

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, D.C.

In the Matter of

**CERTAIN AUTOMOTIVE
MULTIMEDIA DISPLAY AND
NAVIGATION SYSTEMS,
COMPONENTS THEREOF, AND
PRODUCTS CONTAINING SAME**

Investigation No. 337-TA-657

**COMMISSION INVESTIGATIVE STAFF'S RESPONSE TO
JOINT MOTION TO TERMINATE INVESTIGATION BASED
UPON A SETTLEMENT AGREEMENT**

I. Introduction

On December 23, 2009, Complainant Honeywell International Inc., (“Honeywell”) and Respondents Pioneer Corporation and Pioneer Electronics (USA) (“Pioneer”) (collectively the “Private Parties”) moved to terminate the Investigation based upon a settlement agreement. (Joint Motion For Termination of Investigation By Settlement. (“Joint Motion”). A copy of the settlement agreement, entitled “Settlement and License Agreement” and entered into on or about December 17, 2009, is attached to the Joint Motion as Exhibit A. (“Settlement Agreement”). As discussed below, the Commission Investigative Staff (“Staff”) supports the motion. The Private Parties have complied with the Commission’s requirements under 19 C.F.R. § 210.21(b) relating to motions to terminate based upon a licensing or other settlement agreement. Additionally, the provisions of the Settlement Agreement do not appear to be contrary to the public interest.

II. Discussion

A. Compliance with Rule Governing Termination by Settlement

Commission Rule 210.21(a)(2) states in pertinent part that “[a]ny party may move at any time for an order to terminate an investigation in whole or in part as to any or all respondents on the basis of a settlement, a licensing or other agreement.” 19 C.F.R. § 210.21(a)(2). In addition, Commission Rule 210.21(b) further specifies that in order for an investigation to be terminated on the basis of a settlement, the motion for termination must include (1) copies of the licensing or other settlement agreement, including both a public and a confidential version if necessary, (2) any supplemental agreements, and (3) a statement that there are no other agreements, written or oral, express or implied, between the parties concerning the parties concerning the subject matter of the investigation. 19 C.F.R. § 210.21(b).

The Joint Motion complies with the foregoing requirements. Specifically, the Private Parties have submitted a public version of the Settlement Agreement in addition to a confidential version. Joint Motion, Exhibits A and B. The Motion also includes a statement indicating that “[t]here are no other agreements, written or oral, express or implied, between Honeywell and Pioneer concerning the subject matter of this Investigation.” Joint Motion at 1.

B. Public Interest Considerations

In ruling on a motion to terminate an investigation on the basis of a settlement agreement, the Administrative Law Judge shall consider and make appropriate findings regarding the effect of the proposed termination upon the public interest. 19 C.F.R. § 210.50(b)(2). In addition, the Administrative Procedure Act indicates that agencies should consider termination of disputes by

the parties where “the public interest permit[s].” 5 U.S.C. § 554(c)(1).

The Staff is not aware of any information that would indicate that the termination of this investigation based upon the Settlement Agreement would be contrary to (i) the public health and welfare, (ii) competitive conditions in the U.S. economy, (iii) the production of like or directly competitive articles in the United States, or (iv) U.S. consumers. 19 U.S.C. § 1337(d).

Accordingly, termination of this investigation should have no adverse impact on the public interest. Additionally, the public interest favors settlement to avoid unnecessary litigation and to conserve public and private resources. *See, e.g., Certain Compact Disc and DVD Holders*, Inv. No. 337-TA-482, Order No. 11 at 3 (March 7, 2003); *Certain Gel-Filled Wrist Rests and Products Containing Same*, Inv. No. 337-TA-456, Order No. 16 at 5 (May 21, 2002). Finally, the public interest favors the protection of valid intellectual property rights. *See, e.g., Certain Ink Cartridges and Components Thereof*, Inv. No. 337-TA-565, Order No. 28 at 7 (January 16, 2007); *see also Certain Recombinantly Produced Hepatitis B Vaccines and Products Containing Same*, Inv. No. 337-TA-408, Order No. 7 at 6 (August 17, 1998).

III. Conclusion

For the above reasons, the Staff supports the joint motion to terminate the Investigation based upon a settlement agreement. Granting the motion would terminate the pending investigation in its entirety.

Respectfully submitted,

/s/ Bryan F. Moore

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Dated: December 24, 2009

**CERTAIN AUTOMOTIVE MULTIMEDIA
DISPLAY AND NAVIGATION SYSTEMS**

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CERTIFICATE OF SERVICE

The undersigned certifies that on December 24, 2009, he caused the foregoing **COMMISSION INVESTIGATIVE STAFF'S RESPONSE TO JOINT MOTION TO TERMINATE INVESTIGATION BASED UPON A SETTLEMENT AGREEMENT** to be served by hand upon Administrative Law Judge Theodore R. Essex (2 copies), and served upon the parties:

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