

**INTERNATIONAL TRADE
COMMISSION**

[Investigation No. 337-TA-1012]

**Certain Magnetic Data Storage Tapes
and Cartridges Containing the Same;
Notice of Commission Final
Determination of Violation of Section
337; Termination of Investigation;
Issuance of Limited Exclusion Order
and Cease and Desist Orders****AGENCY:** U.S. International Trade
Commission.**ACTION:** Notice.

SUMMARY: Notice is hereby given that the U.S. International Trade Commission has found a violation in the above-captioned investigation. The Commission has determined to issue a limited exclusion order and cease and desist orders. The investigation is terminated.

FOR FURTHER INFORMATION CONTACT:

Megan M. Valentine, Office of the General Counsel, U.S. International Trade Commission, 500 E Street SW, Washington, DC 20436, telephone (202) 708-2301. 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 on (202) 205-1810.

SUPPLEMENTARY INFORMATION: The Commission instituted this 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 43243-44 (July 1, 2016). The Complaint alleges violations of section 337 of the Tariff Act of 1930, as amended, 19 U.S.C. 1337 ("section 337"), in the sale for importation, importation, and sale within the United States after importation of certain magnetic data storage tapes and cartridges containing the same by reason of infringement of certain claims of U.S. patent Nos. 6,641,891 ("the '891 patent"); 6,703,106 ("the '106 patent"); 6,703,101 ("the '101

patent"); 6,767,612 ("the '612 patent"); 8,236,434 ("the '434 patent"); and 7,355,805 ("the '805 patent"). The Complaint further alleges the existence of a domestic industry. The Commission's Notice of Investigation named as respondents Sony Corporation of Tokyo, Japan, Sony Corporation of America of New York, New York, and Sony Electronics Inc. of San Diego, California (collectively, "Sony"). The Office of Unfair Import Investigations ("OUII") was also named as a party to the investigation. The Commission later terminated the investigation as to the '101 patent. Order No. 24 (Jan. 18, 2017); Notice (Feb. 15, 2017).

On September 1, 2017, the ALJ issued his final ID finding a violation of section 337 with respect to claims 1, 4-9, 11, and 14 of the '891 patent and asserted claims 1, 2, 4, 5, 7, and 8 of the '612 patent. The ALJ found no violation of section 337 with respect to asserted claims 9-11 of the '612 patent; asserted claim 2, 5, and 6 of the '106 patent; asserted claim 1 of the '434 patent; and asserted claims 3 and 10 of the '805 patent.

In particular, the Final ID finds that Sony's accused products infringe claims 1, 4-9, 11, and 14 of the '891 patent and claims 1, 2, 4, 5, 7, and 8 of the '612 patent under 35 U.S.C. 271(a). The Final ID also finds that Sony's accused products do not infringe claims 2, 5, and 6 of the '106 patent, claim 1 of the '434 patent, and claims 3 and 10 of the '805 patent. The Final ID also finds that Sony has not shown that the asserted claims of the '891 patent, the '612 patent, the '434 patent, or the '805 patent are invalid under 35 U.S.C. 102, 103, or 112. The Final ID further finds, however that, while, Sony has not shown that the asserted claims of the '106 patent are invalid under 35 U.S.C. 102 or 103, Sony has shown that the asserted claims of the '106 patent are indefinite under 35 U.S.C. 112. The Final ID also finds that Fujifilm has satisfied the technical prong of the domestic industry requirement with respect to the '891 patent and the '612 patent, but has not satisfied the technical prong with respect to the '106 patent, the '434 patent, and the '805 patent. The Final ID further finds that Fujifilm has satisfied the economic prong of the domestic industry requirement with respect to the '891, '612, and '106 patent pursuant to 19 U.S.C. 1337(a)(3)(A) and (B) for the asserted LTO-6 DI products. The Final ID finds that Fujifilm has not satisfied the economic prong requirement for the asserted LTO-7 DI products.

The Final ID finds Sony has not shown that the '891, '106, and '805 patents are essential to the LTO-7

Standard. The Final ID also finds that Fujifilm has not breached any provisions of the Fujifilm AP-75 agreement, in particular sections 8.2 or 11.11. The Final ID further finds that Sony has not shown that the AP-75 agreement warrants barring Fujifilm's claims or terminating the investigation. The Final ID also finds that patent misuse does apply to bar Fujifilm's claims and that Fujifilm has not waived its rights to enforce the patents-in-suit. The Final ID also finds that Sony does not have an implied license to the patents-in-suit. The Final ID further finds that Sony has not shown that patent exhaustion applies.

