

UNITED STATES INTERNATIONAL TRADE COMMISSION

Washington, D.C.

In the Matter of

CERTAIN LITHIUM METAL OXIDE CATHODE  
MATERIALS, LITHIUM-ION BATTERIES FOR  
POWER TOOL PRODUCTS CONTAINING SAME,  
AND POWER TOOL PRODUCTS WITH  
LITHIUM-ION BATTERIES CONTAINING SAME

Inv. No. 337-TA-951

ORDER No. 19: DENYING MAKITA'S MOTION FOR PARTIAL SUMMARY  
DETERMINATION OF NON-INFRINGEMENT

(September 14, 2015)

I. INTRODUCTION

On August 24, 2015, Respondents Makita Corporation, Makita Corporation of America, and Makita U.S.A. Inc. (collectively, "Makita") filed a motion for partial summary determination of non-infringement (*Motion*). (Motion Docket No. 951-009.) In support of its *Motion*, Makita concurrently filed a *Memorandum* and a Statement of Undisputed Material Facts (*SUMF*). On September 8, 2015,<sup>1</sup> Complainants BASF Corporation ("BASF") and UChicago Argonne LLC ("UChicago") (collectively, "Complainants") filed an opposition (*Opposition*) to Makita's *Motion* as well as a response (*SUMF Response*) to Makita's *SUMF*. The Staff also filed a response to Makita's *Motion* on September 8, 2015 (*Staff Response*).

Specifically, Makita seeks a summary determination that Makita's BL1430, BL1830, and BL1820B battery models ("the non-accused products") do not infringe U.S. Patent No. 6,677,082 ("the '082 patent") and U.S. Patent No. 6,680,143 ("the '143 patent") (collectively, "the Asserted Patents").

<sup>1</sup> On September 2, 2015, I granted Complainants' unopposed motion to extend the deadline for response to Makita's *Motion*, from September 3, 2015 to September 8, 2015. See Order No. 17, USITC Inv. No. 337-TA-951 (Sept. 2, 2015).

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For the reasons below, I find that summary determination is improper at this time, because genuine issues of material fact and law remain that preclude a finding of non-infringement. In addition, even if Makita had carried its burden on summary determination, Complainants no longer accuse the products-at-issue here and agreed to exclude them from the scope of any exclusion order. Thus, summary determination of non-infringement is not warranted.

**II. PROCEDURAL BACKGROUND**

**A. Asserted Patents**

The Asserted Patents (the '082 patent and the '143 patent) are related and share substantially similar specifications. The '082 patent was filed on January 21, 2001 and issued on January 13, 2004. The '082 patent claims priority to U.S. provisional patent application serial number 60/213,618, filed on June 22, 2000. The '082 patent was also the subject of reexamination proceedings, U.S. Patent Application Serial No. 90/012,243, before the United States Patent and Trademark Office ("USPTO"). A reexamination certificate was issued on July 19, 2013. The '143 patent issued from a continuation-in-part application to the patent application that issued as the '082 patent. The '143 patent was filed on November 21, 2001 and issued on January 20, 2004.

The title of the Asserted Patents is: "Lithium Metal Oxide Electrodes for Lithium Cells and Batteries." The Asserted Patents disclose lithium metal oxide positive electrodes having a general formula  $x\text{LiMO}_2 \cdot (1-x)\text{Li}_2\text{M}'\text{O}_3$  wherein Li is lithium, O is oxygen, and M and M' are transition metals. For instance, claim 1 of the '082 patent and claim 1 of the '143 patent recite as follows:

**['082 Claim 1]** A lithium metal oxide positive electrode for a non-aqueous lithium cell prepared in its initial discharged state having a general formula  $x\text{LiMO}_2 \cdot (1-x)\text{Li}_2\text{M}'\text{O}_3$  in which  $0 < x < 1$ , and where

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M is one or more ions having an average oxidation state of three with at least one ion being Ni, and where M' is one or more ions with an average oxidation state of four with at least one ion being Mn, with both the LiMO<sub>2</sub> and Li<sub>2</sub>M'O<sub>3</sub> components being layered and the ratio of Li to M and M' being greater than one and less than two; and wherein domains of the LiMO<sub>2</sub> and Li<sub>2</sub>M'O<sub>3</sub> components exist side by side.

