

UNITED STATES INTERNATIONAL TRADE COMMISSION

Washington, D.C.

In the Matter of:

**CERTAIN SLEEP-DISORDERED
BREATHING TREATMENT SYSTEMS
AND COMPONENTS THEREOF**

Inv. No. 337-TA-997

**ORDER NO. 22: INITIAL DETERMINATION GRANTING
COMPLAINANTS' SECOND MOTION TO TERMINATE
INVESTIGATION AS TO CERTAIN CLAIMS OF THE '453,
'691, '551, AND '860 PATENTS**

(December 14, 2016)

On August 5, 2016, pursuant to Commission Rule 210.21(a)(1), Complainants ResMed Corp, ResMed Inc., and ResMed Ltd. (collectively, "Complainants") filed a motion to terminate this Investigation as to certain asserted claims ("First Motion to Terminate") by withdrawing Complainants' allegations regarding those claims. (Motion Docket No. 997-002; First Mot. to Terminate at 1.). On August 8, 2016, Respondents 3B Medical, Inc., 3B Products, L.L.C., and BMC Medical Co., Ltd. (collectively, "Respondents"), filed a response to Complainants' Motion to Terminate ("Response"). (Doc. ID No. 587462; Resp. at 1.). While Respondents did not oppose the withdrawal of the identified claims, they were concerned about certain statements Complainants made in their Motion to Terminate "that ResMed thinks these claims are infringed and valid" but Complainants are withdrawing them "out of a desire to reduce the issues in the case." (*Id.*).

Finding that Respondents raised a legitimate concern, on August 10, 2016, Complainants were instructed to refile their Motion to Terminate with one or more Declarations clarifying that

their withdrawal of the identified claims in this Investigation is without reservation. (*See* Order No. 6 (Aug. 10, 2016).).

On August 15, 2016, Complainants filed a renewed motion to terminate this Investigation (“Renewed Motion”), which included a Declaration from Michael Rider, Vice President and General Counsel-Americas for ResMed Corp. (and representing all three ResMed entities), confirming that Complainants’ request to withdraw claims is without reservation for this Investigation. (Motion Docket No. 997-004; Renewed Mot. at 1-3.). In its Renewed Motion, Complainants sought to streamline the Investigation by withdrawing the following claims: 3, 4, 7, 12, 14, 18, 21, 23, 29, 31, and 32 of U.S. Patent No. 8,020,551 (“the ’551 patent”); claims 19, 21, 23, 24, 26, 27, and 29 of U.S. Patent No. 9,072,860 (“the ’860 patent”); and claims 3, 11, 12, 16, 17, 18, 19, 23, 25, 26, 27, 29, 30, 41, 42, 43, 52, 53, 54, 55, 57, 58, 61, 62, 63, 64, 65, 70, 71, 72, 73, 74, 75, 76, 78, 79, 80, 81, 83, 84, 86, 87, 88, 90, 91, 93, 94, 95, 96, 97, 98, 99, 102, 103, 105, 112, 113, 114, 115, 116, 117, 118, 119, 120, 122, 123, 124, 125, 126, 127, 128, 129, 130, 131, 132, 133, 134, 135, 136, 137, 138, 143, 144, 145, 146, 147, 148, 149, 150, 153, 154, 155, 160, 161, 164, 165, 167, and 173 of U.S. Patent No. 8,006,691 (“the ’691 patent”); and necessarily, all of the allegations that pertained to all of the withdrawn claims. (*Id.* at 1-2.). Complainants’ Renewed Motion was granted on August 19, 2016. (*See* Order No. 7 (Initial Determination) (Aug. 19, 2016).).

On September 13, 2016, the Commission issued a Notice of its determination to review the Initial Determination (“ID”) granting Complainants’ Motion for partial termination. (Doc. ID No. 590442; *see also* Order No. 7.). In the Notice, the Commission stated that Complainants’ Renewed Motion failed to “contain a statement that there are no agreements, written or oral, express or implied between the parties concerning the subject matter of the investigation, or if

there are any agreements concerning the subject matter of the investigation, all such agreements shall be identified, and if written, a copy shall be filed with the Commission along with the motion.” (Doc. ID No. 590442 at 2 (citing 19 C.F.R. § 210.21(a)(1))). The Commission instructed Complainants to file a supplemental submission that complies with Commission Rule 210.21(a)(1). (*Id.*) On September 22, 2016, in compliance with the Commission’s Notice (Doc. ID No. 590442), Complainants filed a supplemental Motion Docket No. 997-004 (“Supplemental Motion”) that included the statement identified by the Commission. (Motion Docket No. 997-010 at 2.). In the Supplemental Motion, Complainants also stated that they were dropping their reliance on claim 15 of the ’860 patent for domestic industry (“DI”) purposes, rendering Respondents’ objection moot. (*Id.* at 5.). On October 3, 2016, Complainants’ Motion was granted. (Order No. 14 (Initial Determination) (Oct. 3, 2016)). The decision was affirmed by the Commission on November 2, 2016. (Doc. ID No. 594190.).

