#### UNITED STATES INTERNATIONAL TRADE COMMISSION

### Washington, D.C.

In the Matter of

CERTAIN MAGNETIC DATA STORAGE AND TAPES AND CARTRIDGES CONTAINING THE SAME (II)

INV. NO. 337-TA-1076

## INITIAL DETERMINATION ON VIOLATION OF SECTION 337 AND RECOMMENDED DETERMINATION ON REMEDY AND BOND

Administrative Law Judge Clark S. Cheney

(October 25, 2018)

#### **Appearances:**

For the Complainants Fujifilm Corporation and Fujifilm Recording Media U.S.A., Inc.:

Robert C. Scheinfeld, Esq., Robert L. Maier, Esq., Jennifer C. Tempesta, Esq., and Joseph Akalski, Esq. of Baker Botts L.L.P. of New York, NY.

Lisa M. Kattan, Esq., Katherine Burke, Esq., and Thomas C. Martin, Esq. of Baker Botts L.L.P. of Washington, DC.

Syed Fareed, Esq. of Baker Botts L.L.P. of Austin, TX.

<u>For the Respondents Sony Corporation, Sony Storage Media Solutions Corporation, Sony Storage Media Manufacturing Corporation, Sony DADC US Inc., Sony Latin America Inc.</u>:

Gregory F. Corbett, Esq., Michael N. Rader, Esq., Randy J. Pritzker, Esq., Charles T. Steenburg, Esq., Hunter D. Keeton, Esq., John L. Strand, Esq., Nathan R. Speed, Esq., Bryan S. Conley, Esq., Jason W. Balich, Esq., Elizabeth A. DiMarco, Esq., Giorgos Stamatopoulos, Esq., Michelle K. Nyein, Esq., Brandon S. Blackwell, Esq., and Claire E. Schuster, Esq., Elizabeth Hudson, Esq. of Wolf Greenfield & Sacks, P.C. of Boston, MA.

James B. Altman, Esq., F. David Foster, Esq., Barbara A. Murphy, Esq., David F. Nickel, Esq., Susan Koegel, Esq., Kandis C. Gibson, Esq., Matthew N. Duescher, Esq. of Foster, Murphy, Altman & Nickel, PC of Washington, DC.

#### For the Commission Investigative Staff:

Margaret D. Macdonald, Esq., Director; David O. Lloyd, Esq., Supervisory Attorney; Todd P. Taylor, Esq., Investigative Attorney of the Office of Unfair Import Investigations, U.S. International Trade Commission



## TABLE OF CONTENTS

I.	Introduction					
	A.		Procedural History2			
	В.		The I	Private Parties	3	
		1.	C	Complainants	3	
			a)	Fujifilm Corporation	3	
			b)	Fujifilm Recording Media U.S.A., Inc.:	4	
		2. Re		Respondents	4	
			a)	Sony Corporation	4	
			b)	Sony Storage Media Solutions Corporation	4	
			c)	Sony Storage Media Manufacturing Corporation	4	
			d)	Sony DADC US Inc.	4	
			e)	Sony Latin America Inc.	5	
	C.		The '	Technology at Issue	5	
	D.		The .	Accused Products	5	
	E.		The	Domestic Industry Products	6	
II.	•	Jur		ion and Importation		
	A.		Subj	ect Matter Jurisdiction	6	
	В.		Perso	onal Jurisdiction	7	
	C.		In Re	em Jurisdiction	7	
	D.		Impo	ortation	7	
	E.		Own	nership and Standing	7	
III		Re	levan	t Law	8	
	A.		Clair	m Construction	8	
	В.		Infri	ngement	10	
		1	. I	Literal Infringement	10	
		2	. I	Doctrine of Equivalents	10	
	C.		Vali	dity	11	



		1.	Anticipation	11
		2.	Obviousness	12
		3.	Written Description and Enablement	13
		4.	Indefiniteness	14
	D.		Domestic Industry	15
		1.	Economic Prong	15
		2.	Technical Prong	16
IV	. (	J.S	S. Patent Number 6,630,256	16
	A.		The Claims-at-Issue	17
	В.		A Person of Ordinary Skill in the Art	18
	C.		Claim Construction	19
	D.		Infringement	19
	E.		Domestic Industry – Technical Prong	32
	F.		Invalidity	34
		1. re	. The alleged obviousness combinations involving Inaba do not ender the asserted claims invalid	35
			a) Sony has not met its burden to prove that Inaba in combination with Nagasawa renders the asserted claims invalid as obvious	37
			b) Sony has not met its burden to prove that Inaba in combination with the prior art allegedly admitted in the '256 patent renders the asserted claims invalid as obvious	40
			c) Sony has not met its burden to prove that the substrate the inventors allegedly derived from Asahi qualifies as prior art	43
		2 d	. The claim term "nonmagnetic support" is adequately escribed in the specification	47
V.	U.S. Patent Number 6,835,451			48
	A.		The Claims-at-Issue	50
	В.		A Person of Ordinary Skill in the Art	51
	C.		Claim Construction and Indefiniteness	51
	D.		Infringement	55



