

**PUBLIC VERSION**

**UNITED STATES INTERNATIONAL TRADE COMMISSION**

**Washington, D.C.**

**In the Matter of**

**CERTAIN WINDSHIELD WIPERS AND  
COMPONENTS THEREOF**

**Inv. No. 337-TA-928**

**Inv. No. 337-TA-937**

**(Consolidated)**

**ORDER No. 19: INITIAL DETERMINATION (1) DENYING COMPLAINANTS' MOTION FOR SUMMARY DETERMINATION OF NO EXHAUSTION OR PERMISSIBLE REPAIR DEFENSES WITH RESPECT TO U.S. PATENT 7,891,044; AND (2) GRANTING COMPLAINANTS' MOTION FOR SUMMARY DETERMINATION OF NO EXHAUSTION OR PERMISSIBLE REPAIR DEFENSES WITH RESPECT TO U.S. PATENT 7,937,798**

(May 19, 2015)

**I. INTRODUCTION**

On April 30, 2015, Complainants Valeo North America, Inc. and Delmex de Juarez S. de R.L. de C.V. (collectively, "Valeo") filed a motion for summary determination of no exhaustion or permissible repair defenses ("Valeo's Motion"). (Motion Docket No. 928-013.) On May 11, 2015, Respondents Trico Products Corporation and Trico Componentes SA de CV (collectively, "Trico") filed an opposition to Valeo's Motion.

Valeo argues that Trico cannot establish the exhaustion and permissible repair defenses as a matter of law, with respect to U.S. Patent Nos. 7,937,798 ("the '798 patent") and 7,891,044 ("the '044 patent") (collectively, "the asserted patents"). Specifically, Valeo reasons that summary determination is appropriate with respect to the '798 patent because the asserted claims are directed to a wiper blade assembly and do not include a wiper arm, and because replacing the patented wiper blade assembly with Trico's unauthorized wiper blade assembly cannot be

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considered permissible repair. In addition, Valeo argued that Trico's defenses are not available against the '044 patent's combination claims even if they include a wiper arm, because the wiper blade component is separately patented under the '798 patent.

Trico counters that summary determination is inappropriate because Valeo failed to establish direct and contributory infringement. Trico also argues that it does not make, use, sell, or import a pinch tab wiper arm, and that purchasers of vehicles equipped with the pinch tab wiper arm and wiper blade combination supplied by Valeo, have the right to repair such combination when the wiper blade wears out.

For the reasons below, Valeo's Motion is DENIED with respect to the '044 patent but GRANTED with respect to the '798 patent.

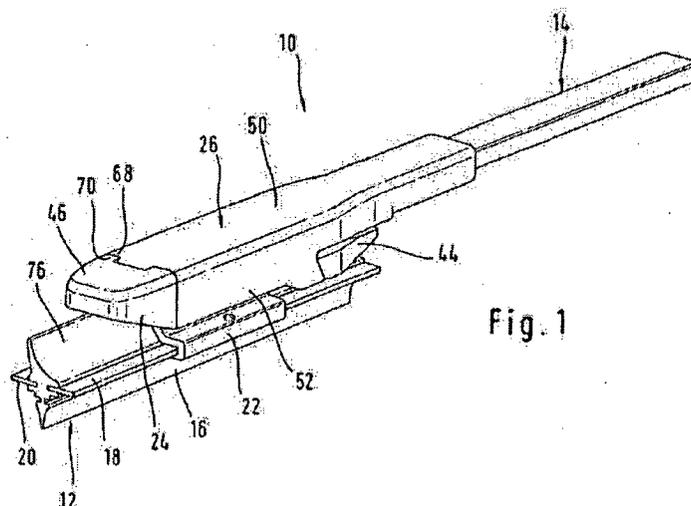
**II. BACKGROUND**

Valeo filed a complaint against Trico on October 15, 2014 asserting a violation of section 337(a)(1)(B) by reason of infringement of one or more claims of U.S. Patent Nos. 7,891,044 ("the '044 patent") and 7,937,798 ("the '798 patent") (collectively, "the asserted patents"). On December 8, 2014, Trico filed a Response to Valeo's Complaint and alleged, *inter alia*, that: (1) "patent exhaustion prevents Valeo from alleging infringement after selling its pinch tab wiper arm and blade combination to an OEM for resale to the customer"; and (2) "Trico's windshield wiper products are intended and used for permissible repair of products with a limited useful life." *See* Trico's Response to Complaint, USITC Inv. No. 337-TA-937, at 8, 45, 51 (Dec. 8, 2014).