On December 6, 2016, Complainants filed a second motion to terminate this Investigation (“Second Motion to Terminate”) as to certain claims of the asserted patents. (Motion Docket No. 997-021.). To streamline the issues and the hearing even further, Complainants seek to terminate the following 61 claims: claim 24 of the ’453 patent; claims 1, 5, 6, 8, 9, 10, 13, 15, 20, 21, 22, 24, 31, 56, 59, 66, 67, 69, 77, 82, 89, 92, 104, 107, 109, 110, 111, 139, 140, 141, 142, 151, 152, 156, 157, 158, and 168 of the ’691 patent; claims 1, 2, 6, 8, 9, 10, 11, 13, 15, 16, 17, 19, 20, 22, 24, 26, 27, 30, and 33 of the ’551 patent; claims 16, 18, 22, and 28 of the ’860 patent; and necessarily, all of the allegations that pertain to the withdrawn claims. (*Id.* at 1.).

In compliance with Commission Rule 210.21(a)(1), Complainants report that “there are no agreements, written or oral, express or implied between the parties concerning the subject matter of the investigation with respect to these claims.” (*Id.*).

Additionally, Complainants certify, pursuant to Ground Rule 2.2, that they have informed Respondents of their intention to withdraw their allegations with respect to the referenced claims and that Respondents do not oppose Complainants' Second Motion to Terminate.¹ (*Id.* at 2.).

The Commission's Rules permit a motion to partially terminate an investigation based upon withdrawal of certain allegations contained within the Complaint before issuance of the Initial Determination on violation of Section 337. 19 C.F.R. § 210.21(a)(1). An administrative law judge may grant said motion upon such terms and conditions as she deems proper. *Id.* Further, the Commission has held that "in the absence of extraordinary circumstances, termination of an investigation will be readily granted to a complainant during the prehearing stage of an investigation." *Certain Ultrafiltration Membrane Systems, and Components Thereof, Including Ultrafiltration Membranes*, Inv. No. 337-TA-107, Comm'n Action and Order at 2 (U.S.I.T.C., Mar. 11, 1982); *see also Certain Television Sets, Television Receivers, Television Tuners, & Components Thereof*, Inv. No. 337-TA-910, Order No. 50 at 2 (Nov. 12, 2014) (internal citations omitted). Public policy supports termination in order to conserve public and private resources. *Certain Universal Serial Bus ("USB") Portable Storage Devices, Including USB Flash Drives & Components Thereof*, Inv. No. 337-TA-788, Order No. 16 at 2 (Mar. 21, 2012).

No extraordinary circumstances have been presented that would prevent Complainants' partial withdrawal of certain patent claims in the Complaint. Therefore, it is my Initial Determination that Motion Docket No. 997-021 should be granted and that the Investigation be partially terminated with respect to claim 24 of the '453 patent; claims 1, 5, 6, 8, 9, 10, 13, 15, 20, 21, 22, 24, 31, 56, 59, 66, 67, 69, 77, 82, 89, 92, 104, 107, 109, 110, 111, 139, 140, 141, 142,

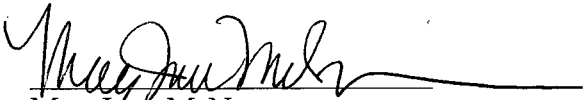
¹Commission Investigative Staff is not a party in this Investigation. (Doc. ID No. 581119; Notice of Investigation at 3.).

151, 152, 156, 157, 158, and 168 of the '691 patent; claims 1, 2, 6, 8, 9, 10, 11, 13, 15, 16, 17, 19, 20, 22, 24, 26, 27, 30, and 33 of the '551 patent; claims 16, 18, 22, and 28 of the '860 patent; and necessarily, all of the allegations that pertain to the withdrawn claims.

For purposes of clarity, Complainants state that the remaining claims in this Investigation at this time are: claim 23 of the '453 patent; claims 2, 4, 7, 14, 28, 40, 100, 101, 106, and 108 of the '691 patent; claims 5 and 28 of the '551 patent; and claims 11, 17, 20, 25, and 30² of the '860 patent. (Second Mot. to Terminate at 2-3.).

This Initial Determination is hereby certified to the Commission. Pursuant to 19 C.F.R. § 210.42(h), this Initial Determination shall become the determination of the Commission unless a party files a petition for review of the Initial Determination pursuant to 19 C.F.R. § 210.43(a), or the Commission, pursuant to 19 C.F.R. § 210.44, orders on its own motion a review of the Initial Determination or certain issues herein.

SO ORDERED.


MaryJoan McNamara
Administrative Law Judge

² Complainants state that claim 11 of the '860 patent is asserted for DI purposes only. (Second Mot. to Terminate at n.2.).

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COMPONENTS THEREOF**

Inv. No. 337-TA-997

PUBLIC CERTIFICATE OF SERVICE

I, Lisa R. Barton, hereby certify that the attached ORDER has been served upon the following parties as indicated, on **December 14, 2016**.



Lisa R. Barton, Secretary
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