcement of the subpoena on July 12, 2004. The Commission then filed a miscellaneous action in the U.S. District Court for the District of Columbia.³⁴ The U.S. district judge granted the motion on December 1, 2004.³⁵ However, by that time the ALJ had already held the hearing and issued an Initial Determination.³⁶ So, respondents seeking third party invalidity evidence (among other things) should request and serve any critical subpoenas as early as possible, in order to maximize the prospect of meaningful enforcement.

Summary Determination

The short schedule in ITC actions is also reflected in the procedure for motions for summary determination. As in district court, any party may move for summary determination of all or any part of the issues to be determined in the investigation. The complainant can move at any time after twenty days following the service of the complaint and notice of institution.³⁷ Respondents may move at any time after publication of the notice of investigation.³⁸

In general, nonmoving parties must respond to the motion within ten days after service.³⁹ Foreign parties have fifteen days to respond.⁴⁰ While the Commission Rules state that the ALJ may set the matter for oral argument and call for the submission of briefs or memoranda, in practice parties typically file any response to the motion within the usual time to respond to motions as set forth in the Judge’s ground rules⁴¹

DIFFERENCES IN PRACTICE BETWEEN DISTRICT COURT AND THE ITC

In addition to the shortened timelines, there are several notable variations in practice between the ITC and district court.

Commission Investigative Staff Attorney

Once an investigation is instituted, the Office of Unfair Import Investigations (“OUII”) designates a lead attorney for service of process. This lead attorney, referred to as the Staff Attorney, represents the interests of the OUII in the investigation. The Staff Attorney can serve discovery and participate in depositions, and will likely take a position on each significant motion. The Staff Attorney is free to raise issues and advance arguments separate from those of the parties.

In practice, the Staff Attorney is a valuable resource. The Staff Attorney is typically deeply knowledgeable regarding patent law and the remedies uniquely available in the ITC, and should be treated not as an adversary but as a disinterested and potentially persuadable third party. In addition, because the Staff Attorney is typically experienced both in ITC procedure and each ALJ’s preferences, she can provide guidance in discovery disputes, anticipated motion practice, evidentiary issues, and other matters throughout the proceeding.

Ground Rules

Each ALJ has a set of Ground Rules that are distributed at the time of institution. These rules are much broader in scope and impact than the typical district judge’s chambers rules, and should be reviewed carefully so counsel and support staff understand the ALJ’s expectations concerning case management logistics, motion practice, pre-hearing filings, and so on.

In general, the ALJs require the parties to cooperate, and in practice the parties typically do make a real effort to resolve discovery disputes before they escalate to motion practice.⁴² This is reflected in mandatory, bi-weekly conferences between the lead counsel of each party and the Staff Attorney. In these conferences, the parties identify and attempt to resolve discovery disputes and also address other procedural and case management issues, such as claim construction and evidentiary issues.⁴³ Likewise, the ALJs require the parties to meet and confer before the filing of any opposed motion.⁴⁴

While the Ground Rules are similar in many respects, they differ significantly in terms of mandatory disclosures, trial presentation, and mandatory settlement procedures.

While some ALJs, like ALJ Pender and ALJ Gildea, have adopted rules similar to district court patent local rules, other ALJs have not. ALJ Pender’s and ALJ Gildea’s rules provide for an identification of products that fall within the scope of the investigation, including any specific elements, components, or processes, that are alleged to infringe the asserted patent.⁴⁵ The ALJs require that patentees disclose the priority dates of the asserted patents, domestic industry contentions, and invalidity and non-infringement contentions.⁴⁶ Amendment to these mandatory disclosures may only be made upon the showing of good cause.⁴⁷ ALJ Lord and ALJ Bullock, on the other hand require only a notice of prior art.⁴⁸ ALJ Shaw and ALJ Essex have slightly different procedures.⁴⁹

The ALJs also differ in terms of their required settlement procedures. ALJ Pender, ALJ Gildea, and ALJ Essex require the parties to attend three settlement conferences.⁵⁰ For each settlement conference, at least one person from each party with the requisite authority to settle is required to attend.⁵¹ The settlement conferences must be held in person, unless prior permission is received from the ALJ for good cause shown.⁵² ALJ Lord and ALJ Bullock, on the other hand, require the parties to conduct two settlement conferences and a one-day mediation.⁵³ ALJ Shaw requires the parties to conduct two settlement conferences, or to participate in mediation.⁵⁴

In addition, the ALJs differ in terms of the times of day when deadlines occur. ALJ Gildea's deadlines for any paper, for example, require that paper to be received by the intended recipient no later than the close of business on that due date.⁵⁵ Other ALJs, including ALJ Pender and ALJ Lord, do not.

