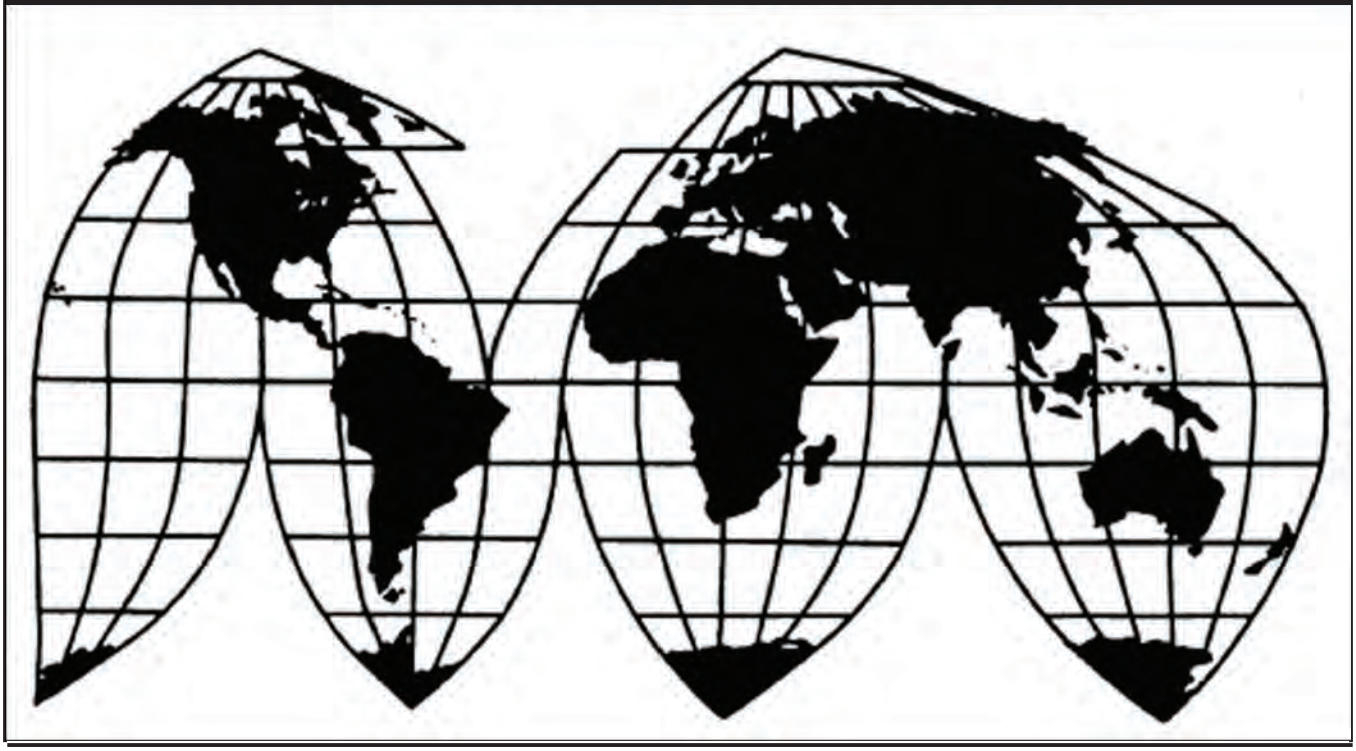
In the Matter of

CERTAIN MARINE SONAR IMAGING SYSTEMS, PRODUCTS CONTAINING THE SAME, AND COMPONENTS THEREOF

337-TA-926

Publication 4872 **February 2019**

U.S. International Trade Commission



Washington, DC 20436

U.S. International Trade Commission

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U.S. International Trade Commission

Washington, DC 20436
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In the Matter of

CERTAIN MARINE SONAR IMAGING SYSTEMS, PRODUCTS CONTAINING THE SAME, AND COMPONENTS THEREOF

337-TA-926

Publication 4872

February 2019

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, D.C.

In the Matter of	
CERTAIN MARINE SONAR IMAGING SYSTEMS, PRODUCTS CONTAINING THE SAME, AND COMPONENTS THEREOF	**Investigation No. 337-TA-926**

NOTICE OF THE COMMISSION'S DETERMINATION TO RESCIND A LIMITED EXCLUSION ORDER AND CEASE AND DESIST ORDERS

AGENCY: U.S. International Trade Commission.

ACTION: Notice.

SUMMARY: Notice is hereby given that the U.S. International Trade Commission has determined to rescind (1) a limited exclusion order prohibiting importation of infringing marine sonar imaging systems, products containing the same, and components thereof and (2) cease and desist orders directed to the domestic respondents, based upon settlement.

FOR FURTHER INFORMATION: Panyin A. Hughes, Office of the General Counsel, U.S. International Trade Commission, 500 E Street, S.W., Washington, D.C. 20436, telephone 202-205-3042. Copies of non-confidential documents filed in connection with this investigation are or will be available for inspection during official business hours (8:45 a.m. to 5:15 p.m.) in the Office of the Secretary, U.S. International Trade Commission, 500 E Street, S.W., Washington, D.C. 20436, telephone 202-205-2000. General information concerning the Commission may also be obtained by accessing its Internet server (*http://www.usitc.gov*). The public record for this investigation may be viewed on the Commission's electronic docket (EDIS) at *http://edis.usitc.gov*. Hearing-impaired persons are advised that information on this matter can be obtained by contacting the Commission's TDD terminal on 202-205-1810.

SUPPLEMENTARY INFORMATION: The Commission instituted this investigation on August 21, 2014, based on a complaint filed by Johnson Outdoors Inc. of Racine, Wisconsin and Johnson Outdoors Marine Electronics, Inc. of Eufaula, Alabama (collectively, "Johnson Outdoors"). 79 *Fed. Reg.* 49536 (Aug. 21, 2014). The complaint alleged violations of section 337 of the Tariff Act of 1930, as amended (19 U.S.C. § 1337), in the importation into the United States, the sale for importation, and the sale within the United States after importation of certain marine sonar imaging systems, products containing the same, and components thereof by reason of infringement of one or more of claims 1, 2, 17, 25, 26, 31, 32, 35, 36, 41-43, 53, and 56 of U.S. Patent No. 7,652,952 ("the '952 patent"); claims 1, 5, 7, 8, 21, 22, 24, 25, 28, and 29 of U.S. Patent No. 7,710,825 ("the '825 patent"); and claims 14, 18, 21-23, 25, and 33 of U.S. Patent No. 7,755,974 ("the '974 patent"). *Id.* The notice of investigation named the following respondents:

Garmin International, Inc.; Garmin North America, Inc.; Garmin USA, Inc. all of Olathe, Kansas; and Garmin Corporation of New Taipei City, Taiwan (collectively, "Garmin"). *Id.* The Office of Unfair Import Investigations was not a party to the investigation.

On July 13, 2015, the ALJ issued his final ID, finding a violation of section 337 by Garmin in connection with claims 14, 18, 21, 22, 23, and 33 of the '974 patent. The ID found no violation of section 337 in connection with the asserted claims of the '952 and '825 patents, and claim 25 of the '974 patent. On July 27, 2015, the parties filed petitions for review of the ID. On August 4, 2015, the parties filed responses to the petitions.

On August 25, 2015, the Commission determined to review the final ID on all issues petitioned. 80 *Fed. Reg.* 55872-74 (Sept. 17, 2015). On review, the Commission determined to affirm the ALJ's finding of violation of section 337 with respect to claims 14, 18, 21-23, and 33 of the '974 patent. 80 *Fed. Reg.* 73211-12 (Nov. 24, 2015). The Commission also determined to affirm the ID's finding of no violation of section 337 in connection with the asserted claims of the'952 patent, '825 patent, and claim 25 of the '974 patent. *Id.*

Having found a violation of section 337, the Commission determined that the appropriate form of relief was: (1) a limited exclusion order prohibiting the unlicensed entry of marine sonar imaging systems, products containing the same, and components thereof that infringe one or more of claims 14, 18, 21, 22, 23, and 33 of the '974 patent that are manufactured by, or on behalf of, or are imported by or on behalf of Garmin or any of its affiliated companies, parents, subsidiaries, agents, or other related business entities, or their successors or assigns; and (2) cease and desist orders prohibiting domestic respondents Garmin International, Inc.; Garmin North America, Inc.; and Garmin USA, Inc. from conducting any of the following activities in the United States: importing, selling, marketing, advertising, distributing, transferring (except for exportation), and soliciting U.S. agents or distributors for, marine sonar imaging systems, products containing the same, and components thereof covered by claims 14, 18, 21, 22, 23 and 33 of the '974 patent. The proposed cease and desist orders included the following exemption: (1) if in a written instrument, the owner of the patents authorizes or licenses such specific conduct, or such specific conduct is related to the importation or sale of covered products by or for the United States.

On May 10, 2016, Johnson Outdoors and Garmin filed a joint petition under 19 U.S.C. § 1337(k) and Commission rule 210.76(a) (19 C.F.R. § 210.76(a)) to rescind the remedial orders based upon settlement. The parties filed both confidential and public versions of the settlement agreements.

The Commission has determined to grant the petition. The limited exclusion order and cease and desist orders issued in this investigation are hereby rescinded.

The authority for the Commission's determination is contained in section 337 of the Tariff Act of 1930, as amended (19 U.S.C. § 1337), and in Part 210 of the Commission's Rules of Practice and Procedure (19 C.F.R. Part 210).

By order of the Commission.

Lisa R. Barton
Secretary to the Commission

Issued: June 21, 2016

CERTAIN MARINE SONAR IMAGING SYSTEMS, PRODUCTS CONTAINING THE SAME, AND COMPONENTS THEREOF

Inv. No. 337-TA-926

PUBLIC CERTIFICATE OF SERVICE

I, Lisa R. Barton, hereby certify that the attached **NOTICE** has been served by hand upon the Office of Unfair Import Investigations and the following parties, as indicated, on **May 10, 2016.**

Lisa R. Barton, Secretary
U.S. International Trade Commission
500 E Street, SW, Room 112
Washington, DC 20436

On Behalf of Complainants Johnson Outdoors Inc. and Johnson Outdoors Marine Electronics, Inc.:

Douglas Sharrott, Esq.
FITZPATRICK, CELLA, HARPTER & SCINTO
1290 Avenue of the Americas
New York, NY 10104-3800

☐ Via Hand Delivery
☐ Via Express Delivery
☒ Via First Class Mail
☐ Other:_____

On Behalf of Respondents Garmin International, Inc., Garmin North America, Inc., Garmin USA, Inc., and Garmin Corporation:

Nicholas Groombridge, Esq.
PAUL, WEISS, RIFKIND, WHARTON & GARRISON LLP
1285 Avenue of the Americas
New York, NY 10019

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☐ Via Express Delivery
☒ Via First Class Mail
☐ Other:_____

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, D.C.

In the Matter of	
CERTAIN MARINE SONAR IMAGING SYSTEMS, PRODUCTS CONTAINING THE SAME, AND COMPONENTS THEREOF	Investigation No. 337-TA-926

NOTICE OF THE COMMISSION'S FINAL DETERMINATION FINDING A VIOLATION OF SECTION 337; ISSUANCE OF A LIMITED EXCLUSION ORDER AND CEASE AND DESIST ORDERS; TERMINATION OF THE INVESTIGATION

AGENCY: U.S. International Trade Commission.

ACTION: Notice.

SUMMARY: Notice is hereby given that the U.S. International Trade Commission has found a violation of section 337 in this investigation and has (1) issued a limited exclusion order prohibiting importation of infringing marine sonar imaging systems, products containing the same, and components thereof and (2) issued cease and desist orders directed to the domestic respondents. The investigation is terminated.

FOR FURTHER INFORMATION: Panyin A. Hughes, Office of the General Counsel, U.S. International Trade Commission, 500 E Street, S.W., Washington, D.C. 20436, telephone 202-205-3042. Copies of non-confidential documents filed in connection with this investigation are or will be available for inspection during official business hours (8:45 a.m. to 5:15 p.m.) in the Office of the Secretary, U.S. International Trade Commission, 500 E Street, S.W., Washington, D.C. 20436, telephone 202-205-2000. General information concerning the Commission may also be obtained by accessing its Internet server (*http://www.usitc.gov*). The public record for this investigation may be viewed on the Commission's electronic docket (EDIS) at *http://edis.usitc.gov*. Hearing-impaired persons are advised that information on this matter can be obtained by contacting the Commission's TDD terminal on 202-205-1810.

SUPPLEMENTARY INFORMATION: The Commission instituted this investigation on August 21, 2014, based on a complaint filed by Johnson Outdoors Inc. of Racine, Wisconsin and Johnson Outdoors Marine Electronics, Inc. of Eufaula, Alabama (collectively, "Johnson Outdoors"). 79 *Fed. Reg.* 49536 (Aug. 21, 2014). The complaint alleges violations of section 337 of the Tariff Act of 1930, as amended (19 U.S.C. § 1337), in the importation into the United States, the sale for importation, and the sale within the United States after importation of certain marine sonar imaging systems, products containing the same, and components thereof by reason of infringement of one or more of claims 1, 2, 17, 25, 26, 31, 32, 35, 36, 41-43, 53, and 56 of

U.S. Patent No. 7,652,952 ("the '952 patent"); claims 1, 5, 7, 8, 21, 22, 24, 25, 28, and 29 of U.S. Patent No. 7,710,825 ("the '825 patent"); and claims 14, 18, 21-23, 25, and 33 of U.S. Patent No. 7,755,974 ("the '974 patent"). *Id.* The notice of investigation named the following respondents: Garmin International, Inc.; Garmin North America, Inc.; Garmin USA, Inc. all of Olathe, Kansas; and Garmin Corporation of New Taipei City, Taiwan (collectively, "Garmin"). *Id.* The Office of Unfair Import Investigations is not a party to the investigation.

On January 30, 2015, the parties entered into a stipulation that the domestic industry requirement was met. The parties also agreed to a stipulation regarding importation of Garmin accused products. That same day, Johnson Outdoors filed two unopposed motions for summary determination: (1) that Garmin's importation and sales satisfy the importation requirement and (2) that Johnson Outdoors satisfies the domestic industry requirement. On March 24, 2015, the ALJ granted Johnson Outdoors' summary determination motions in Order Nos. 14 and 15, respectively. The Commission determined not to review these orders. *See* Notice of Commission Determination Not to Review Two Initial Determinations Granting Unopposed Motions for Summary Determinations of Importation and the Existence of a Domestic Industry That Practices the Asserted Patents (April 22, 2015).

On July 13, 2015, the ALJ issued his final ID, finding a violation of section 337 by Garmin in connection with claims 14, 18, 21, 22, 23, and 33 of the '974 patent. The ID found no violation of section 337 in connection with the asserted claims of the '952 and '825 patents; and claim 25 of the '974 patent. Specifically, the ID found that the Commission has subject matter jurisdiction, *in rem* jurisdiction over the accused products, and *in personam* jurisdiction over Garmin. ID at 21. The ID further found that the accused products infringe asserted claims 14, 18, 21, 22, 23, and 33 of the '974 patent but do not infringe the asserted claims of the '952 and '825 patents or claim 25 of the '974 patent. *See* ID at 55-57, 58-59, and 60-62. The ID also found that Garmin failed to establish by clear and convincing evidence that the asserted claims of the '952, '825, or '974 patents were anticipated or rendered obvious by the cited prior art references. *See id.* at 68-80, 89-100. Finally, the ID found that the '952, '825, and '974 patents are not unenforceable due to inequitable conduct and that the'952 patent is not invalid under 35 U.S.C. § 102(f) for derivation. ID at 80-83, 100-109.

On July 27, 2015, Garmin filed a petition for review of the ID. That same day, Johnson Outdoors filed a contingent petition for review of the ID. On August 4, 2015, the parties filed responses to the petitions.

On August 25, 2015, the Commission determined to review the final ID on all issues petitioned. 80 *Fed. Reg.* 55872-74 (Sept. 17, 2015). Specifically, the Commission asked the parties to discuss any impact on the ID's findings if it were to construe the claim term "mounted to a boat" to mean "proximately secured to the boat in a fixed manner."

On September 21, 2015, the parties filed written submissions on the issues under review, remedy, the public interest, and bonding. On September 28, 2015, the parties filed reply submissions.

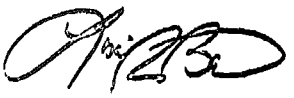
Having examined the record of this investigation, including the final ID, and the parties' submissions, the Commission has determined to modify the ID's construction of the claim term "mounted to a boat," a claim term recited in each of the asserted claims of the '952, '974, and '825 patents (save for asserted claim 29 of the '825 patent), which the ID construed as "attached to a bottom surface of the boat." Instead, the Commission adopts the construction proposed by complainants before the ALJ and construes the limitation to mean "proximately secured to the boat in a fixed manner." The Commission finds that the record evidence supports the ID's findings on infringement and invalidity based on this construction. The Commission has determined to affirm the ID's finding of no violation of section 337 in connection with the asserted claims of the'952 patent, '825 patent, and claim 25 of the '974 patent. The Commission further finds a violation of Section 337 with respect to claims 14, 18, 21-23, and 33 of the '974 patent. The Commission adopts the ID's findings to the extent they are not inconsistent with the Commission opinion issued herewith.

Having found a violation of section 337 in this investigation, the Commission has determined that the appropriate form of relief is: (1) a limited exclusion order prohibiting the unlicensed entry of marine sonar imaging systems, products containing the same, and components thereof that infringe one or more of claims 14, 18, 21, 22, 23, and 33 of the '974 patent that are manufactured by, or on behalf of, or are imported by or on behalf of Garmin or any of its affiliated companies, parents, subsidiaries, agents, or other related business entities, or their successors or assigns; and (2) cease and desist orders prohibiting domestic respondents Garmin International, Inc.; Garmin North America, Inc.; and Garmin USA, Inc. from conducting any of the following activities in the United States: importing, selling, marketing, advertising, distributing, transferring (except for exportation), and soliciting U.S. agents or distributors for, marine sonar imaging systems, products containing the same, and components thereof covered by claims 14, 18, 21, 22, 23 and 33 of the '974 patent. The proposed cease and desist orders include the following exemptions: (1) if in a written instrument, the owner of the patents authorizes or licenses such specific conduct, or such specific conduct is related to the importation or sale of covered products by or for the United States.

The Commission has also determined that the public interest factors enumerated in section 337(d) and (f) (19 U.S.C. §§ 1337(d) and (f)) do not preclude issuance of the limited exclusion order or cease and desist orders. Finally, the Commission has determined that a bond in the amount of zero is required to permit temporary importation during the period of Presidential review (19 U.S.C. § 1337(j)) of marine sonar imaging systems, products containing the same, and components thereof that are subject to the remedial orders. The Commission's orders and opinion were delivered to the President and to the United States Trade Representative on the day of their issuance.

The authority for the Commission's determination is contained in section 337 of the Tariff Act of 1930, as amended (19 U.S.C. § 1337), and in Part 210 of the Commission's Rules of Practice and Procedure (19 C.F.R. Part 210).

By order of the Commission.



Lisa R. Barton
Secretary to the Commission

Issued: November 18, 2015

CERTAIN MARINE SONAR IMAGING SYSTEMS, PRODUCTS CONTAINING THE SAME, AND COMPONENTS THEREOF

Inv. No. 337-TA-926

PUBLIC CERTIFICATE OF SERVICE

I, Lisa R. Barton, hereby certify that the attached **NOTICE** has been served by hand upon the Office of Unfair Import Investigations and the following parties, as indicated, on **November 18, 2015.**

Lisa R. Barton, Secretary
U.S. International Trade Commission
500 E Street, SW, Room 112
Washington, DC 20436

On Behalf of Complainants Johnson Outdoors Inc. and Johnson Outdoors Marine Electronics, Inc.:

Douglas Sharrott, Esq.
FITZPATRICK, CELLA, HARPTER & SCINTO
1290 Avenue of the Americas
New York, NY 10104-3800

☐ Via Hand Delivery
☒ Via Express Delivery
☐ Via First Class Mail
☐ Other:_____

On Behalf of Respondents Garmin International, Inc., Garmin North America, Inc., Garmin USA, Inc., and Garmin Corporation:

Nicholas Groombridge, Esq.
PAUL, WEISS, RIFKIND, WHARTON & GARRISON LLP
1285 Avenue of the Americas
New York, NY 10019

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☐ Via First Class Mail
☐ Other:_____

UNITED STATES INTERNATIONAL TRADE COMMISSION
WASHINGTON, D.C. 20436

In the Matter of	
CERTAIN MARINE SONAR IMAGING SYSTEMS, PRODUCTS CONTAINING THE SAME, AND COMPONENTS THEREOF	Investigation No. 337-TA-926

LIMITED EXCLUSION ORDER

The United States International Trade Commission ("Commission") has determined that there is a violation of section 337 of the Tariff Act of 1930, as amended (19 U.S.C. § 1337), in the unlawful importation, sale for importation, or sale within the United States after importation by Respondents Garmin International, Inc.; Garmin North America, Inc.; Garmin USA, Inc. all of Olathe, Kansas; and Garmin Corporation of New Taipei City, Taiwan (collectively "Respondents") of certain marine sonar imaging systems, products containing the same, and components thereof covered by one or more of claims 14, 18, 21, 22, 23, and 33 of U.S. Patent No. 7,755,974 ("the '974 patent").

Having reviewed the record in this investigation, including the written submissions of the parties, the Commission has made its determination on the issues of remedy, public interest, and bonding. The Commission has determined that the appropriate form of relief is a limited exclusion order prohibiting the unlicensed entry of covered marine sonar imaging systems, products containing the same, and components thereof manufactured by or on behalf of the Respondents or any of their affiliate companies, parents, subsidiaries, licensees, or other related business entities, or their successors or assigns.

The Commission has also determined that the public interest factors enumerated in 19 U.S.C. § 1337(d) do not preclude the issuance of the limited exclusion order, and that the bond during the Presidential review period shall be in the amount of zero for the covered products.

Accordingly, the Commission hereby **ORDERS** that:

1. Marine sonar imaging systems, products containing the same, and components thereof that infringe one or more of claims 14, 18, 21, 22, 23, and 33 of the '974 patent that are manufactured by, or on behalf of, or are imported by or on behalf of Garmin International, Inc.; Garmin North America, Inc.; Garmin USA, Inc.; and Garmin Corporation or any of their affiliated companies, parents, subsidiaries, agents, or other related business entities, or their successors or assigns, are excluded from entry for consumption into the United States, entry for consumption from a foreign-trade zone, or withdrawal from a warehouse for consumption, for the remaining term of the patent, except under license of the patent owner or as provided by law.

2. Notwithstanding paragraph 1 of this Order, the aforesaid marine sonar imaging systems, products containing the same, and components thereof are entitled to entry into the United States for consumption, entry for consumption from a foreign trade zone, or withdrawal from a warehouse for consumption, under bond in the amount of zero pursuant to subsection (j) of Section 337 of the Tariff Act of 1930, as amended (19 U.S.C. § 1337(j)), and the Presidential Memorandum for the United States Trade Representative of July 21, 2005 (70 *Fed. Reg.* 43,251), from the day after this Order is received by the United States Trade Representative, and until such time as the United States Trade Representative notifies the Commission that this action is approved or disapproved but, in any event, not later than 60 days after the issuance of receipt of this Order.

3. At the discretion of U.S. Customs and Border Protection ("CBP") and pursuant to the procedures it establishes, persons seeking to import marine sonar imaging systems, products containing the same, and components thereof that are potentially subject to this Order may be required to certify that they are familiar with the terms of this Order, that they have made appropriate inquiry, and thereupon state that, to the best of their knowledge and belief, the products being imported are not excluded from entry under paragraph 1 of this Order. At its discretion, CBP may require persons who have provided the certification described in this paragraph to furnish such records or analyses as are necessary to substantiate this certification.

4. In accordance with 19 U.S.C. § 1337 (l), the provisions of this Order shall not apply to infringing marine sonar imaging systems, products containing the same, and components thereof that are imported by or for the use of the United States, or imported for and to be used for, the United States with the authorization or consent of the Government.

5. The Commission may modify this Order in accordance with the procedures described in Rule 210.76 of the Commission's Rules of Practice and Procedure (19 C.F.R. § 210.76).

6. The Secretary shall serve copies of this Order upon each party of record in this Investigation and upon the Department of Health and Human Services, the Department of Justice, the Federal Trade Commission, and U.S. Customs and Border Protection.

7. Notice of this Order shall be published in the *Federal Register*.

By order of the Commission.

Lisa R. Barton
Secretary to the Commission

Issued: November 18, 2015

CERTAIN MARINE SONAR IMAGING SYSTEMS, PRODUCTS CONTAINING THE SAME, AND COMPONENTS THEREOF

Inv. No. 337-TA-926

PUBLIC CERTIFICATE OF SERVICE

I, Lisa R. Barton, hereby certify that the attached **COMMISSION ORDER** has been served by hand upon the Office of Unfair Import Investigations and the following parties, as indicated, on **November 18, 2015.**

Lisa R. Barton, Secretary
U.S. International Trade Commission
500 E Street, SW, Room 112
Washington, DC 20436

On Behalf of Complainants Johnson Outdoors Inc. and Johnson Outdoors Marine Electronics, Inc.:

Douglas Sharrott, Esq.
FITZPATRICK, CELLA, HARPTER & SCINTO
1290 Avenue of the Americas
New York, NY 10104-3800

☐ Via Hand Delivery
☒ Via Express Delivery
☐ Via First Class Mail
☐ Other:_____

On Behalf of Respondents Garmin International, Inc., Garmin North America, Inc., Garmin USA, Inc., and Garmin Corporation:

Nicholas Groombridge, Esq.
PAUL, WEISS, RIFKIND, WHARTON & GARRISON LLP
1285 Avenue of the Americas
New York, NY 10019

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☐ Other:_____

UNITED STATES INTERNATIONAL TRADE COMMISSION
WASHINGTON, D.C. 20436

In the Matter of **CERTAIN MARINE SONAR IMAGING SYSTEMS, PRODUCTS CONTAINING THE SAME, AND COMPONENTS THEREOF**	Investigation No. 337-TA-926

CEASE AND DESIST ORDER AGAINST RESPONDENT GARMIN NORTH AMERICA, INC.

IT IS HEREBY ORDERED THAT RESPONDENT Garmin North America, Inc., of 1200 East 151st Street, Olathe, Kansas 66062 ("Respondent") cease and desist from conducting any of the following activities in the United States: importing, selling, marketing, advertising, distributing, transferring (except for exportation), and soliciting U.S. agents or distributors for, marine sonar imaging systems, products containing the same, and components thereof covered by one or more of claims 14, 18, 21, 22, 23, and 33 of U.S. Patent No. 7,755,974 ("the Asserted Patent") in violation of Section 337 of the Tariff Act of 1930, as amended (19 U.S.C. § 1337).

II. Definitions

As used in this Order:

(A) "Commission" shall mean the United States International Trade Commission.

(B) "Complainants" shall mean Johnson Outdoors Inc. of Racine, Wisconsin and Johnson Outdoors Marine Electronics, Inc. of Eufaula, Alabama.

(C) "Respondent" shall mean Garmin North America, Inc., of Olathe, Kansas.

(D) "Person" shall mean an individual, or any non-governmental partnership, firm, association, corporation, or other legal or business entity other than Respondent or its majority-owned or controlled subsidiaries, successors, or assigns.

(E) "United States" shall mean the fifty States, the District of Columbia, and Puerto Rico.

(F) The terms "import" and "importation" refer to importation for entry for consumption under the Customs laws of the United States.

(G) The term "covered products" shall mean marine sonar imaging systems, products containing the same, and components thereof covered by certain claims of the Asserted Patent. Covered products shall not include articles for which a provision of law or license avoids liability for infringement of certain claims of the Asserted Patent.

II. Applicability

The provisions of this Cease and Desist Order shall apply to Respondent and to any of its principals, stockholders, officers, directors, employees, agents, licensees, distributors, controlled (whether by stock ownership or otherwise) and majority-owned business entities, successors, and assigns, and to each of them, insofar as they are engaging in conduct prohibited by section III, *infra*, for, with, or otherwise on behalf of, Respondent.

III. Conduct Prohibited

The following conduct of Respondent in the United States is prohibited by this Order. For the remaining terms of the Asserted Patent, the Respondent shall not:

(A) import or sell for importation into the United States covered products;

(B) market, distribute, sell, or otherwise transfer (except for exportation), in the United States imported covered products;

(C) advertise imported covered products;

(D) solicit U.S. agents or distributors for imported covered products; or

(E) aid or abet other entities in the importation, sale for importation, sale after importation, transfer, or distribution of covered products.

IV. Conduct Permitted

Notwithstanding any other provision of this Order, specific conduct otherwise prohibited by the terms of this order shall be permitted if in a written instrument, the owner of the relevant Asserted Patent authorizes or licenses such specific conduct, or such specific conduct is related to the importation or sale of covered products by or for the United States.

V. Reporting

For purposes of this requirement, the reporting periods shall commence on January 1 of each year and shall end on the subsequent December 31. The first report required under this section shall cover the period from the date of issuance of this order through December 31, 2016. This reporting requirement shall continue in force until such time as Respondent has truthfully reported, in two consecutive timely filed reports, that it has no inventory of covered products in the United States.

Within thirty (30) days of the last day of the reporting period, Respondent shall report to the Commission: (a) the quantity in units and the value in dollars of covered products that it has (i) imported and/or (ii) sold in the United States after importation during the reporting period, and (b) the quantity in units and value in dollars of reported covered products that remain in inventory in the United States at the end of the reporting period.

When filing written submissions, Respondent must file the original document electronically on or before the deadlines stated above and submit eight (8) true paper copies to the Office of the Secretary by noon the next day pursuant to section 210.4(f) of the Commission's Rules of Practice and Procedure (19 C.F.R. § 210.4(f)). Submissions should refer to the

investigation number ("Inv. No. 337-TA-926") in a prominent place on the cover pages and/or the first page. (See Handbook for Electronic Filing Procedures, http:/ /www.usitc.gov/secretary/fed_reg_ notices/ rules/handbook_on_electronic_filing.pdf). Persons with questions regarding filing should contact the Secretary (202-205-2000). If Respondent desires to submit a document to the Commission in confidence, it must file the original and a public version of the original with the Office of the Secretary and must serve a copy of the confidential version on Complainant's counsel.[1]

Any failure to make the required report or the filing of any false or inaccurate report shall constitute a violation of this Order, and the submission of a false or inaccurate report may be referred to the U.S. Department of Justice as a possible criminal violation of 18 U.S.C. § 1001.

VI. Record-Keeping and Inspection

(A) For the purpose of securing compliance with this Order, Respondent shall retain any and all records relating to the sale, offer for sale, marketing, or distribution in the United States of covered products, made and received in the usual and ordinary course of business, whether in detail or in summary form, for a period of three (3) years from the close of the fiscal year to which they pertain.

(B) For the purposes of determining or securing compliance with this Order and for no other purpose, subject to any privilege recognized by the federal courts of the United States, and upon reasonable written notice by the Commission or its staff, duly authorized representatives of the Commission shall be permitted access and

[1] Complainants must file a letter with the Secretary identifying the attorney to receive reports associated with this order. The designated attorney must be on the protective order entered in the investigation.

the right to inspect and copy, in Respondent's principal offices during office hours, and in the presence of counsel or other representatives if Respondent so chooses, all books, ledgers, accounts, correspondence, memoranda, and other records and documents, in detail and in summary form, that must be retained under subparagraph VI(A) of this Order.

VII. Service of Cease and Desist Order

Respondent is ordered and directed to:

(A) Serve, within fifteen days after the effective date of this order, a copy of this Order upon each of its respective officers, directors, managing agents, agents, and employees who have any responsibility for the importation, marketing, distribution, or sale of imported covered products in the United States;

(B) Serve, within fifteen days after the succession of any persons referred to in subparagraph VII(A) of this order, a copy of the order upon each successor; and

(C) Maintain such records as will show the name, title, and address of each person upon whom the order has been served, as described in subparagraphs VII(A) and VII(B) of this order, together with the date on which service was made.

The obligations set forth in subparagraphs VII(B) and VII(C) shall remain in effect until the expiration date of the Asserted Patent.

VIII. Confidentiality

Any request for confidential treatment of information obtained by the Commission pursuant to section V-VI of this order should be made in accordance with section 201.6 of the Commission's Rules of Practice and Procedure (19 C.F.R. § 201.6). For all reports for which

confidential treatment is sought, Respondent must provide a public version of such report with confidential information redacted.

IX. Enforcement

Violation of this order may result in any of the actions specified in section 210.75 of the Commission's Rules of Practice and Procedure (19 C.P.R. § 210.75), including an action for civil penalties under section 337(f) of the Tariff Act of 1930 (19 U.S.C. § 1337(f)), as well as any other action that the Commission deems appropriate. In determining whether Respondent is in violation of this order, the Commission may infer facts adverse to Respondent if it fails to provide adequate or timely information.

X. Modification

The Commission may amend this order on its own motion or in accordance with the procedure described in section 210.76 of the Commission's Rules of Practice and Procedure (19 C.F.R. § 210.76).