The asserted patents are related and share essentially the same specification. The asserted patents disclose "a device and a method for releasably connecting a wiper blade to a drivable

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wiper arm." See '044 patent at 1:8-9; '798 patent at 1:16-17. Figure 1 of the asserted patents shows an embodiment of the invention:



The asserted patents describe Figure 1 as follows:

FIG. 1 shows a device 10 according to the invention for releasably connecting a wiper blade 12, shown in part, to a drivable wiper arm 14 which is likewise shown in part. The wiper blade 12 has a wiper strip 16 which faces the windscreen to be wiped (not shown) and comprises two strip-like elongate support elements 18, 20, a slide element 22 which is connected to the support elements 18, 20, and a connecting element 24 which is arranged on the slide element 22 in a manner such that it can pivot. The connecting element 24 serves for connection to a coupling section 26 on the wiper arm 14.

'044 patent at 6:7-17; '798 patent at 5:65-6:8.

The connecting element 24 and the coupling section 26 on the wiper arm 14 (shown in a coupled position in Figure 1 above) are separately described in Figures 2 and 4 of the asserted patents, as reproduced below:

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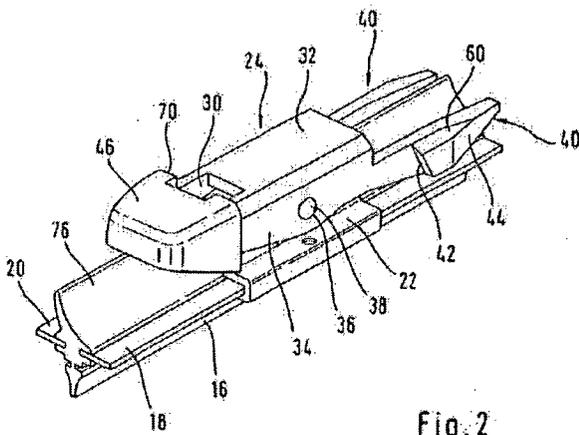


Fig. 2

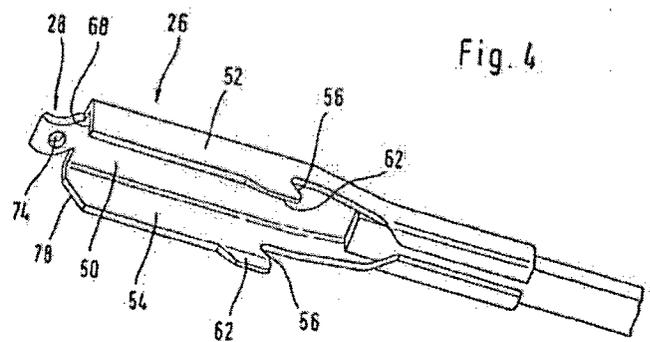


Fig. 4

Claim 1 of the '044 patent and claim 1 of the '798 patent are representative, and recite, respectively:

**'044 Patent, Claim 1: Device** for releasably connecting a wiper blade to a drivable wiper arm, wherein the wiper blade comprises a wiper strip which faces the windscreen to be wiped, at least one strip-shaped elongate support element, a slide element which is connected to the support element, and a connecting element for connection to a coupling section of the wiper arm, wherein the connecting element is mounted on the slide element in a manner such that it can pivot, wherein the coupling section has a tongue-shaped insertion section, wherein the connecting element has a seat for the insertion section, and wherein the coupling section and the connecting element have securing sections for providing a mutual permanent connection, wherein, in order to reach a preassembly position in which the longitudinal axis of the wiper arm and the longitudinal axis of the connecting element enclose an angle  $\alpha$  in the range from approximately  $10^\circ$  to  $100^\circ$ , the insertion section can be inserted in a substantially rectilinear manner into the seat, and wherein, in order to reach a final assembly position, the wiper arm and the connecting section can be pivoted onto one another about the insertion section/seat contact area until the securing sections allow a permanent mutual connection.