The ALJs also have different requirements regarding extensions of time. ALJ Pender, for instance, requires that any request for extension of time that is contested, or that is an extension of a mandatory disclosure date, be made by written motion no later than 12:00 pm Eastern Time, two business days before the due date.⁵⁶ ALJ Lord, ALJ Bullock, ALJ Gildea, and ALJ Essex, however, only require that the extension of time be made by written motion the day before the due date.⁵⁷

Hearing and Post-Hearing Procedures

Following the conclusion of discovery, the ALJ will conduct a hearing, which is the equivalent of a trial in district court. The Commission Rules provide for a trial-like procedure, with the right to adequate notice, presentation of evidence, cross-examination, objections, motions, argument, "and all other rights essential to a fair hearing."⁵⁸ One right that the parties to an ITC investigation do not have, however, is the right to a jury trial, as the ITC is an administrative agency and not an Article III court. It is the ALJ, not a jury, who is the finder of fact. This factor should significantly impact the evidence that is presented as well as the arguments that are made in presenting a respondent's case at the hearing. For example, counsel should focus at the hearing on their strongest arguments and leave weaker or subsidiary arguments for the pre- and post-hearing briefing, where they will be preserved for later use on appeal. Similarly, counsel may dispense with much of the "educational" evidence that must typically be imparted to a jury in a patent trial involving complex technology, as the ALJ will have read the pre-trial briefs and witness statements and will want to cut to the chase.

The ALJs' ground rules provide specific guidelines regarding pre-hearing and post-hearing filings. The ALJs require that the parties file a pre-hearing brief setting forth the parties' contentions with particularity and citations to supporting legal authority. This is a very important document; it is read closely by the ALJs and provides the framework upon which counsel will hang the evidence to be submitted at the hearing. Following the hearing, the parties file initial and

reply post-hearing briefs, which are analogous to closing argument in a trial in district court. The Ground Rules also set forth detailed requirements governing the presentation of witnesses and exhibits.

Another dramatic difference between district court and the ITC is the manner in which witness testimony is presented. In district court, a trial will nearly always be centered on in-person direct examination, cross examination, and re-direct. In the ITC, however, all but one ALJ require that direct witness testimony, with the exception of adverse witnesses, be made by witness statement in lieu of live testimony.⁵⁹ While some ALJs have on occasion given the parties the opportunity to present live direct testimony in response to the parties' request, counsel should expect to present her case in chief on paper instead of on the stand.⁶⁰ The witness statements are in the form of questions and answers, in the witness's native language.⁶¹

Witness statements are typically due weeks before the commencement of the hearing. Thus, the parties must prepare their witnesses, draft extensive questions, and prepare written answers during the usual pretrial rush of disclosures, pretrial briefs, and generation of exhibit lists. Moreover, cross examination and hostile direct examination happens live,⁶² which means that witnesses must also be prepared to field hostile questioning as they would in a trial in district court.

Following the conclusion of the hearing and the submission of post-hearing briefs, the ALJ will issue an Initial Determination ("ID") regarding whether there was a violation of Section 337 (e.g., whether the imported articles infringe complainant's patent), and an Initial Recommendation regarding the remedy to be imposed, the impact of such a remedy on the public interest, and the amount of a bond to be posted by respondents in the event that they wish to continue importing infringing articles during the 60-day Presidential review period.⁶³ The Commission will then review the ID and, assuming that it concurs in the finding that a violation exists, issue a remedy and set the amount of the bond.⁶⁴ The remedy generally consists of an exclusion order—either directed against specific named respondents (a limited exclusion order) or against infringing products generally (a general exclusion order)—and may also include a cease and desist order prohibiting infringing activity within the United States.

There is yet another aspect of ITC litigation that differs markedly from that in district court—a win for the patentee may be revoked by order of the President! Following the Commission's issuance of a remedy, the President (acting through the U.S. Trade Representative) has 60 days in which to review and disapprove, for policy reasons, the Commission's determination that a violation exists.⁶⁵ This authority has only rarely been invoked—there have only been six instances since the late 1970s in which the President has exercised this authority, and five of those occurred in or prior to 1986. However, more recently the U.S. Trade Representative disapproved the Commission's exclusion order and cease and desist order issued against Apple in an investigation instigated by Samsung, on the ground that the Samsung patent at issue was a "standards essential patent."⁶⁶