[’143 Claim 1] A lithium metal oxide positive electrode for a non-aqueous lithium cell prepared in its initial discharged state having a general formula  $x\text{LiMO}_2 \cdot (1-x)\text{Li}_2\text{M}'\text{O}_3$  in which  $0 < x < 1$ , and where M is one or more ions with an average oxidation state of three with at least one ion being Mn, and where M' is one or more ions with an average oxidation state of four, with both the LiMO<sub>2</sub> and Li<sub>2</sub>M'O<sub>3</sub> components being layered and the ratio of Li to M and M' being greater than one and less than two.

**B. Procedural Background**

Complainants filed a complaint against Makita and against Respondents Umicore N.V. and Umicore USA Inc. (collectively, “Umicore”), on February 20, 2015. The Complaint identified Makita’s BL1830 Battery Pack as one the accused products. See Makita’s *SUMF* at ¶ 23 and Complainants’ response thereto; Complaint at ¶ 56.

In their Infringement Contentions served July 17, 2015, Complainants identified Makita’s BL1430, BL1830, and BL1820B battery models but stated that “[they] are accused to the extent that the Court adopts Complainants’ proposed construction of ‘positive electrode.’” See Makita’s *SUMF* at ¶ 2 and Complainants’ response thereto.

The parties offered the below proposed constructions for the term “positive electrode”:

Term	BASF	Umicore/Makita	Staff
“positive electrode” '082 patent: claims 1, 13, 14; '143 patent: claims 1, 17	“material from which lithium ions are released during charging”	“an electrical element ( <i>i.e.</i> , a cathode) from which lithium ions are released during charging”	Plain and ordinary meaning.  Alternatively, “material from which lithium ions are released during charging”

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See Order No. 14, USITC Inv. No. 337-TA-951, at 11 (July 31, 2015). A *Markman* hearing was held in this investigation on July 13 and 14, 2015, and on July 31, 2015, I issued Order No. 14 construing the disputed terms of the Asserted Patents as follows:

<b>Term</b>	<b>Construction</b>
positive electrode	an electrical element from which lithium ions are released during charging
$x\text{LiMO}_2 \cdot (1-x)\text{Li}_2\text{M}'\text{O}_3$	a structurally integrated two-component material having an empirical formula $\text{Li}_2 \cdot x\text{M}_x\text{M}'_{1-x}\text{O}_{3-x}$ , with crystallographically distinct $\text{LiMO}_2$ and $\text{Li}_2\text{M}'\text{O}_3$ components
both the $\text{LiMO}_2$ and $\text{Li}_2\text{M}'\text{O}_3$ components being layered	the $\text{LiMO}_2$ and $\text{Li}_2\text{M}'\text{O}_3$ components each have a layered-type crystalline structure that are distinct but structurally compatible
wherein domains of the $\text{LiMO}_2$ and $\text{Li}_2\text{M}'\text{O}_3$ components exist side by side	No construction necessary
the ratio of Li to M and M'	the ratio of Li to (M plus M') within the general formula $x\text{LiMO}_2 \cdot (1-x)\text{Li}_2\text{M}'\text{O}_3$

*See id.* at 28. I disagreed with Complainants that “positive electrode” referred to the “active material.” *See id.* at 12. Instead, I found that the patents use the term “positive electrode” in accordance with its plain and ordinary meaning, *i.e.*, an element of an electrochemical cell or battery. *See id.* at 14.

Complainants followed through with their assertion that they would withdraw their infringement contentions with respect to Makita’s BL1430, BL1830, and BL1820B battery products, if I did not adopt their proposed construction for the term “positive electrode.” Complainants’ expert reports did not include infringement opinions with respect to Makita’s BL1430, BL1830, and BL1820B batteries. *See Makita’s SUMF* at ¶ 3 and Complainants’ response thereto. In addition, on August 21, 2015, Complainants informed Makita that “[the

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BL1430, BL1830, BL1820B products] are no longer accused products in this Investigation.” See Makita’s *SUMF* at ¶ 4 and Complainants’ response thereto.