**'798 Patent, Claim 1: A wiper blade assembly** to be connected to an end portion of a wiper arm, said wiper blade assembly comprising:  
a wiper strip intended to wipe a windscreen;  
an elongate support element supporting said wiper strip along said wiper strip;

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a blade support element connected to said elongate support element over only a portion of said elongate support element, wherein said wiper strip is connected to said elongate support element over said portion of said elongate element that is connected to said blade support element;

a connecting element pivotably mounted on the blade support element;

wherein said connecting element defines a receiving portion shaped to receive a first part of the end portion of the wiper arm at a first location on the connecting element, and a securing portion shaped to secure a second part of the end portion of the wiper arm to the connecting element at a second location on the connecting element,

wherein the connecting element is configured such that, in a preassembly position when the receiving portion first receives said first part of the end portion of the wiper arm, the connecting element and the end portion of the wiper arm form an oblique angle at said first location, and

wherein the connecting element is further configured such that, after the first part of the end portion of the wiper arm is received by the receiving portion, the end portion of the wiper arm and the connecting element can pivot with respect to each other about the first location until said securing portion secures the second part of the end portion of the wiper arm.<sup>1</sup>

The parties agreed that the claim term “device” in the ’044 patent includes the “wiper arm.” *See* Order No. 12, USITC Inv. No. 337-TA-928, at 32 (Mar. 30, 2015). However, the parties disagreed on whether the claim term “wiper blade assembly” in the ’798 patent included a “wiper arm.” On March 30, 2015, I issued an Order construing the terms of the asserted patents and found that the disputed term “wiper blade assembly” did not include a “wiper arm.” *See id.* at 34-39 (Mar. 30, 2015).

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<sup>1</sup> Claims 16 and 17 of the ’798 patent recite “a wiper assembly” that explicitly includes “a wiper arm.” However, claims 16 and 17 were not asserted against Trico. *See* Notice of Investigation, USITC Inv. No. 337-TA-937, 79 Fed. Reg. 69525-6 (November 21, 2014).

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On April 30, 2015, Valeo moved for summary determination of no exhaustion or permissible repair defenses. On May 11, 2015, Trico filed a Response in Opposition to Valeo's Motion.

**III. LEGAL STANDARDS**

**A. Summary Determination**

Summary determination motions are governed by Commission Rule 210.18 which states that:

. . . . The determination sought by the moving party shall be rendered if the pleadings and any depositions, answers to interrogatories, and admissions on file, together with the affidavits, if any, show that there is no genuine issue as to any material fact and that the moving party is entitled to a summary determination as a matter of law.

19 C.F.R. § 210.18(b).

The standards for summary judgment in district courts apply to summary determinations at the U.S. International Trade Commission. *See Amgen Inc. v. International Trade Comm'n*, 565 F.3d 846, 849 (Fed. Cir. 2009) (citing *Hazani v. United States Int'l Trade Comm'n*, 126 F.3d 1473, 1476 (Fed. Cir. 1997)). “[I]n deciding a motion for summary judgment, ‘the evidence of the nonmovant is to be believed, and all justifiable inferences are to be drawn in his favor.’” *Liebel-Flarsheim Co. v. Medrad, Inc.*, 481 F.3d 1371, 1377 (Fed. Cir. 2007) (citing *Anderson v. Liberty Lobby, Inc.*, 477 U.S. at 255).

“The summary judgment movant has the initial responsibility of identifying the legal basis of its motion, and of pointing to those portions of the record that it believes demonstrate the absence of a genuine issue of material fact.” *Novartis Corp. v. Ben Venue Laboratories, Inc.*, 271 F.3d 1043, 1046 (Fed. Cir. 2001) (citing *Celotex Corp. v. Catrett*, 477 U.S. 317, 323

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(1986)). “Once the movant has made this showing, the burden shifts to the nonmovant to designate specific facts showing that there is a genuine issue for trial.” *Id.* (citations omitted). “Summary judgment must be granted against a party who has failed to introduce evidence sufficient to establish the existence of an essential element of that party’s case, on which the party will bear the burden of proof at trial.” *Id.* (citations omitted). “[M]ere denials or conclusory statements are insufficient to survive summary judgment.” *Enzo Biochem, Inc. v. Applera Corp.*, 599 F.3d 1325, 1337 (Fed. Cir. 2010) (citations omitted). *See also TechSearch, L.L.C. v. Intel Corp.*, 286 F.3d 1360, 1372 (Fed. Cir. 2002) (“[G]eneral assertions of facts, general denials, and conclusory statements are insufficient to shoulder the non-movant’s burden.”).