Rules of Evidence

While the district courts apply the Federal Rules of Evidence, the ITC is governed by a different standard set forth in Commission Rule 210.37.⁶⁷ This standard dramatically reduces the bases on which evidentiary objections may be made. As one ALJ noted, “[a]lthough the Federal Rules of Evidence provide numerous bases on which to object to the admission of evidence in Federal District Courts, a party’s high priority objections...should be based on Commission Rule 210.37, which provides that ‘[r]elevant, material, and reliable evidence shall be admitted. Irrelevant, immaterial, unreliable or unduly repetitious evidence shall be excluded.’”⁶⁸ Most significantly, this means that hearsay is typically not a valid objection in an ITC proceeding (although evidence that can be shown to be “unreliable” may still be subject to exclusion). Authenticity is likewise simplified—the ALJs allow into evidence any document that appears to be regular on its face, unless it is shown by particularized evidence that the document is a forgery or is not what it purports to be.⁶⁹ In practice, a much broader swath of evidence will typically be admitted in an ITC investigation than would be the case in district court.

Voluntary Termination of the Investigation

As with litigation in district court, the investigation may be terminated by a resolution on the merits, settlement, consent judgment, or withdrawal of the complaint. Unlike in district court, however, a patentee’s decision to withdraw the complaint and terminate the investigation as to any claim or any party (or, even, in its entirety) may be made by motion unilaterally at any time prior to the issuance of an ID on violation.⁷⁰ So long as patentees comply with the formalities required by the Commission Rules,⁷¹ these motions are routinely granted, even if filed on the eve of the hearing, unless “extraordinary circumstances” exist.⁷² This is very different from the practice in district court, in which a plaintiff’s unilateral motion to dismiss its complaint on the eve of trial might be met with some skepticism from the court, particularly if a self-interested motive was apparent (such as the plaintiff’s desire to avoid likely invalidation of its patent). The Commission will generally grant such a motion without prejudice to subsequent proceedings in the ITC involving the terminated parties or claims.⁷³ Similarly, ITC determinations have no claim or issue preclusive effect with respect to patent infringement actions in district court, although the record generated in the ITC is admissible in subsequent district court litigation to the extent permitted by the Federal Rules of Evidence and the Federal Rules of Civil Procedure.⁷⁴

CONCLUSION

The hectic pace of a patent case in the ITC, as well as the significant differences between district court and ITC practice, compel respondents’ counsel to front-load discovery and the development of a defensive strategy to a significant degree. Thorough familiarity with the Commission Rules and the Ground Rules of the ALJ presiding

over the investigation, combined with a diligent focus on staying ahead of the deadlines, will serve counsel and their clients well in responding to the particular challenges presented when responding to a patent infringement complaint in a Section 337 action in the ITC. ◀◀

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Endnotes

1. *eBay Inc. v. MercExchange, LLC*, 547 U.S. 388, 391 (2006) (a plaintiff seeking a permanent injunction “must demonstrate: (1) that it has suffered an irreparable injury; (2) that remedies available at law, such as monetary damages, are inadequate to compensate for that injury; (3) that, considering the balance of hardships between the plaintiff and defendant, a remedy in equity is warranted; and (4) that the public interest would not be disserved by a permanent injunction.”); *Spansion, Inc. v. International Trade Com’n*, 629 F.3d 1331, 1359 (Fed. Cir. 2010) (holding *eBay Inc.* does not apply to Commission remedy determinations under Section 337).
2. TARIFF ACT OF 1930, as amended, § 337, 19 U.S.C. § 1337 (2010).
3. “Number of Section 337 Investigations Instituted By Fiscal Year,” U.S. INTERNATIONAL TRADE COMMISSION, http://www.usitc.gov/intellectual_property/documents/fy_337_institutions.pdf (last accessed June 4, 2014).
4. 19 U.S.C. § 1337(a)(1)(B).
5. 19 U.S.C. § 1337(c).
6. 19 U.S.C. § 1337(d).
7. 19 U.S.C. § 1337(d)(2).
8. 19 U.S.C. § 1337(d), SPECIAL CLASSES OF MERCHANDISE, 19 C.F.R. Pt. 12 (2010), ENFORCEMENT OF ITC EXCLUSION ORDERS, 60 Fed. Reg. 54,939 (1995), H.R. REP. NO. 100-576, at 20, (1988) (Conf. Rep.).
9. 19 U.S.C. § 1337(f).
10. There also are important substantive differences between patent litigation in district court and in the ITC. For example, the ITC complainant must prove that it satisfies the “domestic industry” requirement of Section 337, 19 U.S.C. § 1337(a)(2), (3), where-

as there is no such requirement in district court patent litigation. Substantive differences in the law applicable in the two fora are beyond the scope of this article.