Makita’s expert, however, Dr. George E. Blomgren, opined in his rebuttal report dated August 21, 2015, that Makita’s BL1430, BL1830, and BL1820B battery models do not infringe any of the asserted claims of the ’082 and ’143 patents.<sup>2</sup> See Makita’s *SUMF* at ¶ 1 and Complainants’ response thereto. Relying on Dr. Blomgren’s testimony, on August 24, 2015, Makita moved for summary determination of non-infringement with respect to the non-accused BL1430, BL1830, and BL1820B battery products.

**III. SUMMARY OF ARGUMENTS**

**A. Makita’s Motion**

Makita essentially argues that summary determination is warranted because Makita’s battery models BL1430, BL1830, and BL1820B contain [

] See Makita’s *SUMF* at ¶¶

34, 35, 62, 64; *Memorandum* at 1, 11, 12. Makita does not appear to dispute that the [

] has the claimed general formula” for purposes of its *Motion*. But, according to Makita, because of the presence of [ ], the non-accused products do not have positive electrodes having the claimed general formula  $x\text{LiMO}_2 \cdot (1-x)\text{Li}_2\text{M}'\text{O}_3$ . *Memorandum* at 12. For example, Makita provided an image of the positive electrode material from a BL1830 battery and explained that [

] See *id.* at 9 (and as reproduced below); see also *id.* [ ]

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<sup>2</sup> Dr. Blomgren’s rebuttal expert report is the subject of a motion to strike filed by Complainants on September 10, 2015.

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In addition, Makita argues that summary determination is appropriate despite Complainants' withdrawal of their infringement contentions with respect to the non-accused products, because such products are within the scope of the Notice of Investigation and were subject to extensive discovery. *See id.* at 14.

**B. Complainants' Opposition**

Complainants respond that they no longer accuse Makita's BL1430, BL1830, and BL1820B batteries of infringement, and will not seek to include such non-accused products within the scope of any exclusion order. *See Opposition* at 4, 9, 10. Complainants conclude that any summary determination with respect to those non-accused products would be an improper advisory opinion. *See id.* at 1, 4.

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Complainants also dispute certain material facts underlying Makita's *Motion*. For instance, Complainants dispute that [ ] are outside the scope of the asserted claims. *See SUMF Response* at ¶ 19 ("As the ALJ's Order 14 discusses, an 'electrode' would include the  $x\text{LiMO}_2 \cdot (1-x)\text{Li}_2\text{M}'\text{O}_3$  material plus other materials, such as binders and other materials."). Complainants also appear to dispute that [ ] is not part of the claimed general formula. *See id.* at ¶ 59.

**C. Staff's Response**

The Staff argues that a summary determination is appropriate unless Complainants "either present evidence of infringement" or "withdraw their allegations and agree that [the non-accused] products are not within the scope of any relief that may be granted." *See Staff Response* at 2, 6.

**IV. LEGAL STANDARDS**

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)).

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“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 (1986)). When the ultimate burden of proof rests with the nonmoving party, as in this case, the moving party seeking summary judgment may meet its initial responsibility by showing that the evidence on file fails to establish a material issue of fact essential to the non-moving party’s case. *See id.* (citations omitted). “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.* (citing *Celotex*, 477 U.S. at 324).

“[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).

**V. ANALYSIS**

**A. Genuine Issues of Material Fact and Law Remain Precluding Summary Determination of Non-Infringement.**

Having reviewed the parties’ briefs and exhibits thereto, I find that genuine issues of material fact and law remain, and that Makita does not carry its initial burden of showing that the evidence on file fails to establish a material issue of fact essential to Complainants’ case.

While I construed the term “positive electrode” to mean “an electrical element from which lithium ions are released during charging,” I did not construe every other term in the asserted claims and there is at least a dispute of fact and law as to whether the scope of the asserted claims could include additional components, including additional active materials. For



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instance, the term “general formula” could be construed to allow the electrode composition to include additional components, including additional active materials.