**B. Patent Exhaustion and Permissible Repair**

Trico bears the ultimate burden of proof on its affirmative defenses of patent exhaustion and permissible repair. *See Jazz Photo Corp. v. International Trade Comm’n*:

The burden of establishing an affirmative defense is on the party raising the defense. The Commission correctly held that the respondents had the burden of establishing this defense by a preponderance of the evidence, including the burden of coming forward with evidence to show that the activities performed in processing the used cameras constituted permissible repair.

264 F.3d 1094, 1102 (Fed. Cir. 2001).

“The patent exhaustion doctrine provides that a patented item’s initial authorized sale terminates all patent rights to that item.” *Quanta Computer, Inc. v. LG Elecs., Inc.*, 553 U.S. 617, 625 (2008); *see also Tessera, Inc. v. International Trade Comm’n*, 646 F.3d 1357, 1369 (Fed. Cir. 2011).

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In addition, the doctrine of permissible repair provides that the lawful owner of a patented article may replace unpatented parts of that article. *See Aro Mfg. Co. v. Convertible Top Replacement Co.*:

While there is language in some lower court opinions indicating that “repair” or “reconstruction” depends on a number of factors, it is significant that each of the three cases of this Court, cited for that proposition, holds that a license to use a patented combination includes the right to preserve its fitness for use so far as it may be affected by wear or breakage. We hold that maintenance of the “use of the whole” of the patented combination through replacement of a spent, unpatented element does not constitute reconstruction.

365 U.S. 336, 345-46 (1961) (citations omitted). *See also Jazz Photo*, 264 F.3d at 1102 (“While the ownership of a patented article does not include the right to make a substantially new article, it does include the right to preserve the useful life of the original article.”).

### **IV. DISCUSSION**

#### **A. Valeo Satisfied Its Initial Burden on Summary Determination.**

Valeo adequately identified the legal basis of its summary determination motion of no exhaustion and no permissible repair. Valeo argued that the “wiper blade assembly” claims of the ’798 patent do not include a wiper arm and that replacing the patented wiper blade assembly with Trico’s unauthorized wiper blade assembly cannot be considered permissible repair. In addition, Valeo argued that the exhaustion and permissible repair defenses are not available against the ’044 patent’s combination claims because the “wiper blade” component is separately patented under the ’798 patent. Thus, the burden shifts to Trico to designate specific facts showing that there is a genuine issue for trial. *See Novartis*, 271 F.3d at 1046.

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**B. Trico's Opposition Is Sufficient to Overcome Summary Determination with respect to the '044 Patent but not the '798 Patent.**

Trico advances two main arguments in its opposition to Valeo's Motion. First, Trico argues that it is not required to establish exhaustion and permissible repair until Valeo meets its initial burden of proving direct or contributory infringement. Second, Trico argues that it does not make, use, sell, or import a Valeo-type pinch tab style wiper arm and that its wiper blades are sold, not as original equipment, but rather in the "aftermarket" as a replacement for any given worn out wiper blade. Trico also argues that purchasers of vehicles equipped with the pinch tab arm and blade combination supplied by Valeo, have the right to repair such combination when the wiper blade wears out.

Trico's first argument is flawed and contrary to longstanding practice and jurisprudence. There is no requirement for patentees to prove infringement before moving to dismiss or for summary judgment on an accused infringer's affirmative defense. District courts and the International Trade Commission have frequently and repeatedly considered and ruled on such motions, before the hearing or trial on infringement. *See, e.g., Certain Electronic Devices, Including Mobile Phones and Tablet Computers, and Components Thereof*, USITC Inv. No. 337-TA-847, Order No. 13, 2013 WL 3049144 (U.S.I.T.C. May 2, 2013) (granting summary determination of no exhaustion before the hearing on infringement); *Certain Ink Cartridges and Components Thereof*, USITC Inv. No. 337-TA-565, Order No. 19, 2006 WL 3349705 (U.S.I.T.C. Nov. 6, 2006) (denying summary determination of no permissible repair before the hearing on infringement). *See also Lucent Technologies Inc. v. Gateway, Inc.*, 470 F. Supp. 2d 1163, 1169 (S.D. Cal. 2007) (granting summary judgment of no patent exhaustion before the jury trial on infringement).