11. 19 C.F.R. § 210.8.
12. 19 C.F.R. § 210.10(a)(1) (Commission shall determine whether the complaint is properly filed and whether an investigation should be instituted on the basis of the complaint, unless limited exceptional circumstances exist).
13. 19 C.F.R. § 210.11(a)(1)(i).
14. 19 C.F.R. § 210.13(a).
15. *See, e.g., In re Certain Television Sets, Television Receivers, Television Tuners, and Components Thereof* (“*In re Certain Television Sets*”), USITC Inv. No. 337-TA-910, Order No. 6 (April 1, 2014) (granting request for one day extension on time to respond to complaint); *In re Certain Flash Memory Chips and Products Containing Same*, USITC Inv. No. 337-TA-893, Order No. 3 (September 20, 2013) (granting request for 14 day extension); *In re Certain Consumer Electronics with Display and Processing Capabilities*, USITC Inv. No. 337-TA-884, Order No. 3 (July 8, 2013) (granting request for seven day extension).
16. 19 C.F.R. § 210.51(a).
17. 19 C.F.R. § 210.51(a)(1).
18. *See, e.g., In re Certain Set-Top Boxes, Gateways, Bridges, and Adapters and Components Thereof* (“*In re Certain Set-Top Boxes*”), USITC Inv. No. 337-TA-915, Order No. 3 (May 29, 2014) (ALJ Pender setting target date 16 months from the date the Notice of Investigation was published); *In re Certain Hemostatic Products and Components Thereof* (“*In re Certain Hemostatic Products*”), USITC Inv. No. 337-TA-913, Order No. 4 (April 22, 2014) (ALJ Bullock setting target date 16 months from the date the Notice of Investigation was published); *n re Certain Sulfentrazone, Sulfentrazone Compositions, and Processes for Making Sulfentrazone* (“*In re Certain Sulfentrazone*”), USITC Inv. No. 337-TA-914, Order No. 3 (April 15, 2014) (ALJ Lord setting target date 16 months after the institution of the investigation); *In re Certain Lithium Silicate Materials and Products Containing the Same* (“*In re Certain Lithium Silicate Materials*”), USITC Inv. No. 337-TA-911, Order No. 2 (March 27, 2014) (ALJ Gildea setting target date 15 months from date of institution); *In re Certain Standard Cell Libraries, Products Containing or Made Using the Same, Integrated Circuits Made Using the Same, and Products Containing Such Integrated Circuits* (“*In re Certain Standard Cell Libraries*”), USITC Inv. No. 337-TA-906, Order No. 8 (March 12, 2014) (ALJ Shaw setting target date 15 months after institution of investigation); *In re Certain Acousto-Magnetic Electronic Article Surveillance Systems, Components Thereof, and Products Containing Same* (“*In re Certain Acousto-Magnetic Electronic Article Surveillance Systems*”), USITC Inv. No. 337-TA-904, Order No. 4 (Feb. 12, 2014) (ALJ Essex setting target date 15 months after Notice of Investigation was published).
19. *See, e.g., In re Certain Set-Top Boxes*, USITC Inv. No. 337-TA-915, Order No. 3 (ALJ Pender); *In re Certain Hemostatic Products*, USITC Inv. No. 337-TA-913, Order No. 5 (May 1, 2014) (ALJ Bullock); *In re Certain Television Sets*, USITC Inv. No. 337-TA-910, Order No. 8 (April 2, 2014) (ALJ Lord); *In re Certain Lithium Silicate Materials*, USITC Inv. No. 337-TA-911, Order No. 4 (April 15, 2014) (ALJ Gildea); *In re Certain Standard Cell Libraries*, USITC Inv. No. 337-TA-906, Order No. 9 (March 12, 2014) (ALJ Shaw); *In re Certain Acousto-Magnetic Electronic Article Surveillance Systems*, USITC Inv. No. 337-TA-904, Order No. 5 (Feb. 27, 2014) (ALJ Essex).