On September 12, 2017, the ALJ issued his recommended determination on remedy and bonding. As instructed by the Commission, the ALJ also made findings concerning the public interest factors set forth in 19 U.S.C. 1337(d)(1) and (f)(1). See 81 FR 43243; 19 CFR 210.10(b). The ALJ recommended that the appropriate remedy is a limited exclusion order and a cease and desist order against Sony. The ALJ recommended that the Commission require no bond during the period of Presidential review. The ALJ further found that public interest factors do not bar or require tailoring the recommended exclusion order. The ALJ also found that even if the asserted claims are essential, the public interest does not favor tailoring or curbing and exclusion order because Fujifilm did not breach its obligations under the AP-75 Agreement.

On September 18, 2017, Sony and OUII each filed petitions for review of various aspects of the Final ID. Also on September 18, 2017, Fujifilm filed a contingent petition for review of various aspects of the Final ID. On September 26, 2017, Fujifilm, Sony, and OUII filed responses to the various petitions for review.

On October 6, 2017, Fujifilm filed a post-RD statement on the public interest pursuant to Commission Rule 210.50(a)(4). Sony filed its statement on October 13, 2017. No responses were filed by the public in response to the post-RD Commission Notice issued on September 13, 2017. See Notice of Request for Statements on the Public Interest (Sept. 13, 2017); 82 FR 43567-68 (Sept. 18, 2017).

On December 12, 2017, the Commission determined to review the Final ID in part. Notice (Dec. 12, 2017); 82 FR 60038-41 (Dec. 18, 2017).

Specifically, the Commission determined to review-in-part the Final ID's finding of violation with respect to the '891 patent. In particular, the Commission determined to review the

Final ID's findings with respect to anticipation and obviousness. The Commission further determined to review the Final ID's findings concerning secondary considerations.

The Commission also determined to review-in-part the Final ID's finding of violation with respect to the '612 patent. Specifically, the Commission determined to review the Final ID's finding that the asserted claims of the '612 patent are not obvious. Accordingly, the Commission also determined to review the Final ID's finding that Fujifilm has satisfied the technical prong of the domestic industry requirement with respect to the '612 patent.

The Commission further determined to review-in-part the Final ID's findings with respect to the '106 patent. Specifically, the Commission determined not to review the Final ID's finding that the asserted claims of the '106 patent are invalid as indefinite. Accordingly, the Commission determined to review the Final ID's findings with respect to the remaining issues with respect to the '106 Patent.

The Commission also determined to review-in-part the Final ID's findings with respect to the '434 patent. Specifically the Commission determined to review the Final ID's finding that Sony's accused LTO-7 products do not infringe claim 1 of the '434 patent. The Commission also determined to review the Final ID's finding that Fujifilm's LTO-7 DI products do not practice claim 1. The Commission further determined to review the Final ID's finding that claim 1 is not obvious.

The Commission further determined to review-in-part the Final ID's findings with respect to the '805 patent. Specifically, the Commission determined to review the Final ID's finding that Sony's accused LTO-7 products do not infringe asserted claims 3 and 10 of the '805 patent. The Commission also determined to review the Final ID's finding that U.S. patent No. 6,710,967 ("Hennecken") does not anticipate claims 3 and 10.

The Commission also determined to review the Final ID's findings that the asserted claims of the '612, '106, and '805 patents are not essential to the LTO-7 Standard.

The Commission further determined to review the Final ID's findings concerning the economic prong of the domestic industry.

The Commission determined not to review the remaining issues decided in the Final ID.

In its notice of review, the Commission posed several briefing

questions to the parties, and requested briefing on remedy, the public interest, and bonding, 82 FR at 60040. On January 3, 2018, the parties submitted their initial responses to the Commission's briefing questions. On January 12, 2018, the parties filed their reply submissions.

On December 26, 2017, Quantum Corporation filed a submission in response to the Commission's notice. On January 2, 2018, Hewlett Packard Enterprise Company filed a submission in response to the Commission's notice. On January 3, 2018, International Business Machines Corporation filed a submission in response to the Commission's notice.

Having examined the record of this investigation, including the Final ID, the petitions for review, the responses thereto, and the parties' submissions on review, the Commission has determined to find that a violation of section 337 has occurred with respect to the asserted claims of the '891 patent. The Commission has found no violation with respect to the '612, '106, '434, and '805 patents.