		1. Fujifilm's flawed measurements fail to show that the accused products have ratio (Sdc/Sac) values within the claimed range.		
			Fujifilm failed to prove that the tapes in the accused product lines have the same or similar properties as adividual tape it measured for each respective product line	63
	E.	Do	mestic Industry – Technical Prong	64
	F.	Inv	validity	66
		1. Speli	The LTO-1 products in combination with Ejiri and otis render claim 5, but not claims 12-14, invalid as obvious	66
		a)	) Claim 5	67
		b	) Claims 12, 13, and 14	70
		2. deper	Sony did not prove that the asserted claims that nd on claim 1 are not enabled	74
VI	. ι	J.S. P	atent Number 7,011,899	78
	A.	Th	e Claims-at-Issue	79
	В.	A ]	Person of Ordinary Skill in the Art	80
	C.	Cla	aim Construction and Indefiniteness	81
	D.	Inf	ringement	84
		1.	Independent Claim 1	84
		2.	Dependent Claim 2	
		3.	Dependent Claims 7, 11, 12	92
	Ε.	Do	omestic Industry – Technical Prong	93
		1.	Independent Claim 1	93
		2.	Dependent Claim 2	97
		3.	Dependent Claims 7 and 9-12	97
	F.	Inv	validity	98
		1.	The Claims Are Not Obvious over Sueoka	98
		2. Com	The Claims Are Not Obvious in View of Sueoka bined with Aonuma	110
		3.	The Claims Are Not Indefinite	111



VII.	U.S	S. Pa	atent Number 6,462,905	111
A		The	e Claims-at-Issue	112
В	•	A F	Person of Ordinary Skill in the Art	113
C	•	Cla	im Construction	114
D	•	Infi	ringement	115
	1.		Claim 1 – Literal Infringement	115
		a)	Centering after Impact	116
		b)	Centering During Assembly	122
		c)	Centering During Tape Drive Use	123
	2	•	Claim 1 – Infringement under Doctrine of Equivalents	125
	3		Claim 2	127
	4		Claim 3	128
E	•	Do	mestic Industry – Technical Prong	130
	1		Claim 1	130
	2		Claim 2	131
	3		Claim 3	132
F	•	Inv	alidity	132
	1		Claim 1 – Not Obvious Over McAllister-I in View of Laverriere	132
	2		Claim 2 – Not Obvious Over McAllister-I and Laverriere	136
	3	•	Claim 1 – Not Obvious Over Morita-I in View of Morita-II	136
	4	•	Claim 2 – Not Obvious Over Morita-I in View of Morita-II and Laverriere	139
	5	•	Claim 3 – Not Anticipated by McAllister-I	140
	6	•	Claim 3 – Not Obvious Over McAllister-I	142
	7	•	Claim 3 – Anticipated by Fujifilm Cartridge Sales	145
	8	•	Secondary Considerations of Obviousness	149
	9	•	Conclusions	149
VIII.	Do	mes	stic Industry – Economic Prong	150
А		Pla	ant and Equipment	152



# DOCKET

## Explore Litigation Insights



Docket Alarm provides insights to develop a more informed litigation strategy and the peace of mind of knowing you're on top of things.

## **Real-Time Litigation Alerts**



Keep your litigation team up-to-date with **real-time** alerts and advanced team management tools built for the enterprise, all while greatly reducing PACER spend.

Our comprehensive service means we can handle Federal, State, and Administrative courts across the country.

## **Advanced Docket Research**



With over 230 million records, Docket Alarm's cloud-native docket research platform finds what other services can't. Coverage includes Federal, State, plus PTAB, TTAB, ITC and NLRB decisions, all in one place.

Identify arguments that have been successful in the past with full text, pinpoint searching. Link to case law cited within any court document via Fastcase.

## **Analytics At Your Fingertips**



Learn what happened the last time a particular judge, opposing counsel or company faced cases similar to yours.

Advanced out-of-the-box PTAB and TTAB analytics are always at your fingertips.

#### API

Docket Alarm offers a powerful API (application programming interface) to developers that want to integrate case filings into their apps.

#### **LAW FIRMS**

Build custom dashboards for your attorneys and clients with live data direct from the court.

Automate many repetitive legal tasks like conflict checks, document management, and marketing.

#### **FINANCIAL INSTITUTIONS**

Litigation and bankruptcy checks for companies and debtors.

### **E-DISCOVERY AND LEGAL VENDORS**

Sync your system to PACER to automate legal marketing.