20. *See, e.g., In re Certain Set-Top Boxes*, USITC Inv. No. 337-TA-915, Order No. 3; *In re Certain Hemostatic Products*, USITC Inv. No. 337-TA-913, Order No. 5; *In re Certain Television Sets*, USITC Inv. No. 337-TA-910, Order No. 8; *In re Certain Lithium Silicate Materials*, USITC Inv. No. 337-TA-911, Order No. 4 (ALJ Gildea); *Certain Standard Cell Libraries*, USITC Inv. No. 337-TA-906, Order No. 9; *In re Certain Acousto-Magnetic Electronic Article Surveillance Systems*, USITC Inv. No. 337-TA-904, Order No. 5.
21. 19 C.F.R. § 210.28(a) (depositions); 19 C.F.R. § 210.29(b)(1) (interrogatories); 19 C.F.R. § 210.30(b)(1) (requests for production of documents); 19 C.F.R. § 210.31(a) (requests for admission).
22. 19 C.F.R. § 210.28(c) (objections to deposition notice); 19 C.F.R. § 210.29(b)(2) (responses and objections to interrogatories); 19 C.F.R. § 210.30(b)(2) (responses and objections to requests for production of documents); 19 C.F.R. § 210.31(b) (answers and objections to requests for admission).
23. 19 C.F.R. § 210.27(e)(i), (ii).
24. 19 C.F.R. § 210.32(a)(1), (2).
25. *See, e.g., In re Certain Set-Top Boxes*, USITC Inv. No. 337-TA-915, Order No. 2 (May 20, 2014) (ALJ Pender’s Rule 9.10.1); *In re Certain Hemostatic Products*, USITC Inv. No. 337-TA-913, Order No. 2 (April 7, 2014) (ALJ Bullock’s Rule 4.6.1); *In re Sulfentrazone*, USITC Inv. No. 337-TA-914, Order No. 2 (U.S.I.T.C. April 11, 2014) (ALJ Lord’s Rule 4.6.1); *In re Certain Lithium Silicate Materials*, USITC Inv. No. 337-TA-911, Order No. 2 (ALJ Gildea’s Rule 3.5.1); *In re Certain Acousto-Magnetic Electronic Article Surveillance Systems*, USITC Inv. No. 337-TA-904, Order No. 2 (ALJ Essex’s Rule 4.6.1).
26. 19 C.F.R. § 210.32(g).
27. 19 C.F.R. § 210.32(g).
28. 19 C.F.R. § 210.32(g).
29. *ASAT, Inc.*, 411 F.3d at 252.
30. *Id.* at 253.
31. *Id.* at 253–56.
32. *In re Certain Encapsulated IC Devices*, USITC Inv. No. 337-TA-501, Order No. 63 (June 7, 2004).
33. *Id.*
34. *U.S. Int’l Trade Comm. v. ASAT, Inc.*, 355 F. Supp. 2d 67 (D.D.C. 2004), *rev’d*, 411 F.3d 245 (D.C. Cir. 2005).
35. *Id.* at 72.
36. *In re Certain Encapsulated IC Devices*, USITC Inv. No. 337-TA-501 (March 31, 2005). The Commission later, on review of the ID, issued an order adopting certain of the ALJ’s claim constructions and rejecting others, and remanded the investigation for further proceedings. *Id.* The Commission also directed the ALJ to reopen proceedings to receive any evidence that might become available following the ruling of the D.C. Circuit in the appeal from the district court’s order. *Id.* The court of appeals reversed the district court on June 10, 2005. *ASAT, Inc.*, 411 F.3d 245 (D.C. Cir. 2005).
37. 19 C.F.R. § 210.18(a).
38. *Id.*
39. 19 C.F.R. § 210.18(b).