XI. Bonding

The conduct prohibited by Section III of this order may be continued during the sixty-day period in which this order is under review by the United States Trade Representative, as delegated by the President (70 *Fed. Reg.* 43,251 (Jul. 21, 2005)) subject to the Respondent's posting of a bond in the amount of zero for the covered products. This bond provision does not apply to conduct that is otherwise permitted by section IV of this order. Covered products imported on or after the date of issuance of this order are subject to the entry bond set forth in the exclusion order issued by the Commission, and are not subject to this bond provision.

By order of the Commission.

Lisa R. Barton
Secretary to the Commission

Issued: November 18, 2015

UNITED STATES INTERNATIONAL TRADE COMMISSION
WASHINGTON, D.C. 20436

In the Matter of **CERTAIN MARINE SONAR IMAGING SYSTEMS, PRODUCTS CONTAINING THE SAME, AND COMPONENTS THEREOF**	Investigation No. 337-TA-926

CEASE AND DESIST ORDER AGAINST RESPONDENT GARMIN USA, INC.

IT IS HEREBY ORDERED THAT RESPONDENT Garmin USA, Inc., of 1200 East 151st Street, Olathe, Kansas 66062 ("Respondent") cease and desist from conducting any of the following activities in the United States: importing, selling, marketing, advertising, distributing, transferring (except for exportation), and soliciting U.S. agents or distributors for, marine sonar imaging systems, products containing the same, and components thereof covered by one or more of claims 14, 18, 21, 22, 23, and 33 of U.S. Patent No. 7,755,974 ("the Asserted Patent") in violation of Section 337 of the Tariff Act of 1930, as amended (19 U.S.C. § 1337).

III. Definitions

As used in this Order:

(A) "Commission" shall mean the United States International Trade Commission.

(B) "Complainants" shall mean Johnson Outdoors Inc. of Racine, Wisconsin and Johnson Outdoors Marine Electronics, Inc. of Eufaula, Alabama.

(C) "Respondent" shall mean Garmin USA, Inc., of Olathe, Kansas.

(D) "Person" shall mean an individual, or any non-governmental partnership, firm, association, corporation, or other legal or business entity other than Respondent or its majority-owned or controlled subsidiaries, successors, or assigns.

(E) "United States" shall mean the fifty States, the District of Columbia, and Puerto Rico.

(F) The terms "import" and "importation" refer to importation for entry for consumption under the Customs laws of the United States.

(G) The term "covered products" shall mean marine sonar imaging systems, products containing the same, and components thereof covered by certain claims of the Asserted Patent. Covered products shall not include articles for which a provision of law or license avoids liability for infringement of certain claims of the Asserted Patent.

II. Applicability

The provisions of this Cease and Desist Order shall apply to Respondent and to any of its principals, stockholders, officers, directors, employees, agents, licensees, distributors, controlled (whether by stock ownership or otherwise) and majority-owned business entities, successors, and assigns, and to each of them, insofar as they are engaging in conduct prohibited by section III, *infra*, for, with, or otherwise on behalf of, Respondent.

III. Conduct Prohibited

The following conduct of Respondent in the United States is prohibited by this Order. For the remaining terms of the Asserted Patent, the Respondent shall not:

(A) import or sell for importation into the United States covered products;

(B) market, distribute, sell, or otherwise transfer (except for exportation), in the United States imported covered products;

(C) advertise imported covered products;

(D) solicit U.S. agents or distributors for imported covered products; or

(E) aid or abet other entities in the importation, sale for importation, sale after importation, transfer, or distribution of covered products.

IV. Conduct Permitted

Notwithstanding any other provision of this Order, specific conduct otherwise prohibited by the terms of this order shall be permitted if in a written instrument, the owner of the relevant Asserted Patent authorizes or licenses such specific conduct, or such specific conduct is related to the importation or sale of covered products by or for the United States.

V. Reporting

For purposes of this requirement, the reporting periods shall commence on January 1 of each year and shall end on the subsequent December 31. The first report required under this section shall cover the period from the date of issuance of this order through December 31, 2016. This reporting requirement shall continue in force until such time as Respondent has truthfully reported, in two consecutive timely filed reports, that it has no inventory of covered products in the United States.

Within thirty (30) days of the last day of the reporting period, Respondent shall report to the Commission: (a) the quantity in units and the value in dollars of covered products that it has (i) imported and/or (ii) sold in the United States after importation during the reporting period, and (b) the quantity in units and value in dollars of reported covered products that remain in inventory in the United States at the end of the reporting period.

When filing written submissions, Respondent must file the original document electronically on or before the deadlines stated above and submit eight (8) true paper copies to the Office of the Secretary by noon the next day pursuant to section 210.4(f) of the Commission's Rules of Practice and Procedure (19 C.F.R. § 210.4(f)). Submissions should refer to the

investigation number ("Inv. No. 337-TA-926") in a prominent place on the cover pages and/or the first page. (See Handbook for Electronic Filing Procedures, http:/ /www.usitc.gov/secretary/fed_reg_ notices/ rules/handbook_on_electronic_filing.pdf). Persons with questions regarding filing should contact the Secretary (202-205-2000). If Respondent desires to submit a document to the Commission in confidence, it must file the original and a public version of the original with the Office of the Secretary and must serve a copy of the confidential version on Complainant's counsel.[1]

Any failure to make the required report or the filing of any false or inaccurate report shall constitute a violation of this Order, and the submission of a false or inaccurate report may be referred to the U.S. Department of Justice as a possible criminal violation of 18 U.S.C. § 1001.

VI. Record-Keeping and Inspection

(A) For the purpose of securing compliance with this Order, Respondent shall retain any and all records relating to the sale, offer for sale, marketing, or distribution in the United States of covered products, made and received in the usual and ordinary course of business, whether in detail or in summary form, for a period of three (3) years from the close of the fiscal year to which they pertain.

(B) For the purposes of determining or securing compliance with this Order and for no other purpose, subject to any privilege recognized by the federal courts of the United States, and upon reasonable written notice by the Commission or its staff, duly authorized representatives of the Commission shall be permitted access and

[1] Complainants must file a letter with the Secretary identifying the attorney to receive reports associated with this order. The designated attorney must be on the protective order entered in the investigation.

the right to inspect and copy, in Respondent's principal offices during office hours, and in the presence of counsel or other representatives if Respondent so chooses, all books, ledgers, accounts, correspondence, memoranda, and other records and documents, in detail and in summary form, that must be retained under subparagraph VI(A) of this Order.

VII. Service of Cease and Desist Order

Respondent is ordered and directed to:

(A) Serve, within fifteen days after the effective date of this order, a copy of this Order upon each of its respective officers, directors, managing agents, agents, and employees who have any responsibility for the importation, marketing, distribution, or sale of imported covered products in the United States;

(B) Serve, within fifteen days after the succession of any persons referred to in subparagraph VII(A) of this order, a copy of the order upon each successor; and

(C) Maintain such records as will show the name, title, and address of each person upon whom the order has been served, as described in subparagraphs VII(A) and VII(B) of this order, together with the date on which service was made.

The obligations set forth in subparagraphs VII(B) and VII(C) shall remain in effect until the expiration date of the Asserted Patent.

VIII. Confidentiality

Any request for confidential treatment of information obtained by the Commission pursuant to section V-VI of this order should be made in accordance with section 201.6 of the Commission's Rules of Practice and Procedure (19 C.F.R. § 201.6). For all reports for which

confidential treatment is sought, Respondent must provide a public version of such report with confidential information redacted.

IX. Enforcement

Violation of this order may result in any of the actions specified in section 210.75 of the Commission's Rules of Practice and Procedure (19 C.P.R. § 210.75), including an action for civil penalties under section 337(f) of the Tariff Act of 1930 (19 U.S.C. § 1337(f)), as well as any other action that the Commission deems appropriate. In determining whether Respondent is in violation of this order, the Commission may infer facts adverse to Respondent if it fails to provide adequate or timely information.

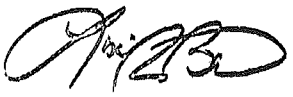
X. Modification

The Commission may amend this order on its own motion or in accordance with the procedure described in section 210.76 of the Commission's Rules of Practice and Procedure (19 C.F.R. § 210.76).

XI. Bonding

The conduct prohibited by Section III of this order may be continued during the sixty-day period in which this order is under review by the United States Trade Representative, as delegated by the President (70 *Fed. Reg.* 43,251 (Jul. 21, 2005)) subject to the Respondent's posting of a bond in the amount of zero for the covered products. This bond provision does not apply to conduct that is otherwise permitted by section IV of this order. Covered products imported on or after the date of issuance of this order are subject to the entry bond set forth in the exclusion order issued by the Commission, and are not subject to this bond provision.

By order of the Commission.



Lisa R. Barton
Secretary to the Commission

Issued: November 18, 2015

CERTAIN MARINE SONAR IMAGING SYSTEMS, PRODUCTS CONTAINING THE SAME, AND COMPONENTS THEREOF

Inv. No. 337-TA-926

PUBLIC CERTIFICATE OF SERVICE

I, Lisa R. Barton, hereby certify that the attached **COMMISSION ORDERS** has been served by hand upon the Office of Unfair Import Investigations and the following parties, as indicated, on **November 19, 2015.**

Lisa R. Barton, Secretary
U.S. International Trade Commission
500 E Street, SW, Room 112
Washington, DC 20436

On Behalf of Complainants Johnson Outdoors Inc. and Johnson Outdoors Marine Electronics, Inc.:

Douglas Sharrott, Esq.
FITZPATRICK, CELLA, HARPTER & SCINTO
1290 Avenue of the Americas
New York, NY 10104-3800

☐ Via Hand Delivery
☐ Via Express Delivery
☒ Via First Class Mail
☐ Other:_____

On Behalf of Respondents Garmin International, Inc., Garmin North America, Inc., Garmin USA, Inc., and Garmin Corporation:

Nicholas Groombridge, Esq.
PAUL, WEISS, RIFKIND, WHARTON & GARRISON LLP
1285 Avenue of the Americas
New York, NY 10019

☐ Via Hand Delivery
☐ Via Express Delivery
☒ Via First Class Mail
☐ Other:_____

PUBLIC VERSION

In the Matter of	
CERTAIN MARINE SONAR IMAGING SYSTEMS, PRODUCTS CONTAINING THE SAME, AND COMPONENTS THEREOF	**Investigation No. 337-TA-926**

COMMISSION OPINION

I. INTRODUCTION

This investigation is before the Commission for a final determination on the issues under review, remedy, the public interest, and bonding. The Commission has determined to affirm the presiding administrative law judge's ("ALJ") initial determination ("ID") that Respondents, Garmin International, Inc.; Garmin North America, Inc.; Garmin USA, Inc. all of Olathe, Kansas; and Garmin Corporation of New Taipei City, Taiwan (collectively, "Garmin" or "Respondents"), violated section 337 of the Tariff Act of 1930, as amended (19 U.S.C. § 1337), in connection with claims 14, 18, 21-23, and 33 of U.S. Patent No. 7,755,974 ("the '974 patent"). The Commission has determined to affirm the ALJ's finding of no violation of section 337 in connection with claims 1, 2, 17, 25, 26, 31, 32, 35, 36, 41-43, 53, and 56 of U.S. Patent No. 7,652,952 ("the '952 patent"); claims 1, 5, 7, 8, 21, 22, 24, 25, 28, and 29 of U.S. Patent No. 7,710,825 ("the '825 patent"); and claim 25 of the '974 patent. The Commission has determined to modify the ALJ's construction of the claim term "mounted to a boat," a claim term recited in each of the asserted claims of the '952, '974, and '825 patents (save for asserted claim 29 of the '825 patent). The Commission finds that the record evidence supports the ALJ's findings on infringement and invalidity based on the modified construction. Thus, the Commission adopts the ID to the extent it does not conflict with this opinion.

Having found a violation of section 337 in this investigation, the Commission has determined that the appropriate form of relief is: (1) a limited exclusion order prohibiting the unlicensed entry of infringing marine sonar imaging systems, products containing the same, and components thereof that infringe one or more of claims 14, 18, 21-23, and 33 of the '974 patent that are manufactured by or on behalf of, or are imported by or on behalf of, Garmin International, Inc.; Garmin North America, Inc.; Garmin USA, Inc.; or Garmin Corporation or any of their affiliated companies, parents, subsidiaries, agents, or other related business entities, or their successors or assigns; and (2) cease and desist orders prohibiting the domestic Garmin respondents, Garmin International, Inc.; Garmin North America, Inc.; and Garmin USA, Inc., from conducting any of the following activities in the United States: importing, selling, marketing, advertising, distributing, transferring (except for exportation), and soliciting U.S. agents or distributors for marine sonar imaging systems, products containing the same, and components thereof covered by one or more of claims 14, 18, 21-23, and 33 of the '974.

The Commission has also determined that the public interest factors enumerated in section 337(d) and (f) (19 U.S.C. §§ 1337(d) and (f)) do not preclude issuance of the limited exclusion order or cease and desist orders. Finally, the Commission has determined that a bond in the amount of zero is required to permit temporary importation during the period of Presidential review (19 U.S.C. § 1337(j)) of marine sonar imaging systems, products containing the same, and components thereof that are subject to the limited exclusion order.

II. BACKGROUND

A. Procedural History

The Commission instituted this investigation on August 21, 2014, based on a complaint

filed by Johnson Outdoors Inc. of Racine, Wisconsin and Johnson Outdoors Marine Electronics, Inc. of Eufaula, Alabama (collectively, "Johnson Outdoors"). 79 *Fed. Reg.* 49536 (Aug. 21, 2014). The complaint alleges violations of section 337 of the Tariff Act of 1930, as amended (19 U.S.C. § 1337), in the importation into the United States, the sale for importation, and the sale within the United States after importation of certain marine sonar imaging systems, products containing the same, and components thereof by reason of infringement of one or more of claims 1, 2, 17, 25, 26, 31, 32, 35, 36, 41-43, 53, and 56 of the '952 patent; claims 1, 5, 7, 8, 21, 22, 24, 25, 28, and 29 of the '825 patent; and claims 14, 18, 21-23, 25, and 33 of the '974 patent. *Id.* The notice of investigation named Garmin as the respondent. *Id.* The Office of Unfair Import Investigations is not a party to the investigation.

On January 30, 2015, the parties entered into a stipulation that the domestic industry requirement was met. That same day, Johnson Outdoors filed two unopposed motions for summary determination: (1) that Garmin satisfies the importation requirement and (2) that Johnson Outdoors satisfies the domestic industry requirement. On March 24, 2015, the ALJ granted Johnson Outdoors' summary determination motions in Order Nos. 14 and 15, respectively. The Commission determined not to review these orders.[1]

The ALJ held an evidentiary hearing from April 6 through April 9, 2015, and thereafter received post-hearing briefing from the parties.

On July 13, 2015, the ALJ issued his final ID, finding a violation of section 337 by Garmin in connection with claims 14, 18, 21-23, and 33 of the '974 patent. The ALJ found no

[1] *See* Notice of Commission Determination Not to Review Two Initial Determinations Granting Unopposed Motions for Summary Determinations of Importation and the Existence of a Domestic Industry That Practices the Asserted Patents (April 22, 2015).

violation of section 337 in connection with the asserted claims of the '952 and '825 patents, or claim 25 of the '974 patent. Specifically, the ALJ found that the Commission has subject matter jurisdiction, *in rem* jurisdiction over the accused products, and *in personam* jurisdiction over Garmin. ID at 21. As noted above, the Commission determined not to review the ALJ's previous finding that Johnson Outdoors satisfied the importation requirement of section 337 (19 U.S.C. § 1337(a)(1)(B)). *Id.* at 19-20. The ALJ found that the accused products infringe asserted claims 14, 18, 21-23, and 33 of the '974 patent but do not infringe the asserted claims of the '952 and '825 patents or claim 25 of the '974 patent. *See* ID at 55-57, 58-59, 60-62. The ALJ further found that Garmin failed to establish by clear and convincing evidence that the asserted claims of the '952, '825, or '974 patents were anticipated or rendered obvious by the cited prior art references. *See id.* at 68-80, 89-100. The ALJ also found that the '952, '825, and '974 patent are not unenforceable due to inequitable conduct and that the'952 patent is not invalid under 35 U.S.C. § 102(f) for derivation. ID at 80-83, 100-109. Finally, as noted above, the ALJ referred to his summary determination, which was unreviewed by the Commission, that Johnson Outdoors established the existence of a domestic industry that practices the asserted patents under 19 U.S.C. § 1337(a)(2). *See* ID at 109.

The ID includes the ALJ's recommended determination on remedy and bonding. The ALJ recommended that in the event the Commission finds a violation of section 337, the Commission should issue a limited exclusion order prohibiting the importation of infringing marine sonar imaging systems, products containing the same, and components thereof imported by Garmin. ID at 112-13. The ALJ also recommended issuance of cease and desist orders directed to Garmin, finding that Garmin maintains a commercially significant inventory of

accused products in the United States. *Id.* at 113. Further, the ALJ recommended that the Commission set a bond in the amount of eight percent of entered value during the period of Presidential review. *Id.*

On July 27, 2015, Garmin filed a petition for review of the ID, challenging a number of the ALJ's findings.[2] Specifically, Garmin questioned the ALJ's construction of the claim term "mounted to a boat" and the ALJ's infringement and invalidity findings stemming from the construction. That same day, Johnson Outdoors filed a contingent petition for review on the issues of infringement of the '952 and '825 patents.[3] On August 4, 2015, the parties filed responses to the petitions for review.[4]

On August 25, 2015, the Commission determined to review the final ID on all issues petitioned. 80 *Fed. Reg.* 55872-74 (Sept. 17, 2015). The Commission proposed a different construction for the term "mounted to a boat" and requested that the parties comment on the Commission's proposed construction with reference to the applicable law and the evidentiary record. Specifically, the Commission asked the parties to brief the following issue:

> If the Commission were to construe the claim term "mounted to a boat" to mean "proximately secured to the boat in a fixed manner," please discuss any impact this construction may have on the ID's findings.

80 *Fed. Reg.* 55873 (Sept. 17, 2015).

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[2] *See* Garmin Respondents' Petition for Review of the Final Initial Determination ("Garmin Pet.").

[3] *See* Complainants' Contingent Petition for Review of the Final Initial Determination ("Johnson Outdoors Pet.").

[4] *See* Complainants' Response to Respondents' Petition for Review of the Final Initial Determination ("Johnson Outdoors Resp."); Garmin Respondents' Reply to Complainants' Contingent Petition for Review of the Final Initial Determination ("Garmin Resp.").

On September 21, 2015, the parties filed written submissions on the issues under review, remedy, the public interest, and bonding.[5] On September 28, 2015, the parties filed reply submissions.[6]

B. Patents and Technology at Issue

The technology at issue in this investigation generally relates to the field of marine sonar imaging or scanning systems, an arrangement in which a beam of sound energy is used to image a narrow slice of the underwater environment.

The '952 patent entitled "Sonar Imaging System for Mounting to Watercraft" issued on January 26, 2010. '952 patent (JX-1). The patent describes a "sonar imaging system compris[ing] a transducer coupled to the watercraft and having at least one side scanning element and at least one bottom scanning element, an electronic control head unit coupled to the transducer and configured to display sonar images." '952 patent (JX-1) at Abstract. The U.S. Patent and Trademark Office ("Patent Office") ordered reexamination of the '952 patent on November 14, 2011, and issued amended claims on July 10, 2013. (JX-0007 ('952 Reexamination) at 7131 (July 10, 2013 Office Action). Johnson Outdoors owns the patent and has asserted claims 1, 2, 17, 25, 26, 31, 32, 35, 36, 41-43, 53, and 56 in this investigation. *See* ID at 9-14.

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[5] *See* Garmin's Written Submission on the Issues Under Review Identified in the Notice of Commission Determination to Review the Final Initial Determination in Part ("Garmin Br."); Complainants' Initial Written Submission in Response to the Commission September 11, 2015 Notice ("Johnson Outdoors Br.").

[6] *See* Garmin's Response to Complainant's Written Submission on the Issues Under Review Identified in the Notice of Commission Determination to Review the Final Initial Determination in Part ("Garmin Rep. Br."); Complainants' Reply to Respondents' Initial Written Submission in Response to the Commission September 11, 2015 Notice ("Johnson Outdoors Rep. Br.").

The '825 patent entitled "Side Scan Sonar Imaging System with Boat Position on Display" issued on May 4, 2010. '825 patent (JX-2). The patent describes a system for use with a boat to provide underwater sonar images which includes a left side scan sonar transducer for transmitting left side scan sonar pulses and for receiving left side scan sonar return signals and a right side scan sonar transducer for transmitting right side scan sonar pulses and for receiving right side scan sonar return signals. *Id.* The Patent Office ordered reexamination of the '825 patent on November 14, 2011, and issued amended claims on April 26, 2013. (JX-0008 ('825 Reexamination) at 86). Johnson Outdoors owns the patent and has asserted claims 1, 5, 7, 8, 21, 22, 24, 25, 28 and 29 in this investigation.

The '974 patent entitled "Side Scan Sonar Imaging System with Enhancement" issued on July 13, 2010. '974 patent (JX-3). The patent generally discloses a system for use with a boat to provide underwater sonar images that includes a left side scan sonar transducer for transmitting left side scan sonar pulses and for receiving left side scan sonar return signals, a right side scan sonar transducer for transmitting right side scan sonar pulses and for receiving right side scan sonar return signals, and signal processing circuitry for processing the left and right side scan sonar return signals to produce side scan image data. *Id.* The Patent Office ordered reexamination of the '974 patent on November 14, 2011, and issued amended claims on April 26, 2013. (JX-0009 ('974 Reexamination). Johnson Outdoors owns the patent and has asserted claims 14, 18, 21-23, 25, and 33 in this investigation.

C. Products at Issue

The accused products include Garmin sonar imaging devices. For a complete list of accused products, see the ID at 19.

III. ISSUES UNDER REVIEW

A. Construction of the Claim Term "Mounted to a Boat"

The claim term "mounted to a boat" appears in each of the asserted claims of the '952 and '974 patents.[7] Independent claim 36 of the '952 patent, which is representative of the asserted claims of the '952 patent, recites:

> 36. A sonar imaging system, comprising:
>
> a transducer assembly *mounted to a boat*, the transducer assembly including:
>
> a housing; and
>
> first and second side scan acoustic elements positioned within the housing to transmit first and second side scan sonar beams comprising side scan sonar pulses to first and second sides of the boat, respectively, and to receive side scan sonar returns, each side scan acoustic element having a rectangular shape with a total length of about three inches to about seven inches and a total width of about 0.125 inches to about 0.5 inches to produce side scan sonar beams having a narrow width in the direction of the length of said side scan acoustic elements and a wide width in a plane perpendicular to the direction of the length and each side scan acoustic element being mounted within the housing and oriented at a depression angle of between about 20 degrees and about 40 degrees; and
>
> an electronic control head operatively coupled to the transducer assembly by a cable to control the side scan acoustic elements, the electronic control head including a user interface having a liquid crystal display (LCD) for displaying side scan sonar images that provide details of underwater articles and bottom and contain shadows based upon the first and second side scan sonar returns respectively received by the first and second side scan acoustic elements, wherein the electronic control head contains all of the

[7] We note that the asserted claims of the '825 patent save for claim 29 recite "boat-mounted." It appears that the parties discussed "boat-mounted" and "mounted to a boat" interchangeably. *See, e.g.*, ID at 70.

> electronic circuitry for transmitting the side scan sonar beams and receiving the side scan Sonar returns.

'952 patent re-exam, col.7 ll.6-36 (claim 36) (emphasis added).

Independent claim 14 of the '974 patent, which is representative of the asserted claims of the '974 patent, recites:

> 14. A sonar system for use with a boat to provide enhanced underwater images, the system comprising:
>
> > a left side scan sonar transducer positioned within a housing *mounted to the boat* for transmitting a left side scan sonar beam of pulses and for receiving left side scan sonar return signals, wherein the left side scan sonar transducer has a total length of up to about seven inches and a total width of up to about 0.5 inches, and wherein the left side scan sonar beam of pulses [are] is directed downward and laterally outward to a left side of a boat, the left side scan sonar beam having a narrow horizontal width and a wide vertical width;
> >
> > a right side scan sonar transducer positioned within the housing for transmitting a right side scan sonar beam of pulses and for receiving right side scan sonar return signals, wherein the right side scan sonar transducer has a total length of up to about seven inches and a total width of up to about 0.5 inches, and wherein the right side scan sonar beam of pulses [are] is directed downward and laterally outward to a right side of the boat, the right side scan sonar beam having a narrow horizontal width and a wide vertical width;
> >
> > signal processing circuitry for processing the left and right side scan sonar return signals to produce side scan image data;
> >
> > a user interface including user inputs and a display; and
> >
> > a digital processor for providing signals to the display to show an enhanced underwater image that provides details of underwater articles and bottom and contains shadows, wherein the digital processor, in response to a user input, performs an image enhancement algorithm upon the side scan image data to produce the enhanced underwater image.

1. Applicable Law on Claim Construction

Claim construction begins with the plain language of the claim. Claims should be given their ordinary and customary meaning as understood by a person of ordinary skill in the art, viewing the claim terms in the context of the entire patent. *Phillips v. AWH Corp.*, 415 F.3d 1303, 1312-13 (Fed. Cir. 2005), *cert. denied*, 546 U.S. 1170 (2006).

In some instances, claim terms do not have a particular meaning in a field of art, and claim construction involves little more than the application of the widely accepted meaning of commonly understood words. *Phillips*, 415 F.3d at 1314. "In such circumstances, general purpose dictionaries may be helpful." *Id.* In many cases, however, claim terms have a specialized meaning, and it is necessary to determine what a person of skill in the art would have understood the disputed claim language to mean. *Id.* "Because the meaning of a claim term as understood by persons of skill in the art is often not immediately apparent, and because patentees frequently use terms idiosyncratically, the court looks to 'those sources available to the public that show what a person of skill in the art would have understood disputed claim language to mean.'" *Id.* (quoting *Innova/Pure Water, Inc. v. Safari Water Filtration Sys., Inc.*, 381 F.3d 1111, 1116 (Fed. Cir. 2004)). The public sources identified in *Phillips* include "the words of the claims themselves, the remainder of the specification, the prosecution history, and extrinsic evidence concerning relevant scientific principles, the meaning of technical terms, and the state of the art." *Id.*

In cases in which the meaning of a claim term is uncertain, the specification usually is the best guide to the meaning of the term. *Id.* at 1315. As a general rule, the particular examples or embodiments discussed in the specification are not to be read into the claims as limitations.

Markman v. Westview Instruments, Inc., 52 F.3d 967, 979 (Fed. Cir. 1995) (*en banc*), *aff'd*, 517 U.S. 370 (1996). Yet, the specification is always highly relevant to the claim construction analysis, and is usually dispositive. *Phillips*, 415 F.3d at 1315 (quoting *Vitronics Corp. v. Conceptronic, Inc.*, 90 F.3d 1576, 1582 (Fed. Cir. 1996)). "The construction that stays true to the claim language and most naturally aligns with the patent's description of the invention will be, in the end, the correct construction." *Id.* at 1316.

If the intrinsic evidence does not establish the meaning of a claim, then extrinsic evidence may be considered. Extrinsic evidence consists of all evidence external to the patent and the prosecution history, and includes inventor testimony, expert testimony, and learned treatises. *Phillips*, 415 F.3d at 1317. Inventor testimony can be useful to shed light on the relevant art. In evaluating expert testimony, a court should discount any expert testimony that is clearly at odds with the intrinsic evidence of the patent, *i.e.*, the claims themselves, the written description, and the prosecution history. *Id.* at 1318. Extrinsic evidence may be considered if a court deems it helpful in determining the true meaning of language used in the patent claims. *Id.*

2. The ID

The ALJ construed the claim term "mounted to a boat" to mean "attached to a bottom surface of the boat," stating that the claim term "should be given its plain and ordinary meaning of 'attached to a bottom surface of the boat' as the term is defined within the patent claims."[8] ID at 38 (citing JX-0001 ('952 patent) at 1:35-37 ("transducer mounted to a **bottom surface** of the vessel through the water" (emphasis added by ALJ)). The ALJ rejected Johnson Outdoors' proposed construction of "proximately secured to the boat in a fixed manner." *Id.* The ALJ

[8] As discussed *infra*, the ID does not in fact rely on any definition found "within the patent claims," but instead relies on language in the specification describing the prior art.

found that the construction proposed by Johnson Outdoors "leads to more confusion than clarity, *i.e.*, it is not clear what 'proximately secured' means" and that "Johnson Outdoors points to nothing in the specification that would provide any guidance as to what it would mean to be 'proximately secured.'" *Id.* Garmin did not offer a construction, arguing that the claim term should be given its plain and ordinary meaning. *Id.*

3. Garmin's Petition

Garmin accuses the ALJ of adopting a construction that no party advanced and for which no party presented any argument or evidence in its briefing or at the hearing. Garmin Pet. at 8-9. Garmin states that "the ALJ coined his own construction of 'mounted to a boat' based on a single sentence in the '952 Patent specification," and that single sentence, argues Garmin, appears in the Background of the Invention and describes the prior art, not the invention. *Id.* at 9. Specifically, Garmin observes that the ALJ relied on a passage stating that "[t]he sound waves travel from a transducer mounted to a bottom surface of the vessel through the water" to find that the "mounted to boat" limitation means "attached to a bottom surface of the boat." *Id.* (citing ID at 38 (citing JX-0001 ('952 Patent) at col.1 ll. 35–37)). Garmin argues that the ALJ's construction is contrary to the express disclosures of the specification and thus legally erroneous. *Id.* Garmin points to the "The Detailed Description of the Invention" and argues that it "explicitly states that mounting to a watercraft includes devices that are not directly attached to a boat, let alone the bottom surface of a boat." *Id.* at 10 (citing JX-0001 ('952 Patent) at col.11 ll. 22–30 ("For example, mounting to a watercraft is not intended to be limiting to devices that are directly attached to the watercraft but would include devices attached to motors (such as trolling motors) attached to the watercraft and the like.")

Garmin asserts that the specification reveals at least three different locations in which the claimed sonar system may be mounted, disclosing that "it would also be advantageous to provide a sonar imaging system mountable to a motor (such as a trolling motor), a transom of the watercraft, or to the hull of the watercraft." *Id.* (citing JX-0001 ('952 Patent) at col. 1 ll. 59–61). Garmin argues that regarding "the first of these, the undisputed testimony of the lead inventor David Betts established that a so-called 'trolling motor' is a small electric motor mounted on a pole which in turn is attached to a boat (usually at the front of the boat) and which can be raised or lowered into the water." *Id.* (citing Betts Tr. 342:1–343:4). Garmin adds that "Mr. Betts further agreed that mounting a sonar system on a pole in this fashion is described in his patent." *Id.* at 343:5–9. Garmin contends that "[w]ith respect to the third mounting location mentioned in the patent—the transom—that is the rear surface of the boat and not the bottom surface." *Id.* (citing CX-0023C (Miller WS) at Q/A 160).

Garmin further contends that the patent discloses that the transducer housing can be coupled to the watercraft "by any of a variety of methods" and points to the following embodiments described in the patent: (1) through a "mounting bracket that is coupled to a trolling motor," JX-0001 ('952 Patent) at col. 5 ll. 40–41; (2) "through the hull of the watercraft," for example "with a support shaft passing through a hole in the hull," *id.* at col.5 ll. 41–44; and (3) coupling the mounting members "to a bracket that is coupled to a transom of the watercraft." *Id.* at col. 5 ll. 44–46. Garmin argues that the ALJ's construction impermissibly reads out both the first and third embodiments because in the first embodiment, the transducer is mounted to the watercraft through a trolling motor and not attached to the bottom of the boat; and in the third embodiment, the transducer is mounted to the transom (side) of the watercraft

and not attached to the bottom of the boat. Garmin Pet at 11 (citing *Anchor Wall Sys., Inc. v. Rockwood Retaining Walls, Inc.*, 340 F.3d 1298, 1308 (Fed. Cir. 2003) (citations omitted) ("[A] claim construction that excludes a preferred embodiment . . . is rarely, if ever correct and would require highly persuasive evidentiary support.").

Garmin finds additional support from the prosecution history and argues that in making arguments of commercial success to overcome obviousness rejections, "the applicants repeatedly described their commercial product which was transom-mounted as embodying the invention." *Id.* at 12 (citing JX-0004 ('952 File History) at 100 (Attachment A to May 14, 2007 Amendment) (referring to "[c]hoices of transom, trolling motor, and thru-hull mounting transducer options"), 129–30 (Dec. 10, 2007 Davison Decl.), 140 (Dec. 10, 2007 Gibson Decl.), 161 (Ex. 8 to Dec. 10, 2007 Gibson Decl.), 208 (Dec. 10, 2007 Amendment). Garmin further argues that a declaration by one of the inventors explaining the purpose of boat mounting makes clear that the transducer can be attached to a trolling motor which in turn is attached to the bow of the boat:

> A significant factor in our design was the decision to mount the transducer to the boat so that the transducer had a fixed position with respect to the boat, and had a fixed orientation with respect to the direction of travel of the boat. This could be achieved by mounting the transducer to the transom of the boat, or could be achieved by mounting the transducer to a bow mount trolling motor. In both cases, the position of the transducer with respect to the boat is fixed, and in both cases the orientation of the transducer to the direction of travel of the boat is fixed. Although the bow mount trolling motor can pivot in order to change the direction of motion of the boat, the orientation of the trolling motor (and therefore the attached transducer) is always aligned with the direction of travel of the boat.