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Nor does *Jazz Photo* support Trico's position that Valeo must first meet its burden of proving direct and contributory infringement before seeking summary determination on Trico's affirmative defenses of exhaustion and permissible repair. *Jazz Photo* merely explained the order of coming forward with evidence at the hearing and the burden of proof on each party. *See Jazz Photo*, 264 F.3d at 1101-02. Trico is confusing the order of coming forward with evidence at the hearing with a non-existent prerequisite for summary determination on the affirmative defenses of exhaustion and permissible repair. Likewise, Trico's arguments and unsworn expert report in support of no direct or contributory infringement, are largely irrelevant and do not raise a genuine issue of material fact with respect to the affirmative defenses of exhaustion and permissible repair.<sup>2</sup>

Trico's second argument is persuasive with respect to the '044 patent but not with respect to the '798 patent. The asserted claims of the '044 patent are directed to a "device" which, by Valeo's own admission, includes a combination of a "wiper blade" and a "wiper arm." *See* Order No. 12, USITC Inv. No. 337-TA-928, at 32 (Mar. 30, 2015). Trico argues that it does not make, use, sell, or import a Valeo-type pinch tab style wiper arm and that its wiper blades are sold, not as original equipment, but rather in the "aftermarket" as a replacement for any given worn out wiper blade. Trico also argues that purchasers of vehicles equipped with the pinch tab arm and blade combination supplied by Valeo, have the right to repair such combination when the wiper blade wears out. Valeo counters that exhaustion and permissible repair do not apply to the combination claimed in the '044 patent because the "wiper blade" component is separately patented under the '798 patent. *See* Valeo's Memorandum in support of Valeo's Motion, USITC

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<sup>2</sup> *See* Commission Rule 210.18(b) and (c), 19 C.F.R. § 210.18.

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Inv. No. 337-TA-928, at 7 (Apr. 30, 2015) (citing *Aro*, 365 U.S. at 345-46 for the proposition that “for the doctrine to apply, the replacement parts themselves must be ‘unpatented’”).

I disagree with Valeo. Trico asserts in this investigation that the '798 patent is invalid. That assertion has yet to be adjudicated. Thus, the validity of the '798 patent is still at issue in this investigation. Consequently, I cannot grant summary determination of no exhaustion and no permissible repair with respect to the '044 patent (using '798 components), because if the '798 patent is found invalid, there is at least a question of law as to whether Trico can assert its defenses of exhaustion and permissible repair with respect to the '044 patent.<sup>3</sup> Accordingly, I find that Valeo has failed to show that it is entitled to summary determination of no exhaustion and no permissible repair with respect to the '044 patent, as a matter of law. *See also Robert Bosch LLC v. Trico Products Corp.*:

If the '111 and '607 patents do not claim wiper blades, how can an individual who replaces the wiper blade infringe those patents? Also, what if the combination patent predates the component patent? Does the component patent retroactively expand the scope of the combination patent to cover the previously unpatented component? We are not prepared at this time to reject *Warner & Swasey* and *R2 Medical*. But we have sufficient doubts about whether they were correctly decided to withhold ruling pending a more developed record.

Docket No. 12-cv-437, 2014 WL 2118609, \*4 (N.D. Ill. May 21, 2014) (calling into doubt *R2 Med. Sys., Inc. v. Katecho, Inc.*, 931 F. Supp. 1397 (N.D. Ill. 1996) and *Warner & Swasey Co. v. Held*, 256 F. Supp. 303 (E.D. Wis. 1966) and questioning whether the permissible repair defense is inapplicable when the replaced component is covered under a separate patent).

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<sup>3</sup> Valeo also argues in a footnote that the “wiper blade assembly” is patented under U.S. Patent 8,220,106 (“the '106 patent”). *See* Valeo’s Memorandum in support of Valeo’s Motion, USITC Inv. No. 337-TA-928, at 2 n.1 (Apr. 30, 2015). The '106 patent is not asserted in this investigation and Valeo’s reliance thereon is conclusory and questionable.

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Unlike the '044 patent, I find that Valeo is entitled to summary determination of no exhaustion and no permissible repair, as a matter of law, with respect to the '798 patent. The asserted claims of the '798 patent are directed to a "wiper blade assembly." On March 30, 2015, I issued an Order construing the terms of the asserted patents and found that the disputed term "wiper blade assembly" did not include a "wiper arm." *See* Order No. 12, USITC Inv. No. 337-TA-928, at 34-39 (Mar. 30, 2015). Trico argues that it does not "make, use, sell, or import a Valeo-type pinch tab style wiper arm." But such argument is irrelevant to the '798 patent because the "wiper arm" is not a component of the "wiper blade assembly."