40. See, e.g., *In re Certain Set-Top Boxes*, USITC Inv. No. 337-TA-915, Order No. 2 (Rule 5.2).
41. 19 C.F.R. § 210.18(b); see, e.g., *In re Certain Set-Top Boxes*, USITC Inv. No. 337-TA-915, Order No. 2 (Rule 5.2); *In re Certain Vision-Based Driver Assistance System Cameras and Components Thereof* (“*In re Certain Vision-Based Driver Assistance System Cameras*”), USITC Inv. No. 337-TA-907, Order No. 2 (January 28, 2014) (ALJ Essex’s Rule 3.6 (providing 10 days to respond to motions)).
42. See, e.g., *In re Certain Set-Top Boxes*, USITC Inv. No. 337-TA-915, Order No. 2 (ALJ Pender’s Rule 1.12); *In re Certain Sulfentrazone*, USITC Inv. No. 337-TA-914, Order No. 2 (ALJ Lord’s Rule 14).
43. See, e.g., *In re Certain Set-Top Boxes*, USITC Inv. No. 337-TA-915, Order No. 2 (ALJ Pender’s Rule 9.2); *In re Certain Sulfentrazone*, USITC Inv. No. 337-TA-914, Order No. 2 (ALJ Lord’s Rule 4.1.1); *In re Certain Hemostatic Products*, USITC Inv. No. 337-TA-913, Order No. 2 ((ALJ Bullock’s Rule 4.1.1); *In re Certain Lithium Silicate Materials*, USITC Inv. No. 337-TA-911, Order No. 2 (ALJ Gildea’s Rule 3.1.1); *In re Certain Vision-Based Driver Assistance System Cameras*, USITC Inv. No. 337-TA-907, Order No. 2 (ALJ Essex’s Rule 4.11).
44. See, e.g., *In re Certain Set-Top Boxes*, USITC Inv. No. 337-TA-915, Order No. 2 (ALJ Pender’s Rule 5.1.2); *In re Certain Sulfentrazone*, USITC Inv. No. 337-TA-914, Order No. 2 (ALJ Lord’s Rule 3.2); *In re Certain Hemostatic Products*, USITC Inv. No. 337-TA-913, Order No. 2 (ALJ Bullock’s Rule 3.2); *In re Certain Lithium Silicate Materials*, USITC Inv. No. 337-TA-911, Order No. 2 (ALJ Gildea’s Rule 2.2); *In re Certain Non-Volatile Memory Devices and Products Containing Same* (“*In re Certain Non-Volatile Memory Devices*”), USITC Inv. No. 337-TA-909, Order No. 2 (February 12, 2014) (ALJ Shaw’s Rule 5(e)).
45. See, e.g., *In re Certain Set-Top Boxes*, USITC Inv. No. 337-TA-915, Order No. 2 (Rule 6.2, Rules 7.1-7.5); *In re Certain Lithium Silicate Materials*, USITC Inv. No. 337-TA-911, Order No. 2 (March 27, 2014) (ALJ Gildea’s Rules 4.1-4.3, 4.5-4.7).
46. See, e.g., *In re Certain Set-Top Boxes*, USITC Inv. No. 337-TA-915, Order No. 2 (Rule 7.1); *In re Certain Lithium Silicate Materials*, USITC Inv. No. 337-TA-911, Order No. 2 (March 27, 2014) (ALJ Gildea’s Rule 4.3).
47. See, e.g., *In re Certain Set-Top Boxes*, USITC Inv. No. 337-TA-915, Order No. 2 (Rule 7.6); *In re Certain Lithium Silicate Materials*, USITC Inv. No. 337-TA-911, Order No. 2 (March 27, 2014) (ALJ Gildea’s Rule 4.8).
48. *In re Certain Sulfentrazone*, USITC Inv. No. 337-TA-914, Order No. 2 (ALJ Lord’s Rule 5); *In re Certain Hemostatic Products*, USITC Inv. No. 337-TA-913, Order No. 2 (ALJ Bullock’s Rule 5).
49. See, e.g., *In re Certain Non-Volatile Memory Devices*, USITC Inv. No. 337-TA-909, Order No. 2 (February 12, 2014) (ALJ Shaw’s Rule 2, Rule 6); *In re Certain Vision-Based Driver Assistance System Cameras*, USITC Inv. No. 337-TA-907, Order No. 2 (ALJ Essex’s Rule 5).
50. See, e.g., *In re Certain Set-Top Boxes*, USITC Inv. No. 337-TA-915, Order No. 2 (ALJ Pender’s Rule 2); *In re Certain Lithium Silicate Materials*, Inv. No. 337-TA-911, Order No. 2 (March 27, 2014) (ALJ Gildea’s Rule 2, 6); *In re Certain Vision-Based Driver Assistance System Cameras*, USITC Inv. No. 337-TA-907, Order No. 2 (ALJ Essex’s Rule 7).