Id. (citing JX-0004 ('952 File History) at 178–79 (Dec. 10, 2007 Betts Decl.). Thus, Garmin

contends that the prosecution history confirms the specification's teaching that the limitation "mounted to a boat" is not limited to attachments to the bottom surface of a boat. *Id.*

Commenting on the Commission's intention to construe the claim limitation to mean "proximately secured to the boat in a fixed manner" (*See* 80 *Fed. Reg.* 55872-74 (Sept. 17, 2015)), Garmin asserts that the Commission's intended construction "would introduce fatal uncertainty" into the meaning of the claim term because of the word "proximate." Garmin Br. at 1. Specifically, Garmin argues that the construction will render the claim limitation indefinite because, allegedly, "there is no guidance provided as to how close a device must be to the hull of a vessel in order to be 'proximate.'" *Id.* at 5-6 (citing *Nautilus, Inc. v. Biosig Instruments, Inc.*, 134 S. Ct. 2120 (2014)). Garmin states that the intrinsic evidence of the patent does not indicate the distance between a transducer assembly and the hull of vessel and that the embodiments disclosed in the patents "focus on the manner in which devices of the claimed invention are mounted—by direct or indirect attachment to the watercraft as opposed to being towed at the end of a cable—rather than the distance from the vessel's hull at which they are located." *Id.* at 6-7 (emphasis omitted).

4. Johnson Outdoors' Response

In response to Garmin's argument that the Commission's intended construction would render the claim limitation indefinite, Johnson Outdoors argues that Garmin has waived any argument that adoption of the proposed construction, "proximately secured to the boat in a fixed manner," will render the claim limitation indefinite because Garmin did not present that argument to the ALJ when Johnson Outdoors proposed that construction. Johnson Outdoors Rep. Br. at 1. Johnson Outdoors explains that Garmin has known about that proposed

construction since February 6, 2015, but until now has never argued that any aspect of the proposed construction was indefinite. *Id.*

In any event, Johnson Outdoors contends that "the meaning of 'proximately' is informed with reasonable certainty by the intrinsic and extrinsic evidence." *Id.* Specifically, Johnson Outdoors points out that the '974 patent discloses several ways of mounting a transducer assembly to a boat, and in each of the mounts, "the transducer assembly is secured proximately to the boat, which permits the side scan sonar to transmit beneath and to both sides of the boat." *Id.* at 3 (citing '974 patent, Fig. 1, col. 5 ll.41-55). Johnson Outdoors also points to the prosecution history which states that "[t]he head unit is connected by cable to the transducer which is often mounted on the transom of a boat or banded to a trolling motor, so that when in use, the transducer is always slightly beneath the surface and has a smooth flow of water around it." *Id.* at 6 (citing '952 prosecution history at 408).

Johnson Outdoors notes that the term "proximate" is found in over 100,000 patent claims and that "[i]t is a well–accepted term to express a qualitative distance relationship." *Id.* at 7 (citing search results of USPTO Patent Database).

5. Analysis

The Commission determined to review the ID's construction of the claim term "mounted to a boat" to mean "attached to a bottom surface of the boat," and indicated its intention to construe the limitation to mean "proximately secured to the boat in a fixed manner." *See* 80 *Fed. Reg.* 55872-74 (Sept. 17, 2015). On review, the Commission finds that the ID incorrectly construed the claim term "mounted to a boat" to mean "attached to a bottom surface of the boat." ID at 38. While mounting the sonar imaging system to the bottom surface of the boat may be the

ideal location, by requiring that the imaging system be attached to a bottom surface of the boat the ID impermissibly limited the claim's scope. The Commission has determined to adopt the construction proposed by Johnson Outdoors before the ALJ, and construes the limitation "mounted to a boat" to mean "proximately secured to the boat in a fixed manner."

The ID reasoned that "the term 'mounted to a boat' should be given its plain and ordinary meaning of "attached to a bottom surface of the boat" as the term is defined within the patent claims." ID at 38 (citing (JX-0001 ('952 patent) at col. 1 ll.25-27 ("transducer mounted to a **bottom surface** of the vessel through the water" (emphasis added by ID)). But the definition for the claim term that the ALJ cites is found in the portion of the patent specification that describes the prior art, not the claimed invention. Thus, the '952 patent states in the Background of the Invention section that "[s]onar devices that transmit sound waves have been used previously to obtain information about underwater articles, including fish, structures and obstructions, and the bottom. The sound waves travel from a transducer mounted to a bottom surface of the vessel through the water." JX-0001 ('952 patent) at col. 1 ll.23-27.

However, the specification goes on to state that it would be "advantageous to provide sonar imaging system mountable to a motor (such as a trolling motor), a transom of the watercraft, or to the hull of the watercraft." JX-0001 ('952 patent) at col. 1 ll.59-61. The specification further teaches that the housing of the imaging system can be attached to the boat in "any of a variety of methods" and describes various methods for attaching the housing to the boat:

> The housing **24** is coupled to the watercraft **10** by any of a variety of methods. The housing is coupled to the watercraft **10** so that there are no obstructions to either side of the housing (*i.e.*, to block the operation or affect the performance of the acoustic elements).

> According to a preferred embodiment, the housing **24** is coupled to the watercraft **10** along the centerline of the watercraft so that the housing **24** extends about 0.25 inches below the watercraft. According to an exemplary embodiment, mounting members **40** of the top housing **36** are coupled to a mounting bracket **46** that is coupled to a trolling motor. According to an alternative embodiment, the mounting members **40** are mounted through the hull of the watercraft **10** (e.g., with a support shaft passing through a hole in the hull). According to an alternative embodiment, the mounting members are coupled to a bracket that is coupled to a transom of the watercraft **10**. Alternatively, the housing may be coupled to the watercraft at any of a variety of positions and at any of a variety of depths below the surface of the water.

JX-0001 ('952 patent) at col.5 ll.40-58. Thus, the ALJ's limiting of the claim term "mounted to a boat" to mean "attached to a bottom surface of the boat" is contrary to the express teachings in the patent.

In its response to Garmin's petition, Johnson Outdoors approved of the ALJ's construction and pointed to disclosures in the intrinsic evidence showing the transducer mounted to the bottom surface of a boat. In its comment on the Commission's intention to adopt the construction it proposed before the ALJ, Johnson Outdoors states that the construction is "based upon the evidence of what a person of ordinary skill in the art would understand the term to mean, as guided by the intrinsic record." Johnson Outdoors Br. at 6. Yet, Johnson Outdoors argues that "alternatively, the Commission could simply adopt the construction set forth in the ID, and affirm the ID's findings that were based on that construction." Johnson Outdoors Rep. Br. at 7. The issue, however, is not whether the patent discloses mounting the transducer to a bottom surface of a boat. Indeed a basic tenet of patent law provides that particular examples or embodiments discussed in the specification are not to be read into the claims as limitations. *Markman*, 52 F.3d at 979. Thus the issue remains whether the patent requires mounting the

transducer to a bottom surface. As discussed above, the patent does not so require.

The Commission finds that Johnson Outdoors' proposal before the ALJ to construe the claim term "mounted to a boat" as "proximately secured to the boat in a fixed manner" is correct and finds support in the intrinsic evidence of the patent. The specification teaches that an objective of the invention is to "provide a sonar imaging system that is coupled to the watercraft, rather than being coupled by a flexible cable and towed behind the watercraft." JX-0001 ('952 patent) at col. 1 ll.56-59. The specification further states that "[u]nlike using a towfish in which data collection takes place at a fixed distance from the bottom . . . and in which the towfish dynamics are decoupled from vessel motion in rough seas, the system of the present invention compensates for these differences." JX-0001 ('952 patent) at col.2 ll.55-60. In other words, the invention contemplates that the sonar imaging device is closely secured to the watercraft. The prosecution history confirms this understanding. In a declaration to the Patent Office, one of the inventors explained that

> A significant factor in our design was the decision to mount the transducer to the boat so that the transducer had a fixed position with respect to the boat, and had a fixed orientation with respect to the direction of travel of the boat. This could be achieved by mounting the transducer to the transom of the boat, or could be achieved by mounting the transducer to a bow mount trolling motor. In both cases, the position of the transducer with respect to the boat is fixed, and in both cases the orientation of the transducer to the direction of travel of the boat is fixed. Although the bow mount trolling motor can pivot in order to change the direction of motion of the boat, the orientation of the trolling motor (and therefore the attached transducer) is always aligned with the direction of travel of the boat.

JX-0004 ('952 File History) at 178–79 (Dec. 10, 2007 Betts Decl.). The prosecution history further states that "[t]he head unit is connected by cable to the transducer which is often mounted

on the transom of a boat or banded to a trolling motor, so that when in use, the transducer is always slightly beneath the surface and has a smooth flow of water around it." *Id.* at 408.

The ALJ, however, rejected the "proximately secured to the boat in a fixed manner" construction, finding that it "leads to more confusion than clarity, *i.e.*, it is not clear what 'proximately secured' means" and that "Johnson Outdoors points to nothing in the specification that would provide any guidance as to what it would mean to be 'proximately secured.'" ID at 38. Garmin makes a similar argument on review. *See* Garmin Br. at 8. We disagree because based on the intrinsic evidence "proximately secured" is readily understood by persons skilled in the art. "Proximate," ubiquitous in legal writings as well as in patent claims,[9] is defined by Black's Law Dictionary as: "1. Immediately before or after; 2. Very near or close in time or space." Black's Law Dictionary (8th ed. 2004). Similarly, Webster's dictionary defines proximate as "coming or happening immediately before or after something in a way that shows a very close and direct relation." Secured, in this context, simply means attached. Thus, the construction would readily be understood to mean that the sonar imaging device must be closely attached to the boat in a fixed manner. This construction captures the teaching in the patent that the limitation excludes attachments far from the boat, such as towfish attachments, but is not limited to direct attachment to the bottom surface of the boat. *See* CX-0023C (Miller WS) at Q/A 138.

We note that Garmin's main argument regarding the Commission's proposed construction is that it would render the claim limitation invalid for indefiniteness because of the

[9] As Johnson Outdoors notes, the word "proximate" or "proximately" has been used in over 100,000 patent claims since 1976. Johnson Outdoors Br. at 6 (attachingsearch results of USPTO Patent Full-Text and Image Database for terms word "proximate" and/or "proximately" in claims of patents issued since 1976).

use of the word "proximate." Garmin Br. at 2. In contrast, Johnson Outdoors states that "substitution of Complainants' 'proximately secured to the boat in a fixed manner" for the ID's 'attached to a bottom surface of the boat' as the meaning of 'mounted to a boat' does not change any of the ID's findings. Johnson Outdoors Br. at 1. As set forth above, an ordinarily skilled artisan would readily understand the construction. *See* CX-0023C (Miller WS) at Q/A 138. Further, despite knowing of this construction before the hearing, Garmin never presented an indefiniteness argument to the ALJ and cannot raise it at this late stage. Indeed the only proposed construction of the claim term "mounted to a boat" before the ALJ was Johnson Outdoors's proposed construction, and although Garmin raised numerous invalidity challenges, it never contended that adoption of Johnson Outdoors proposed construction would render the claim limitation invalid. Garmin has thus waived the argument. *See Broadcom Corp. v. Int'l Trade Comm'n*, 542 F.3d 894, 901 (Fed. Cir. 2008) ("Broadcom has therefore waived that argument by failing to preserve it in the proceedings before the administrative law judge).

B. Infringement Findings[10]

1. Applicable Law on Infringement

Direct infringement of a patent under 35 U.S.C. § 271(a) consists of making, using, offering to sell, or selling a patented invention without consent of the patent owner or importing a patented invention into the United States without consent of the patent owner. Section 337 prohibits "the importation into the United States, the sale for importation, or the sale within the United States after importation . . . of articles that infringe a valid and enforceable United States patent . . . ." 19 U.S.C. § 1337(a)(1)(B).

A determination of patent infringement encompasses a two-step analysis. First, the court determines the scope and meaning of the asserted patent claims, and then the properly construed claims are compared to the allegedly infringing device. *Advanced Cardiovascular Sys., Inc. v. Scimed Life Sys., Inc.*, 261 F.3d 1329, 1336 (Fed. Cir. 2001). Each patent claim element or limitation is considered material and essential to an infringement determination. *See London v.*

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[10] In finding that the accused products fail to satisfy the "boat location" limitation recited in the '825 patent, the ALJ stated that:

> Moreover, the ALJ further construed the claim to mean that the boat's location was depicted by a boat icon or by a "0" marker. Therefore, Johnson Outdoors' argument that the "intersection of the top and center lines of the image" (CRB at 43-44) satisfies the claim limitation also fails as the alleged present location is not identified by either a boat icon or a "0" marker.

ID at 58. To the extent that the ALJ found that the boat's location in the accused products must be the same as the boat icon or "0" marker in preferred embodiments of the '825 patent, the Commission does not adopt that analysis. The Commission otherwise affirms the ALJ's finding that the accused products do not show the boat's present location. *See id.* Similarly, to the extent that the ALJ's invalidity analysis for the '825 patent was based on a requirement that the boat's location be depicted by a boat icon or "0" marker, the Commission does not adopt that analysis. ID at 74.

Carson Pirie Scott & Co., 946 F.2d 1534, 1538 (Fed. Cir. 1991). "Literal infringement of a claim exists when each of the claim limitations reads on, or in other words is found in, the accused device." *Allen Eng. Corp. v. Bartell Indus.*, 299 F.3d 1336, 1345 (Fed. Cir. 2002). To prove direct infringement, the plaintiff must establish by a preponderance of the evidence that one or more claims of the patent read on the accused device either literally or under the doctrine of equivalents. *Scimed*, 261 F.3d at 1336.

In a section 337 investigation, the complainant bears the burden of proving infringement of the asserted patent claims by a preponderance of the evidence. *Certain Flooring Products*, Inv. No. 337-TA-443, Commission Notice of Final Determination of No Violation of Section 337, 2002 WL 448690 at 59, (March 22, 2002); *Enercon GmbH v. Int'l Trade Comm'n*, 151 F.3d 1376 (Fed. Cir. 1998).

2. Analysis

The Commission agrees with the ALJ's finding that Garmin failed to dispute that the accused products satisfy the limitations of the asserted claims of the '974 patent except to argue that (1) Johnson Outdoors cannot use demonstrative evidence to prove infringement and, as such, has failed to meet its burden and (2) Garmin's Accused Products do not meet the "housing that is substantially co-extensive with the length of the left and right side scan sonar transducers" for the same reasons they do not meet the same limitations in the '952 and the '825 patents. ID at 60 (RIB at 135-137.)

As the ALJ found, Garmin's arguments relating to Johnson Outdoors' use of demonstratives are unpersuasive because Johnson Outdoors does not rely only on demonstrative evidence to prove infringement. Instead, Johnson Outdoors' expert, Dr. Miller, testified as to

how an exemplary Garmin Accused Product met each and every limitation of the claims and referenced the demonstratives as necessary to aid in his testimony. *Id.* (citing CX-0023C at Q&A 244-269). The Commission also agrees with the ALJ that Johnson Outdoors met its burden of proving by a preponderance of the evidence that the Garmin accused products infringe claims 14, 18, 21-23, and 33 of the '974 patent. *See id.*; CX-0023C (Miller WS) at Q/A 162. Neither Garmin nor Johnson Outdoors contends otherwise in their submissions to the Commission. Indeed Garmin acknowledges that the evidence in the record shows that its products can be attached to a boat in three ways: (1) "through the hull of a boat (CX-0023C (Miller WS) at Q/A 62, 160)"; (2) "transom mounted—mounted to the back of the boat using two separate brackets between the transducer assembly and the back of the boat" CX-0023C (Miller WS) at Q/A 160; CDX-0010C at 1, 4, and 6; and (3) "attached to a trolling motor—a device for bass boats usually [that] is off the front of the boat, and it can be raised or lowered." Betts Tr. at 342:4–8. *See* Garmin Pet. at 13-15. In light of our finding that the claims do not require attachment to a bottom surface, the undisputed evidence shows that the accused products satisfy the "mounted to a boat limitation." *See* ID at 60.

The Commission thus agrees with the ID's infringement finding that the accused products satisfy each element of claims 14, 18, 21-23, and 33 of the '974 patent. *See* ID at 60 (citing CX-0023C at Q&A 251, 254-264, 268). The evidence the ALJ cites provides ample support. *See id.*

C. Invalidity Determination

Garmin argues that under the Commission's proposed construction, the asserted claims of the '952 and '974 patents are rendered obvious by the Imagenex SportScan System and

anticipated and/or rendered obvious by the Imagenex Model 855 System. We disagree.

1. Applicable Law on Anticipation

Under 35 U.S.C. § 102(a), a patent is invalid for anticipation if it was "patented, described in a printed publication, or in public use, on sale, or otherwise available to the public before the effective filing date of the claimed invention." 35 U.S.C. § 102(a). "Anticipation is established by documentary evidence, and requires that every claim element and limitation is set forth in a single prior art reference, in the same form and order as in the claim." *Abbott Labs. v. Sandoz, Inc.*, 544 F.3d 1341, 1345 (Fed. Cir. 2007). The Federal Circuit has held that "[a] patent is invalid for anticipation if a single prior art reference discloses each and every limitation of the claimed invention. To be considered anticipatory, a prior art reference must describe the applicant's "claimed invention sufficiently to have placed it in possession of a person of ordinary skill in the field of the invention." *Helifix Ltd. v. Blok-Lok, Ltd.*, 208 F.3d 1339, 1346 (Fed. Cir. 2000) (quoting *In re Paulsen,* 30 F.3d 1475, 1479 (Fed. Cir. 1994)). Anticipation is a question of fact. *Texas Instruments, Inc. v. U.S. Int'l Trade Comm'n*, 988 F.2d 1165, 1177 (Fed. Cir. 1993).

2. Whether the Imagenex Model 855 System Anticipates the Asserted Claims of the '952 and '974 Patents

i. The ID

The ID found that the Imagenex Model 855 qualifies as prior art because it was available for sale before the '952 patent priority date. ID at 95

]]. But the ID found that Garmin failed to prove that the Imagenex Model 855 brochure (RX-0025C) qualifies as a prior art reference because in addition to the fact that the brochure [[ ]], the record evidence does not show

that the brochure was distributed to anyone. *Id.* [[

]].

With respect to the '974 patent, Garmin argued that the asserted claims of the '974 patent are invalid in view of the Imagenex Model 855 System for the same reasons the '952 and the '825 patents are invalid. ID at 79 (citing RIB at 138-139). The ALJ, however, found that Garmin failed to "set forth any claim by claim analysis and instead relies on its arguments set forth for the '952 and the '825 patents." *Id.* at 78-79. Yet, the ALJ found that "the claims for the asserted claims of the '974 patent are different from those of the '952 and the '825 patents." *Id.* at 78. Because Garmin failed to set forth argument relating specifically to the claims of the '974 patent, the ALJ found that Garmin failed to prove by clear and convincing evidence that the asserted claims of the '974 patent are also invalid. *Id.*

With respect to the merits, the ALJ found that the Imagenex Model 855 does not disclose a "transducer assembly mounted to a boat" as required by the asserted claims. ID at 70. Specifically, the ALJ found that the evidence shows that the Imagenex Model 855 is [[

]] *Id.* (citing RX-0025C (Model 855 System Brochure). The ALJ further found that the evidence shows that the Imagenex Model 855 is designed to be towed under the water behind a boat. *Id.* (citing RX-0025C at 0006). The ALJ also found that the evidence shows that the Imagenex Model 855 is [[

RX-0025C (Figure **1** Depiction from Model 855 System Brochure]].[[

]]

RX-0025C (Figure 1 Depiction from Model 855 System Brochure)

The ALJ noted his construction of the claim term "mounted to a boat" to mean "attached to a bottom surface of the boat" and concluded that [[

]] *Id.* (citing RX-0025C).

Based on the evidence, the ALJ determined that the Imagenex Model 855 fails to disclose the "transducer assembly mounted to a boat" limitation and thus fails to anticipate the asserted claims of the '952 and '974 patents.

The ALJ also found that the Imagenex Model 855 does not disclose "the claimed 30 degree depression angle in some of the asserted claims of the '974 patent." ID at 78-79. Specifically, the ALJ found that "Garmin cites to no evidence, aside from the conclusory testimony of its expert, to support its contentions" that [[

]] *Id.* (citing RIB at 138.) The ALJ found neither argument persuasive. *Id.*

ii. Garmin's Petition

Garmin takes issue "with the way in which the ALJ applied his claim construction to the correctly determined facts to reach the conclusion that hull mounting does not satisfy the limitation 'mounted to a boat.'" Garmin Pet. at 25. According to Garmin, "[h]ull mounting

means mounting the transducer to the hull of a boat, [[

]]

Id. at 26 (citing RX-0025C (Model 855 System Brochure) at 0005 (emphasis added by Garmin)). Garmin further argues that "hull mounting is a different type of mounting than strut mounting" and that the

]]

RX-0025C (Model 855 System Brochure) at 0001. Garmin contends that "that form of mounting is no different than mounting a sidescan sonar device to a trolling motor which is attached to a boat by means of a pole, one of the embodiments expressly disclosed in the asserted patents" and that the "proper construction of 'mounted to a boat' must certainly include pole mounting." *Id.* (citing JX-0001 ('952 Patent) at col.1 ll. 59–61). Garmin states that the "ALJ's erroneous conclusion regarding mounting to a boat was the sole reason for finding no anticipation by the Imagenex Model 855" and because in Garmin's view, the ALJ's construction is legally erroneous, the Commission should reverse and hold that the '952 and '974 patents are invalid for anticipation. *Id.* (citing ID at 70–71, 79).

iii. Johnson Outdoors' Response

Johnson Outdoors asserts that consistent with the ALJ's finding, the "patentability of the Asserted Patents was confirmed prior to this investigation in three separate reexamination proceedings by at least ten patent examiners experienced in the sonar art." Johnson Outdoors

Resp. at 18. Johnson Outdoors explains that despite Garmin generically referring to Imagenex Model 855 to suggest that it identifies a particular prior art product, there is no specific Imagenex Model 855 model. *Id.* Instead, according to Garmin, "it was a product line of a Canadian Company, Imagenex Corporation, which included many different types of sonar components" and that "Garmin's invalidity assertions regarding the [[

]] *Id.* at 19. Johnson Outdoors argues that "it is legally improper to regard them as a *single* prior art product; rather, each must be considered separately." *Id.* (citing *Kyocera Wireless Corp. v. Int'l Trade Comm'n*, 545 F.3d 1340, 1351-52 (Fed. Cir. 2008) (affirming the ITC's determination that eleven separate GSM specifications did not constitute a single prior art reference for § 102 purposes)).

Responding to Garmin's anticipation argument under § 102(a), Johnson Outdoors argues that no evidence shows that either of the "two modules was ever boat mounted in the United States (or elsewhere, for that matter), as required by all of the asserted claims of the patents." *Id.* at 20. According to Johnson Outdoors, "[t]he evidence shows that both of these two modules [[

]] *Id.*

[[

]]; RX-1691 (Johnson Dep.) 13:2-3; Calder, Tr. 733:11-736:10). Johnson Outdoors adds that the evidence shows that the Model 855 transducers were

designed for towing. *Id.* at 21. As explained by Johnson Outdoors, "the particular dual transducer side scan sonar modules upon which Garmin relies as prior art have a fully circular housing, as well as a hydrodynamic body" and that "[t]hese are design features specific to towing, not boat mounting." *Id.* (citing Miller, Tr. 260:9-23; Calder, Tr. 727:16-731:23;[[ ]]).

Johnson Outdoors also contends that the ALJ correctly concluded that the brochure that Garmin relies on does not qualify as prior art, because the brochure was not generally available and is not a printed publication. *Id.* at 22-26. Johnson Outdoors asserts that "there is no probative testimony of dissemination or distribution of RX-0025C" and "there is no independent evidence corroborating that RX-0025C was in fact made available [[ ]]." *Id.* at 23. Johnson Outdoors further asserts that "there is no evidence from the document itself that it is a printed publication" and that "RX-0025C contains no copyright notice or publication date; and it contains no printer indicia." *Id.* at 24. Johnson Outdoors argues that Gamin never "produced an original printed version of RX-0025C; only electronic versions were made available" and the "electronic versions of RX-0025C do not appear to be images made from a physical brochure" but "consistent with a word processing document." *Id.* Johnson Outdoors adds that Garmin never "produced an actual, bound and printed version of RX-0025C, or offered the testimony of anyone who had ever received one." *Id.* at 24-25. Johnson Outdoors also supports the ALJ's finding that even if RX-0025C were prior art, "it does not disclose boat- or strut-mounting of its pictured dual transducer side scan sonar modules." *Id.* at 26-29.

iv. Analysis

The Commission finds that the ALJ did not err in finding that Garmin failed to prove by

clear and convincing evidence that the Imagenex Model 855 anticipates the asserted claims of the '974 patent. The Commission affirms the ALJ's finding that the Imagenex Model 855 brochure (RX-0025C) does not qualify as a prior art reference because the record does not reveal that the Imagenex Model 855 brochure was distributed to anyone and the brochure contains no date of publication. ID at 95 (citing RX-0026C at 276-280). Garmin states in a footnote that "[t]he ALJ determined that the Model 855 System is prior art and relied on the Model 855 brochure to describe the system. ID at 70. Like the ALJ, Garmin is relying on the Model 855 brochure to describe the system." Garmin Pet. at 25 n.2. Garmin's argument, which suggests that the ALJ discarded his specific finding that the brochure is not prior art, is disingenuous. The ALJ found that the Imagenex Model 855 models themselves were prior art but made the specific finding that the brochure RX-0025C did not qualify as prior art. ID at 95. The ALJ referenced the Imagenex Model 855 brochure to make the point that even if it qualified as prior art, it did not disclose the claims of the asserted patents. *See* ID at 95. In our view, Garmin's reliance on the brochure as a prior art reference is improper.

The physical samples of the Model 855 products that Garmin relied upon do not disclose the "mounted to a boat" limitation. We agree with Johnson Outdoors that the evidence shows that the Model 855 transducers were designed for towing. We also agree with Johnson Outdoors that the record evidence shows that the "Model 855 transducers [[

]] *See* [[

]];

RX-1691 (Johnson Dep.) 13:2-3; Calder, Tr. 733:11-736:10). Indeed, Garmin does not rely on the physical samples but relies exclusively on the RX-0025C brochure to make its case. As discussed above, this is improper.[11]

Moreover, Garmin does not argue that the Model 855 system by itself discloses the "30 degree depression angle" limitation recited in claims 22 and 27 of the '974 patent. Anticipation, however, "requires that every claim element and limitation is set forth in a single prior art reference, in the same form and order as in the claim." *Abbott Labs. v. Sandoz, Inc.*, 544 F.3d 1341, 1345 (Fed. Cir. 2007).

3. Applicable Law on Obviousness

Under 35 U.S.C. § 103, a patent is valid unless "the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains." 35 U.S.C. § 103. A patent is presumed to be valid, and included within the presumption of validity is a presumption of non-obviousness. *Structural Rubber Prods. Co. v. Park Rubber Co.*, 749 F.2d 707, 714 (Fed. Cir. 1984).

Obviousness is a question of law based on underlying facts, as set forth in *Graham v. John Deere Co.*, 383 U.S. 1 (1966). "The Graham factors are (1) the scope and content of the prior art, (2) the difference between the prior art and the claimed invention, (3) the level of ordinary skill in the field of the invention, and (4) any relevant objective considerations." *Soverain Software LLC v. NewEgg, Inc.*, 705 F.3d 1333, 1336 (Fed. Cir. 2013). "The Graham Court explained that 'the ultimate question of patent validity is one of law.'" *Id.* (citing *Graham*,

[11] We discuss the ALJ's waiver finding regarding the '974 patent in the next section under obviousness.

383 U.S. at 17).

"Generally, a party seeking to invalidate a patent as obvious must demonstrate 'by clear and convincing evidence that a skilled artisan would have been motivated to combine the teaching of the prior art references to achieve the claimed invention, and that the skilled artisan would have had a reasonable expectation of success in doing so.'" *OSRAM Sylvania, Inc. v. Am. Induction Techs., Inc.*, 701 F.3d 698, 706-707 (Fed. Cir. 2012) (quoting *Pfizer, Inc. v. Apotex, Inc.*, 480 F.3d 1348, 1361 (Fed. Cir. 2007)); *see also Amgen, Inc. v. F. Hoffman–LA Roche Ltd.*, 580 F.3d 1340, 1362 (Fed. Cir. 2009). "The Supreme Court has warned, however, that, while an analysis of any teaching, suggestion, or motivation to combine known elements is useful to an obviousness analysis, the overall obviousness inquiry must be expansive and flexible." *OSRAM*, 701 F.3d at 707. A proper obviousness analysis requires at least consideration of two factors:

> (1) whether the prior art would have suggested to those of ordinary skill in the art that they should make the claimed composition or device, or carry out the claimed process; and (2) whether the prior art would also have revealed that in so making or carrying out, those of ordinary skill would have a reasonable expectation of success. Both the suggestion and the reasonable expectation of success must be founded in the prior art, not in the applicant's disclosure.

Velander v. Garner, 348 F.3d 1359, 1363 (Fed. Cir. 2003) (internal citations omitted).

The critical inquiry in determining the differences between the claimed invention and the prior art is whether there is a reason to combine the prior art references. *See C.R. Bard v. M3 Sys.*, 157 F.3d 1340, 1352 (Fed. Cir. 1998). For example:

> [A] patent composed of several elements is not proved obvious merely by demonstrating that each of its elements was, independently, known in the prior art. Although common sense directs one to look with care at a patent application that claims as innovation the combination of two known devices according to their established functions, it can be important to identify a reason that would have prompted a person of ordinary skill in

> the relevant field to combine the elements in the way the claimed new invention does. This is so because inventions in most, if not all, instances rely upon building blocks long since uncovered, and claimed discoveries almost of necessity will be combinations of what, in some sense, is already known.

KSR Int'l Co. v. Teleflex, Inc., 550 U.S. 398, 418-19 (2007) (emphasis added). The Federal Circuit case law previously required that, in order to prove obviousness, the patent challenger had to demonstrate, by clear and convincing evidence, that there is a "teaching, suggestion, or motivation" to combine. The Supreme Court rejected this "rigid approach" employed by the Federal Circuit in *KSR Int'l Co. v. Teleflex Inc.*, 500 U.S. 398, 415 (2007). The Court stated:

> When a work is available in one field of endeavor, design incentives and other market forces can prompt variations of it, either in the same field or a different one. If a person of ordinary skill can implement a predictable variation, § 103 likely bars its patentability. For the same reason, if a technique has been used to improve one device, and a person of ordinary skill in the art would recognize that it would improve similar devices in the same way, using the technique is obvious unless its actual application is beyond his or her skill.

KSR, 550 U.S. at 417. The Federal Circuit has harmonized the *KSR* opinion with many prior circuit court opinions by holding that when a patent challenger contends that a patent is invalid for obviousness based on a combination of prior art references, "the burden falls on the patent challenger to show by clear and convincing evidence that a person of ordinary skill in the art would have had reason to attempt to make the composition or device, or carry out the claimed process, and would have had a reasonable expectation of success in doing so." *PharmaStem Therapeutics, Inc. v. ViaCell, Inc.*, 491 F.3d 1342, 1360 (Fed. Cir. 2007) (citing *Medichem S.A. v. Rolabo S.L.*, 437 F.3d 1175, 1164 (Fed. Cir. 2006)).

Generally, a prior art reference that teaches away from the claimed invention does not create a *prima facie* case of obviousness. *In re Gurley*, 27 F.3d 551, 553 (Fed. Cir. 1994). "A

reference may be said to teach away when a person of ordinary skill, upon reading the reference, would be discouraged from following the path set out in the reference, or would be led in a direction divergent from the path that was taken by the applicant." *Id.*

"Secondary considerations," also referred to as "objective evidence of non-obviousness," must be considered in evaluating the obviousness of a claimed invention, but the existence of such evidence does not control the obviousness determination. *Graham*, 383 U.S. at 17-18. A court must consider all of the evidence under the *Graham* factors before reaching a decision on obviousness. *Richardson-Vicks Inc.*, 122 F.3d at 1483-84. Objective evidence of non-obviousness may include evidence of the commercial success of the invention, long felt but unresolved needs, failure of others, copying by others, teaching away, and professional acclaim. *See Perkin-Elmer Corp. v. Computervision Corp.*, 732 F.2d 888, 894 (Fed. Cir. 1984), *cert. denied*, 469 U.S. 857 (1984); *Avia Group Int'l, Inc. v. L.A. Gear California*, 853 F.2d 1557, 1564 (Fed. Cir. 1988); *In re Hedges*, 783 F.2d 1038, 1041 (Fed. Cir. 1986); *Kloster Speedsteel AB v. Crucible Inc.*, 793 F.2d 1565 (Fed. Cir. 1986), *cert. denied*, 479 U.S. 1034 (1987). The burden of showing secondary considerations is on the patentee and, in order to accord objective evidence substantial weight, a patentee must establish a nexus between the evidence and the merits of the claimed invention; a *prima facie* case is generally set forth "when the patentee shows both that there is commercial success, and that the thing (product or method) that is commercially successful is the invention disclosed and claimed in the patent." *In re GPAC Inc.*, 57 F.3d 1573, 1580 (Fed. Cir. 1995); *Demaco Corp. v. F. Von Langsdorff Licensing Ltd.*, 851 F.2d 1387, 1392 (Fed. Cir. 1988), *cert. denied*, 488 U.S. 956 (1988); *Certain Crystalline Cefadroxil Monohydrate*, Inv. No. 337-TA-293, Comm'n Op. (March 15, 1990). Once a

patentee establishes nexus, the burden shifts back to the challenger to show that, *e.g.*, commercial success was caused by "extraneous factors other than the patented invention, such as advertising, superior workmanship, etc." *Id.* at 1393.