The Commission affirms with modification the Final ID's findings that the asserted claims of the '891 patent are not invalid as anticipated or obvious.

The Commission finds that Sony has shown by clear and convincing evidence that the asserted claims of the '612 patent are prima facie obvious over the asserted prior art and that there are no secondary considerations that overcome this finding. Accordingly, the Commission finds that Fujifilm has failed to satisfy the technical prong of the domestic industry requirement by failing to show that its domestic industry products practice a valid claim of the '612 patent. The Commission has further determined not to reach the Final ID's findings concerning the technical prong with respect to the '612 Patent.

The Commission determined not to review the Final ID's finding that the asserted claims of the '106 patent are invalid as indefinite. Accordingly, the Commission has determined not to reach the Final ID's findings on the remaining issues with respect to the '106 patent.

With respect to the '434 patent, the Commission has determined to construe the limitations "a power spectrum density at a pitch of 10 micrometers ranges from 800 to 10,000 nm³ on the magnetic layer surface" and "a power spectrum density at a pitch of 10 micrometers ranges from 20,000 to 80,000 nm³ on the backcoat layer surface" recited in claim 1 of the '434 patent to require that the entire surface

of each layer must have power spectrum density measurements within the claimed range. The Commission has further determined to find that Fujifilm has failed to show by a preponderance of the evidence that the accused LTO-7 tapes infringe claim 1 of the '434 patent. The Commission has also determined to find that Fujifilm has failed to satisfy the technical prong of the domestic industry requirement with respect to the '434 patent. The Commission has determined to affirm with modification the Final ID's finding that Sony has failed to show by clear and convincing evidence that the asserted prior art renders obvious asserted claim 1 of the '434 patent. Specifically, the Commission has determined not to reach the question of whether the asserted prior art discloses the limitation "the magnetic layer has a center surface average surface roughness Ra, as measured by an atomic force microscope, ranging from 0.5 to 2.5 nm."

The Commission has determined to affirm with modification the Final ID's finding that Fujifilm has failed to show by a preponderance of the evidence that the accused LTO-7 tapes infringe claims 3 and 10 of the '805 patent. The Commission has also determined to affirm with modification the Final ID's finding that the asserted prior art does not anticipate the asserted claims of the '805 patent. The Commission also corrects the misstatement in the Final ID's "Conclusions of Fact and Law" that Fujifilm failed to satisfy the technical prong with respect to the '805 patent. See Final ID at 385.

The Commission has determined to affirm with modification the Final ID's finding that the asserted claims of the '612, '106, and '805 patents are not essential to the LTO-7 Standard. In particular, with respect to the '106 patent, the Commission has determined not to reach the issue of whether the LTO-7 Standard requires a tape having a magnetic layer that contains an abrasive. The Commission has determined to otherwise adopt the Final ID's findings that the LTO-7 Standard does not require practice of the asserted claims of the '612, '106, and '805 Patents. The Commission has determined not to reach any other issues concerning Sony's essentiality defenses.

The Commission has determined to find that Fujifilm's plant and equipment and labor and capital investments in its LTO-6 domestic industry products are significant under section 337(a)(3)(A) and (B), thus satisfying the economic prong of the domestic industry requirement with respect to the '891 patent. The Commission has determined

not to reach the issue of whether Fujifilm has satisfied the economic prong with respect to its domestic investments in its LTO-7 DI products.

Accordingly, the Commission has determined the appropriate remedy is a limited exclusion order against Sony's products that infringe claims 1, 4-9, 11, and 14 of the '891 patent, and a cease and desist order against each of the Sony respondents. The Commission has also determined that the public interest factors enumerated in subsections 337(d)(l) and (f)(1) (19 U.S.C. 1337(d)(l), (f)(1)) do not preclude issuance of the limited exclusion order and cease and desist order. The Commission has, however, determined to exempt Sony's magnetic data storage tapes and cartridges containing the same that are imported or used for the purpose of supporting Sony's warranty, service, repair, and compliance verification obligations. The Commission has further determined to set a bond at zero (0) percent of entered value during the Presidential review period (19 U.S.C. 1337(j)).

The Commission's orders and opinion were delivered to the President and to the United States Trade Representative on the day of their issuance.

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: March 8, 2018.

Katherine M. Hiner,
Supervisory Attorney.