Trico correctly states that "wiper blade assembly" is construed as "an assembly of components." Trico also claims that it does not infringe the asserted claims of the '798 patent and that not all elements of the asserted claims are present in the accused products. Even accepting Trico's non-infringement arguments as true, the exhaustion and permissible repair doctrines do not apply here because Trico is selling a replacement for the entire patented article, not subparts of the "wiper blade assembly" or individual components thereof. Indeed, Trico admits that it "sells replacement wiper blades that attach to pinch tab wiper arms in place of worn out wiper blades." Trico's Response to Valeo's Statement of Material Facts, USITC Inv. No. 337-TA-928, at ¶ 17 (May 11, 2015). *See also id.* at ¶ 26; Trico's Response in Opposition to Valeo's Motion, USITC Inv. No. 337-TA-928, at 4 (May 11, 2015) ("After a certain period of use, all wiper blades wear out. At that time, the entire wiper blade is replaced. The accused Trico wiper blades are sold, not as original equipment, but rather in the 'aftermarket' as a replacement for any given worn out wiper blade."). While the exhaustion and permissible repair doctrines can shield an accused infringer who sells a component of a patent combination, it does

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not shield an accused infringer that sells the entire patented article. *See Aro Mfg.*, 365 U.S. at 343 (“The (patent) monopolist cannot prevent those to whom he sells from reconditioning articles worn by use, unless they in fact make a new article.”) (citation omitted); *Jazz Photo*, 264 F.3d at 1102 (“[T]he rights of ownership do not include the right to construct an essentially new article on the template of the original, for the right to make the article remains with the patentee.”).

Other than a wiper arm, which is not included in “wiper blade assembly” as construed, Trico did not identify any subpart or component of Valeo’s patented “wiper blade assembly” that is allegedly replaced or “repaired” by the accused products. I find Trico’s conclusory statements on this point insufficient to raise a genuine issue of material fact. Thus, there being no issue of material fact or law, and even as I interpret the evidence against Valeo as the moving party, Valeo is still entitled to summary determination of no exhaustion and no permissible repair with respect to the asserted claims of the ’798 patent.

**V. CONCLUSION**

Accordingly, as explained above, it is my Initial Determination to DENY IN PART and GRANT IN PART Motion Docket No. 928-013. This Initial Determination, along with supporting documentation, 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.

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Within 7 days of the date of this order, the parties shall jointly submit: (1) a proposed public version of this order with any proposed redactions bracketed in red; and (2) a written justification for any proposed redactions specifically explaining why the piece of information sought to be redacted is confidential and why disclosure of the information would be likely to cause substantial harm or likely to have the effect of impairing the Commission's ability to obtain such information as is necessary to perform its statutory functions.<sup>4</sup>

**SO ORDERED.**



Thomas B. Pender  
Administrative Law Judge

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<sup>4</sup> Under Commission Rules 210.5 and 201.6(a), confidential business information includes:

information which concerns or relates to the trade secrets, processes, operations, style of works, or apparatus, or to the production, sales, shipments, purchases, transfers, identification of customers, inventories, or amount or source of any income, profits, losses, or expenditures of any person, firm, partnership, corporation, or other organization, or other information of commercial value, the disclosure of which is likely to have the effect of either impairing the Commission's ability to obtain such information as is necessary to perform its statutory functions, or causing substantial harm to the competitive position of the person, firm, partnership, corporation, or other organization from which the information was obtained, unless the Commission is required by law to disclose such information.

*See* 19 C.F.R. § 201.6(a). Thus, to constitute confidential business information the disclosure of the information sought to be designated confidential must ***likely have the effect of*** either: (1) impairing the Commission's ability to obtain such information as is necessary to perform its statutory functions; or (2) ***causing substantial harm*** to the competitive position of the person, firm, partnership, corporation, or other organization from which the information was obtained.

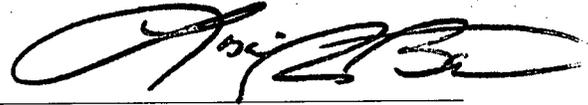
**IN THE MATTER OF CERTAIN WINDSHIELD WIPERS  
AND COMPONENTS THEREOF**

337-TA-928

CERTIFICATE OF SERVICE

I, Lisa R. Barton, hereby certify that the attached **PUBLIC ORDER NO. 19: INITIAL DETERMINATION** has been served upon, **The Office of Unfair Import Investigations** and the following parties on \_\_\_\_\_

MAY 27 2015



Lisa R. Barton, Secretary  
U.S. International Trade Commission  
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