At all times, the burden remains on the defendant to establish by clear and convincing evidence that the patent is obvious. *In re Cyclobenzaprine Hydrochloride Extended–Release Capsule Patent Litig.*, 676 F.3d 1063, 1077–78 (Fed. Cir. 2012).

4. Whether the Model 855 System or Sportscan System Renders the Asserted Claims of the '952 and '974 Patents Obvious

i. The ID

The Model 855 System

As noted above, the ALJ found that the Imagenex Model 855 qualifies as prior art because it was available for sale before the '952 patent priority date, and he found that Garmin failed to prove that the Imagenex Model 855 brochure (RX-0025C) is a prior art reference as a printed publication. ID at 95 [[

]]. Specifically, the ALJ found that the record fails to show that the Imagenex Model 855 brochure (RX-0025C) was distributed to anyone and that the brochure [[

]]. Thus, the ALJ found that the RX-0025C brochure does not qualify as prior art, and consistent with that finding, concluded that the following illustrations from the brochure that Garmin relied upon do not qualify as prior art to support a showing of obviousness by clear and convincing evidence:[[

]] *Id.*

The ALJ further found that even if the Imagenex Model 855 brochure was taken as a prior art reference, Garmin still failed to prove by clear and convincing evidence that the '952 patent is invalid as obvious in view of the Imagenex Model 855 and/or the Imagenex Model 855 brochure. *Id.* at 95-96. With respect to mounting the Imagenex Model 855 onto a boat, the ALJ found that the Imagenex Model 855 brochure describes [[

]] *Id.* at 96. The ALJ found the [[

]] *Id.* The ALJ further found that [[

]] *Id.* (citing CX-0792C at QA 192). The ALJ

further found that the Imagenex Model 855 teaches away from attaching the Imagenex Model 855 to a bottom surface of a boat because [[

]] using the Imagenex Model 855 away from the surface of the boat.[12] *Id.*[13]

The SportScan System

With respect to the SportScan system, the ALJ found that Garmin's obviousness contentions are facially inadequate and, thus, Garmin failed to prove by clear and convincing evidence that the '952 patent is invalid as obvious in view of the SportScan system. *Id.* at 90. The ALJ observed that concerning mounting the SportScan onto a boat, "Dr. Miller testified that a person 'using merely the exercise of ordinary skill' could have mounted the tail taken off of the SportScan to a boat." *Id.* at 91 (citing Miller Tr. 190:7-11). But the ALJ found that "the record does not provide any evidence that the SportScan was designed to be mounted to a boat nor that the SportScan tail section could be removed and mounted to a boat." *Id.* at 91 (citing Calder Tr. 744:24 – 745:2). The ALJ further found that "the record shows the SportScan was not sold with boat-mounting hardware but only with a tow cable and none of the SportScan publications refer to using the device with struts, poles or hull attachments." *Id.* (citing Calder Tr. 743:2-8).

The ALJ concluded that "the record shows attempting to mount the removed tail section of the SportScan may have been a reasonable thing to try" but that "[e]vidence of obviousness,

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[12] While the Commission disagrees with the ALJ that the claim limitation requires "attachment to the bottom surface of the boat," the Commission adopts the ALJ's reasoning because it also supports the Commission's requirement that the imaging device be "proximately secured" to the boat. Aside from the finding that the Imagenex Model 855 brochure is not prior art, the ALJ found that the disclosures in the Imagenex Model 855 place the imaging device far from the boat and thus do not meet the "mounted to a boat" limitation.

[13] The Commission notes that the ALJ also found that Imagenex Model 855 failed to disclose other claim limitations of the '952 patent. *See, e.g.*, ID at 96-97. As noted above, the Commission adopts all of the ALJ's findings that are not inconsistent with this opinion.

especially when that evidence is proffered in support of an 'obvious-to-try' theory, is insufficient unless it indicates that the possible options skilled artisans would have encountered were 'finite,' 'small,' or 'easily traversed,' and that skilled artisans would have had a reason to select the route that produced the claimed invention." *Id.* (citing *In re Cyclobenzaprine Hydroschloride Extended-Release Capsule Patent Litigation*, 676 F.3d 1064, 1072 (citing *Ortho–McNeil Pharm., Inc. v. Mylan Labs., Inc.*, 520 F.3d 1358, 1364 (Fed. Cir. 2008)). The ALJ found that "[n]othing in Dr. Miller's testimony sheds light on why a skilled artisan would have cut the tail off of the SportScan and mounted the tail to a boat" and that "the absence of such testimony suggests that skilled artisans had no reason to take this course of action." *Id.* The ALJ further stated that even though "a POSITA could have tried to cut off the tail section of the SportScan and mount the tail to a boat, relying on this 'obvious-to-try' theory to support an obviousness finding is impermissible." *Id.* (citing *Cyclobenzaprine*, 676 F.3d at 1071-72).[14]

The '974 patent

Regarding the '974 patent (and the '825 patent), the ALJ observed that "Garmin simply asserts that the asserted claims of these patents are invalid." ID at 99. The ALJ noted that he addressed Garmin's arguments as anticipation arguments and stated that "[i]t is not clear whether Garmin argues that the asserted claims of these two patents are also obvious in light of the individual references aside from including a heading for secondary considerations of non-obviousness" and that he would "not guess Garmin's arguments or even attempt to 'glean' the obviousness arguments from its briefs." *Id.* (pointing to RIB at 125-135; 137-140). The ALJ further stated that "[a] simple assertion that the asserted claims are 'invalid' does little to shed

[14] The Commission notes that the ALJ also found that SportScan system failed to disclose other claim limitations. *See, e.g.*, ID at 92, 72.

any light on whether such invalidity is based on 35 U.S.C. § 102, 103 or some other section, *e.g.*, 112." Thus the ALJ concluded that "Garmin has not made any obviousness arguments for the '825 and the '974 patents." *Id.* The ALJ noted that "even assuming that Garmin made obviousness arguments, those arguments fail for the same reasons set forth above." *Id.*

a. Garmin's Petition

The Model 855 System and SportsScan System

Garmin argues that the ALJ's finding that it would not have been obvious to mount either the SportScan towfish or the transducer housing of the Imagenex Model 855 to a boat is erroneous for three reasons. Garmin Pet. at 27. First, Garmin contends that the ALJ committed legal error in determining that an "'obvious-to-try' theory to support an obviousness finding is impermissible." *Id.* at 28 (citing ID at 91). According to Garmin, "the ALJ correctly found the undisputed record evidence is that a person "using merely the exercise of ordinary skill" could have mounted the tail taken off of the SportScan to a boat, and that "attempting to mount the removed tail section of the SportScan may have been a reasonable thing to try." *Id.* (citing ID at 91). Yet, the ALJ found the evidence insufficient to show obviousness. ID at 91. Garmin argues that "[t]he proper focus for obviousness is not whether the record 'provide[s] any evidence that the SportScan was designed to be mounted to a boat' but rather whether "the combination of familiar elements according to known methods is likely to be obvious when it does no more than yield predictable results." *Id.* (citing *KSR Int'l Co. v. Teleflex Inc.*, 550 U.S. 398, 416 (2007)).

Garmin contends that under *KSR*, one shows that "an invention is obvious by showing that a combination of elements is 'obvious to try' where, as here, "there is a design need or

market pressure to solve a problem and there are a finite number of identified, predictable solutions." *Id.* (citing *KSR*, at 402). Garmin adds that under *KSR*, "a person of ordinary skill in the art has good reason to pursue the known options within his or her technical grasp" and that if "this leads to the anticipated success, it is likely the product not of innovation but of ordinary skill and common sense." *Id.* (citing *KSR*, at 402–03). Garmin argues that David Betts, a named inventor of the asserted patents testified that there was a design need for a commercially successful sidescan transducer. *Id.* at 28-29 (citing Betts Tr. at 308:4–7; CX-0085C (Betts WS) at Q/A 27–29). Garmin further argues that no dispute exists that "scanning sonar in towfish were known at the time of the alleged inventions, and had been mounted to a boat" and that "there are only a finite number of ways of mounting a sonar assembly: it can be mounted directly to the hull of a boat; attached to a boat by means of a pole; or deployed in a towfish." *Id.* at 29 (citing Betts Tr. at 411:5–14; JX-0001 ('952 Patent) at col.1 ll. 34-35, 56-57). Garmin adds that "it was within the technical grasp of a person skilled in the art around the time of the invention to attach a towfish like the SportScan to a boat, as the ALJ acknowledged." *Id.* 29-30 (citing ID at 91; Miller Tr. at 189:5–11; 190:3–11.

Garmin takes issue with the ALJ's reliance on "a chemical compound case, *In re Cyclobenzaprine Hydrochloride Extended-Release Capsule Patent Litigation*" and argues that there "the Federal Circuit distinguished between: (1) obviousness based on the pursuit of "known options" from a "finite number of identified predictable solutions" and (2) urging an obviousness finding by "merely throw[ing] metaphorical darts at a board" in hopes of arriving at a successful result" where "the prior art gave either no indication of which parameters were critical or no direction as to which of many possible choices is likely to be successful." *Id.* at 30-31 (citing

Cyclobenzaprin, 676 F.3d 1063, 1070 (Fed. Cir. 2015) (quotation marks omitted)). According to Garmin, this case "involves the former and not the latter" and "[i]f a person of ordinary skill can implement a predictable variation, § 103 likely bars its patentability." *Id.* (citing *KSR*, 550 U.S. at 418).

Second, Garmin argues that Johnson Outdoors represented to the Patent Office that "mounting towfish to a boat was known in the prior art" and that this representation contradicts the ALJ's determination of non-obviousness. Garmin Pet. at 31. According to Garmin, the patentees initially presented "mounting a side scan sonar in a boat" as the point of novelty of their invention but changed course and clarified during the reexamination proceedings that boat-mounted side scan sonar was known in the prior art. *Id.* (citing JX-0005 ('952 Patent File History) at 0097-98; Betts Tr. at 410:25–411:10 (discussing prior art having sidescan "transducers attached to the keel of a boat"); 413:24–414:2; 417:4–418:2 (discussing prior art showing "hull-mounted or over-the-side mounted" side scan systems); JX-0007 ('952 Reexam) at 1234–35 (Jan. 17, 2012 Patent Owner's Statement and Amendment Under 37 C.F.R. § 1.530). JX-0007 ('952 Reexam) at 1605 (June 6, 2012 Affidavit of D. Betts). Garmin states that Mr. Betts, a named inventor on the patents, "admitted during the Hearing in this Investigation that he did not invent boat-mounted transducer assemblies for sidescan sonar" and testified as follows:

> Q. Now, I'm not representing that all these are boat-mounted sidescan transducers, Mr. Betts. But was this at the point in time when you had realized that you were not the first one to invent a boat-mounted transducer assembly for sidescan sonar?
>
> A. Yes.

Betts Tr. at 425:3–8.

> Q. In 2003, taking a sonar sidescan system in a towfish, was it within the

ordinary skill to be able to mount that to a boat?

A. You would need some capability and some -- and a person of ordinary skill in the art could figure it out. It would take some time, but they could-- they could do it.

Miller Tr. at 189:5–11; Garmin Pet at 32-33

Finally, Garmin argues that the "ALJ erred in finding that mounting sidescan sonar to a boat was not known because he found in connection with Garmin's inequitable conduct defense, that there was a "convention in the art at the time of the inventions of mounting long side scan elements to a boat." Garmin Pet. at 32 (citing ID at 104).

Garmin also argues that the "ALJ further erred in finding, for purposes of obviousness, that the brochure for the Imagenex Model 855 had not been shown to be prior art." *Id.* Garmin states that "[i]n view of the other evidence in the record, the teaching of the brochure is not necessary to reach a legal conclusion of obviousness." *Id.* Yet, Garmin argues that "the ALJ himself relies on the brochure for purposes of finding no anticipation" (ID at 70) and that "the unrebutted testimony of the witness from Imagenex, Mr. Gordon Kristensen, [[

]]" *Id.* (citing RX 1692C (Aug. 31, 2011 Kristensen Dep. Tr.) at 26–29. Garmin further argues that "the very same information contained in the brochure with respect to boat mounting was also included in the user's manual for the Model 855 system" and that "the record includes both testimony and documentary sales records establishing that the user's manual was provided to Imagenex customers in the United States many years before the priority date for the asserted patents." *Id.* (citing RX- 1692C (2011 Kristensen Dep. Designations) at 27:13–19, 118:9–123:6.

The '974 Patent

Garmin states that it did not waive its obviousness arguments as to the '974 patent as the ALJ found but that it "argued in its prehearing brief and posthearing briefs that the asserted claims were obvious." Garmin Pet. at 57 (citing Compls. Br. at 126–30, 137–139; Compls. Reply Br. at 45–60).

b. Johnson Outdoors' Response

The Model 855 System

For the "mounted to a boat" limitation, Johnson Outdoors relies on similar arguments it made in connection with anticipation (discussed above).

The SportScan System

Johnson Outdoors explains that both the Model 855 system and SportScan system are dual transducer side scan towfish marketed by Imagenex, and that like the Model 855 brand products, "Garmin improperly combined separate devices and documents—some of which are not even prior art—to form each of its alleged prior art SportScan 'systems.'" Johnson Outdoors at 42-43 (citing CX-0792C (Miller RebuttalWitness Statement) at QA 7, 9, 58, 190). Johnson Outdoors contends that treating each of Garmin's references separately, as mandated by law (citing *Kyocera*, 545 F.3d at 1351-52), "Garmin has failed to show how any of its SportScan references that constitute prior art discloses each and every element of any asserted claim." *Id.* at 43 (citing CX-0792C (Miller RebuttalWitness Statement) at QA 3).

Johnson Outdoors argues that the record evidence supports the ALJ's finding that "the SportScan clearly does not disclose a 'transducer assembly mounted to a boat' as required by the asserted claims." *Id.* at 43 (citing ID at 69). Johnson Outdoors points out that "Mr. Martin, a

real world third-party user of a SportScan towfish that Garmin itself had purchased, did not mount it to a boat" and "in fact, he still needed two Humminbird fishfinders to fish." *Id.* at 44 (citing Calder, Tr. 743:9-744:23). Johnson Outdoors also points to evidence that the "SportScan towfish was not sold with boat-mounting hardware, but was sold with a tow cable" and that the SportScan manual only instructs towing, not boat-mounting." *Id.* (citing Calder, Tr. 743:6-8; RX-0048C; JX-0007 at Exhibit Pg. 6095). Johnson Outdoors further observes that "Imagenex's other publications do not refer to mounting a SportScan towfish to a boat, or for that matter, with struts or poles." *Id.* (citing Calder, Tr. 743:2-5).

Johnson Outdoors states that the ALJ correctly determined that Garmin's "obvious-to-try" theory failed. *Id.* at 48 (citing ID at 91). As Johnson Outdoors explains, Garmin's "obvious-to-try" theory is that "one of ordinary skill could have tried to cut off the tail section of the SportScan and mount it to a boat." *Id.* Johnson Outdoors contends that it is "beside the point whether it was physically possible for a person of ordinary skill to mount a SportScan towfish to a boat" and that as the ALJ found, "Garmin did not put forth clear and convincing evidence that would "shed[] light on why a skilled artisan would have cut the tail off of the SportScan and mounted the tail to a boat." *Id.* Johnson Outdoors further argues that contrary to Garmin's assertion (Pet. 28), "the ALJ did not focus merely on the unequivocal fact that the SportScan towfish—a torpedo-like object over two feet long (*see* Pet. 21; RX-0049)—was not designed to be mounted to a boat." *Id.* at 48-49. Rather, Johnson Outdoors contends that "there was insufficient proof that the skilled artisan would have been motivated to mount it." *Id.* at 49

Johnson Outdoors states that *KSR* does not help Garmin. *Id.* According to Johnson Outdoors, the very patent that Garmin relies on, the Kietz patent (U.S. Patent No. 3,005,973),

shows that the conventional wisdom taught against mounting short side scan transducers, like those found in the Imagenex Model 855 or SportScan towfish to a boat. *Id.* at 49. Johnson Outdoors points to the Patent Office's statement during reexamination of the patents that "any suggestion of SportScan to reduce the size of side-scan transducers to the claimed size in embodiment (1) [of the Kietz patent, referring to the long hull-mounted transducers] would teach away from the invention of Kietz." *Id.* (citing JX-0007 ('952 Reexamination File History) at Exhibit Pg. 7058. Johnson Outdoors further argues that "the idea of putting two side scan acoustic elements in one container (such as in some towfish) was thought to preclude hull mounting." *Id.* (citing CX-0792C (Miller RebuttalWitness Statement) at QA 42).

Johnson Outdoors explains that "[b]ecause a goal was to obtain clear views on both sides of the boat, a single container having two acoustic elements had to be located to the bottom of the keel, or require structural addition to the boat itself" and that "[a] towfish mounted on a hull of a fishing boat would cause drag and impede its normal operation, and cause turbulence and other noise, such as bubbling and cavitation, which would inhibit the sonar's acoustic operation." *Id.* (citing CX-0023C (Miller Direct Witness Statement) at QA 48). Thus, Johnson Outdoors explains that "hull mounts were generally contained in two separate enclosures, as shown in the Kietz patent: one attached to the left side of the boat, one to the right side, so as to clear the keel." *Id.* (citing CX-0792C (Miller RebuttalWitness Statement) at QA 42). According to Johnson Outdoors, "transom mounts were unheard of for side scan sonars." *Id.* (citing Betts, Tr. 398:7-11). Johnson Outdoors disagrees with Garmin's argument that "the known options were within the technical grasp of a person skilled in the art" (Pet. 30), arguing that "even if a skilled artisan were able to attach a towfish to a boat, Garmin did not prove that one would have been

motivated to do so, as the ALJ so found." *Id.* (citing ID at 91).

Johnson Outdoors further argues that the ALJ's obviousness finding does not contradict any of his other findings. Johnson Outdoors at 51. Johnson Outdoors states that the "ALJ correctly observed that there was a "convention in the art at the time of the inventions of mounting long side scan elements to a boat." *Id.* (citing ID at 104). Johnson Outdoors emphasizes that the "convention was mounting long side scan elements to a boat, not any side scan elements, and particularly not short side scan element such as in the Model 855 or SportScan towfish." *Id.*

ii. Analysis

The ALJ's obviousness finding is not in error. Obviousness is a question of law based on underlying facts, and here the ALJ credited the testimony of Johnson Outdoors' experts over Garmin's experts. In light of the lack of physical evidence supporting Garmin's position, the ALJ's rejection of its expert testimony is not error.

Patents generally enjoy a presumption of validity, which must be overcome by clear and convincing evidence. The asserted patents here have undergone extensive reexamination at the Patent Office, and the Patent Office, using a broadest reasonable interpretation of the claims standard, has found them valid. In our view, the ALJ correctly found that Garmin failed to meet its burden of proving by clear and convincing evidence that these patents are invalid in view of the Imagenex Model 855 system or the Imagenex SportScan System.[15] Both the Model 855

[15] In its petition for review, Garmin relies on only these two references and has therefore abandoned reliance on any other references. *See* Garmin Pet. at 7 (Garmin respectfully requests that the Commission review whether the Asserted Patents are invalid over two prior art systems: the Imagenex SportScan System and the Imagenex Model 855 system).

system and SportScan system are dual transducer side scan towfish marketed by Imagenex, a Canadian Company that markets many different types of sonar components. *See* RPX-003; RX-0026C.0276-0280, 0311.

For the Model 855 system, as discussed above, we agree with the ALJ that the primary reference on which Garmin relies, the Imagenex Model 855 brochure (RX-0025C) does not qualify as a prior art reference because the record does not show that the Imagenex Model 855 brochure was distributed to anyone and the brochure contains no date of publication. ID at 95 (citing RX-0026C at 276-280); RX-0025C. Thus, to substantiate its obviousness argument in light of the Model 855 System, Garmin must rely on the actual physical products themselves. Yet, the evidence shows that the Model 855 systems were designed for towing. Calder, Tr. 727:8-15; RX-1691 (Johnson Dep.) 13:2-3; Calder, Tr. 733:11-736:10; [[

]]. No evidence shows that the Model 855 systems were designed to be boat mounted or were ever boat mounted in the United States, as required by the asserted claims. Indeed, Garmin does not rely on the physical products to show obviousness, but relies exclusively on the Model 855 brochure (RX-0025C), which does not qualify as prior art.

Garmin argues that the ALJ erred in finding that the Model 855 brochure is not prior art and that "the very same information contained in the brochure with respect to boat mounting was also included in the user's manual for the Model 855 system." Garmin Pet. at 33. As discussed above, we agree with the ALJ that the Model 855 brochure does not qualify as prior art. A comparison of the user manual to the brochure shows that the two documents differ with respect to boat mounting. Moreover, Garmin did not cite to the manual before the ALJ. *Compare* RX-

0025C *with* RX-0026.0194-2-0274.

Concerning the SportScan System, it appears that Garmin misunderstands the significance of the ALJ's "obvious to try" position. The primary import of the ALJ's discussion is his finding that "[n]othing in Dr. Miller's testimony sheds light on why a skilled artisan would have cut the tail off of the SportScan and mounted the tail to a boat" and that "the absence of such testimony suggests that skilled artisans had no reason to take this course of action." ID at 91. That is, while it may have been possible to try, Garmin failed to show why one of ordinary skill would have mounted the tail taken off of the SportScan to a boat. Yet, Garmin, relying on *KSR*, contends that "an invention is obvious by showing that a combination of elements is 'obvious to try' where, as here, 'there is a design need or market pressure to solve a problem and there are a finite number of identified, predictable solutions.'" Garmin Pet. at 29-30 (citing *KSR* at 402). Garmin then alleges that "it was within the technical grasp of a person skilled in the art around the time of the invention to attach a towfish like the SportScan to a boat." *Id.* (citing ID at 91; Miller Tr. at 189:5–11; 190:3–11). Garmin has it wrong. The evidence shows that it was not obvious to mount short side scan transducers, like those found in the Imagenex Model 855 or SportScan towfish to a boat. Indeed, as the Patent Office concluded during reexamination of the patent, the prior art taught away from such a design. *See* Kietz patent (U.S. Patent No. 3,005,973); JX-0007 ('952 Reexamination File History) at Exhibit Pg. 7058 ("any suggestion of SportScan to reduce the size of side-scan transducers to the claimed size in embodiment (1) [of the Kietz patent, referring to the long hull-mounted transducers] would teach away from the invention of Kietz.").

We disagree with Garmin that Johnson Outdoors' representation to the Patent Office that

"mounting a towfish to a boat was known in the prior art" contradicts the ALJ's determination of non-obviousness. *See* Garmin Pet. at 31. We note that the Patent Office during in depth reexamination proceedings granted the patent even though it was aware of Johnson Outdoors's representation. The ALJ noted that there was a "convention in the art at the time of the inventions of mounting long side scan elements to a boat." ID at 104. As Johnson Outdoors emphasizes the "convention was mounting *long* side scan elements to a boat, not *any* side scan elements, and particularly not short side scan element such as in the Model 855 or SportScan towfish." Johnson Outdoors Resp. at 48-49 (emphasis in original); Betts, Tr. 398:7-11.

Secondary Considerations

Moreover, even though the ALJ did not rely on secondary considerations, the overwhelming evidence in the record of secondary considerations, *i.e.*, commercial success, praise by others, long-felt need, and copying, including by Garmin itself, point to the non-obviousness of the claimed inventions. *See Apple Inc. v. Int'l Trade Comm'n*, 725 F.3d 1356, 1365 (Fed. Cir. 2013) (objective evidence of non-obviousness "guards against the use of hindsight because it helps 'turn back the clock and place the claims in the context that led to their invention'") (internal citations omitted); Johnson Outdoors Resp. at 60-73. Indeed, [[

]] JX-0089C at 1; CX-0023C (Miller Direct Witness Statement) at Q107-108; CX-0122C (Grindle Witness Statement); Grindle Tr. at 95:2-97:8, 131:25-132:11; CX-0131 (Gibson Witness Statement at QA 12-16, 38; Gibson Tr. at 166:12-17, 167:17-21; CX-0151 (Parker

Witness Statement) at QA 36.

The record also contains evidence of industry recognition and praise. *See* CX-0131 (Gibson Witness Statement) at QA 17-29; CX-0023C (Miller Witness Statement) at Q 82, 94-121; CX-0151 (Parker Witness Statement). The record further contains evidence that the products satisfied a long-felt need. *See* CX-0023C (Miller Witness Statement) at Q 83; CX-0151 (Parker Witness Statement); Korte, Tr. 588:20-589:7.

The '974 Patent

Garmin states that it did not waive its obviousness arguments as to the '974 patent, as the ALJ found, but that it "argued in its prehearing brief and posthearing briefs that the asserted claims were obvious." Garmin Pet. at 57 (citing Compls. Br. at 126–30, 137–139; Compls. Reply Br. at 45–60; ID at 99). Yet, Garmin cannot point to a detailed obviousness analysis of the asserted claims of the '974 patent in light of any prior art. Garmin bore the burden of establishing by clear and convincing evidence that the asserted claims of the '974 patent were invalid and it was incumbent upon Garmin to clearly present its argument. We agree with the ALJ that "[a] simple assertion that the asserted claims are 'invalid' does little to shed any light on whether such invalidity is based on 35 U.S.C. § 102, § 103 or some other section, *e.g.*, § 112." ID at 99. In any event, as detailed above, we agree with the ALJ's findings on the merits as it pertains to the '952 patent, and to the extent that Garmin relies on the same arguments for the '974 patent, to the '974 patent as well.

V. REMEDY

A. Limited Exclusion Order

Where a violation of section 337 has been found, the Commission must consider the

issues of remedy, the public interest, and bonding. Section 337(d)(1) provides that "[i]f the Commission determines, as a result of an investigation under this section, that there is a violation of this section, it shall direct that the articles concerned, imported by any person violating the provision of this section, be excluded from entry into the United States ..." 19 U.S.C. § 1337 (d)(1). The Commission has "broad discretion in selecting the form, scope, and extent of the remedy." *Viscofan, S.A. v. U.S. Int'l Trade Comm'n*, 787 F.2d 544, 548 (Fed. Cir. 1986). The Commission may issue an exclusion order excluding the goods of the person(s) found in violation (a limited exclusion order) or, if certain criteria are met, against all infringing goods regardless of the source (a general exclusion order). The Commission also has authority to issue cease and desist orders in addition to or in lieu of exclusion orders. *See* 19 U.S.C. § 1337(f). The Commission generally issues cease and desist orders to respondents who maintain commercially significant inventories of infringing products in the United States. *See, e.g.*, *Certain Laser Bar Code Scanners and Scan Engines, Components Thereof, and Products Containing Same*, Inv. No. 337-TA-551, Comm'n Opinion at 22 (June 14, 2007).

1. Summary of the Issue and Parties' Arguments

The ID included the ALJ's recommended determination on remedy and bonding. The ALJ recommended that in the event the Commission finds a violation of section 337, the Commission should issue a limited exclusion order directed to Garmin's accused products and include a certification provision in the order. ID at 112-13.

Johnson Outdoors agrees with the ALJ that the Commission should issue a limited exclusion order directed to Garmin's accused products. Johnson Outdoors Br. at 55. Johnson Outdoors notes that the ALJ recommended the inclusion of a certification provision and argues

that if the Commission includes such a provision, the certification should include "a further certification that all software related to any of the claimed side scan sonar signal and display processing (including image enhancement) has been removed from its products or otherwise disabled, and cannot be reinserted or re-enabled in any way after importation, for example by Garmin or its customers, dealers, distributors, pro-staff or affiliates, or end users." *Id.* at 55.

Garmin argues that any remedial order should be limited to its "SideVu functionality that are specifically found to infringe an asserted patent, and not the so-called chartplotters that operate together with it." Garmin Br. at 26. Garmin explains that while it imports some chartplotters packaged with the accused Side Vu sonar transducers, it also imports other chartplotters without the accused devices and that the ALJ found that the chartplotters do not infringe. *Id.* at 26-30 (citing ID at 63). Thus, Garmin states that any exclusion order should include a certification provision that allows it to certify to Customs that the products being imported are not subject to the exclusion order. *Id.* at 29.

2. Analysis

As discussed above, the Commission agrees with the ALJ that a violation of section 337 has occurred with respect to certain asserted claims. The Commission thus issues herewith a limited exclusion order directed to Garmin's products that infringe those claims. The attached limited exclusion order provides that:

> Marine sonar imaging systems, products containing the same, and components thereof that infringe one or more of claims 14, 18, 21-23, and 33 of the '974 patent that are manufactured by, or on behalf of, or are imported by or on behalf of Garmin International, Inc.; Garmin North America, Inc.; Garmin USA, Inc.; and Garmin Corporation or any of their affiliated companies, parents, subsidiaries, agents, or other related business entities, or their successors or assigns, are excluded from entry for consumption

> into the United States, entry for consumption from a foreign-trade zone, or withdrawal from a warehouse for consumption, for the remaining term of the patent, except under license of the patent owner or as provided by law.

The limited exclusion order is similar to the order proposed by Johnson Outdoors except that it does not contain a further certification that "all software related to any of the claimed side scan sonar signal and display processing (including image enhancement) has been removed from its products or otherwise disabled, and cannot be reinserted or re-enabled in any way after importation, for example by Garmin or its customers, dealers, distributors, pro-staff or affiliates, or end users." *See* Johnson Outdoors Br. at 55. Rather, as recommended by the ALJ, the exclusion order includes the standard certification provision that allows Garmin to certify that, under procedures to be specified by U.S. Customs and Border Protection, Garmin is familiar with the terms of the exclusion order, that Garmin has made appropriate inquiry, and that, to the best of Garmin's knowledge and belief, the products being imported are not subject to the exclusion order. The certification provision leaves to Customs the latitude to establish procedures that it deems necessary to enforce the exclusion order. This will allow for efficient administration and enforcement of the exclusion order given that only certain combinations of accused products with infringing software and/or functionalities were found to infringe. Including an additional certification provision would be unnecessary.

B. Cease and Desist Orders

1. Summary of the Issue and Parties' Arguments

The ALJ also recommended issuance of cease and desist orders, finding that the parties stipulated that Garmin maintains a commercially significant inventory of products in the United States. ID at 113 (citing CIB at 149; Joint Stipulation Between Complainants and Respondents

(Jan. 15, 2015)). The ALJ noted that Garmin does not appear to dispute the issuance of cease and desist orders if a violation is found. *Id.* (citing RIB at 141-145).

Johnson Outdoors agrees with the ALJ's recommendation that the Commission should issue cease and desist orders because Garmin keeps commercially significant inventories of the accused products domestically. Johnson Outdoors Br. at 55. Johnson Outdoors notes that Garmin did not oppose the imposition of a cease and desist order before the ALJ and does not oppose their issuance in its briefing to Commission.

2. Analysis

The Commission accepts the ALJ's recommendation and issues herewith cease and desist orders under 19 U.S.C. §1337(f) directed to the domestic Garmin respondents: Garmin International, Inc.; Garmin North America, Inc.; Garmin USA, Inc. all of Olathe, Kansas.

The Commission generally issues cease and desist orders when there is a commercially significant amount of infringing imported product in the United States that could be sold so as to undercut the remedy provided by an exclusion order. *See, e.g.*, *Certain Laser Bar Code Scanners & Scan Engines, Components Thereof & Products Containing Same*, Inv. No. 337-TA-551, Comm'n Op. at 22-23 (June 14, 2007); *Certain Display Controllers and Products Containing Same*, Inv. No. 337-TA-491/481, Comm'n Op. at 66 (Feb. 4, 2005). There is no dispute that the domestic Garmin respondents have commercially significant inventories of infringing products in the United States. *See* Joint Stipulation Between Complainants and Respondents (Jan. 15, 2015). Thus, cease and desist orders are warranted. The attached proposed cease and desist orders prohibit the domestic Garmin respondents from:

> conducting any of the following activities in the United States: importing, selling, marketing, advertising, distributing, transferring

> (except for exportation), and soliciting U.S. agents or distributors for, marine sonar imaging systems, products containing the same, and components thereof covered by one or more of claims 14, 18, 21-23, and 33 of U.S. Patent No. 7,755,974 ("the Asserted Patent") in violation of Section 337 of the Tariff Act of 1930, as amended (19 U.S.C. § 1337).