As discussed in the claim construction order, the specification expressly states that “[b]inders and other materials normally associated with both the electrolyte and the negative and positive electrodes are well known in the art and are not described herein, but are included as is understood by those of ordinary skill in this art.” Order No. 14 at 13; ’082 patent at 7:17-22.

*See also* ’082 patent at 1:33-39:

In a further embodiment of the invention, the transition metal ions and lithium ions may be partially replaced by minor concentrations of one or more mono or multivalent cations such as  $H^+$  derived from the electrolyte by ion-exchange with  $Li^+$  ions, and/or  $Mg^{2+}$  and  $Al^{3+}$  to impart improved structural stability or electronic conductivity to the electrode during electrochemical cycling.

In addition, claims 7-9 of the ’082 patent allow for partial substitution of the lithium and metal ions with other ions:

7. A lithium metal oxide positive electrode according to claim 1 in which M and M’ ions are partially replaced by mono- or multivalent cations.

8. A lithium metal oxide positive electrode according to claim 7 in which M and M’ ions are partially replaced by  $Mg^{2+}$  or  $Al^{3+}$  ions.

9. A lithium metal oxide positive electrode according to claim 1 in which the lithium ions are partially replaced by  $H^+$  cations.

As recited in claim 9, a component including the  $H^+$  cation instead of lithium ion would not fit the “ $xLiMO_2 \cdot (1-x)Li_2M'O_3$ ” formula but the addition of such component would still be within the scope of a “lithium metal oxide positive electrode . . . having a *general* formula  $xLiMO_2 \cdot (1-x)Li_2M'O_3$ .”

Further, in a separate but related context, I declined Respondents’ invitation to exclude the term “general” from the construction of the disputed term “ratio of Li to M and M’.” *See*

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also Order No. 14, USITC Inv. No. 337-TA-951, at 27 (July 31, 2015). Instead, I construed that disputed term as “the ratio of Li to (M plus M’) within the *general* formula  $x\text{LiMO}_2 \cdot (1-x)\text{Li}_2\text{M}'\text{O}_3$ .” The potential effect of the term “general” on the presence of other components, including  $\text{LiMn}_2\text{O}_4$ , was discussed briefly during the *Markman* hearing:

MS. MIZZO: As I mentioned, your Honor, under Complainant’s construction, if you say “the ratio of lithium to M plus M’,” if they would agree that the lithium, for example, is limited to the lithium that shows up as a part of the two-component structure, then we’re happy with that construction. It will add clarity. I think our construction adds clarity that you’re only talking about the lithium and the M and M’ that is a part of this formula and that it excludes the byproducts that I had mentioned, such as lithium bicarbonate or, for example, in the active material.

Let’s say you have this two-component  $\text{LiO}_2$  and  $\text{O}_3$  structure, but over here you have the spinel phase, for example, that is mentioned in the specification that is a part of the prior art, clearly not intended to be a part of this two-component structure. That spinel structure is  $\text{LiMn}_2\text{O}_4$ . That contains an M in there and an Li in there. So our construction is intended to cover only the two-component structure.

And so that is why we’ve made it clear, our construction has clarifying language, we submit, your Honor, that’s necessary and stays true to the intrinsic evidence, in contrast to Complainant’s proposal, which is broad enough to encompass other lithium or transition metals that exist anywhere in the active material.

JUDGE PENDER: Right. But I don’t necessarily disagree, but the problem again is having a *general formula*. You know what I mean? And you made what is generally specific, and that makes me nervous. That’s not permitted.

MR. LO CASCIO: I think there’s two things. I view this as --I understand what their request is. I think it’s a Band-Aid to fix the positive -- their positive electrode argument. I think there’s two points. Your Honor made the second one, which is if you put “*general formula*” into theirs, you would salve my concerns about impurities and other crazy stuff and say well, you’re measuring the wrong thing, *because it is, as you note, an open-ended general formula*. So I think that could be half the solution.

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*See Markman Tr.* at 307:20-309:20 (July 14, 2015) (emphasis added).

