

UNITED STATES INTERNATIONAL TRADE COMMISSION  
Washington, D.C.

In the Matter of

CERTAIN BIOMETRIC SCANNING  
DEVICES, COMPONENTS THEREOF,  
ASSOCIATED SOFTWARE, AND  
PRODUCTS CONTAINING THE SAME

Inv. No. 337-TA-720

Order No. 7: Setting Procedural Schedule

The parties, in a submission dated July 16, 2010, submitted the following joint proposed procedural schedule:

Description	Date
Private parties' proposal for at least three settlement conferences (not by telephone) in the absence of the Administrative Law Judge but in the presence of a person who can authorize settlement	September 2, 2010 (Thu.) December 2, 2010 (Thu.) February 10, 2011 (Thu.)
Dates for reporting results of settlement conference to Administrative Law Judge	September 7, 2010 (Tue.) December 6, 2010 (Mon.) February 14, 2011 (Mon.)
Identification of tentative witnesses who will testify at the hearing, with a brief description of their relationships to the party	September 22, 2010 (Wed.)
Exchange of claim terms and their proposed constructions	October 14, 2010 (Thu.)
Per Ground Rules 10(iii) and 10(x), submission of statements regarding the use of witness statements in lieu of live direct testimony, and statements regarding whether any party intends to offer expert reports into evidence	October 20, 2010 (Wed.)
Identification of any prior art upon which parties will rely at the hearing	October 20, 2010 (Wed.)
Fact discovery request cut-off	October 26, 2010 (Tue.)
Fact discovery completion	November 5, 2010 (Fri.)
Cut-off for motions to compel fact discovery	November 12, 2010 (Fri.)
Exchange of initial expert reports	November 17, 2010 (Wed.)
Exchange of rebuttal expert reports	December 3, 2010 (Fri.)
Expert discovery completion	December 17, 2010 (Fri.)
Cut-off for motion to compel expert discovery and contention interrogatories	January 4, 2011 (Tue.)

<b>Description</b>	<b>Date</b>
Cut-off date for any motion for summary determination	January 4, 2011 (Tue.)
Submission and exchange of direct exhibits, including witness statements and joint exhibits, by the private parties	January 20, 2011 (Thu.)
Submission and exchange of direct exhibits, including witness statements, by the Staff	January 24, 2011 (Mon.)
Submission of pre-hearing statements and any stipulations—private parties	January 20, 2011(Thu.)
Objections to direct exhibits, including witness statements	January 27, 2011 (Thu.)
Submission and exchange of rebuttal exhibits, including witness statements	February 10, 2011 (Thu.)
Objections to rebuttal exhibits, including witness statements	February 17, 2011 (Thu.)
Submission of pre-hearing statements and any stipulations by the staff	February 10, 2011 (Thu.)
Responses to objections to direct exhibits, including witness statements	February 3, 2011 (Thu.)
Responses to objections to rebuttal exhibits, including witness statements	February 24, 2011 (Thu.)
Submission of declarations justifying confidentiality of exhibits	February 28, 2011 (Mon.)
Submission by each party of three copies of a list of its exhibits for which there are no objections	February 28, 2011 (Mon.)
Pre-hearing conference	March 4, 2011 (Fri.)
Hearing	March 7-11, 2011

Said schedule is in effect.

In said submission, the parties did make the representation that “in light of the Administrative Law Judge’s determination that there will not be a separate Markman Hearing in this Investigation.” However, as the administrative law judge represented at the preliminary conference on July 12, 2010:

MR. WOO: I believe that Your Honor has in the past issued Markman claim constructions orders as initial determinations, and that would have the attainability of Commission review.

So we would be over and done with the claim construction before having to go forward with the rest of the case and the evidentiary hearing in March.

CHIEF JUDGE LUCKERN: I have only done it once. I had a hearing on May 24th and May 25th, and what the parties -- well, I said if you want to have a Markman hearing, you should make a motion for a Markman hearing, and move for summary determination.