The proposed cease and desist orders include the following standard exemption: if in a written instrument, the owner of the patents authorizes or licenses such specific conduct, or such specific conduct is related to the importation or sale of covered products by or for the United States.

Johnson Outdoors also requested issuance of a cease and desist order directed to Garmin Corporation of New Taipei City, Taiwan ("Garmin Corp."), the foreign respondent. The record does not justify such a cease and desist order. Johnson Outdoors provided no evidence that Garmin Corp. sells its products directly to U.S. consumers or maintains inventories in that United States. Thus, a cease and desist order directed to Garmin Corp. is unsupported.[16]

IV. THE PUBLIC INTEREST

Sections 337(d) and (f) of the Tariff Act of 1930, as amended, direct the Commission to consider certain public interest factors before issuing a remedy. These public interest factors include the effect of any remedial order on the "public health and welfare, competitive conditions in the United States economy, the production of like or directly competitive articles in the United States, and United States consumers." 19 U.S.C. §§ 1337(d) and (f).

Johnson Outdoors argues that the public interest factors are not implicated in this investigation and that a limited exclusion order directed to Garmin's infringing products and

[16] The Commission asked Johnson Outdoors to supply the names of known importers of the Garmin products at issue in this investigation. *See* 80 *Fed. Reg.* 55872-74 (Sept. 17, 2015). In response, Johnson Outdoors did not identify any third party importers of the accused products. *See* Johnson Outdoors Br. at 61.

cease and desist orders would not be contrary to the public interest. Johnson Outdoors Br. at 57-60. Specifically, Johnson Outdoors states that the accused Garmin products "do not serve any essential public health, safety or welfare function." *Id.* at 57. Johnson Outdoors further argues that it "can provide a sufficient supply of like and directly competitive articles in the United States" and that it can fill any void in the market as a result of the remedial orders. *Id.*

We agree with Johnson Outdoors that the public interest factors are not implicated in this investigation. Significantly, no evidence exists that United States demand for marine sonar imaging systems cannot be met by Johnson Outdoors and non-infringing models offered by others. Nor is there any evidence to indicate that the orders might have an impact on the public health and welfare, competitive conditions in the United States economy, the production of like or directly competitive articles in the United States, or U.S. consumers. Indeed, Garmin does not argue that the public interest factors are implicated in this investigation. Thus, the Commission finds that the public interest factors set out in section 337(d) and (f) do not preclude issuance of the orders.

V. BOND

During the 60-day period of Presidential review, imported articles otherwise subject to remedial orders are entitled to conditional entry under bond. 19 U.S.C. § 1337(j)(3). The amount of the bond is specified by the Commission and must be an amount sufficient to protect the complainant from any injury. *Id.*; 19 C.F.R. § 210.50(a)(3). The Commission frequently sets the bond by calculating the difference in sales prices between the patented domestic product and the infringing product or based upon a reasonable royalty. *Certain Microsphere Adhesives, Process For Making Same, and Products Containing Same, Including Self-Stick Repositionable Notes,*

Inv. No. 337-TA-366, Comm'n Op. at 24, USITC Pub. No. 2949 (Jan. 1996). In cases where the record does not contain sufficient evidence upon which to base a determination of the appropriate amount of the bond despite a complainant's effort to adduce such evidence, the Commission has set a 100 percent bond. *See Certain Sortation Systems, Parts Thereof, and Products Containing Same*, Inv. No. 337-TA-460, Comm'n Op. at 21 (Mar. 2003). Complainants bear the burden of establishing the need for a bond amount in the first place. *Certain Rubber Antidegradants, Components Thereof, and Prods. Containing Same*, Inv. No. 337-TA-533, Comm'n Op. at 39-40 (July 21, 2006); *Certain Liquid Crystal Display Device and Products Containing Same*, Inv. No. 337-TA-631, Comm'n Op. at 25-28 (June 24, 2009) (citing *Certain Connecting Devices for Use with Modular Compressed Air Conditioning Units,* Inv. No. 337-TA-587, 2008 ITC LEXIS 617, RD at *10 (Feb. 25, 2008) (It is fundamental to a price differential analysis that the complainant seeking the imposition of a bond at least provide some evidence of its own pricing, either to demonstrate the price differential or to demonstrate the difficulty of such a task.)).

The ALJ noted Johnson Outdoors' argument that "a bond amount of 100% is appropriate given the wide range of products accused of infringement and the difficulty in comparing the prices of those products with the domestic industry products." ID at 113 (citing CIB at 149-150). The ALJ also noted Garmin's argument that no bond should be imposed during the Presidential Review Period but that "should the Commission determine that a bond is appropriate, then Garmin argues that the bond should be set at 8% of the sale price of Garmin's SideVü transducer." *Id.* (citing RIB at 143-145). The ALJ recommended that the Commission set a bond in the amount of eight percent of entered value during the period of Presidential review. *Id.*

at 114.

Johnson Outdoors argues that the ALJ's recommended eight percent bond is arbitrary and unduly low. Johnson Outdoors Br. at 56. Johnson Outdoors contends that the amount of bond should be based on the "sales of all components of Garmin's infringing system and not just the transducer." *Id.* (emphasis omitted). Johnson Outdoors states that because there are a wide range of Garmin products that infringe the asserted patents, a bond of 100 percent of entered value should be set. *Id.* (citing *Certain Neodymium-Iron-Boron Magnets*, Inv. No. 337-TA-372, Comm'n Op. on Remedy, the Public Interest, and Bonding at 15 (USITC May 1996).

Garmin argues that no bond should be set becauseJohnson Outdoors "failed to meet its burden and effectively provided no evidence as to the appropriate bond to be used in this Investigation if a violation is found." Garmin Br. at 30 (citing *Certain Liquid Crystal Display Devices*, Inv. No. 337-TA-631, Comm'n Op. at 11 (July 10, 2009). Garmin states that if the Commission determines that a bond during the period of Presidential review is warranted, "the appropriate measure for the bond here is 8% of the sale price of the Garmin's Side Vu transducers . . . but not on the chartplotter products that are bundled with the transducer or chartplotters that are sold without the transducer." *Id.* at 31. Garmin explains that "the purpose of the bond is to protect a complainant from injury" and that "[c]onsistent with the law on reasonable royalty damages, the bond rate here should be applied to the 'smallest salable patent-practicing unit" or "the portion of the value of that product that is attributable to the patented technology." *Id.* (citing *VirnetX, Inc. v. Cisco Sys., Inc.*, 767 F.3d 1308, 1326-27 (Fed. Cir. 2014).

While the ALJ recommended a bond in the amount of eight percent of entered value, the

ALJ does not cite to any evidence justifying such a bond, and Garmin's analysis of the eight percent bond relies primarily on attorney arguments. *See* ID at 113-114; Garmin Br. at 30-33; Garmin Post-Hearing Brief at 143-45. Johnson Outdoors argues that to deter Garmin from importing infringing products during the period of Presidential review, the amount of bond should be based on the "sales of all components of Garmin's infringing system and not just the transducer." Johnson Outdoors Br. at 56. Yet as Garmin notes, the purpose of the bond is not to deter importation but to protect a complainant from injury. *See* 19 C.F.R. §§ 210.42(a)(1)(ii), 210.50(a)(3); *Certain Integrated Circuit Telecommunication Chips and Products containing Same, Including Dialing Apparatus*, Inv. No. 337-TA-337, USITC Pub. No. 2670, Comm'n Op. at 41-43 (1995) (indicating that the bond should not be set "so high as to effectively prevent importation during the Presidential review period."). Importantly, Johnson Outdoors has failed to present evidence to justify the imposition of a bond during the period of Presidential review. Johnson Outdoors alleges that "there is a wide range of prices for those infringing products (from $200 to about $3,000) and it is difficult to usefully compare the prices of the infringing products to the domestic industry" but provides no evidence to substantiate its allegation. Johnson Outdoor Br. at 56-57; Johnson Outdoors Post Hearing Br at 149-150. Thus, the Commission finds that Johnson Outdoors has failed to meet its burden to establish that a 100% bond is appropriate. The Commission has determined to impose a bond in the amount of zero during the period of Presidential review.

By order of the Commission.

Lisa R. Barton
Secretary to the Commission

Issued: December 17, 2015

CERTAIN MARINE SONAR IMAGING SYSTEMS, PRODUCTS CONTAINING THE SAME, AND COMPONENTS THEREOF

Inv. No. 337-TA-926

PUBLIC CERTIFICATE OF SERVICE

I, Lisa R. Barton, hereby certify that the attached **COMMISSION OPINION** has been served by hand upon the Office of Unfair Import Investigations and the following parties, as indicated, on **December 17, 2015.**

Lisa R. Barton, Secretary
U.S. International Trade Commission
500 E Street, SW, Room 112
Washington, DC 20436

On Behalf of Complainants Johnson Outdoors Inc. and Johnson Outdoors Marine Electronics, Inc.:

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☐ Other:_____

On Behalf of Respondents Garmin International, Inc., Garmin North America, Inc., Garmin USA, Inc., and Garmin Corporation:

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☒ Via First Class Mail
☐ Other:_____

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, D.C.

In the Matter of	
CERTAIN MARINE SONAR IMAGING SYSTEMS, PRODUCTS CONTAINING THE SAME, AND COMPONENTS THEREOF	Investigation No. 337-TA-926

NOTICE OF COMMISSION DETERMINATION TO REVIEW A FINAL INITIAL DETERMINATION FINDING A VIOLATION OF SECTION 337; SCHEDULE FOR FILING WRITTEN SUBMISSIONS ON THE ISSUES UNDER REVIEW AND ON REMEDY, THE PUBLIC INTEREST AND BONDING

AGENCY: U.S. International Trade Commission.

ACTION: Notice.

SUMMARY: Notice is hereby given that the U.S. International Trade Commission has determined to review the final initial determination ("ID") issued by the presiding administrative law judge ("ALJ") on July 13, 2015, finding a violation of section 337 of the Tariff Act of 1930, as amended (19 U.S.C. § 1337), as to certain asserted patent claims in this investigation.

FOR FURTHER INFORMATION: Panyin A. Hughes, Office of the General Counsel, U.S. International Trade Commission, 500 E Street, S.W., Washington, D.C. 20436, telephone 202-205-3042. Copies of non-confidential documents filed in connection with this investigation are or will be available for inspection during official business hours (8:45 a.m. to 5:15 p.m.) in the Office of the Secretary, U.S. International Trade Commission, 500 E Street, S.W., Washington, D.C. 20436, telephone 202-205-2000. General information concerning the Commission may also be obtained by accessing its Internet server (*http://www.usitc.gov*). The public record for this investigation may be viewed on the Commission's electronic docket (EDIS) at *http://edis.usitc.gov*. Hearing-impaired persons are advised that information on this matter can be obtained by contacting the Commission's TDD terminal on 202-205-1810.

SUPPLEMENTARY INFORMATION: The Commission instituted this investigation on August 21, 2014, based on a complaint filed by Johnson Outdoors Inc. of Racine, Wisconsin and Johnson Outdoors Marine Electronics, Inc. of Eufaula, Alabama (collectively, "Johnson Outdoors"). 79 *Fed. Reg.* 49536 (Aug. 21, 2014). The complaint alleges violations of section 337 of the Tariff Act of 1930, as amended (19 U.S.C. § 1337), in the importation into the United States, the sale for importation, and the sale within the United States after importation of certain marine sonar imaging systems, products containing the same, and components thereof by reason of infringement of one or more of claims 1, 2, 17, 25, 26, 31, 32, 35, 36, 41-43, 53, and 56 of

U.S. Patent No. 7,652,952 ("the '952 patent"); claims 1, 5, 7, 8, 21, 22, 24, 25, 28, and 29 of U.S. Patent No. 7,710,825 ("the '825 patent"); and claims 14, 18, 21-23, 25, and 33 of U.S. Patent No. 7,755,974 ("the '974 patent"). *Id.* The notice of investigation named the following respondents: Garmin International, Inc.; Garmin North America, Inc.; Garmin USA, Inc. all of Olathe, Kansas; and Garmin Corporation of New Taipei City, Taiwan (collectively, "Garmin"). *Id.* The Office of Unfair Import Investigations is not a party to the investigation.

On January 30, 2015, the parties entered into a stipulation that the domestic industry requirement was met. The parties also agreed to a stipulation regarding importation of Garmin accused products. That same day, Johnson Outdoors filed two unopposed motions for summary determination: (1) that Garmin's importation and sales satisfy the importation requirement and (2) that Johnson Outdoors satisfies the domestic industry requirement. On March 24, 2015, the ALJ granted Johnson Outdoors' summary determination motions in Order Nos. 14 and 15, respectively. The Commission determined not to review. *See* Notice of Commission Determination Not to Review Two Initial Determinations Granting Unopposed Motions for Summary Determinations of Importation and the Existence of a Domestic Industry That Practices the Asserted Patents (April 22, 2015).

On July 13, 2015, the ALJ issued his final ID, finding a violation of section 337 by Garmin in connection with claims 14, 18, 21, 22, 23, and 33 of the '974 patent. The ALJ found no violation of section 337 in connection with the asserted claims of the '952 and '825 patents; and claim 25 of the '974 patent. Specifically, the ALJ found that the Commission has subject matter jurisdiction, *in rem* jurisdiction over the accused products, and *in personam* jurisdiction over Garmin. ID at 21. The ALJ further found that the accused products infringe asserted claims 14, 18, 21, 22, 23, and 33 of the '974 patent but do not infringe the asserted claims of the '952 and '825 patents or claim 25 of the '974 patent. *See* ID at 55-57, 58-59, 60-62. The ALJ also found that Garmin failed to establish by clear and convincing evidence that the asserted claims of the '952, '825, or '974 patents were anticipated or rendered obvious by the cited prior art references. *See id.* at 68-80, 89-100. Finally, the ALJ found that the '952, '825, and '974 patents are not unenforceable due to inequitable conduct and that the'952 patent is not invalid under 35 U.S.C. § 102(f) for derivation. ID at 80-83, 100-109.

On July 27, 2015, Garmin filed a petition for review of the ID. That same day, Johnson Outdoors filed a contingent petition for review of the ID. On August 4, 2015, the parties filed responses to the petitions.

Having examined the record of this investigation, including the ALJ's final ID, the petitions for review, and the responses thereto, the Commission has determined to review the final ID on all issues petitioned.

The parties are requested to provide any comments they may have as to the Commission's proposed construction below with reference to the applicable law and the evidentiary record. In connection with its review, the Commission is particularly interested in a response to the following:

If the Commission were to construe the claim term "mounted to a boat" to mean "proximately secured to the boat in a fixed manner," please discuss any impact this construction may have on the ID's findings.

In connection with the final disposition of this investigation, the Commission may (1) issue an order that could result in the exclusion of the subject articles from entry into the United States, and/or (2) issue one or more cease and desist orders that could result in the respondent being required to cease and desist from engaging in unfair acts in the importation and sale of such articles. Accordingly, the Commission is interested in receiving written submissions that address the form of remedy, if any, that should be ordered. If a party seeks exclusion of an article from entry into the United States for purposes other than entry for consumption, the party should so indicate and provide information establishing that activities involving other types of entry either are adversely affecting it or likely to do so. For background, see *Certain Devices for Connecting Computers via Telephone Lines*, Inv. No. 337-TA-360, USITC Pub. No. 2843 (December 1994) (Commission Opinion).

If the Commission contemplates some form of remedy, it must consider the effects of that remedy upon the public interest. The factors the Commission will consider include the effect that an exclusion order and/or cease and desist orders would have on (1) the public health and welfare, (2) competitive conditions in the U.S. economy, (3) U.S. production of articles that are like or directly competitive with those that are subject to investigation, and (4) U.S. consumers. The Commission is therefore interested in receiving written submissions that address the aforementioned public interest factors in the context of this investigation.

If the Commission orders some form of remedy, the U.S. Trade Representative, as delegated by the President, has 60 days to approve or disapprove the Commission's action. *See* Presidential Memorandum of July 21, 2005. 70 *Fed. Reg.* 43251 (July 26, 2005). During this period, the subject articles would be entitled to enter the United States under bond, in an amount determined by the Commission and prescribed by the Secretary of the Treasury. The Commission is therefore interested in receiving submissions concerning the amount of the bond that should be imposed if a remedy is ordered.

WRITTEN SUBMISSIONS: The parties to the investigation are requested to file written submissions on the issues identified in this notice. Parties to the investigation, interested government agencies, and any other interested parties are encouraged to file written submissions on the issues of remedy, the public interest, and bonding. Such submissions should address the recommended determination by the ALJ on remedy and bonding. Complainants are requested to submit proposed remedial orders for the Commission's consideration. Complainants are also requested to state the date that the patents expire and the HTSUS numbers under which the accused products are imported. Complainants are further requested to supply the names of known importers of the Garmin products at issue in this investigation. The written submissions and proposed remedial orders must be filed no later than close of business on September 21, 2015. Reply submissions must be filed no later than the close of business on September 28, 2015. Such submissions should address the ALJ's recommended determinations on remedy and

bonding. No further submissions on any of these issues will be permitted unless otherwise ordered by the Commission.

Persons filing written submissions must file the original document electronically on or before the deadlines stated above and submit eight true paper copies to the Office of the Secretary by noon the next day pursuant to section 210.4(f) of the Commission's Rules of Practice and Procedure (19 C.F.R. 210.4(f)). Submissions should refer to the investigation number ("Inv. No. 337-TA-926") in a prominent place on the cover page and/or the first page. (*See* Handbook for Electronic Filing Procedures, http://www.usitc.gov/secretary/fed_reg_notices/rules/ handbook_on_electronic_filing.pdf). Persons with questions regarding filing should contact the Secretary (202-205-2000).

Any person desiring to submit a document to the Commission in confidence must request confidential treatment. All such requests should be directed to the Secretary to the Commission and must include a full statement of the reasons why the Commission should grant such treatment. *See* 19 C.F.R. § 201.6. Documents for which confidential treatment by the Commission is properly sought will be treated accordingly. A redacted non-confidential version of the document must also be filed simultaneously with any confidential filing. All non-confidential written submissions will be available for public inspection at the Office of the Secretary and on EDIS.

The authority for the Commission's determination is contained in section 337 of the Tariff Act of 1930, as amended (19 U.S.C. § 1337), and in Part 210 of the Commission's Rules of Practice and Procedure (19 C.F.R. Part 210).

By order of the Commission.

Lisa R. Barton
Secretary to the Commission

Issued: September 11, 2015

CERTAIN MARINE SONAR IMAGING SYSTEMS, PRODUCTS CONTAINING THE SAME, AND COMPONENTS THEREOF

Inv. No. 337-TA-926

PUBLIC CERTIFICATE OF SERVICE

I, Lisa R. Barton, hereby certify that the attached **NOTICE** has been served by hand upon the Office of Unfair Import Investigations and the following parties, as indicated, on **September 11, 2015.**

Lisa R. Barton, Secretary
U.S. International Trade Commission
500 E Street, SW, Room 112
Washington, DC 20436

On Behalf of Complainants Johnson Outdoors Inc. and Johnson Outdoors Marine Electronics, Inc.:

Douglas Sharrott, Esq.
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1290 Avenue of the Americas
New York, NY 10104-3800

☐ Via Hand Delivery
☐ Via Express Delivery
☒ Via First Class Mail
☐ Other:_____

On Behalf of Respondents Garmin International, Inc., Garmin North America, Inc., Garmin USA, Inc., and Garmin Corporation:

Nicholas Groombridge, Esq.
PAUL, WEISS, RIFKIND, WHARTON & GARRISON LLP
1285 Avenue of the Americas
New York, NY 10019

☐ Via Hand Delivery
☐ Via Express Delivery
☒ Via First Class Mail
☐ Other:_____

PUBLIC VERSION

UNITED STATES INTERNATIONAL TRADE COMMISSION

Washington, D.C.

In the Matter of	
CERTAIN MARINE SONAR IMAGING SYSTEMS, PRODUCTS CONTAINING THE SAME, AND COMPONENTS THEREOF	**Inv. No. 337-TA-926**

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

Administrative Law Judge Theodore R. Essex

(July 13, 2015)

Appearances:

For the Complainants Johnson Outdoors Inc. & Johnson Outdoors Marine Electronics, Inc.:

Edward E. Vassallo, Esq., Robert H. Fischer, Esq., Douglas Sharrott, Esq., Michael P. McGraw, Esq., and Andrew Kutas, Esq. of Fitzpatrick, Cella, Harper & Scinto of New York, NY.

Edmund J. Haughey, Esq. and Seth E. Boeshore, Esq. of Fitzpatrick, Cella, Harper & Scinto of Washington, D.C.

For Respondents Garmin International, Inc., Garmin North America, Inc., Garmin USA, Inc. and Garmin Corporation:

Nichola Groombridge, Esq., Jennifer H. Wu, Esq., Damien Kieran, Esq., Nathanial P. McPherson, Esq., and Philip S. May, Esq. of Paul, Weiss, Rifkind, Wharton & Garrison LLP of New York, NY.

Kenneth A. Gallo, Esq. and David K. Stark, Esq. of Paul, Weiss, Rifkind, Wharton & Garrison LLP of Washington, D.C.

Pursuant to the Notice of Investigation, 79 Fed. Reg. 49536 (August 21, 2014), this is the Initial Determination in the matter of *Certain Marine Sonar Imaging Systems, Products Containing the Same, and Components Thereof*, United States International Trade Commission Investigation No. 337-TA-926. *See* 19 C.F.R. § 210.42(a).

It is held that no violation of section 337 of the Tariff Act of 1930, as amended, 19 U.S.C. § 1337, has occurred in the importation into the United States, the sale for importation, or the sale within the United States after importation of certain marine sonar imagining systems, products containing the same, and components thereof by reason of infringement of the asserted claims of U.S. Patent Nos. 7,652,952 and 7,710,825 and claim 25 of U.S. Patent No. 7,755,974.

It is held that a violation of section 337 of the Tariff Act of 1930, as amended, 19 U.S.C. § 1337, has occurred in the importation into the United States, the sale for importation, or the sale within the United States after importation of certain marine sonar imaging systems, products containing the same, and components thereof by reason of infringement of claims 14, 18, 21, 22, 23 and 33 of U.S. Patent No. 7,755,974.

TABLE OF CONTENTS

The following abbreviations may be used in this Initial Determination:

CDX	Complainant's demonstrative exhibit
CIB	Complainant's initial post-hearing brief
CPB	Complainant's pre-hearing brief
CPX	Complainant's physical exhibit
CRB	Complainant's reply post-hearing brief
CX	Complainant's exhibit
Dep.	Deposition
JX	Joint Exhibit
RDX	Respondent's demonstrative exhibit
RIB	Respondent's initial post-hearing brief
RPX	Respondent's physical exhibit
RPB	Respondent's Pre-hearing brief
RRB	Respondent's reply post-hearing brief
RRX	Respondent's rebuttal exhibit
RX	Respondent's exhibit
SIB	Staff's initial post-hearing brief
SRB	Staff's reply post-hearing brief
Tr.	Transcript

I. BACKGROUND

A. Institution and Procedural History of This Investigation

By publication of a notice in the *Federal Register* on August 21, 2014, pursuant to subsection (b) of section 337 of the Tariff Act of 1930, as amended, the Commission instituted Investigation No. 337-TA-926 with respect to U.S. Patent Nos. 7,652,952 ("the '952 patent"), 7,710,825 ("the '825 patent"), and 7,755,974 ("the '974 patent") to determine:

> whether there is a violation of subsection (a)(1)(B) of section 337 in the importation into the United States, the sale for importation, or the sale within the United States after importation of certain marine sonar imaging systems, products containing the same, and components thereof by reason of infringement of one or more claims 1, 2, 17, 25, 26, 31, 32, 35, 36, 41-43, 53, and 56 of U.S. Patent No. 7,652,952 ("the '952 patent"); claims 1, 5, 7, 8, 21, 22, 24, 25, 28, and 29 of U.S. Patent No. 7,710,825 ("the '825 patent"); and claims 14, 18, 21-23, 25, and 33 of U.S. Patent No. 7,755,974 ("the '974 patent") and whether an industry in the United States exists as required by subsection (a)(2) of section 337.

79 Fed. Reg. 49536 (August 21, 2014).

The complainants are Johnson Outdoors Inc. of Racine, WI and Johnson Outdoors Marine Electronics, Inc. of Eufaula, AL. (79 Fed. Reg. 49536 (August 21, 2014).) The Notice of Investigation named the respondents as Garmin International, Inc. of Olathe, KS; Garmin North America, Inc. of Olathe, KS; Garmin USA, Inc. of Olathe, KS; and Garmin Corporation of New Taipei City 221, Taiwan. (*Id.*) The Office of Unfair Import Investigations did not participate in this investigation. (*Id.*)

The investigation was assigned to Administrative Law Judge ("ALJ") Theodore R. Essex. (Notice to the Parties) (August 15, 2014).

On July 18, 2014, Johnson Outdoors Inc. and Johnson Outdoors Marine Electronics, Inc. (collectively, "Complainant" or "Johnson Outdoors") filed a Complaint alleging that

Respondents Garmin International, Inc., Garmin North America, Inc., Garmin USA, Inc. and Garmin Corporation (collectively, "Respondent" or "Garmin") are violating Section 337 by importing, selling for importation, and/or selling within the United States after importation certain infringing marine sonar imaging systems, products containing the same, and components thereof, which are used primarily by inland and near-shore recreational fisherman. A supplement to the Complaint was filed on July 25, 2014, and an Amended Complaint was filed on August 14, 2014. The Commission instituted Investigation No. 337-TA-926 on August 15, 2014, and the Notice of Investigation published in the Federal Register on August 21, 2014. (79 Fed. Reg. 49536 (August 21, 2014).) On October 6, 2014, Honorable Administrative Law Judge Essex ("the ALJ") set November 13, 2015 as the target date for completion of Investigation No. 337-TA-926. (Order No. 5.)

On January 30, 2015, the parties entered into a stipulation that the Domestic Industry requirement was met. On the same day, Johnson Outdoors also filed two unopposed motions for Summary Determination, one that Garmin satisfies the importation requirement, (Mot. Dkt. No. 926-011), and one that Johnson Outdoors satisfies the domestic industry requirement (Mot. Dkt. No. 926-012). On March 24, 2015, the ALJ granted Johnson Outdoors motion for summary determination that the importation requirement is satisfied. (Order No. 14.) Also, on March 24, 2015, the ALJ granted Johnson Outdoors motion for summary determination that Johnson Outdoors satisfies the domestic industry requirement. (Order No. 15.) On April 22, 2015, the Commission determined not to review either order. (*See* Notice of Commission Determination Not to Review Two Initial Determinations Granting Unopposed Motions for Summary Determinations of Importation and the Existence of a Domestic Industry That Practices the Asserted Patents (April 22, 2015).)

On February 10, 2015, Johnson Outdoors filed a motion for summary determination that the asserted patents are not unenforceable for inequitable conduct. (Mot. Dkt. No. 926-014.) On March 4, 2015, the ALJ found that disputed issues of facts precluded granting Complainant's motion for summary determination that the asserted patents are not unenforceable for inequitable conduct. (Order No. 9.)

The evidentiary hearing in this investigation was held on April 6 through April 9, 2015.

On April 24, 2015, each party filed its initial post-hearing brief.

On May 8, 2015, each party filed its post-hearing reply brief.

B. The Parties

1. Complainants

Johnson Outdoors Inc. ("JOI") is a corporation based in Racine, Wisconsin. (CIB at 4.) Complainant Johnson Outdoors Marine Electronics, Inc. d/b/a/ Humminbird ("JOME" or "Humminbird"), a wholly owned subsidiary of JOI, is based in Eufaula, Alabama. (*Id.*)

2. Respondents

Garmin International, Inc., Garmin North America, Inc., and Garmin USA, Inc. are all corporations organized under the laws of the State of Kansas, each having its principal place of business in Olathe, Kansas. (RIB at 10.) Garmin Corporation is a Taiwanese corporation having its principal place of business in Taiwan. (*Id.*)

C. The Patents at Issue and Overview of the Technology

1. '952 Patent

U.S. Patent No. 7,652,952 ("the '952 patent" or "the '952 Patent"), entitled "Sonar Imaging System for Mounting to Watercraft," was filed on August 2, 2005 and issued on January 26, 2010. (JX-0001.) David A. Betts of Eufaula, Alabama, Robert W. Derrow of Eufaula, Alabama, and David J. Howells of Atlanta, Georgia are the named inventors of the '952 patent.

(*Id.*) The '952 patent is directed to a "sonar imaging system compris[ing] a transducer coupled to the watercraft and having at least one side scanning element and at least one bottom scanning element, an electronic control head unit coupled to the transducer and configured to display sonar images." (*Id.* at Abstract.) The U.S. Patent and Trademark Office ("PTO" or "Patent Office") ordered reexamination of the '952 patent on November 14, 2011, and issued amended claims on July 10, 2013. (JX-0007 ('952 Reexamination) at 7131 (July 10, 2013 Office Action).)

The asserted claims of the '952 patent are claims 1, 2, 17, 25, 26, 31, 32, 35, 36, 41-43, 53, and 56. The asserted claims read as follows (JX-0001; JX-0007 ('952 Reexamination).):

1. A sonar imaging system, comprising:

> a transducer assembly mounted to a boat, the transducer assembly including:
>
> > a housing; and
> >
> > first and second side scan acoustic elements positioned within the housing to transmit first and second side scan sonar beams comprising side scan sonar pulses to first and second sides of the boat, respectively, and to receive side scan sonar returns, each side scan acoustic element having a rectangular shape with a total length of up to about seven inches and a total width of up to about 0.5 inches, wherein the total length is not less than six times the total width, to produce side scan sonar beams having a narrow width in the direction of the length of said side scan acoustic elements and a wide width in a plane perpendicular to the direction of the length, and each side scan acoustic element being mounted within the housing and oriented at a depression angle of between about 20 degrees and about 40 degrees; and
>
> an electronic control head operatively coupled to the transducer assembly to control the first and second side scan acoustic elements, the electronic control head including a user interface having a liquid crystal display (LCD) for displaying side scan sonar images based upon the first and second side scan sonar returns received the first and second side scan acoustic elements.

2. A sonar imaging system comprising:

a transducer assembly mounted to a boat, the transducer assembly including:

first and second side scan acoustic elements positioned within the housing to transmit first and second side scan sonar beams comprising side scan sonar pulses to first and second sides of the boat, respectively, and to receive side scan sonar returns, each side scan acoustic element having a rectangular shape with a total length of about three inches to about seven inches and a total width of about 0.125 inches to about 0.5 inches to produce side scan sonar beams having a narrow width in the direction of the length of said side scan acoustic elements and a wide width in a plane perpendicular to the direction of the length, and each side scan acoustic element being mounted within the housing and oriented at a depression angle of between about 20 degrees and about 40 degrees; and

an electronic control head operatively coupled to the transducer assembly to control the first and second side scan acoustic elements, the electronic control head including a user interface having a liquid crystal display (LCD) for displaying side scan sonar images based upon the first and second side scan sonar returns respectively received the first and second side scan acoustic elements.

17. A sonar imaging system, comprising:

a transducer assembly mounted to a boat, the transducer assembly including:

a housing; and

first and second side scan acoustic elements positioned within the housing to transmit first and second side scan sonar beams comprising side scan sonar pulses to first and second sides of the boat, respectively, and to receive side scan sonar returns, each side scan acoustic element having a rectangular shape with a total length of about three inches to about seven inches and a total width of about 0.125 inches to about 0.5 inches to produce side scan sonar beams having a narrow width in the direction of the length of said side scan acoustic elements and a wide width in a plane perpendicular to the direction of the length, and each side scan acoustic element being mounted within the housing and oriented at a depression angle of between about 20 degrees and about 40 degrees; and

an electronic control head operatively coupled to the transducer assembly by a cable to control the side scan acoustic elements, the electronic control head including a user interface having a liquid crystal display (LCD) for displaying side scan sonar images that provide details of underwater

articles and bottom and contain shadows based upon the first and second side scan sonar returns respectively received by the first and second side scan acoustic elements.

25. The sonar imaging system of claim 17, wherein the electronic control head comprises a first module and a second module.

26. The sonar imaging system of claim 25, wherein the first module of the electronic control head comprises receiving and transmitting circuitry.

31. The sonar imaging system of claim 25, wherein the first module of the electronic control head includes a first processor for interfacing with receiving and transmitting circuitry and the second module of the electronic control head includes a second processor for interfacing with the first processor of the first module.

32. The sonar imaging system of claim 25, wherein the second module of the electronic control head includes said user interface.

36. A sonar imaging system, comprising:

a transducer assembly mounted to a boat, the transducer assembly including:

a housing; and

first and second side scan acoustic elements positioned within the housing to transmit first and second side scan sonar beams comprising side scan sonar pulses to first and second sides of the boat, respectively, and to receive side scan sonar returns, each side scan acoustic element having a rectangular shape with a total length of about three inches to about seven inches and a total width of about 0.125 inches to about 0.5 inches to produce side scan sonar beams having a narrow width in the direction of the length of said side scan acoustic elements and a wide width in a plane perpendicular to the direction of the length and each side scan acoustic element being mounted within the housing and oriented at a depression angle of between about 20 degrees and about 40 degrees; and

an electronic control head operatively coupled to the transducer assembly by a cable to control the side scan acoustic elements, the electronic control head including a user interface having a liquid crystal display (LCD) for displaying side scan sonar images that provide details of underwater articles and bottom and contain shadows based upon the first and second side scan sonar returns respectively received by the first and second side scan acoustic elements, wherein the electronic control head contains all of

the electronic circuitry for transmitting the side scan sonar beams and receiving the side scan Sonar returns.