51. See, e.g., *In re Certain Set-Top Boxes*, USITC Inv. No. 337-TA-915, Order No. 2 (ALJ Pender’s Rule 2); *In re Certain Vision-Based Driver Assistance System Cameras*, USITC Inv. No. 337-TA-907, Order No. 2 (ALJ Essex’s Rule 7).
52. See, e.g., *In re Certain Set-Top Boxes*, USITC Inv. No. 337-TA-915, Order No. 2 (ALJ Pender’s Rule 2); *In re Certain Vision-Based Driver Assistance System Cameras*, USITC Inv. No. 337-TA-907, Order No. 2 (ALJ Essex’s Rule 7).
53. *In re Certain Sulfentrazone*, USITC Inv. No. 337-TA-914, Order No. 2 (ALJ Lord’s Rule 2, 7); *In re Certain Hemostatic Products*, USITC Inv. No. 337-TA-913, Order No. 2 (ALJ Bullock’s Rule 2, 7).
54. *In re Certain Non-Volatile Memory Devices*, USITC Inv. No. 337-TA-909, Order No. 2 (February 12, 2014) (ALJ Shaw’s Rule 3)
55. See, e.g., *In re Certain Lithium Silicate Materials*, USITC Inv. No. 337-TA-911, Order No. 2 (March 27, 2014) (ALJ Gildea’s Rule 1.9).
56. See, e.g., *In re Certain Set-Top Boxes*, USITC Inv. No. 337-TA-915, Order No. 2 (Rule 1.10).
57. See, e.g., *In re Certain Sulfentrazone*, USITC Inv. No. 337-TA-914, Order No. 2 (ALJ Lord’s Rule 1.8); *In re Certain Hemostatic Products*, USITC Inv. No. 337-TA-913, Order No. 2 (ALJ Bullock’s Rule 1.8); *In re Certain Lithium Silicate Materials*, Inv. No. 337-TA-911, Order No. 2 (March 27, 2014) (ALJ Gildea’s Rule 1.9); *In re Certain Vision-Based Driver Assistance System Cameras*, USITC Inv. No. 337-TA-907, Order No. 2 (ALJ Essex’s Rule 1.11).
58. 19 C.F.R. § 210.36(d).
59. See, e.g., *In re Certain Set-Top Boxes*, USITC Inv. No. 337-TA-915, Order No. 2 (ALJ Pender’s Rule 14.3); *In re Certain Sulfentrazone*, USITC Inv. No. 337-TA-914, Order No. 2 (ALJ Lord’s Rule 9.3); *In re Certain Hemostatic Products*, USITC Inv. No. 337-TA-913, Order No. 2 (ALJ Bullock’s Rule 9.3); *In re Certain Non-Volatile Memory Devices*, USITC Inv. No. 337-TA-909, Order No. 2 (February 12, 2014) (ALJ Shaw’s Rule 8(a)); *In re Certain Vision-Based Driver Assistance System Cameras*, USITC Inv. No. 337-TA-907, Order No. 2 (ALJ Essex’s Rule 9.4.1). ALJ Gildea is the exception—his Ground Rules provide that “[t]he Administrative Law Judge rarely grants parties permission to use witness statements.” See “Judge Gildea’s Ground Rules,” Section 8.3 at 20, U.S. INTERNATIONAL TRADE COMMISSION, http://www.itccla.org/storage/documents/Gildea_GR_from_337-TA-873_Order_No._2_March_25_2013.pdf (last accessed July 14, 2014).
60. *In re Certain Standard Cell Libraries*, USITC Inv. No. 337-TA-906, Order No. 18 (May 28, 2014)(allowing expert testimony, excluding background and credentials, to be presented live).
61. *In re Certain Vision-Based Driver Assistance System Cameras*, USITC Inv. No. 337-TA-907, Order No. 2 (ALJ Essex’s Rule 9.4.1.3, 9.4.1.4).
62. See, e.g., *In re Certain Set-Top Boxes*, USITC Inv. No. 337-TA-915, Order No. 2 (Rule 14.3); *In re Certain Vision-Based Driver Assistance System Cameras*, USITC Inv. No. 337-TA-907, Order No. 2 (ALJ Essex’s Rule 9.4.1.1).
63. 19 C.F.R. § 210.42(a)(1).
64. 19 C.F.R. § 210.45, 210.50(a).
65. 19 U.S.C. § 1337(j)(2).
66. *In re Certain Electronic Devices*, USITC Inv. No. 337-TA-794