[FR Doc. 2018-05093 Filed 3-13-18; 8:45 am]

BILLING CODE 7020-02-P

DEPARTMENT OF JUSTICE

Notice of Lodging of Proposed Consent Decree Under the Comprehensive Environmental Response, Compensation and Liability Act

On March 8, 2018, the Department of Justice lodged a proposed Consent Decree with the United States District Court for the District of Colorado in the lawsuit entitled *United States v. El Paso County Retirement Plan*, Civil Action No. 1:18-cv-00552.

The proposed Consent Decree resolves the United States' claim under Section 107 of the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA"), 42 U.S.C. 9607, against the El Paso County

Retirement Plan for recovery of past response costs incurred at the Widefield PCE Superfund Site ("Site") in El Paso County, Colorado. The Site comprises a former dry cleaners at 3217 South Academy Boulevard in Colorado Springs and related contamination of soil and groundwater, including of the Widefield Aquifer. The El Paso County Retirement Plan was the owner of the 3217 South Academy Boulevard property at the time of disposal of hazardous substances. The proposed Consent Decree requires the El Paso County Retirement Plan to pay \$420,000 in reimbursement of past response costs incurred by the United States with respect to the Site. The proposed Consent Decree provides the El Paso County Retirement Plan with a covenant not to sue for past response costs incurred by the United States in connection with the Site and contribution protection under CERCLA.

The publication of this notice opens a period for public comment on the proposed Consent Decree. Comments should be addressed to the Assistant Attorney General, Environment and Natural Resources Division, and should refer to *United States v. El Paso County Retirement Plan*, D.J. Ref. No. 90-11-3-11721/1. All comments must be submitted no later than thirty (30) days after the publication date of this notice. Comments may be submitted either by email or by mail:

<i>To submit comments:</i>	<i>Send them to:</i>
By email	<i>pubcomment-ees.enrd@usdoj.gov.</i>
By mail	Assistant Attorney General, U.S. DOJ—ENRD, P.O. Box 7611, Washington, DC 20044-7611.

During the public comment period, the proposed Consent Decree may be examined and downloaded at this Justice Department website: <https://www.justice.gov/enrd/consent-decrees>. We will provide a paper copy of the proposed Consent Decree upon written request and payment of reproduction costs. Please mail your request and payment to: Consent Decree Library, U.S. DOJ—ENRD, P.O. Box 7611, Washington, DC 20044-7611.

Please enclose a check or money order for \$3.75 (25 cents per page

reproduction cost) payable to the United States Treasury.

Robert Brook,

Assistant Section Chief, Environmental Enforcement Section, Environment and Natural Resources Division.

[FR Doc. 2018-05182 Filed 3-13-18; 8:45 am]

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DEPARTMENT OF JUSTICE

Notice of Lodging of Proposed Consent Decree Under the Comprehensive Environmental Response, Compensation, and Liability Act

On February 27, 2018, the Department of Justice lodged a proposed Consent Decree with the United States District Court for the Southern District of Ohio in the lawsuit entitled *United States v. Bridgestone Americas Tire Operations et al.*, Case No. 3:18-cv-00054 (S.D. Ohio).

The proposed consent decree resolves claims of the United States Environmental Protection Agency ("EPA") against seven defendants—Bridgestone Americas Tire Operations, LLC; Cargill, Inc.; Flowserve Corporation; Kelsey-Hayes Company; NCR Corporation; Northrop Grumman Systems Corporation, and Waste Management of Ohio (collectively "Defendants")—for response costs and injunctive relief with respect to the North Sanitary (aka "Valleycrest") Landfill Superfund Site in Dayton, Ohio ("Site"). A complaint, which was filed simultaneously with the proposed consent decree, alleges that the Defendants are liable under Sections 106, 107(a), and 113(g)(2) of the Comprehensive Environmental Response, Compensation, and Liability Act ("CERCLA"), 42 U.S.C. 9606, 9607(a), and 9613(g)(2). Under the proposed consent decree, the defendants will perform the remedy selected by EPA to address contamination at the Site by, among other things, designing and constructing a landfill "cap" that will cover approximately 70 acres of the Site. Other significant remedial actions will include the design and construction of a system to address landfill gas, as well as a system to prevent leachate from contaminating groundwater. Additionally, the Defendants will reimburse EPA for its future response costs, but they will not reimburse EPA for its future oversight costs unless and until such costs, together with past response costs and interim costs incurred before entry of the consent decree, exceed \$8.37 million. The proposed consent decree will provide