And the Respondents moved for summary determination for a Markman hearing, and so I said, okay, we will have a Markman hearing, and all the parties then filed a motion for summary determination.

And we had a hearing, and experts, and had two days of testimony, where they indicated with full knowledge of how the claim should be interpreted, and how a person of ordinary skill of the art would interpret those claims at the time that the application was filed for the patent.

And I did issue a final initial determination, but this was by agreement of the parties as to how I should proceed. So are you saying that you would go ahead and file a motion for summary determination on how the claim should be interpreted?

MR. WOO: If that is the procedural device, Your Honor, and if you would prefer that, we would do it that way.

\* \* \*

CHIEF JUDGE LUCKERN: There is a critical factor though in all of this that I don't know the answer. I have only had one Markman hearing, and I issued a Markman initial determination on -- I believe it was around June 21st here, and we are scheduled to go to trial -- and I am now talking about 337-TA-703.

And we are supposed to go to trial on September 1st, and I have indicated to the Commission that it would be extremely helpful to know their position and how I have interpreted these claim terms, and at least know their position on one or two, et cetera.

So that when we go to trial on September 1st, the parties will know something as far as what is final, if anything is final. I have no control over the Commission, and they can sit on it and do nothing.

I mean, I am not saying that they don't have enough to do on other matters, but I have no idea what they are going to do. The petitions for review are filed, and then they stall the process.

So we may never know, and I am concerned about having a Markman hearing and making a decision that doesn't have a final say by the Commission,

because what will I do at a hearing.

So right now I am inclined to do nothing as far as any Markman hearing in this case, and seeing what the Commission does on what I issued on June 21st. I think that it would be helpful to know, but I have no idea what the Commission is going to do.

And until I know what they are doing, and there has only been on [sic] Markman decision that I have issued so far, but the Commission may have good reasons not to do anything about it.

And if that is the case, then I really don't see much value in Markman hearings here, because I can't see bringing parties here for a hearing, and turning claims away undetermined, and not know what the Commission is going to do.

And as you all know, this is an administrative procedure type of hearing, and the Commission can make new findings of fact based on the record, and send it back to me, and we could start all over again.

And you can imagine what the expenses would be for the parties if we have to have a second evidentiary hearing based on the fact that the Commission would not agree with me.

So I am not going to do anything with respect to a Markman hearing. If the Commission decides something to what I have filed on the 21st of June, or the 22nd of June, then I may do it.

This hearing is not going to be held until March, and I am talking about the evidentiary hearing, and we could have the Markman hearing in October or November if I am convinced that it is worth the trouble of doing it.

But right now it is an unknown factor, and it was quite a bit of work. There is quite lot of work for the parties in preparing for the Markman hearing, and having educated their experts, and the experts got into the terminology, et cetera.

But I think for the time being that we will see what happens. I think I may on my own -- well, Markman hearings can be of some value, in the sense that if anything they can propose settlements at times.

If an interpretation is made which is final, parties will generally see the writing on the wall as to where they stand with respect to infringement and validity, and the case may go away.

So I think that there is some value in Markman hearings, but I don't see any value in Markman hearings unless we have a final say from the Commission, and I don't know what that is going to be.

So I am going to wait and see what the Commission does in my final initial determination in 703, if they do anything. Who knows what they are going to do. And I should know that by September 1st, because that is when we are going to an evidentiary hearing in 703.

And I may on my own decide later on to have a Markman hearing in this case, but I think we will just proceed with discovery. I know that there is some thought that once the Judge has a Markman hearing, and then afterwards discovery is limited to what he decides in a Markman hearing.

I am not too enamored with that approach, because again the Commission can decide as to how a Judge interprets claims is wrong, and then send it back. So, I don't think that discovery should be limited to how I construe claims.

Because let's face it, claim interpretation is vital to most of our cases that come here. So I think right now I am not going to do anything. We will just go ahead and see where we are going to go in the fall.

I may resurrect it. I think that there is, as I said, value in Markman hearings, but I don't think there is much value in them unless we know what the Commission is going to do.