(August 3, 2013). A “standards essential patent” (“SEP”) is a patent that includes claims that must be practiced in order to comply with a technical standard. Standards developing organizations typically require their members to disclose and commit to license third parties on terms that are fair, reasonable and non-discriminatory (“FRAND”). In the *Certain Electronic Devices* investigation, the U.S. Trade Representative, Amb. Michael Froman, determined that policy considerations favoring the licensing of SEPs on FRAND terms militated against the exclusionary remedy granted by the ITC on the facts of this investigation. Importantly, Amb. Froman specifically noted that an exclusion order may still be an appropriate remedy for the infringement of SEPs in some circumstances, such as where the putative licensee is unable or refuses to take a FRAND license. *Id.*

67. 19 C.F.R. § 210.37
 68. *In re Certain Sulfentrazone*, USITC Inv. No. 337-TA-914, Order No. 2 (ALJ Lord’s Rule 8.3).
 69. *See, e.g., In re Certain Set-Top Boxes*, USITC Inv. No. 337-TA-915, Order No. 2 (ALJ Pender’s Rule 14.2); *In re Certain Sulfentrazone*, USITC Inv. No. 337-TA-914, Order No. 2 (April 11, 2014) (ALJ Lord’s Rule 9.4.13); *In re Certain Lithium Silicate Materials*, USITC Inv. No. 337-TA-911, Order No. 2 (March 27, 2014) (ALJ Gildea’s Rule 8.6.8); *In re Certain Vision-Based Driver Assistance System Cameras*, USITC Inv. No. 337-TA-907, Order No. 2 (ALJ Essex’s Rule 9.8.11).
 70. 19 C.F.R. § 210.21(a).
 71. For example, the motion must contain a statement that there are no agreements, written or oral, express or implied, between the parties concerning the subject matter of the investigation. 19 C.F.R. § 210.21(a).
 72. *In re Certain Mobile Devices and Related Software*, USITC Inv. No. 337-TA-750, Order No. 10 (Aug. 16, 2011).
 73. *In re Certain Bar Clamp Pads, and Related Packaging, Display, and Other Materials*, USITC Inv. No. 337-TA-429, Commission Determination (Feb. 13, 2001) (noting that Commission does not have authority to dismiss with prejudice).
 74. *Texas Instruments Inc. v. Cypress Semiconductor Corp.*, 90 F.3d 1558, 1568–69 (Fed. Cir. 1996); *In re Certain Mail Extraction Desks and Components Thereof*, USITC Inv. No. 337-TA-264, Order No. 14, fn. 2 (Apr. 12, 1988) (noting that litigation before the Commission does not result in the application of *res judicata* in U.S. District Courts); JUDICIARY AND JUDICIAL PROCEDURE, 1948 ACT, as amended, § 1659(b), 28 U.S.C. § 1659(b) (“Notwithstanding section 337(n)(1) of the Tariff Act of 1930, after dissolution of a stay under subsection (a), the record of the proceeding before the United States International Trade Commission shall be transmitted to the district court and shall be admissible in the civil action, subject to such protective order as the district court determines necessary, to the extent permitted under the Federal Rules of Evidence and the Federal Rules of Civil Procedure.”).
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9. *Ass’n for Molecular Pathology v. Myriad Genetics, Inc.*, 569 U.S. ___, 133 S. Ct. 2107, 2109 (2013) (emphasis added).
 10. *Id.* at 2116.
 11. *See* note 6 *supra*.
 12. *Id.* at 2109.
 13. *Id.* at 2111.
 14. *Bowman v. Monsanto Co.*, ___ U.S. ___, 133 S. Ct. 1761, 1767 (2013).
 15. *Id.* at 1765.
 16. *See, e.g., Mayo Collaborative Servs. v. Prometheus Labs, Inc.*, 566 U.S. ___, 132 S. Ct. 1289 (2012).
 17. *Monsanto*, 133 S. Ct. at 1769.
 18. *See, e.g., Adams v. Burke*, 84 U.S. 453, 456 (1873); *Quanta Computer, Inc. v. LG Elects., Inc.*, 553 U.S. 617, 638 (2008).
 19. Mark A. Lemley, *Property, Intellectual Property, and Free Riding*, 83 TEX. L. REV. 1031, 1031 (2005).
 20. *See United States v. Univis Lens Co.*, 316 U.S. 241, 251 (1942) (“[T]he purpose of the patent law is fulfilled... when the patentee has received his reward...”); *Bauer & Cie v. O’Donnell*, 229 U.S. 1, 16 (1913) (imposing exhaustion on items “previously bought, at a price which must be deemed to have been satisfactory”); *Keeler v. Standard Folding-Bed Co.*, 157 U.S. 659, 666–67 (1895) (“[Exhaustion] does not deprive a patentee of his just rights, because no article can be unfettered from the claim of his monopoly without paying its tribute.”); *Adams*, 84 U.S. at 456 (“[T]he patentee [having] received all the royalty or consideration which he claims for the use of his invention in that particular machine or instrument, it is open to the use of the purchaser without further restriction”).
 21. *Ass’n for Molecular Pathology v. Myriad Genetics, Inc.*, 569 U.S. ___, 133 S. Ct. 2107, 2116–17 (2013).
 22. For instance, by restricting its decision to “human” genome in *Myriad*, the Supreme Court, the decision altogether ignores the biological reality—that is that DNA is just DNA and the human genetic code is quite similar to other life forms—plants, animals and microbes—for which valid patents claimed isolated DNA more often. Graff G, *et al.*, *Not Quite a Myriad of Gene Patents*, NAT. BIOTECHNOLOGY 31(5): 404–410 (2013); <http://dx.doi.org/10.1038/nbt.2568>. Gene sequences from many other species overlap with sections of the human genome, and given how patents are written, the species of origin of a claimed DNA sequence is not always clear. *Id.* The justices avoided this reality by making no mention of “human” versus “nonhuman” DNA in their decision and ruled simply that naturally occurring DNA sequences are ineligible to be patented.
 23. *Mayo Collaborative Servs. v. Prometheus Labs, Inc.*, 566 U.S. ___, 132 S. Ct. 1289, 1301 (2012).