41. A sonar imaging system, comprising:

a transducer assembly mounted to a boat, the transducer assembly including:

a housing; and

first and second side scan acoustic elements positioned within the housing to transmit first and second side scan sonar beams comprising side scan sonar pulses to first and second sides of the boat, respectively, and to receive side scan sonar returns, each side scan acoustic element having a rectangular shape with a total length of about three inches to about seven inches and a total width of about 0.125 inches to about 0.5 inches to produce side scan sonar beams having a narrow width in the direction of the length of said side scan acoustic elements and a wide width in a plane perpendicular to the direction of the length, and each side scan acoustic element being mounted within the housing and oriented at a depression angle of between about 20 degrees and about 40 degrees, wherein the housing does not contain any electronic circuitry for transmitting the side scan sonar beams or receiving the side scan sonar returns; and

an electronic control head operatively coupled to the transducer assembly to control the side scan acoustic elements, the electronic control head including a user interface having a liquid crystal display (LCD) for displaying side scan sonar images that provide details of underwater articles and bottom and contain shadows based upon the first and second side scan sonar returns respectively received by the first and second side scan acoustic elements.

42. A sonar imaging system, comprising:

a transducer assembly mounted to a boat, the transducer assembly including:

a housing; and

first and second side scan acoustic elements positioned within the housing to transmit first and second side scan sonar beams comprising side scan sonar pulses to first and second sides of the boat, respectively, and to receive side scan sonar returns, each side scan acoustic element having a rectangular shape with a total length of about three inches to about seven inches and a total width of about 0.125 inches to about 0.5 inches to produce side scan sonar beams

having a narrow width in the direction of the length of said side scan acoustic elements and a wide width in a plane perpendicular to the direction of the length, and each side scan acoustic element being mounted within the housing and oriented at a depression angle of between about 20 degrees and about 40 degrees; and

a downward acoustic element positioned within the housing between the first and second side scan acoustic elements to transmit a downward sonar beam and receive downward sonar returns; and

an electronic control head operatively coupled to the transducer assembly to control the side scan and downward acoustic elements, the electronic control head including a user interface having a liquid crystal display (LCD) for displaying side scan sonar images that provide details of underwater articles and bottom and contain shadows based upon the first and second side scan sonar returns respectively received by the first and second side scan acoustic elements.

43. The sonar imaging system of claim 42, wherein the LCD further displays a separate image based upon the downward sonar returns.

53. The sonar imaging system of claim 1, wherein the total length is not greater than fifty-six times the total width.

56. A sonar imaging system, comprising:

a transducer assembly mounted to a boat, the transducer assembly including:

a housing; and

first and second side scan acoustic elements positioned within the housing to transmit first and second side scan sonar beams comprising side scan sonar pulses to first and second sides of the boat, respectively ,and to receive side scan sonar returns, each side scan acoustic element having a rectangular shape with a total length of up to about seven inches and a total width of up to about 0.5 inches, to produce side scan sonar beams having a narrow width in the direction of the length of said side scan acoustic elements and a wide width in a plane perpendicular to the direction of the length and each side scan acoustic element, and each side scan acoustic element being mounted within the housing and oriented at a depression angle of between about 20 degrees and about 40 degrees; and

an electronic control head operatively coupled to the transducer assembly to control the side scan acoustic elements, the electronic control head

> including a user interface having a liquid crystal display(LCD)for displaying over side range and time the amplitude readings of the first and second side scan sonar returns respectively received by the first and second side scan acoustic elements, thereby generating side scan sonar images containing details of underwater articles and bottom.

2. '825 Patent

U.S. Patent No. 7,710,825 ("the '825 patent" or "the '825 Patent"), entitled "Side Scan Sonar Imaging System with Boat Position on Display," was filed on January 9, 2009, and issued on May 4, 2010. (*See* JX-0002). David A. Betts of Eufaula, Alabama, Robert W. Derrow of Eufaula, Alabama, and David J. Howells of Atlanta, Georgia are the named inventors of the '825 patent. (*Id.*) The '825 patent generally discloses a system for use with a boat to provide underwater sonar images which includes a left side scan sonar transducer for transmitting left side scan sonar pulses and for receiving left side scan sonar return signals and a right side scan sonar transducer for transmitting right side scan sonar pulses and for receiving right side scan sonar return signals. (*Id.*) The Patent Office ordered reexamination of the '825 patent on November 14, 2011, and issued amended claims on April 26, 2013. (JX-0008 ('825 Reexamination) at 86.)

The asserted claims of the '825 patent are claims 1, 5, 7, 8, 21, 22, 24, 25, 28 and 29. The asserted claims read as follows (JX-0002; JX-0008 ('825 Reexamination).):

> 1. A system [mounted to a boat] to provide underwater sonar images, the system comprising:
>
> > a boat-mounted transducer assembly including a housing;
> >
> > a left side scan sonar transducer positioned within the housing for transmitting left side scan sonar pulses directed downward and laterally outward to a left side of the boat, the left side scan sonar pulses forming a beam having a narrow horizontal width in a direction of travel of the boat and a wide vertical width in a plane perpendicular to the direction of boat travel, and for receiving left side scan sonar return signals;

a right side scan sonar transducer positioned within the housing for transmitting right side scan sonar pulses directed downwardly and laterally outward to a right side of the boat, the right side scan sonar pulses forming a beam having a narrow horizontal width in the direction
of travel of the boat and a wide vertical width in the plane perpendicular to the direction of boat travel, and for receiving right side scan sonar return signals, wherein the length of the housing is substantially co-extensive with the length of the left and right side scan sonar transducers therein;

signal processing circuitry for processing the left and right side scan sonar return signals to produce side scan image data;

a display; and

a digital processor for providing signals to the display based upon the side scan image data to produce a display image on the display showing a grey-scale or color underwater image that provides details of underwater articles and bottom and contains [shadowing] shadows comprising a) at least one of a left side underwater image and a right side underwater image, b) a boat location relative to the underwater image, and c) an indication of distance from the boat, wherein the indication is associated with the underwater image.

5. The system of claim 1, and further comprising: a down beam sonar transducer for producing sonar pulses, and for receiving down beam sonar return signals.

7. The system of claim 5, wherein the signal processing circuitry produces down beam sonar data based upon the down beam sonar return signals, and wherein the digital processor provides signals to the display based upon the down beam sonar data.

8. The system of claim 7, wherein the display image includes a portion based upon the down beam sonar data.

21. The system of claim 1, and further comprising: receiving and transmitting circuitry; and an electronic module operatively coupled to the left and right side scan sonar transducers, wherein the electronic module contains the receiving and transmitting circuitry.

22. The system of claim 21, wherein the electronic module further contains the signal processing circuitry.

24. The system of claim 21, and further comprising:

a cable having a first end and a second end, the first end being operatively coupled to the left and right side scan sonar transducers, and the second end being operatively coupled to the electronic module,

wherein the left and right side scan sonar return signals are sent over the cable to the receiving circuitry without amplification.

25. The system of claim 21, and further comprising:

a cable having a first end and a second end, the first end being operatively coupled to the left and right side scan sonar transducers, and the second end being operatively coupled to the electronic module,

wherein signals for creating the left and right side scan sonar pulses are sent over the cable from the transmitting circuitry to the lejt and right side scan sonar transducers.

28. The system of claim 1, wherein the housing has no openings on its surface aligned with the left and right side scan sonar transducers.

29. A system to provide underwater sonar images, the system comprising:

a left side scan sonar transducer for transmitting left side scan sonar pulses directed downward and laterally outward to a left side of the boat, the left side scan sonar pulses forming a beam having a narrow horizontal width in a direction of travel of the boat and a wide vertical width in a plane perpendicular to the direction of boat travel, and for receiving left side scan sonar return signals;

a right side scan sonar transducer for transmitting right side scan sonar pulses directed downwardly and laterally outward to a right side of the boat, the right side scan sonar pulses forming a beam having a narrow horizontal width in the direction of travel of the boat and a wide vertical width in the plane perpendicular to the direction of boat travel, and for receiving right side scan sonar return signals;

wherein the left and right side scan sonar transducers are positioned within a boat-mounted housing at a depression angle of between about 20 degrees and about 40 degrees, and wherein the left and right side scan sonar transducers are mounted in respective cradles so as to
provide the depression angle;

signal processing circuitry for processing the left and right side scan sonar return signals to produce side scan image data;

a display; and

a digital processor for providing signals to the display based upon the side scan image data to produce a display image on the display showing a grey-scale or color underwater image that provides details of underwater articles and bottom and contains shadows comprising a) at least one of a left side underwater image and a right side underwater image, b) a boat location relative to the underwater image, and c) an indication of distance from the boat, wherein the indication is associated with the underwater image.

3. '974 Patent

U.S. Patent No. 7,755,974 ("the '974 patent" or "the '974 Patent"), entitled "Side Scan Sonar Imaging System with Enhancement," was filed on January 9, 2009, and issued on July 13, 2010. (*See* JX-0003). David A. Betts of Eufaula, Alabama, Robert W. Derrow of Eufaula, Alabama, and David J. Howells of Atlanta, Georgia are the named inventors of the '974 patent. (*Id.*) The '974 patent generally discloses a system for use with a boat to provide underwater sonar images, includes a left side scan sonar transducer for transmitting left side scan sonar pulses and for receiving left side scan sonar return signals, a right side scan sonar transducer for transmitting right side scan sonar pulses and for receiving right side scan sonar return signals, and signal processing circuitry for processing the left and right side scan sonar return signals to produce side scan image data.. (*Id.*) The Patent Office ordered reexamination of the '974 patent on November 14, 2011, and issued amended claims on April 26, 2013. (JX-0009 ('974 Reexamination).)

The asserted claims of the '974 patent are claims 14, 18, 21, 22, 23, 25, and 33. The asserted claims read as follows (JX-0003; JX-0009 ('974 Reexamination).):

14. A sonar system for use with a boat to provide enhanced underwater images, the system comprising:

a left side scan sonar transducer positioned within a housing mounted to the boat for transmitting a left side scan sonar beam of pulses and for

receiving left side scan sonar return signals, wherein the left side scan sonar transducer has a total length of up to about seven inches and a total width of up to about 0.5 inches, and wherein the left side scan sonar beam of pulses [are] is directed downward and laterally outward to a left side of a boat, the left side scan sonar beam having a narrow horizontal width and a wide vertical width;

a right side scan sonar transducer positioned within the housing for transmitting a right side scan sonar beam of pulses and for receiving right side scan sonar return signals, wherein the right side scan sonar transducer has a total length of up to about seven inches and a total width of up to about 0.5 inches, and wherein the right side scan sonar beam of pulses [are] is directed downward and laterally outward lo a right side of the boat, the right side scan sonar beam having a narrow horizontal width and a wide vertical width;

signal processing circuitry for processing the left and right side scan sonar return signals to produce side scan image data;

a user interface including user inputs and a display; and

a digital processor for providing signals to the display to show an enhanced underwater image that provides details of underwater articles and bottom and contains shadows, wherein the digital processor, in response to a user input, performs an image enhancement algorithm upon the side scan image data to produce the enhanced underwater image.

18. The system of claim 14 wherein each of the left and right side scan sonar transducers has a total length of about three inches to about seven inches and a total width of about 0.125 inches to about 0.5 inches.

21. The system of claim 18 wherein each of the left and right side scan sonar transducers is oriented within the housing at a depression angle of between about 20 degrees and 40 degrees as measured from horizontal.

22. The system of claim 21 wherein the depression angle is about 30 degrees.

23. The system of claim 22 wherein each side scan [acoustic element] sonar transducer operates at a plurality of frequencies, at least one of the plurality of frequencies being between about 260 kHz and about 462 kHz.

25. The system of claim 18 wherein the length of the housing is approximately the same length as the length of the left and right side scan sonar transducers positioned therein.

33. The sonar system of claim 14, wherein the housing has no openings on its surface aligned with the left and right side scan sonar transducers.

D. The Products At Issue

1. Garmin Accused Products

Johnson Outdoors accuses the following Garmin products of infringing the asserted claims of the patents-in-suit. (*See* CIB at 18.)

Garmin Transducers	All GT30 models of the SideVü/DownVü sonar imaging transducers, except for the stainless steel through thru-hull mount pair product GT30-THP (part number 010-12089-11), including at least: the transom mount (part number 010-12089-00), and the stainless steel thru-hull mount GT30-TH (part number 010-12089-10).
Garmin Sounder Modules	GCV10 sounder module (and any and all other sounder modules compatible with a SideVü/DownVü sonar imaging transducer).
Garmin Sonar Displays	Garmin echoMAP and GPSMAP sonar displays that are compatible with a SideVü/DownVü sonar imaging transducer and a GCV10 sounder module, including at least: Garmin echoMAP 70dv and 70s and GPSMAP 721, 721xs, 741, 741xs, 820, 820xs, 840xs, 1020, 1020xs and 1040xs sonar displays.
Garmin Integrated Sounder Module and Sonar Displays	Garmin integrated sounder module and echoMAP and GPSMAP sonar displays that are compatible with a SideVü/DownVü sonar imaging transducer, including at least: echoMAP 73sv, echoMAP 74sv, echoMAP 93sv, echoMAP 94sv, GPSMAP 7410xsv, GPSMAP 7607xsv, GPSMAP 7608xsv, GPSMAP 7610xsv and GPSMAP 7612xsv.

II. IMPORTATION OR SALE

Section 337 of the Tariff Act prohibits the importation into the United States, the sale for importation, or the sale within the United States after importation by the owner, importer, or consignees of articles that infringe a valid and enforceable United States patent. *See* 19 U.S.C. § 1337(a)(1)(B). A complainant "need only prove importation of a single accused product to

satisfy the importation element." *Certain Purple Protective Gloves*, 337-TA-500, Order No. 17 (September 23, 2004).

The ALJ found that the importation requirement for purposes of Section 337 has been satisfied. (Order No. 14.) On April 22, 2015, the Commission determined not to review the order. (*See* Notice of Commission Determination Not to Review Two Initial Determinations Granting Unopposed Motions for Summary Determinations of Importation and the Existence of a Domestic Industry That Practices the Asserted Patents (April 22, 2015).)

III. JURISDICTION

In order to have the power to decide a case, a court or agency must have both subject matter jurisdiction and jurisdiction over either the parties or the property involved. (*See Certain Steel Rod Treating Apparatus and Components Thereof*, Inv. No. 337-TA-97, Commission Memorandum Opinion, 215 U.S.P.Q. 229, 231 (1981).) For the reasons discussed below, the ALJ finds the Commission has jurisdiction over this investigation.

Section 337 declares unlawful the importation, the sale for importation, or the sale after importation into the United States of articles that infringe a valid and enforceable United States patent by the owner, importer, or consignee of the articles, if an industry relating to the articles protected by the patent exists or is in the process of being established in the United States. (*See* 19 U.S.C. §§ 1337(a)(1)(B)(i) and (a)(2).) Pursuant to Section 337, the Commission shall investigate alleged violations of the Section and hear and decide actions involving those alleged violations.

Johnson Outdoors submits that Garmin has answered, participated in this Investigation, and does not dispute the Commission's jurisdiction, thereby submitting to its jurisdiction. (CIB at 24.) Additionally, Johnson Outdoors avers that Garmin does not contest that it imported, sold

for importation, or sold after importation, the Accused Products over which the Commission has *in rem* jurisdiction. (*Id.*)

Garmin states that it does not contest that this Tribunal or the Commission has jurisdiction over this Investigation, and that the Commission has personal jurisdiction over Garmin International, Inc., Garmin North America, Inc., Garmin USA, Inc., and Garmin (Asia) Corporation for the purposes of this Investigation. (RIB at 17.)

As set forth *supra* in Section II, the importation requirement has been satisfied. Furthermore, Garmin has appeared and participated fully in this investigation and does not dispute the Commission's jurisdiction. Accordingly, the ALJ finds that Garmin has submitted to the jurisdiction of the Commission. (*See Certain Miniature Hacksaws*, Inv. No. 337-TA-237, Pub. No. 1948, Initial Determination at 4, 1986 WL 379287 (U.S.I.T.C., October 15, 1986) (unreviewed by Commission in relevant part).) Thus, the ALJ finds that the Commission has jurisdiction under Section 337 to hear this investigation and has *in personam* jurisdiction over Garmin.

The ALJ also finds that the Commission has *in rem* jurisdiction over the products at issue by virtue of the fact that accused products and components have been imported into the United States. (*See Enercon*, 151 F.3d at 1380; *Sealed Air Corp. v. International Trade Comm'n*, 645 F.2d 976, 985 (C.C.P.A. 1981) (An exclusion order operates against goods, not parties, and therefore is not contingent upon a determination of personal jurisdiction over a foreign manufacturer.).)

IV. CLAIM CONSTRUCTION

A. Legal Standard

Pursuant to the Commission's Notice of Investigation, this investigation is a patent-based investigation. (*See* 79 Fed. Reg. 49536 (August 21, 2014).) Accordingly, all of the unfair acts alleged by Johnson Outdoors to have occurred are instances of alleged infringement of the '952, the '825 and the '974 patents. Claim interpretation is a question of law. (*Markman v. Westview Instruments, Inc.*, 52 F.3d 967, 979 (Fed. Cir. 1995) (*en banc*), *aff'd*, 517 U.S. 370 (1996); *Cybor Corp. v. FAS Techs., Inc.*, 138 F.3d 1448, 1455 (Fed. Cir. 1998).) Second, a factual determination must be made as to whether the properly construed claims read on the accused devices. (*Markman*, 52 F.3d at 976.)

"The words of a claim are generally given their ordinary and customary meaning as understood by a person of ordinary skill in the art when read in the context of the specification and prosecution history." (*Thorner v. Sony Computer Entm't Am. LLC*, 669 F.3d 1362, 1365–67 (Fed. Cir. 2012) (citing *Phillips v. AWH Corp.*, 415 F.3d 1303, 1313 (Fed. Cir. 2005) (en banc)).) In construing claims, the ALJ should first look to intrinsic evidence, which consists of the language of the claims, the patent's specification, and the prosecution history, as such evidence "is the most significant source of the legally operative meaning of disputed claim language." (*Vitronics Corp. v. Conceptronic, Inc.*, 90 F.3d 1576, 1582 (Fed. Cir. 1996); *see also Bell Atl. Network Servs., Inc. v. Covad Comm'n. Group, Inc.*, 262 F.3d 1258, 1267 (Fed. Cir. 2001).) The words of the claims "define the scope of the patented invention." (*Id.*) And, the claims themselves "provide substantial guidance as to the meaning of particular claim terms." (*Phillips*, 415 F.3d at 1314.) It is essential to consider a claim as a whole when construing each term, because the context in which a term is used in a claim "can be highly instructive." (*Id.*) Claim terms are presumed to be used consistently throughout the patent, such that the usage of the term

in one claim can often illuminate the meaning of the same term in other claims. (*Research Plastics, Inc. v. Federal Pkg. Corp.*, 421 F.3d 1290, 1295 (Fed. Cir. 2005).) In addition:

> . . . in clarifying the meaning of claim terms, courts are free to use words that do not appear in the claim so long as the resulting claim interpretation . . . accord[s] with the words chosen by the patentee to stake out the boundary of the claimed property.

(*Pause Tech., Inc. v. TIVO, Inc.*, 419 F.3d 1326, 1333 (Fed. Cir. 2005).)

Idiosyncratic language, highly technical terms, or terms coined by the inventor are best understood by reference to the specification. (*Phillips*, 415 F.3d at 1315–16.) While the ALJ construes the claims in light of the specification, limitations discussed in the specification may not be read into the claims. (*See Intervet Inc. v. Merial Ltd.*, 617 F.3d 1282, 1287 (Fed. Cir. 2010); *Abbott Labs. v. Sandoz, Inc.*, 566 F.3d 1282, 1288 (Fed. Cir. 2009).) Some claim terms do not have particular meaning in a field of art, in which case claim construction involves little more than applying the widely accepted meaning of commonly understood words. (*Phillips*, 415 F.3d at 1314.) Under such circumstances, a general purpose dictionary may be of use.[1] (*See Advanced Fiber Tech. (AFT) Trust v. J & L Fiber Servs., Inc.*, 674 F.3d 1365, 1374–75 (Fed. Cir. 2012).)

Claim terms should generally be given their ordinary and customary meaning except "1) when a patentee sets out a definition and acts as his own lexicographer, or 2) when the patentee disavows the full scope of a claim term either in the specification or during prosecution." (*Thorner*, 669 F.3d at 1365.) "To act as its own lexicographer, a patentee must 'clearly set forth a definition of the disputed claim term . . . .'" (*Id.*; *quoting CCS Fitness, Inc. v. Brunswick Corp.*,

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[1] Use of a dictionary, however, may extend patent protection beyond that to which a patent should properly be afforded. There is also no guarantee that a term is used the same way in a treatise as it would be by a patentee. *Phillips*, 415 F.3d at 1322.

288 F.3d 1359, 1366 (Fed. Cir. 2002)).) And "[w]here the specification makes clear that the invention does not include a particular feature, that feature is deemed to be outside . . . the patent," even if the terms might otherwise be broad enough to cover that feature. (*Id.* at 1366 (internal citation omitted).) Thus, if a claim term is defined contrary to the meaning given to it by those of ordinary skill in the art, the specification must communicate a deliberate and clear preference for the alternate definition. (*Kumar v. Ovonic Battery Co.*, 351 F.3d 1364, 1368 (Fed. Cir. 2003).) In other words, the intrinsic evidence must "clearly set forth" or "clearly redefine" a claim term so as to put one reasonably skilled in the art on notice that the patentee intended to so redefine the claim term. (*Bell Atl.*, 262 F.3d at 1268.) For example, disclaiming the ordinary meaning of a claim term—and thus, in effect, redefining it—can be affected through "repeated and definitive remarks in the written description." (*Computer Docking Station Corp. v. Dell, Inc.*, 519 F.3d 1366, 1374 (Fed. Cir. 2008) (citing *Watts v. XL Sys.*, 232 F.3d 877, 882 (Fed. Cir. 2000)); *see SafeTCare Mfg., Inc. v. Tele–Made, Inc.*, 497 F.3d 1262, 1270 (Fed.Cir.2007) (finding disclaimer of "pulling force" where "the written description repeatedly emphasized that the motor of the patented invention applied a pushing force").)

When the meaning of a claim term is uncertain, the specification is usually the first and best place to look, aside from the claim itself, in order to find that meaning. (*Phillips*, 415 F.3d at 1315.) The specification of a patent "acts as a dictionary" both "when it expressly defines terms used in the claims" and "when it defines terms by implication." (*Vitronics*, 90 F.3d at 1582.) For example, the specification "may define claim terms by implication such that the meaning may be found in or ascertained by a reading of the patent documents." (*Phillips*, 415 F.3d at 1323.) "The construction that stays true to the claim language and most naturally aligns with the patent's description of the invention will be, in the end, the correct construction." (*Id.* at

1316.) However, as a general rule, particular examples or embodiments discussed in the specification are not to be read into the claims as limitations. (*Markman*, 52 F.3d at 979.)

The prosecution history "provides evidence of how the inventor and the PTO understood the patent." (*Phillips*, 415 F.3d at 1317; *see also Pass & Seymour, Inc. v. Int'l Trade Comm'n*, 617 F.3d 1319, 1327 (Fed. Cir. 2010) (quoting *Multiform Desiccants, Inc. v. Medzam, Ltd.*, 133 F.3d 1473, 1478 (Fed. Cir. 1998)).) The ALJ may not rely on the prosecution history to construe the meaning of the claim to be narrower than it would otherwise be unless a patentee limited or surrendered claim scope through a clear and unmistakable disavowal. (*Trading Tech. Int'l, Inc. v. eSpeed, Inc.*, 595 F.3d 1340, 1352 (Fed. Cir. 2010) (internal citations omitted); *Vitronics*, 90 F.3d at 1582–83.) For example, the prosecution history may inform the meaning of the claim language by demonstrating how an inventor understood the invention and whether the inventor limited the invention in the course of prosecution, making the claim scope narrower than it otherwise would be. (*Vitronics*, 90 F.3d at 1582-83; *see also Chimie v. PPG Indus., Inc.*, 402 F.3d 1371, 1384 (Fed. Cir. 2005) (stating, "The purpose of consulting the prosecution history in construing a claim is to exclude any interpretation that was disclaimed during prosecution."); *Microsoft Corp. v. Multi-tech Sys., Inc.*, 357 F.3d 1340, 1350 (Fed. Cir. 2004) (stating, "We have held that a statement made by the patentee during prosecution history of a patent in the same family as the patent-in-suit can operate as a disclaimer.").) The prosecution history includes the prior art cited, *Phillips*, 415 F.3d at 1317, as well as any reexamination of the patent. (*Intermatic Inc. v. Lamson & Sessions Co.*, 273 F.3d 1355, 1367 (Fed. Cir. 2001).)

Differences between claims may be helpful in understanding the meaning of claim terms. (*Phillips*, 415 F.3d at 1314.) A claim construction that gives meaning to all the terms of a claim is preferred over one that does not do so. (*Merck & Co. v. Teva Pharms. USA, Inc.*, 395 F.3d

1364, 1372 (Fed. Cir.), *cert. denied*, 546 U.S. 972 (2005); *Alza Corp. v. Mylan Labs. Inc.*, 391 F.3d 1365, 1370 (Fed. Cir. 2004).) In addition, the presence of a specific limitation in a dependent claim raises a presumption that the limitation is not present in the independent claim. *Phillips*, 415 F.3d at 1315. This presumption of claim differentiation is especially strong when the only difference between the independent and dependent claim is the limitation in dispute. (*SunRace Roots Enter. Co., v. SRAM Corp.*, 336 F.3d 1298, 1303 (Fed. Cir. 2003).) "[C]laim differentiation takes on relevance in the context of a claim construction that would render additional, or different, language in another independent claim superfluous." (*AllVoice Computing PLC v. Nuance Commc'ns, Inc.*, 504 F.3d 1236, 1247 (Fed. Cir. 2007).)

Finally, when the intrinsic evidence does not establish the meaning of a claim, the ALJ may consider extrinsic evidence, *i.e.*, all evidence external to the patent and the prosecution history, including inventor testimony, expert testimony and learned treatises. (*Phillips*, 415 F.3d at 1317.) Extrinsic evidence may be helpful in explaining scientific principles, the meaning of technical terms, and terms of art. (*Vitronics*, 90 F.3d at 1583; *Markman*, 52 F.3d at 980.) However, the Federal Circuit has generally viewed extrinsic evidence as less reliable than the patent itself and its prosecution history in determining how to define claim terms. (*Phillips*, 415 F.3d at 1318.) With respect to expert witnesses, any testimony that is clearly at odds with the claim construction mandated by the claims themselves, the patent specification, and the prosecution history should be discounted. (*Id.* at 1318.)

If the meaning of a claim term remains ambiguous after a review of the intrinsic and extrinsic evidence, then the patent claims should be construed so as to maintain their validity. (*Id.* at 1327.) However, if the only reasonable interpretation renders a claim invalid, then the claim should be found invalid. (*See Rhine v. Casio, Inc.*, 183 F.3d 1342, 1345 (Fed. Cir. 1999).)

B. '952 Patent

Johnson Outdoors asserts claims 1, 2, 17, 25, 26, 31, 32, 35, 36, 41-43, 53, and 56 of the '952 patent.

1. Level of Skill in the Art

First, the ALJ points out that neither party put forth a definition for a person of ordinary skill in the art ("POSITA") within their post hearing briefs as it does not ultimately impact claim construction. However, the record contains various definitions for a POSITA and the ALJ finds these definitions similar. (*See e.g.*, CX-0023C at Q/A 35-37 and RX-1517C at Q/A 80.) Accordingly, the ALJ finds that a POSITA is defined as "a person with a bachelor's degree or higher in electrical engineering or physics with at least three years of experience designing and implementing sonar imaging systems." (*Id.*)

2. Claim Construction

Seven claim terms are in dispute in this investigation with respect to the '952 patent. (*See* CIB at 25-36; RIB at 17-33.)

Table 1 lists the parties' proposed claim construction for each disputed term. (*See* CIB at 25-36; RIB at 17-33.)

'952 Claim Term	Johnson Outdoors	Garmin
"acoustic element having a rectangular shape"	the piezoelectric element or array of piezoelectric elements that converts the electric pulse signal into mechanical energy (sound in the water) and vice versa; the overall shape of the transmitting face of the acoustic element (i.e., the face facing the water) is rectangular	a single rectangular element, or a plurality of connected rectangular elements operating as a single substantially rectangular element (crystal); the overall shape of the one or more side scan acoustic elements facing the water is rectangular
"first and second side scan acoustic elements"	left and right side scan acoustic elements	a plurality of connected rectangular elements operating as a single substantially rectangular element (crystal)

'952 Claim Term	Johnson Outdoors	Garmin
"wherein the length of the housing is approximately the same length as the first and second side scan acoustic elements"	75% acoustic element-to-housing length ratio, or higher	the length of the housing in which the side acoustic elements reside is almost or nearly the same length as the acoustic elements
"transducer assembly"	the housing and acoustic elements, designed to be attached to the boat (to or through the hull, and its customary equipment) in a fixed manner	no construction needed
"mounted to a boat"	proximately secured to the boat in a fixed manner	no construction needed
"electronic control head"	a single electronic control module, or two or more electronic modules that work together as the control head	a single electronic control module, or two or more electronic control modules that work together as a the control head
"a downward acoustic element"	one or more downward acoustic elements	no construction needed

Table 1 Parties Proposed '952 Claim Construction

3. "acoustic element having a rectangular shape"

Johnson Outdoors	Garmin
the piezoelectric element or array of piezoelectric elements that converts the electric pulse signal into mechanical energy (sound in the water) and vice versa; the overall shape of the transmitting face of the acoustic element (i.e., the face facing the water) is rectangular	a single rectangular element, or a plurality of connected rectangular elements operating as a single substantially rectangular element (crystal); the overall shape of the one or more side scan acoustic elements facing the water is rectangular

Johnson Outdoors contends that a POSITA would understand "acoustic element" to refer to the piezoelectric element (a.k.a. "ceramic") or array of piezoelectric elements (pieces) that converts the electric pulse signal into mechanical energy (sound in the water) and vice versa. (CIB at 26.) Johnson Outdoors also states that its construction is consistent with the '952 patent

specification in that the "side scan elements may be made from any of a variety of piezoelectric materials capable of converting electric energy into mechanical energy and converting mechanical energy into electrical energy." (*Id.*) Additionally, Johnson Outdoors argues that the claims, specification and prosecution history indicate that the acoustic element may comprise an array of multiple ceramic pieces. (*Id.*) Johnson Outdoors contends that the "claims refer to a 'total length' and 'total width' of the acoustic elements and, therefore, the "acoustic element" were intended to cover a plurality of elements; otherwise, the word "total" would be superfluous. (*Id.* at 27.) Additionally, Johnson Outdoors points out that the '952 patent specification affirmatively states that "[e]lements shown as integrally formed may be constructed of multiple parts." (*Id.*)

Johnson Outdoors also contends that a rectangular shape is a term readily understandable, by its plain and ordinary meaning to one of skill in the art. (CIB at 28.) Additionally, Johnson Outdoors argues that a POSITA would understand that an acoustic element has the claimed "rectangular shape" when the overall shape of the transmitting face of the one or more piezoelectric elements/pieces—i.e., the surface of the acoustic element that generates the sound signals and faces the water—is rectangular. (*Id.*) And, Johnson Outdoors contends an acoustic element may comprise multiple pieces of ceramic, the "rectangular shape" may be the overall shape of those ceramic pieces. (*Id.*)

Garmin submits that "acoustic element having a rectangular shape" refers to something entirely distinct from a multi-element array. (RIB at 21.) Garmin points out that each of the asserted independent claims requires an "acoustic element having a rectangular shape." (*Id.*) Next, Garmin argues that the specification exclusively describes the operation of single pieces of piezoelectric ceramic as being the acoustic element having a rectangular shape. (*Id.* at 21-22.)

Additionally, Garmin contends that "the prosecution and reexamination history confirms that the invention is limited to single rectangular crystals or, at most—as Garmin's construction proposes—a plurality of connected rectangular elements operating as a single substantially rectangular element (crystal) are covered by the term 'acoustic element having rectangular shape.'" (*Id.* at 24.) Last, Garmin contends that "although the claims are not ambiguous and therefore the Tribunal need not look to the extrinsic evidence to construe 'acoustic element having a rectangular shape,' a person of skill in the art would understand the term acoustic element to mean 'specifically one single piece of ceramic.'" (*Id.* at 25.)