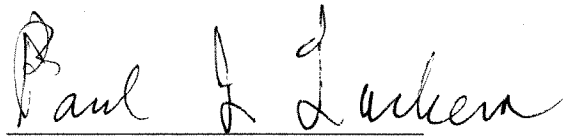
And in the case that I sent up to the Commission was a very clean case. There was only one patent, and they had about six claims, and that was it. Well, actually 6 or 7 claims, and really the issue only had to do with one independent claim.

So it is a really clean case insofar as the issue for Markman. I don't know if this case would be as clean as that, and that doesn't necessarily mean that a Markman can't be held with the puerility [sic] of claims and the puerility of patents, but it gets more complicated when you have a puerility [sic] of patents and a puerility [sic] of claims.

So right now I am not going to make any decision and I think we are just going to go ahead with the schedule on the basis of the hearing in March, and we will have everything heard then.

But I may change my tune if I see what the Commission is going to do in connection with my final ID that I sent out on June 21st or 22nd. So that's it. All right.

(Tr. at 26, 27, 35-39 (emphasis added). As should be clear from my statements at the preliminary conference I did not determine that there will not be a separate Markman Hearing in this investigation. In addition, as indicated in the preliminary hearing and also in my Order No. 5 in 337-TA-703, a party at any time during the pendency of the investigation before the administrative law judge can move for a Markman hearing irrespective of any procedural schedule in place. Certainly conditions change as an investigation proceeds.

A handwritten signature in cursive script that reads "Paul J. Luckern". The signature is written in black ink and is positioned above a horizontal line.

Paul J. Luckern  
Chief Administrative Law Judge

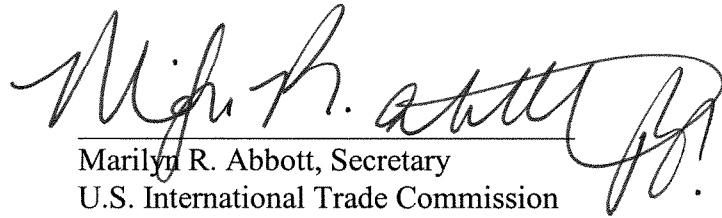
Issued: July 19, 2010

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THEREOF, ASSOCIATED SOFTWARE, AND PRODUCTS  
CONTAINING THE SAME**

**337-TA-720**

**CERTIFICATE OF SERVICE**

I, Marilyn R. Abbott, hereby certify that the attached **Order** has been served by hand upon the Commission Investigative Attorney, Aarti J. Shah, Esq., and the following parties as indicated, on July 19, 2010.



Marilyn R. Abbott, Secretary  
U.S. International Trade Commission  
500 E Street, SW  
Washington, DC 20436

**On Behalf of Complainant Cross Match Technologies, Inc.:**

Maximilian A. Grant, Esq.  
**Latham & Watkins LLP**  
555 11<sup>th</sup> Street, NW, Suite 1000  
Washington, DC 20004  
P-202-637-2200  
F-202-637-2201

- Via Hand Delivery  
 Via Overnight Mail  
 Via First Class Mail  
 Other: \_\_\_\_\_

**Respondents Suprema, Inc. and Mentalix, Inc.:**

V. James Adduci, II.  
**Adduci, Mastriani & Schaumberg, L.L.P.**  
1200 Seventeenth Street, NW, Fifth Floor  
Washington, DC 20036  
P-202-467-6300  
F-202-466-2006

- Via Hand Delivery  
 Via Overnight Mail  
 Via First Class Mail  
 Other: \_\_\_\_\_

**PUBLIC MAILING LIST**

Heather Hall  
LEXIS-NEXIS  
9443 Springboro Pike  
Miamisburg, OH 45342

- Via Hand Delivery
- Via Overnight Mail
- Via First Class Mail
- Other: \_\_\_\_\_

Kenneth Clair  
Thomson West  
1100 Thirteen Street, NW, Suite 200  
Washington, DC 20005

- Via Hand Delivery
- Via Overnight Mail
- Via First Class Mail
- Other: \_\_\_\_\_