Thus, at this time, genuine issues of material fact and law remain, and I cannot find, as a matter of law, that a positive electrode that includes [ ] is outside the scope of the asserted claims. *See also SUMF Response* at ¶¶ 19, 59; *Opposition*, Ex. 8, Blomgren Dep. Tr. at 92:10-22, 277:6-13 (agreeing that a positive electrode including lithium carbonate would still infringe). Accordingly, I deny Makita's motion for summary determination of non-infringement with respect to Makita's battery models BL1430, BL1830, and BL1820B.

**B. Summary Determination Is Improper Where Complainants Expressly Withdraw Their Claims of Infringement.**

Summary determination of non-infringement is also not warranted here because Complainants no longer accuse the products-at-issue here and agreed to exclude them from the scope of any exclusion order.

The Commission rules allow Complainants to "move at any time prior to the issuance of an initial determination . . . to terminate an investigation in whole or in part as to any or all respondents, on the basis of withdrawal of the complaint or certain allegations contained therein." *See* 19 C.F.R. § 210.21(a)(1). *See also Ceramic Capacitors and Prods. Containing Same*, Inv. No. 337-TA-692, Order No. 37, 2010 WL 2706268 at \*2 (June 24, 2010) ("[A] 'declaratory judgment' is outside the scope of a Section 337 investigation, would be contrary to the Commission's objective to conduct expeditious proceedings, and wasteful of the Commission's, the parties', and the public's resources.").

Administrative Law Judges may grant summary determination of non-infringement where a Complainant fails to present evidence of infringement on a product, yet seeks to have that product covered by the exclusion order. *See Certain Multiple Mode Outdoor Grills and Parts Thereof*, Inv. No. 337-TA-895, Comm'n Op., 16-20 (July 23, 2014); *Certain Elec. Digital*

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*Media Devices and Components Thereof*, Inv. No. 337-TA-796, Comm'n Op., 103-05 (Sept. 6, 2013); *Certain Flash Memory Circuits and Prods. Containing Same*, Inv. No. 337-TA-382, Comm'n Op., 18-25 (June 26, 1997); *Certain Television Sets, Television Receivers, Television Tuners, and Components Thereof*, Inv. No. 337-TA-910, Order No. 46, at 21-30 (Nov. 28, 2014).

In this case, Complainants unequivocally withdrew their allegations of infringement against Makita's BL1430, BL1830, and BL1820B battery products, and expressly stated that they would not seek an exclusion order against those products. Summary determination is not warranted under these facts. See *Certain Rubber Antidegradants, Components Thereof, and Prods. Containing Same*, Inv. No. 337-TA-533, Final Initial and Recommended Determinations at 96, 97n.32 (Feb. 17, 2006), *aff'd*, Comm'n Op. at 3 n.1, USITC Pub. No. 3975, 2008 WL 1727623, \*25 (July 21, 2006) ("The Commission otherwise concluded that the ALJ was correct in his determination [that the issue of infringement by the P1 and P2 processes of KKPC was not before him].") (vacated on other grounds, *Sinorgchem Co., Shandong v. International Trade Comm'n*, 511 F.3d 1132 (Fed. Cir. 2007)).

Accordingly, Makita's motion for partial summary determination of non-infringement is also denied based on Complainants' withdrawal of its infringement allegations with respect to Makita's battery models BL1430, BL1830, and BL1820B, and Complainants' representation that they would not seek an exclusion order against those products.

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**VI. CONCLUSION**

Accordingly, for the reasons discussed above, Makita's motion for partial summary determination of non-infringement is DENIED.

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>3</sup>

**SO ORDERED.**



Thomas B. Pender  
Administrative Law Judge

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<sup>3</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 LITHIUM METAL  
OXIDE CATHODE MATERIALS, LITHIUM-ION BATTERIES  
FOR POWER TOOL PRODUCTS CONTAINING SAME, AND  
POWER TOOL PRODUCTS WITH LITHIUM-ION BATTERIES  
CONTAINING SAME**

337-TA-951

CERTIFICATE OF SERVICE

I, Lisa R. Barton, hereby certify that the attached **PUBLIC ORDER NO. 19** has been served upon the **Commission Investigative Attorney, James Wiley, Esq.**, and the following parties as indicated on SEP 24 2015



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