The ALJ finds that the claim term "acoustic element having a rectangular shape" means "a single rectangular element or a plurality of connected rectangular elements operating as a single substantially rectangular element whereby the overall shape of the one or more side scan acoustic elements facing the water is rectangular." First, the words of the asserted claims require "an acoustic element having a rectangular shape." (JX-0001 ('952 patent), claims 1, 17, 35, 36, 41, 42, and 56.) Additionally, the asserted claims do not use the term "array" at all and as such the asserted claims specifically do not state that an acoustic element is or can be an array. (*Id.*) Specifically, the "having a rectangular shape" descriptor used in the claim language to describe the "acoustic element" does not describe an array, but describes the term "acoustic element." Furthermore, the claim language does not limit the term "acoustic element" to just a single element and, as such, the term acoustic element is seen to be one or more acoustic elements with the constraint that these acoustic elements must have an overall rectangular shape. (*Id.*)

The additional claim language describing the operation of the "acoustic element having a rectangular shape" shows that more than one acoustic element must be connected to operate, as described in the rest of the claim language, as a single acoustic element because the claim

language states that the "first and second side scan acoustic element" transmits "first and second side scan sonar beams." (*Id.*) To be clear, the rest of the claim language describing the operation of the acoustic element limits the beams to a first beam resulting from the first side scan acoustic element and a second beam resulting from the second side scan acoustic element. (*Id.*) Furthermore, the claim language also states "acoustic element having a rectangular shape with a **total length** … and a **total width** ..." and as such covers more than a single element because the use of the term "total" would not be needed to cover the length of one element. (JX-0001 ('952 patent) at col. 12:59-60 (emphases added); *Bicon, Inc. v. Straumann Co.*, 441 F.3d 945, 950-51 (Fed. Cir. 2006) ("claims are interpreted with an eye toward giving effect to all terms in the claim").) Last, other claim language describing the operation of the acoustic element show the rectangular shape is oriented to face the water as the claim language states that "each side scan acoustic element being mounted within the housing and oriented at a depression angle of between about 20 degrees and about 40 degrees." Thus, the claims support the construction of the term "acoustic element having a rectangular shape" to be "a single rectangular element or a plurality of connected rectangular elements operating as a single substantially rectangular element whereby the overall shape of the one or more side scan acoustic elements facing the water is rectangular."

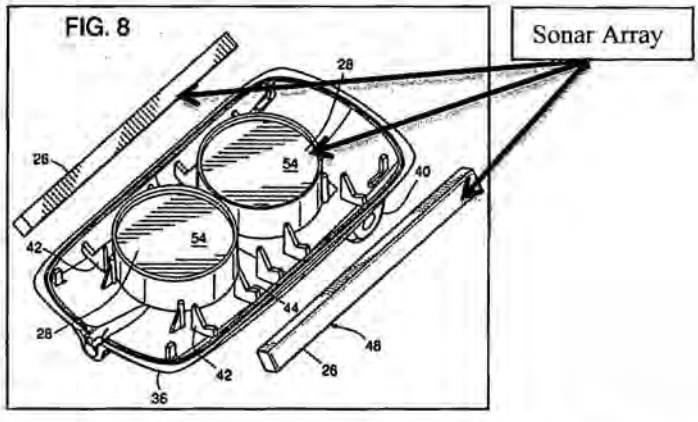
The specification also describes specific support for the correct construction by stating that the "[r]ecesses 44 are configured (shaped and positioned) to support the rectangular shaped side scan elements 26 in a position and orientation (direction) to provide a particular, desired, predetermined acoustic beam performance." (JX-0001 ('952 patent) at col. 5 ll. 26-30.) Thus, the ALJ finds that the specification aligns with the claim language itself for the proper operation of the acoustic element to have a rectangular shape oriented to face the water in order to provide

the desired beam pulse. (*Id.* at col. 5 ll. 63-64.) The specification goes on to state that this desired beam pulse provides a narrow horizontal beam width and a wide vertical beam width. (*Id.* at col. 6 ll. 22-23.) Thus, the ALJ finds the specification consistently supports the claim language that "acoustic element having a rectangular shape" is "a single rectangular element or a plurality of connected rectangular elements operating as a single substantially rectangular element whereby the overall shape of the one or more side scan acoustic elements facing the water is rectangular."

In addition, other parts of the record as well as testimony support the correct construction. For example, the record shows the "acoustic element" is different than a shaded array because sidelobes are typically and expensively controlled by shading a multiple element array; however, the sidelobes of the claimed acoustic elements were optimized by choosing the correct frequency, length, and width. (JX-0007 ('952 Reexam) at 1251.) And, Mr. Miller, Johnson Outdoors' expert, provides additional support for the correct construction in reference to prior Navico litigation testimony regarding the same asserted patents prior to the reexamination ("Question: Where it states side scan acoustic element. Answer: Yes. Question: You understand that be referring to a single element and not an element array? Answer: Yes, a single element. And – yes, single element."). (Tr. at 252:10-254-11.)

The ALJ finds Johnson Outdoors' proposed claim construction incorrect. First, Johnson Outdoors proposed construction incorrectly limits the "acoustic element" to only a piezoelectric element; however, the claim language never uses the term "piezoelectric." While "piezoelectric" is used within the specification with respect to certain embodiments of the invention, these embodiments cannot limit the claims. (*See Markman*, 52 F.3d at 979.) Second, Johnson Outdoors' proposed construction incorrectly defines "acoustic element" as an "array." In

addition to the claim language, the specification also supports the correct construction. The specification states the transducer 20 includes a housing 24 and a sonar array where the **sonar array** is "in the form of a plurality of acoustic elements shown as the side scan elements 26 and downward scan element 28." (JX-0001 ('952 patent) at col. 5 ll. 4-6. (emphasis added).) Thus, the ALJ finds that the aforementioned language within the specification defines a sonar array as the combination of the first side scan element 26, the second side scan element 26 and the downward scan element 28 as shown in Figure 8 below. (*Id.* Fig. 8.)



As explained *supra*, the term "array" is defined within the specification as the combination of the first side scan element 26, the second side scan element 26 and the downward scan element 28 as shown in Figure 8 above. Therefore, the ALJ finds the term "array," as defined with the specification, cannot also define the "acoustic element" because the combination of acoustic elements (*e.g.*, first side scan element 26, the second side scan element 26 and the downward scan element 28) make up an "array" as described with in the specification. Furthermore, the ALJ finds the proposed construction of "a rectangular shape" put forth by Johnson Outdoors is in line with the correct construction in view of the discussion of "acoustic element." To be clear, the ALJ finds that Johnson Outdoors' construction of "the overall shape of the transmitting face of the acoustic element (i.e., the face facing the water) is rectangular" is

the same as the construction of "the overall shape of the one or more side scan acoustic elements facing the water is rectangular" as used to describe the shape of the correctly construed "acoustic element."

4. "first and second side scan acoustic elements"

Johnson Outdoors	Garmin
left and right side scan acoustic elements	a plurality of connected rectangular elements operating as a single substantially rectangular element (crystal)

Johnson Outdoors contends that "[a] POS[IT]A would understand 'first and second side scan acoustic elements' to mean left and right side scan acoustic elements." (CIB at 32.) Then, Johnson Outdoors submits, as stated in the previous section, that each acoustic element, per side, may be a piezoelectric element or an array of piezoelectric elements. (*Id.*)

First, Garmin does not dispute the notion of left and right side scan acoustic elements as put forth by Johnson Outdoors but continues their argument disputing Johnson Outdoors' proposed construction of "acoustic element" as an "array" which was previously resolved in IV.B.3 *supra*.

The ALJ finds that the claim term "first and second side scan acoustic elements" means "a left side scan acoustic element and a right side scan acoustic element." As set forth *supra* in Section IV.B.3, the ALJ found that the claim term "acoustic element having a rectangular shape" means "a single rectangular element or a plurality of connected rectangular elements operating as a single substantially rectangular element whereby the overall shape of the one or more side scan acoustic elements facing the water is rectangular." The ALJ finds the claim language (*see e.g.*, (JX-0001 ('952 patent) Claim 1 ("first and second side scan acoustic elements … to first and

second sides of the boat") and the specification (*see e.g.*, (JX-0001 ('952 patent) Fig. 8) support the construction of an acoustic element on the left side and an acoustic element on the right side.

5. "wherein the length of the housing is approximately the same length as the first and second side scan acoustic elements"

Johnson Outdoors	Garmin
75% acoustic element-to-housing length ratio, or higher	the length of the housing in which the side acoustic elements reside is almost or nearly the same length as the acoustic elements

Johnson Outdoors contends that a POSITA would understand that "wherein the length of the housing is approximately the same length as the first and second side scan acoustic elements" means a "75% acoustic element-to-housing length ratio, or higher" because Johnson Outdoors submits, for example, that '952 patent Fig. 2 shows a 75% acoustic element-to-housing length ratio. (CIB at 32.) Additionally, Johnson Outdoors contends that Garmin's assertion that a relationship between the lengths of the acoustic element and housing of "75%, 80% or even 90%" is not sufficient to constitute being approximately the same length. (*Id.*) Johnson Outdoors further argues that Garmin's proposed construction would exclude Johnson Outdoors' preferred embodiment as shown in Fig, 2, which shows a transducer assembly with a 75% acoustic element-to-housing length ratio. (*Id.* at 33.)

Garmin contends that its construction of "the length of the housing in which the side acoustic elements reside is almost or nearly the same length as the acoustic elements" represents the plain and ordinary meaning of the disputed term, consistent with the claims, specification, and the prosecution history. (RIB at 29.) First, the asserted claims of the '952 patent that contain the limitation at hand, each of these claim make clear that the housing is "approximately the same length" as the acoustic elements. (*Id.*) Garmin points out that the claims do not suggest

or mention that the acoustic elements are 75% of the length of the housing. (*Id.*) Additionally, Garmin argues that the term "approximately" does not suggest a 25% differential. (*Id.*) Next, Garmin argues that the use of '952 patent Fig. 8 to calculate the differential between the acoustic element and the housing cannot be used because the patent does not expressly state that Fig. 8 is drawn to scale nor does Fig. 8 contain any indicators of size or dimensions. (*Id.*) Furthermore, Garmin contends that a POSITA would understand the term "wherein the length of the housing is approximately the same length as the first and second side scan acoustic elements" to mean almost or nearly the same length as the acoustic elements. (*Id.* at 30.)

The ALJ finds the term "wherein the length of the housing is approximately the same length as the first and second side scan acoustic elements" means "the length of the housing in which the side acoustic elements reside is almost or nearly the same length as the acoustic element." The claim language of the '952 patent discloses that the "housing" is "approximately the same length" as the acoustic element. Specifically, claim 35 states "the length of the housing is **approximately the same** as the length of the first and second side scan acoustic elements." ((JX-0001 ('952 patent) at claim 35)(emphasis added).) Neither the claims nor the specification suggest or mention that the acoustic element is 75% of the length of the housing. (*See* JX-0001 ('952 patent).) The evidence also shows that a POSITA would understand "approximately the same" to mean almost or nearly the same length (not 75% of the length). (RX-1518C (Calder RWS) at QQ. 125-131.)

6. "transducer assembly"

Johnson Outdoors	**Garmin**
the housing and acoustic elements, designed to be attached to the boat (to or through the hull, and its customary equipment) in a fixed manner	no construction needed

Johnson Outdoors contends that the claims of the '952 patent expressly and consistently

state "a transducer assembly mounted to a boat, the transducer assembly including: a housing; first and second side scan acoustic elements positioned within the housing . . . ." (CIB at 33.) Johnson Outdoors then points to patents considered by the Patent Office during the original prosecution and the reexamination as well as other prior art references to supports its construction of the "transducer assembly." (*Id.* at 33-34.) Johnson Outdoors also submits that "a POSITA would understand 'transducer assembly' to mean the housing and acoustic elements, designed to be attached to the boat in a fixed manner." (*Id.* at 34.)

Garmin argues that the claim language does not support Johnson Outdoor's construction as Johnson Outdoors points to nothing in the specification or prosecution history to support its proposed definition. (RIB at 31.) Garmin contends that "transducer housing" needs no construction because it is a simple term. (*Id.*)

The ALJ finds the term "transducer assembly" should be given its plain and ordinary meaning of "a housing and acoustic elements positioned within the housing" because the term is defined within the patent claims. (JX-0001 ('952 patent), claims 1, 17, 35, 36, 41, 42, and 56.) While the claims describe the "transducer assembly," the specification does not provide any additional description of the term such as being attached to the boat in a fixed manner. However, testimony from Johnson Outdoors' expert Dr. Miller (CX-0023C at Q/A 134) and Garmin's expert Dr. Calder (RX-1517C at Q/A 56) support the plain and ordinary meaning of "transducer assembly."

7. "mounted to a boat"

Johnson Outdoors	Garmin
proximately secured to the boat in a fixed manner	no construction needed

Johnson Outdoors states that "Fig. 1 of the '952 patent shows the transducer assembly proximately secured to the boat in a fixed manner." (CIB at 33.) Additionally, Johnson

Outdoors contends that a POSITA would understand "mounted to a boat" to mean proximately secured to the boat in a fixed manner. (*Id.* at 34.)

Garmin argues that the claim language does not support Johnson Outdoors' construction as Johnson Outdoors points to nothing in the specification or prosecution history to support its proposed definition. (RIB at 32.) Garmin contends that "mounted to a boat" needs no construction because it is a simple term. (*Id.*)

The ALJ finds the term "mounted to a boat" should be given its plain and ordinary meaning of "attached to a bottom surface of the boat" as the term is defined within the patent claims. (JX-0001 ('952 patent) at 1:35-37 ("transducer mounted to a **bottom surface** of the vessel through the water" (emphasis added).) Moreover, the ALJ finds that Johnson Outdoors' proposed construction leads to more confusion than clarity, *i.e.*, it is not clear what "proximately secured" means and Johnson Outdoors points to nothing in the specification that would provide any guidance as to what it would mean to be "proximately secured."

8. "electronic control head"

Johnson Outdoors	Garmin
a single electronic control module, or two or more electronic modules that work together as the control head	a single electronic control module, or two or more electronic control modules that work together as a the control head

Johnson Outdoors contends that a POSITA would understand an electronic control head to mean a single electronic control module, or two or more electronic modules that work together as a control head. (CIB at 35.) Johnson Outdoors submits that the claims contemplate that the electronic control head may be composed of one or more electronic modules as expressly stated in claim 25 of the '952 patent as "wherein the electronic control head comprises a first module and a second module." (*Id.*)

Garmin contends that the parties agree that a person of skill in the art would understand an electronic control head to mean a single electronic control module, or two or more electronic control modules that work together as a the control head. (RIB at 32.)

As the parties agree and the '952 patent supports the agreed upon construction, the ALJ finds that the term "electronic control head" means "a single electronic control module, or two or more electronic modules that work together as the control head."

9. "a downward acoustic element"

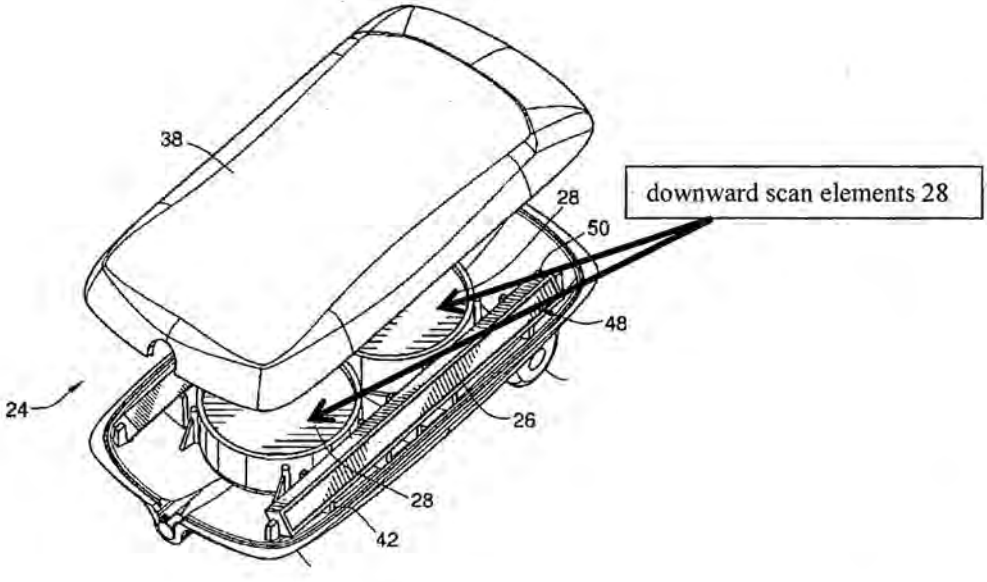
Johnson Outdoors	Garmin
one or more downward acoustic elements	no construction needed

Johnson Outdoors submits that "a POSITA would understand a 'downward acoustic element' to mean one or more downward acoustic elements." (CIB at 35.)

"Garmin asserts that the term "a downward acoustic element" needs no construction." (RIB at 32.) Garmin contends that Johnson Outdoors' proposed construction "is nothing but an improper attempt to broaden the scope of the '952 patent far beyond what a person of ordinary skill in the art—including Complainants' own expert—would have understood the '952 patent to cover." (*Id.* at 32-33.)

The ALJ finds that the claim term "a downward acoustic element" should be given its plain and ordinary. As such, the ALJ agrees with Johnson Outdoors construction and construes the term "a downward acoustic element" to mean "one or more downward acoustic elements." The specification discloses that "downward scan element 28 comprises a pair of transducer elements coupled together." (JX-0001 ('952 patent) at col. 7:16-17.) Additionally, the specification goes on to disclose alternate embodiments such as a "downward scan element comprises a single element or more than two elements." (*Id.* at col. 7:18-19.) Furthermore, '925

patent Fig. 2 below shows the downward acoustic element as a plurality of downward scan elements 28. (*Id.* at Fig. 2.)



'952 Patent, Fig. 2.

C. '825 Patent

Johnson Outdoors asserts claims 1, 5, 7, 8, 21, 22, 24, 25, 28 and 29 of the '825 patent. (CIB at 104-114.)

1. Level of Skill in the Art

The ALJ finds a POSITA for the '825 patent is the same as the POSITA for the '952 patent. Accordingly, as set forth *supra* in Section IV.B.1, a POSITA for the '825 patent would have a bachelor's degree or higher in electrical engineering or physics with at least three years of experience designing and implementing sonar imaging systems.

2. Claim Construction

Three claim terms are in dispute in this investigation with respect to the '825 patent. (*See* CIB at 104-107; RIB at 117-121.)

Table 2 lists the parties' proposed claim construction for each disputed term. (*See* CIB at 104-107; RIB at 117-121.)

'852 Claim Term	Johnson Outdoors	Garmin
"a boat location relative to the underwater image"	The past or present location of the boat relative to the underwater image.	the location of the boat in relation to the underwater image
"the length of the housing is substantially co-extensive with the length of the left and right side scan sonar transducer"	a 75% acoustic element (transducer)-to-housing ratio or higher	the length of the housing in which the side acoustic elements reside is almost or nearly the same length as the acoustic elements
"cradle"	a series of recessed or notched projections in which the transducer is positioned to provide the depression angle of the acoustic element.	the v-shaped projections to support, secure, and capture

3. "a boat location relative to the underwater image"

Johnson Outdoors	Garmin
The past or present location of the boat relative to the underwater image.	the location of the boat in relation to the underwater image

Johnson Outdoors contends that "[a] POS[IT]A would understand 'a boat location relative to the underwater image' to mean the past or present location of a boat relative to the underwater image." (CIB at 105.) Additionally, Johnson Outdoors submits that the boat location may be alternatively represented by a boat icon, the line of travel of a boat, or a "0" range marker. (*Id.*) Specifically, Johnson Outdoors contends that the '825 patent shows the boat

location relative to the underwater image as a boat icon, a "0" range marker, or the line of travel of the vessel (the centerline of the left and right images). (*Id.*)

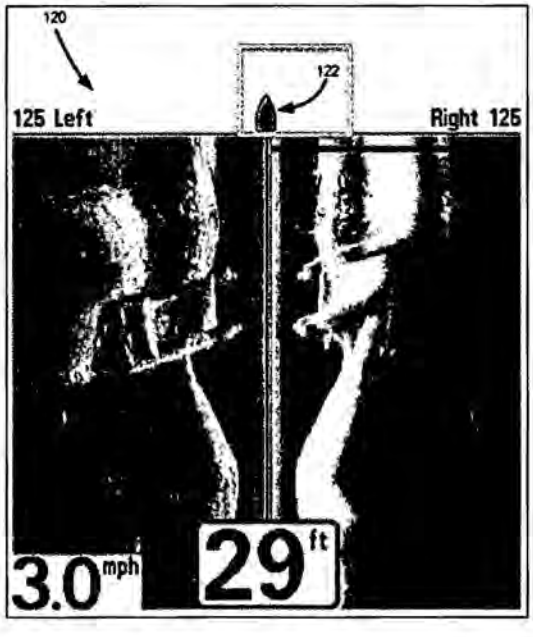
Johnson Outdoors submits that the prosecution history is consistent with its proposed construction because the claim feature "a boat location relative to the underwater image" was added to the claim by amendment whereby Johnson Outdoors identified the range marking "0" on the image as support for the boat location. (*Id.*) Furthermore, Johnson Outdoors submits that "0" represents zero distance from the boat—i.e., the boat's location. Thus, Johnson Outdoors contends that "a POS[IT]A would understand the claim term to encompass the "0" range marker, in addition to either a boat icon or the centerline." (*Id.*) Last, Johnson Outdoors argues that "[u]nder the doctrine of claim differentiation, the term 'boat location' of Claim 1 is broader in scope than the 'boat icon' of claim 9, and may encompass boat locations other than a boat icon, such as the centerline or "0" range marker discussed above, both of which are supported by the intrinsic record. (*Id.* at 105-106.)

Garmin argues the claim makes clear that the "boat location" is the location of the in relation to the underwater image. (RIB at 117.) Specifically, Garmin points out that the specification supports its proposed construction by stating "[a]n icon 122 (in the form of a schematic watercraft) indicates the position and orientation and direction of travel of the watercraft 10." (*Id.*) Additionally, Garmin submits that the specification states "[t]he location of the watercraft **10** is shown as '0' in the images **92** [and] [h]istoric information is shown to the left of '0'."

The ALJ finds that the claim term "a boat location relative to the underwater image" means "the location of the boat in relation to the underwater image." First, the claim language supports such a construction. Specifically, the claims describe a display showing an "underwater

image that provides details of underwater articles and bottom and contains shadows comprising a) at least one of a left side underwater image and a right side underwater image, b) a boat location relative to the underwater image…". (JX-0002 ('825 patent) claims 1 and 29.) Thus, the claims describe the location of the boat as it relates to the underwater image.

Second, the specification also supports the ALJ's construction. Specifically, Fig. 19 discloses "[a]n icon 122 (in the form of a schematic watercraft) indicates the position and orientation and direction of travel of the watercraft 10." (JX-0002 ('825 patent) at col. 11:25–28; Fig. 19.)



Similarly, Fig. 13 shows "[t]he location of the watercraft **10** is shown as "0" in the images **92.** Historic information is shown to the left of "0". As such, the display **62** shows image **92** to the bottom or side of the watercraft **10** that are even and behind the watercraft **10.**" (*Id.* at 11:3-8; Fig. 13.) Thus, the specification describes a "0" marker as well as the "icon 122" showing the present location of the boat relative to the underwater image. *See also*, JX-0005 at Ex. Pg. 129-

130 (Distinguishing the present invention based upon, *inter alia*, the display that shows the "present location of the boat relative to the underwater image.")

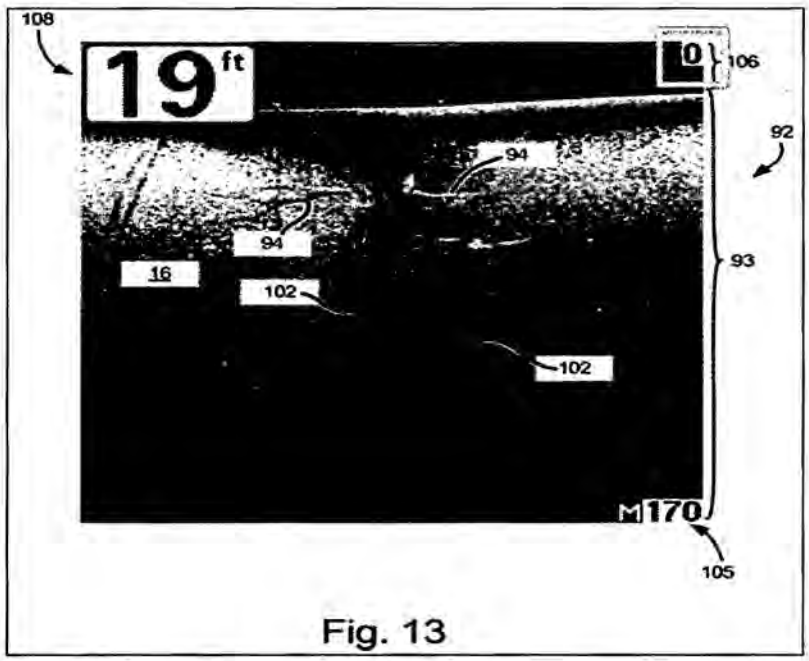


Fig. 13

As for whether the boat's location may be depicted using a boat icon, a "0" range marker and the line of travel, the ALJ finds that the specification only discloses a boat's location as depicted by a boat icon or a "0" range marker. It does not discuss the line of travel as a depiction of the boat location. Indeed, the prosecution history shows that Johnson Outdoors argued that its invention was patentable over the prior art because it disclosed a display (either a boat icon or "0" marker) that showed the boat's specific location and position in relation to underwater images. (JX-0005 at Ex. Pgs. 129-130.) As noted above, the specification touts the invention as providing information on the present location and position of the boat relative to the underwater images. (JX-0002 ('852 patent) at 11:1-28.) Moreover, any mention of the line of travel was only to call out the use of the boat icon by the present invention. (*Id.* At 11: 25-28 ("An icon 122

(in the form of a schematic watercraft) indicates the position and orientation and direction of travel of the watercraft 10.") Thus, the specification describes and the prosecution history supports the ALJ finding that the boat location is represented by a boat icon 122 or a "0" marker.

4. "the length of the housing is substantially co-extensive with the length of the left and right side scan sonar transducer"

Johnson Outdoors	Garmin
a 75% acoustic element (transducer)-to-housing ratio or higher	the length of the housing in which the side acoustic elements reside is almost or nearly the same length as the acoustic elements

Johnson Outdoors contends that "[a] POSITA would understand that 'the length of the housing is substantially co-extensive with the length of the left and right side scan sonar transducer' means a 75% acoustic element-to-housing length ratio or higher. (CIB at 106.) Johnson Outdoors submits that the analysis for the construction of this claim term is identical to its contentions in Section IV.B.5, *supra*. (*Id.*)

Garmin contends that 'the length of the housing is substantially co-extensive with the length of the left and right side scan sonar transducer' means "the length of the housing in which the side acoustic elements reside is almost or nearly the same length as the acoustic elements." (RIB at 119.) Garmin submits that the analysis for the construction of this claim term is identical to its contentions in Section IV.B.5, *supra*. (*Id.*)

As set forth *supra* in Section IV.B.5, the ALJ finds the term "wherein the length of the housing is approximately the same length as the first and second side scan acoustic elements" means "the length of the housing in which the side acoustic elements reside is almost or nearly the same length as the acoustic element."

5. "cradle"

Johnson Outdoors	Garmin
a series of recessed or notched projections in which the transducer is positioned to provide the depression angle of the acoustic element	the v-shaped projections to support, secure, and capture

Johnson Outdoors contends that the term "cradle" is defined in the patent as "[a] series of projections include . . . recesses or notches to form a cradle that receives side scan elements." (CIB at 106.) Additionally, Johnson Outdoors argues that the '825 patent describes projections that are used for the purpose of providing location and position support for the acoustic elements. (*Id.*) Furthermore, Johnson Outdoors contends that the "[r]ecesses are configured (shaped and positioned) to support" the side scan elements "in a position and orientation (direction) to provide a particular, desired, predetermined acoustic beam performance." (*Id.* at 106-107.)

First, Garmin contends that the claims that use the term 'cradle' do not describe what the cradle should be and instead state that the left and right side scan sonar transducers are mounted in respective cradles so as to provide the depression angle. (RIB at 120.) Consequently, "cradle" should have its plain and ordinary meaning because there is nothing in the claim language that supports a different understanding. (*Id.*) Furthermore, Garmin contends that the specification makes clear that the 'cradle' is "captured, cradled, secured, etc." by projections in housing and that the series of projections include v-shaped recesses or notches 44 to form a cradle. (RIB at 121.) Garmin argues that the discussion of the term "cradle" in the specification always features v-shaped projections. (*Id.*)

The ALJ finds that the claim term "cradle" means "a series of recesses or notched projections that support and properly position the transducer to provide the depression angle."

The claim language supports such a construction because it describes positioning the cradles in order to "provide the depression angle" and also describes the sonar transducers as "mounted" in respective cradles. (JX-0002 ('852 patent) at claim 29.) Similarly, the specification repeatedly discusses the use of cradle to support and position the side scan elements:

> Both top housing portion 36 and bottom housing portion 38 have projections extending towards the interior of the housing to provide structural support for the housing assembly, and **to provide locating and positioning support for the acoustic elements**. A series of projections 42 include v-shaped recesses or notches 44 to form a cradle that receives side scan elements 26. Recesses 44 are configured (shaped and positioned) **to support** the rectangular shaped side scan elements 26 in a position and orientation (direction) to provide a particular, desired, predetermined acoustic beam performance.

(JX-0002 ('825 patent) at 5:29-39 (emphases added); *see also* 6:43-46 ("Referring to FIGS. 1, 4, 6, and 7, the side scan elements 26 are **supported** (e.g., captured, cradled, secured, etc.) **by projections 42** in housing 24 so that their exposed surface 48 is orientated at a predetermined direction and angle." (emphases added).)

The ALJ finds neither Johnson Outdoors nor Garmin's proposed constructions are acceptable. The ALJ finds that Johnson Outdoors fails to take into account the specification's description that the cradle is intended not only to position the transducer, but to also support it. (*See* JX-0002 ('825 patent) at 5:29-39; 6:43-46.) As for Garmin's proposed construction, the ALJ finds that limiting the cradle to v-shaped projections or notches is too limiting. While Garmin is correct that much of the specification discusses the use of v-shaped projections as the cradle, the ALJ finds that limiting the claim term to only those types of projections would improperly limit the claims to the preferred embodiment. *Phillips v. AWH Corp.*, 415 F. 3d 1303, 1323 ("[A]lthough the specification often describes very specific embodiments of the invention, we have repeatedly warned against confining the claims to those embodiments.") (citations omitted). Moreover, claim 30, which depends on claim 29, specifically claims a cradle

"comprised of one or more projections each having a v-shaped recess." (JX-0002 ('825 patent) at claim 30.) As such, it would be improper under the doctrine of claim differentiation to limit the "cradle" in independent claim 29 to the v-shaped projections claimed in claim 30. *Phillips*, 415 F. 3d at 1315 ("[T]he presence of a dependent claim that adds a particular limitation gives rise to a presumption that the limitation in question is not present in the independent claim.") (citations omitted).

Therefore, the ALJ finds that "cradle" means "a series of recesses or notched projections that support and properly position the transducer to provide the depression angle."

D. '974 Patent

One claim term is in dispute in this investigation with respect to the '974 patent. (*See* CIB at 139-140; RIB at 135.)

1. Level of Skill in the Art

The ALJ finds a POSITA for the '974 patent is the same as the POSITA for the '952 and '825 patents. Accordingly, as set forth *supra* in Sections IV.B.1 and IV.C.1, a POSITA for the '974 patent would have a bachelor's degree or higher in electrical engineering or physics with at least three years of experience designing and implementing sonar imaging systems.

2. "the length of the housing is approximately the same length as the length of the left and right side scan sonar acoustic elements"

Johnson Outdoors	Garmin
75% acoustic element (transducer)-to-housing length ratio, or higher	the length of the housing in which the side acoustic elements reside is almost or nearly the same length as the acoustic elements

Johnson Outdoors contends that "[a] POSITA would understand that 'the length of the housing is substantially co-extensive with the length of the left and right side scan sonar

transducer' means a 75% acoustic element (transducer)-to-housing length ratio or higher. (CIB at 139-140.) Johnson Outdoors submits that the analysis for the construction of this claim term is identical to its contentions in Section IV.B.5, *supra*. (*Id.*)

Garmin contends that 'the length of the housing is substantially co-extensive with the length of the left and right side scan sonar transducer' means "the length of the housing in which the side acoustic elements reside is almost or nearly the same length as the acoustic elements." (RIB at 135.) Garmin submits that the analysis for the construction of this claim term is identical to its contentions in Section IV.B.5, *supra*. (*Id.*)

As set forth *supra* in Section IV.B.5 and IV.C.4, the ALJ finds the term "the length of the housing is approximately the same length as the first and second side scan acoustic elements" means "the length of the housing in which the side acoustic elements reside is almost or nearly the same length as the acoustic element."

V. INFRINGEMENT DETERMINATION

A. Applicable Law

In a Section 337 investigation, the complainant bears the burden of proving infringement of the asserted patent claims by a preponderance of the evidence. *Certain Flooring Products*, Inv. No. 337-TA-443, Commission Notice of Final Determination of No Violation of Section 337, 2002 WL 448690 at 59, (March 22, 2002); *Enercon GmbH v. Int'l Trade Comm'n,* 151 F.3d 1376 (Fed. Cir. 1998).

Each patent claim element or limitation is considered material and essential. *London v. Carson Pirie Scott & Co.*, 946 F.2d 1534, 1538 (Fed. Cir. 1991). Literal infringement of a claim occurs when every limitation recited in the claim appears in the accused device, *i.e.,* when the properly construed claim reads on the accused device exactly. *Amhil Enters., Ltd. v. Wawa, Inc.*,

81 F.3d 1554, 1562 (Fed. Cir. 1996); *Southwall Tech. v. Cardinal IG Co.*, 54 F.3d 1570, 1575 (Fed Cir. 1995).

If the accused product does not literally infringe the patent claim, infringement might be found under the doctrine of equivalents. The Supreme Court has described the essential inquiry of the doctrine of equivalents analysis in terms of whether the accused product or process contains elements identical or equivalent to each claimed element of the patented invention. *Warner-Jenkinson Co., Inc. v. Hilton Davis Chemical Co.*, 520 U.S. 17, 40 (1997).

Under the doctrine of equivalents, infringement may be found if the accused product or process performs substantially the same function in substantially the same way to obtain substantially the same result. *Valmont Indus., Inc. v. Reinke Mfg. Co.*, 983 F.2d 1039, 1043 (Fed. Cir. 1993). The doctrine of equivalents does not allow claim limitations to be ignored. Evidence must be presented on a limitation-by-limitation basis, and not for the invention as a whole. *Warner-Jenkinson*, 520 U.S. at 29; *Hughes Aircraft Co. v. U.S.*, 86 F.3d 1566 (Fed. Cir. 1996). Thus, if an element is missing or not satisfied, infringement cannot be found under the doctrine of equivalents as a matter of law. *See, e.g., Wright Medical*, 122 F.3d 1440, 1444 (Fed. Cir. 1997); *Dolly, Inc. v. Spalding & Evenflo Cos., Inc.*, 16 F.3d 394, 398 (Fed. Cir. 1994); *London v. Carson Pirie Scott & Co.*, 946 F.2d 1534, 1538-39 (Fed. Cir. 1991); *Becton Dickinson and Co. v. C.R. Bard, Inc.*, 922 F.2d 792, 798 (Fed. Cir. 1990).

The concept of equivalency cannot embrace a structure that is specifically excluded from the scope of the claims. *Athletic Alternatives v. Prince Mfg., Inc.*, 73 F.3d 1573, 1581 (Fed. Cir. 1996). In applying the doctrine of equivalents, the Commission must be informed by the fundamental principle that a patent's claims define the limits of its protection. *See Charles*

Greiner & Co. v. Mari-Med. Mfg., Inc., 92 F.2d 1031, 1036 (Fed. Cir. 1992). As the Supreme Court has affirmed:

> Each element contained in a patent claim is deemed material to defining the scope of the patented invention, and thus the doctrine of equivalents must be applied to individual elements of the claim, not to the invention as a whole. It is important to ensure that the application of the doctrine, even as to an individual element, is not allowed such broad play as to effectively eliminate that element in its entirety.

Warner-Jenkinson, 520 U.S. at 29.

To prove direct infringement, Johnson Outdoors must prove by a preponderance of the evidence that each of the accused products either literally infringe or infringe under the doctrine of equivalents the asserted claims of the asserted patents. *Advanced Cardiovascular Sys., Inc. v. Scimed Life Sys., Inc.*, 261 F.3d 1329, 1336 (Fed. Cir. 2001).

A party can also indirectly infringe a patent. To prevail on a claim for indirect infringement, a patentee must first demonstrate direct infringement, and then establish that the "defendant possessed the requisite knowledge or intent to be held vicariously liable." *Dynacore Holdings Corp. v. U.S. Philips Corp.*, 363 F.3d 1263, 1272–73 (Fed. Cir. 2004). The knowledge requirement must be met by a showing of either actual knowledge or willful blindness. *Global–Tech Appliances, Inc. v. SEB S.A.*, 131 S. Ct. 2060, 2068 (2011).

Under 35 U.S.C. § 271(b), "[w]hoever actively induces infringement of a patent shall be liable as an infringer." "To prove induced infringement, the patentee must show direct infringement, and that the alleged infringer knowingly induced infringement and possessed specific intent to encourage another's infringement." *Toshiba Corp. v. Imation Corp.*, 681 F.3d 1358, 1363 (Fed. Cir. 2012) (internal quotations omitted).

The Supreme Court has held that "induced infringement under § 271(b) requires knowledge that the induced acts constitute patent infringement." *Global-Tech*, 131 S. Ct. at

2070. In so holding, the Supreme Court rejected the Federal Circuit's "deliberate indifference" to a "known risk" test. *Id.* at 2071. It explained that the "knowledge" required under § 271(b) could be satisfied by a showing of actual knowledge or "willful blindness." *Id.* at 2068–71. The Supreme Court explained that a defendant acts with willful blindness if she "subjectively believe[s] that there is a high probability that a fact exists" and "take[s] deliberate actions to avoid learning of the fact." *Id.* at 2070, 2070 n.9. In contrast, a defendant who "merely knows of a substantial and unjustified risk of [ ] wrongdoing" acts recklessly, and a defendant who "should have known of a similar risk, but in fact, did not" acts negligently. *Id.* at 2071. "Inducement requires evidence of culpable conduct, directed to encouraging another's infringement, not merely that the inducer had knowledge of the direct infringer's activities." *DSU Med. Corp. v. JMS Co.*, 471 F.3d 1293, 1306 (Fed. Cir. 2006) (*en banc*).

Under 35 U.S.C. § 271(c), "[w]hoever offers to sell or sells within the United States or imports into the Unites States a component of a patented machine, manufacture, combination, or composition, or a material or apparatus for use in practicing a patented process, constituting a material part of the invention, knowing the same to be specifically made to or specially adapted for use in the infringement of the patent, and not a staple article or commodity suitable for substantial non-infringing use, shall be liable as a contributory infringer." "Contributory infringement imposes liability on one who embodies in a non-staple device the heart of a patented process and supplies the device to others to complete the process and appropriate the benefit of the patented invention." *Vita–Mix Corp. v. Basic Holding, Inc.*, 581 F.3d 1317, 1327 (Fed. Cir. 2009). To state a claim for contributory infringement, an infringer must sell, offer to sell or import into the United States a component of an infringing product "knowing [the component] to be especially made or especially adapted for use in an infringement of such patent,

and not a staple article or commodity of commerce suitable for substantial non infringing use." 35 U.S.C. § 271(c); *see Lucent Techs. v. Gateway, Inc.*, 580 F.3d 1301, 1320 (Fed. Cir. 2009). As with induced infringement, a claim for contributory infringement must also contain allegations of the requisite knowledge of the patent-in-suit at the time of infringement. *Global-Tech*, 131 S. Ct. at 2068. In addition, the patentee bears the burden of proving that the accused products have no substantial non-infringing uses. *See Golden Blount, Inc. v. Robert H. Peterson Co.*, 438 F.3d 1354, 1363 (Fed. Cir. 2006).

A seller of a component of an infringing product can also be held liable for contributory infringement if: (1) there is an act of direct infringement by another person; (2) the accused contributory infringer knows its component is included in a combination that is both patented and infringing; and (3) there are no substantial non-infringing uses for the accused component, *i.e.*, the component is not a staple article of commerce. *Carborundum Co. v. Molten Equip. Innovations, Inc.*, 72 F.3d 872, 876 (Fed. Cir. 1995).

B. '952 Patent

1. Direct Infringement: "acoustic element having a rectangular shape"

Johnson Outdoors contends that Garmin's accused products meet all of the limitations of claims 1, 2, 17, 25, 26, 31, 32, 35, 36, 41-43, 53, and 56 of the '952 patent. (CIB at 38.) Johnson Outdoors argues that Garmin's SideVü/DownVü transducer assembly has a 7.5–inch-long housing containing left and right side scan acoustic elements and a downward scan acoustic element positioned between the left and right side scan acoustic elements. (*Id.*) Also, Johnson Outdoors avers that "[e]ach side scan acoustic element has a rectangular shape (i.e., a rectangular transmitting face), is 6 inches in total length and 0.125 inches in total width, and is depressed at about a 30-degree angle with respect to horizontal, thereby meeting the corresponding shape,

dimensional, and depression angle ranges in the Asserted Claims." (*Id.*) Then, Johnson Outdoors points out that Garmin's sole defense to infringement is that the SideVü/DownVü transducer assembly, and specifically its 3-piece shaded array design, does not meet the claim term acoustic element having a rectangular shape has no merit. (*Id.* at 38-39.)

Johnson Outdoors submits that while Garmin's accused SideVü/DownVü transducer assembly comprises three rectangular ceramic pieces configured end-to-end, Garmin's installation guide for the accused SideVü/DownVü transducer specifically calls out the "element" in the transducer and additionally the properly construed claims do not limit the acoustic element to a single piece of ceramic. (*Id.* at 39.) Then, Johnson Outdoors argues that "[e]ach left side, right side and down acoustic element in the accused SideVü/DownVü transducer assembly has only a pair of wires connected to the respective transmitting/receiving circuitry, located either in the GCV-10 sounder module or the integrated control head." (*Id.*) Thus, Johnson Outdoors contends that the three ceramic pieces are simultaneously excited by a transmitting sonar pulse, generate a single sonar beam in the far field, and are viewed in the far field as one acoustic element. (*Id.*)

In response, Garmin argues that its accused products do not have a single rectangular element as required by the claims and therefore, none of its accused products infringe any of the asserted claims of the '952 patent. (RIB at 38.) Specifically, Garmin contends that its accused products have three elements (labeled as A, B and C) as shown below. (*Id.* at 37.)

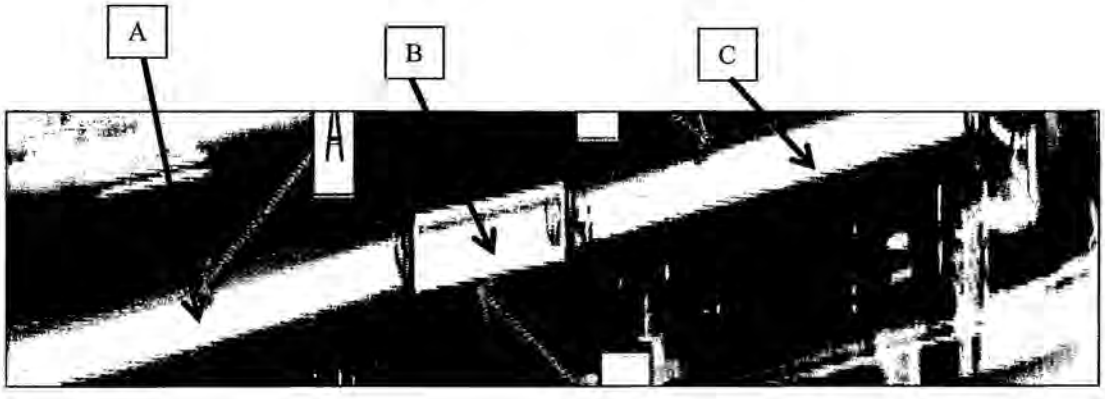


Figure 1 Garmin SideVU Transducer Prototype (JPX-0012C)

As such, Garmin argues that the accused products with the three elements (labeled as A, B, and C) do not operate based on one acoustic element. (RIB at 37.) First, Garmin argues that its three-element shaded array is not a single rectangular element because any one of the three elements does not and cannot provide first and second side scan sonar returns and in fact, Garmin submits that Johnson Outdoors has never argued that it does. (*Id.* at 38.) Next, Garmin submits that the beam emitted by elements A, B, and C is unlike the beam emitted by an acoustic element having a rectangular shape or a plurality of connected rectangular elements operating as an acoustic element having a rectangular shape because [redacted] thereby resulting in shading of the resulting transducer beam that reduces the side lobes as well as other undesirable beam characteristics.

For the reasons set forth below, the ALJ finds that Johnson Outdoors has failed to prove by a preponderance of the evidence that Garmin infringes, either directly or indirectly, the asserted claims of the '952 patent. As set forth *supra* in IV.B.3, the ALJ found that the claim term "acoustic element having a rectangular shape" means "a single rectangular element or a plurality of connected rectangular elements operating as a single substantially rectangular element whereby the overall shape of the one or more side scan acoustic elements facing the

water is rectangular." First, the record shows that the accused products contain three elements. (RX-1519C (Simonton WS) at Q/A 182–187; RX-1518C (Calder RWS) at Q/A 93–94; JX-0240C (Oct. 10, 2014 GT-20 Transducer Characteristics) at 3; JX-0021C (Aug. 19, 2014 GT-30 Transducer Characteristics) at 3.) Specifically, the record also shows that the three elements contained in Garmin's accused products as shown in Figure 1 Garmin SideVU Transducer Prototype (JPX-0012C) make up a shaded array and that therefore the accused products do not operate as one acoustic element (*i.e.*, "a single rectangular element or a plurality of connected rectangular elements operating as a single substantially rectangular element whereby the overall shape of the one or more side scan acoustic elements facing the water is rectangular."). (RX-1518C (Calder RWS) at Q/A 93–94 ("Each of the transducer elements that make up Garmin's three-piece shaded array are [redacted]; CX-0023C (Miller WS) at Q/A 42; RX-1519C (Simonton WS) at Q/A 182–187; JX-0240C (Oct. 10, 2014 GT-20 Transducer Characteristics) at 3; JX-0021C (Aug. 19, 2014 GT-30 Transducer Characteristics) at 3.)

The record also shows that the voltage disparity among elements A, B, and C results in "shading" of the transducer beam that reduces the sidelobes. (RX-1518C (Calder RWS) at Q/A 56–61 [redacted] Thus, the record shows that the beam produced by the configuration of elements A, B and C is a function of (1) the element geometry; (2) the frequency of operation; and (3) the voltage applied across each element and this beam is different than a beam emitted by an acoustic element having a rectangular shape. (*Id.* at Q/A 95-

96.) Accordingly, the ALJ finds therefore that Garmin's shaded array transducers produce a beam that is not the same as an acoustic element having a rectangular shape, or a plurality of connected rectangular elements operating as an acoustic element having a rectangular shape and therefore Garmin's accused products do not satisfy this limitation. (*Id.*)

Since each of the asserted claims of the '952 patent include the "acoustic element having a rectangular shape" limitation and the accused products do not meet this limitation, then the ALJ finds the accused products do not directly infringe the asserted claims of the '952 patent.

2. Indirect Infringement

Indirect infringement requires that there be a showing of an underlying act of direct infringement. *See Linear Tech. Corp. v. Impala Linear Corp.*, 379 F.3d 1311, 1326 (Fed. Cir. 2004); *Fujitsu Ltd. v. Netgear, Inc.*, 620 F.3d 1321, 1330-31 (Fed. Cir. 2010).) The ALJ found *supra* that Johnson Outdoors failed to prove that the accused products directly infringe the asserted claims for at least one reason. Thus, Johnson Outdoors has also failed to show Garmin indirectly infringes the asserted claims.

C. '825 Patent

Johnson Outdoors argues that Garmin's Accused Products literally infringe claims 1, 5, 7, 8, 21, 22, 24, 25, 28 and 29. (CIB at 107.) Johnson Outdoors further asserts that Garmin contributes to and induces infringement of the '825 patent for the same reasons set forth for the '952 patent. (CIB at 107.)

The parties dispute only three limitations, namely whether Garmin's Accused Products satisfy (1) the "boat location relative to underwater images" limitation; (2) the "length of the housing is substantially co-extensive with the length of the left and right side scan sonar transducers" limitation; and (3) the "cradle" limitation. As set forth below, the ALJ finds that the

Garmin Accused Products do not meet the "boat location" and the "substantially co-extensive" limitations. Therefore, the ALJ finds that Garmin's Accused Products do not literally infringe the asserted claims.

1. "boat location relative to the underwater image" (claims 1, 5, 7, 8, 21, 22, 24, 25, 28 and 29)

Johnson Outdoors argues that, under its claim construction, the Garmin Accused Products meet this limitation. (CIB at 107.) Specifically, Johnson Outdoors argues that the "center line" or the "0" marker at the bottom of Garmin's Accused Products' display meets this limitation. (CIB at 113.) However, as set forth *supra* in Section IV.C.3, the ALJ did not adopt Johnson Outdoors' claim construction. Specifically, the ALJ declined to construe the claim term to include the boat's past location because the invention is directed at showing the boat's present location relative to the underwater images.

Under the ALJ's construction, Garmin's Accused Products do not meet this limitation because the center line and the "0" marker identified by Johnson Outdoors do not show the boat's present location. Rather, they show the boat's past location. (RX-1518C at Q&A 143-145; RX-0228C.) Moreover, the ALJ further construed the claim to mean that the boat's location was depicted by a boat icon or by a "0" marker. Therefore, Johnson Outdoors' argument that the "intersection of the top and center lines of the image" (CRB at 43-44) satisfies the claim limitation also fails as the alleged present location is not identified by either a boat icon or a "0" marker.

Thus, the ALJ finds that Garmin's Accused Products do not meet this limitation.

2. "the length of the housing is substantially co-extensive with the length of the left and right side scan sonar transducers" (claim 1)

Johnson Outdoors argues that the transducer assembly of 6 inches and the housing length of about 7.75 inches meets this limitation because the element to housing ratio is 77%, which is more than the 75% ratio required by the claims under its construction. (CIB at 109.)

The parties agreed that the construction for this claim term would be the same as the claim term in claim 35 "wherein the length of the housing is approximately the same length as the first and second side scan acoustic elements." (CRB at 41.) As set forth *supra* in Section IV.B.5 and IV.C.4, "wherein the length of the housing is approximately the same length as the first and second side scan acoustic elements" means "the length of the housing in which the side acoustic elements reside is almost or nearly the same length as the acoustic element." The ALJ further rejected Johnson Outdoors' contention that an acoustic element that is 75% of the length of the housing meets the limitation.

Under the ALJ's claim construction, Garmin's Accused Products do not meet this limitation because the length of the housing (7.75 inches) is not almost or nearly the same length of the acoustic element (6 inches). (JPX-0012C; RX-1518C at Q&A 125-128; CX-0023C at Q&A 187-188). Rather, the housing element is 1.25 inches longer than the acoustic element. (*Id.*). As such, the housing element and acoustic element are not "almost or nearly the same" length.

Therefore, the ALJ finds that Garmin's Accused Products do not meet this limitation.

3. Indirect Infringement

Indirect infringement requires that there be a showing of an underlying act of direct infringement. *See Linear Tech. Corp. v. Impala Linear Corp.*, 379 F.3d 1311, 1326 (Fed. Cir. 2004); *Fujitsu Ltd. v. Netgear, Inc.*, 620 F.3d 1321, 1330-31 (Fed. Cir. 2010). The ALJ found

supra that Johnson Outdoors failed to show that Garmin's Accused Products directly infringe the asserted claims for at least two reasons. Thus, Johnson Outdoors has also failed to show Respondents indirectly infringement of the asserted claims of the '825 patent.

D. '974 Patent

Johnson Outdoors argues that Garmin's Accused Products meet each and every limitation of claims 14, 18, 21, 22, 25 and 33. (CIB at 140-142.)

Garmin does not dispute infringement of any of Johnson Outdoors assertions regarding the '974 patent except to argue (1) that Johnson Outdoors cannot use demonstrative evidence to prove infringement and, as such, has failed to meet its burden and (2) Garmin's Accused Products do not meet the "housing that is substantially co-extensive with the length of the left and right side scan sonar transducers" for the same reasons they do not meet the same limitations in the '952 and the '825 patents. (RIB at 135-137.)

The ALJ finds Garmin's arguments relating to Johnson Outdoors' use of demonstratives to be unpersuasive. Johnson Outdoors does not rely only on demonstrative evidence to prove infringement. Rather, Dr. Miller testified as to how an exemplary Garmin Accused Product met each and every limitation of the claims and referenced the demonstratives as necessary to aid in his testimony. (CX-0023C at Q&A 244-269.) As such, the ALJ finds that Johnson Outdoors has met its burden of proving infringement of claims 14, 18, 21, 22, and 33. The ALJ finds, however, that Johnson Outdoors has failed to show that Garmin's Accused Products infringe claim 25 of the '974 patent.

1. Claim 14

The evidence shows that Garmin's SideVü/DownVü sonar imaging system satisfies each and every element of Claim 14. (CX-0023C at Q&A 251, 254-260.)

2. Claim 18

The ALJ finds that Garmin's Accused Products meet the additional limitation that "each of the left and right side scan sonar transducers has a total length of about three inches to about seven inches and a total width of about 0.125 inches to about 0.5 inches." The evidence shows that, in Garmin's SideVü/DownVü transducer assemblies (both transom mount and thru-hull mount), the left and right side scan acoustic elements each has a total length of about 6 inches and a total width of about 0.125 inches. (CX-0023C at Q&A 261.)

3. Claim 21

The ALJ finds that Garmin's Accused Products meet the additional limitation that "each of the left and right side scan sonar transducers is oriented within the housing at a depression angle of between about 20 degrees and 40 degrees as measured from horizontal." The evidence shows that the left and right side scan acoustic elements in Garmin's SideVü/DownVü transducer assembly are mounted within the housing and oriented at a depression angle of about 30 degrees. (CX-0023C at Q&A 262.)

4. Claim 22

The ALJ finds that Garmin's Accused Products meet the additional limitation that "the depression angle is about 30 degrees." The evidence shows that the left and right side scan acoustic elements in Garmin's SideVü/DownVü transducer assembly are mounted within the housing and oriented at a depression angle of about 30 degrees. (CX-0023C at Q&A 263.)

5. Claim 23

The ALJ finds that Garmin's Accused Products meet the additional limitation "wherein each side scan sonar transducer operates at a plurality of frequencies, at least one of the plurality of frequencies being between about 260 kHz and about 462 kHz." The evidence shows that in

Garmin's GCV 10 Installation Instructions, Garmin's SideVü/DownVü sonar imaging system operates at least at 455 kHz. (CX-0023C at Q&A 264.)

6. Claim 25

The ALJ finds that Garmin's Accused Products do not meet the additional limitation "wherein the length of the housing is approximately the same length as the length of the left and right side scan sonar transducers positioned therein" for the same reasons set forth *supra* in Section V.C.2, *i.e.*, because the length of the side scan elements (6 inches) is not almost or nearly the same as the length of the housing (7 inches).

7. Claim 33

The ALJ finds that Garmin's Accused Products meet the additional limitation "wherein the housing has no openings on its surface aligned with the left and right side scan sonar transducers." The evidence shows that the transducer housing in Garmin's Accused Products has no openings on its surface aligned with the left and right SideVü transducer elements. (CX-0023C at Q&A 268.)

Thus, the ALJ finds that Johnson Outdoors has proven by a preponderance of the evidence that Garmin's Accused Products directly infringe claims 14, 18 , 21, 22, 23 and 33 of the '974 patent.

8. Indirect Infringement

Johnson Outdoors argues that Garmin contributes to and induces others to infringe the '974 patent. (CIB at 37-38, 140.) Johnson Outdoors' indirect infringement argument, in its entirety, is a series of conclusory statements:

> Garmin contributes to and induces infringement of the '952 Patent by others with specific intent by providing dealers, retailers and consumers with instructions to deploy the Accused Products so as to infringe the Asserted Claims, including by providing instructions to mount a SideVü/DownVü transducer to a boat and to operably connect that transducer to a GCV10 sounder module, and to connect the

> GCV10 sounder module to a compatible Garmin display, for example, an echoMAP 70dv or 70s sonar display or a GPSMAP 721, 721xs, 741, 741xs, 820, 820xs, 840xs, 1020, 1020xs or 1040xs sonar display. CX-0023C at QA 160, 178. Garmin also contributes to infringement by selling the components of the infringing systems and induces infringement of the '952 Patent by others with specific intent to cause dealers, retailers and consumers to directly infringe by providing instructions to mount a SideVü/DownVü transducer to a boat (transom or thru-hull) and to operably connect that transducer to an echoMAP 73sv, echoMAP 74sv, echoMAP 93sv, echoMAP 94sv, GPSMAP 7410xsv, GPSMAP 7607xsv, GPSMAP 7608xsv, GPSMAP 7610xsv or GPSMAP 7612xsv product, so as to infringe the above-identified claims. Id. There are no substantial non-infringing uses of the accused SideVü/DownVü transducers or GCV 10 sounder modules. CX 0023C at QA 269.

(CIB at 37-38.) The ALJ finds that such conclusory statements fail to meet the burden placed on Johnson Outdoors in proving indirect infringement. For example, Johnson Outdoors conclusorily states that Garmin had the "specific intent" to infringe without citing to any supporting evidence aside from its expert's testimony. Similarly, Johnson Outdoors conclusorily states that there are no substantial non-infringing uses for Garmin's products without any supporting evidence aside from its expert's testimony. The ALJ finds that such cursory and conclusory statements fails to meet the preponderance of the evidence standard. Therefore, the ALJ finds that Johnson Outdoors failed to show that Garmin contributes to or induces other to infringe the '974 patent.

VI. **VALIDITY**

A. **Burden of Proof**

One cannot be held liable for practicing an invalid patent claim. *See Pandrol USA, LP v. AirBoss Railway Prods., Inc.*, 320 F.3d 1354, 1365 (Fed. Cir. 2003). However, the claims of a patent are presumed to be valid. 35 U.S.C. § 282; *DMI Inc. v. Deere & Co.*, 802 F.2d 421 (Fed. Cir. 1986). Although a complainant has the burden of proving a violation of section 337, it can rely on this presumption of validity.

Respondents have the burden of proving invalidity of the patent. This "burden is constant and never changes and is to convince the court of invalidity by clear evidence." *i4i v. Microsoft Corp*, 131 S. Ct. 2338, 2243 (2010) (citing Judge Rich in *American Hoist & Derrick Co. v. Sowa & Sons, Inc.*, 725 F. 2d 1350, 1360 (CA Fed. 1984)). Respondents' burden of persuasion *never shifts*. *Id.* The risk of "decisional uncertainty" remains on the respondent. *Technology Licensing Corp. v. Videotek, Inc.*, 545 F.3d 1316, 1327 (Fed. Cir. 2008); *see also PowerOasis, Inc. v. T-Mobile USA, Inc.*, 522 F.3d 1299, 1303, 1305 (Fed. Cir. 2008); *Pfizer, Inc. v. Apotex, Inc.*, 480 F.3d 1348, 1360 (Fed. Cir. 2007). Thus, it is Respondent's burden to prove by clear and convincing evidence that any of the alleged prior art references anticipate or render obvious the asserted claims of the patents in suit. Failure to do so means that Respondents lose on this point. *Id.* (stating, "[I]f the fact trier of the issue is left uncertain, the party with the burden [of persuasion] loses.").

Respondents also bear the burden of going forward with evidence, *i.e.*, the burden of production. *Id.* This is "a shifting burden the allocation of which depends on where in the process of a trial the issue arises." *Id.* However, this burden does not shift until a respondent presents "evidence that might lead to a conclusion of invalidity." *Pfizer*, 480 F.3d at 1360. Once a respondent "has presented a prima facie case of invalidity, the patentee has the burden of going forward with rebuttal evidence." *Id.*

B. **Anticipation**

A patent may be found invalid as anticipated under 35 U.S.C. § 102(a) if "**(1)** the claimed invention was patented, described in a printed publication, or in public use, on sale, or otherwise available to the public before the effective filing date of the claimed invention; or **(2)** the claimed invention was described in a patent issued under section 151, or in an application for patent published or deemed published under section 122(b), in which the patent or application, as the

case may be, names another inventor and was effectively filed before the effective filing date of the claimed invention. 35 U.S.C. § 102(a). Pursuant to 35 U.S.C. § 102(b),

> **(1) Disclosures made 1 year or less before the effective filing date of the claimed invention.**--A disclosure made 1 year or less before the effective filing date of a claimed invention shall not be prior art to the claimed invention under subsection (a)(1) if--
>
> **(A)** the disclosure was made by the inventor or joint inventor or by another who obtained the subject matter disclosed directly or indirectly from the inventor or a joint inventor; or
>
> **(B)** the subject matter disclosed had, before such disclosure, been publicly disclosed by the inventor or a joint inventor or another who obtained the subject matter disclosed directly or indirectly from the inventor or a joint inventor.
>
> **(2) Disclosures appearing in applications and patents.**--A disclosure shall not be prior art to a claimed invention under subsection (a)(2) if--
>
> **(A)** the subject matter disclosed was obtained directly or indirectly from the inventor or a joint inventor;
>
> **(B)** the subject matter disclosed had, before such subject matter was effectively filed under subsection (a)(2), been publicly disclosed by the inventor or a joint inventor or another who obtained the subject matter disclosed directly or indirectly from the inventor or a joint inventor; or
>
> **(C)** the subject matter disclosed and the claimed invention, not later than the effective filing date of the claimed invention, were owned by the same person or subject to an obligation of assignment to the same person

35 U.S.C. § 102(b). Anticipation is a question of fact. *Texas Instruments, Inc. v. U.S. Int'l Trade Comm'n*, 988 F.2d 1165, 1177 (Fed. Cir. 1993) ("*Texas Instruments II*"). Anticipation is a two-step inquiry: first, the claims of the asserted patent must be properly construed, and then the construed claims must be compared to the alleged prior art reference. *See, e.g., Medichem, S.A. v. Rolabo, S.L.*, 353 F.3d 928, 933 (Fed. Cir. 2003). It is axiomatic that claims are construed the same way for both invalidity and infringement. *W.L. Gore v. Garlock, Inc.*, 842 F.2d 1275, 1279 (Fed. Cir. 2008.)

"Claimed subject matter is 'anticipated' when it is not new; that is, when it was previously known. Invalidation on this ground requires that *every element and limitation* of the claim was *previously described in a single prior art reference*, either *expressly or inherently*, so as to place a person of ordinary skill in possession of the invention." *Sanofi-Synthelabo v.*

Apotex, Inc., 550 F.3d 1075, 1082 (Fed. Cir. 2008) (emphasis added) (citing *Schering Corp. v. Geneva Pharms., Inc.*, 339 F.3d 1373, 1379 (Fed. Cir. 2003) and *Continental Can Co. USA v. Monsanto Co.*, 948 F.2d 1264, 1267-69 (Fed. Cir. 1991)).

To anticipate, a single prior art reference must be enabling and it must describe the claimed invention, *i.e.*, a person of ordinary skill in the field of the invention must be able to practice the subject matter of the patent based on the prior art reference without undue experimentation. *Sanofi*, 550 F.3d at 1082. The presence in said reference of *both* a specific description and enablement of the subject matter at issue are required. *Id.* at 1083.

To anticipate, a prior art reference also must disclose all elements of the claim within the four corners of said reference. *Net MoneyIN, Inc. v. VeriSign, Inc.*, 545 F.3d 1359, 1369 (Fed. Cir. 2008); *see also Abbott Labs. v. Sandoz, Inc.*, 544 F.3d 1341, 1345 (Fed. Cir. 2007) (stating, "Anticipation is established by documentary evidence, and requires that every claim element and limitation is set forth in a single prior art reference, in the same form and order as in the claim."). Further, "[b]ecause the hallmark of anticipation is prior invention, the prior art reference—in order to anticipate under 35 U.S.C. § 102—must not only disclose all elements of the claim within the four corners of the document, but must also disclose those elements 'arranged as in the claim.'" *Id.* (quoting *Connell v. Sears, Roebuck & Co.*, 722 F.2d 1542, 1548 (Fed. Cir. 1983)). The Federal Circuit explained this requirement as follows:

> The meaning of the expression 'arranged as in the claim' is readily understood in relation to claims drawn to things such as ingredients mixed in some claimed order. In such instances, a reference that discloses all of the claimed ingredients, but not in the order claimed, would not anticipate, because the reference would be missing any disclosure of the limitations of the claimed invention 'arranged as in the claim.' But the 'arranged as in the claim' requirement is not limited to such a narrow set of 'order of limitations' claims. Rather, *our precedent informs that the 'arranged as in the claim' requirement applies to all claims and refers to the need for an anticipatory reference to show all of the limitations of the claims*

> *arranged or combined in the same way as recited in the claims, not merely in a particular order*. The test is thus more accurately understood to mean 'arranged or combined in the same way as in the claim.'

Id. at 1370 (emphasis added). Therefore, it is not enough for anticipation that a prior art reference simply contains all of the separate elements of the claimed invention. *Id.* at 1370-71 (stating that "*it is not enough [for anticipation] that the prior art reference discloses part of the claimed invention, which an ordinary artisan might supplement to make the whole*, or that it includes multiple, distinct teachings that the artisan might somehow combine to achieve the claimed invention." (emphasis added)). Those elements must be arranged or combined in said reference in the same way as they are in the patent claim.

If a prior art reference does not expressly set forth a particular claim element, it still may anticipate the claim if the missing element is inherently disclosed by said reference. *Trintec Indus., Inc. v. Top-U.S.A. Corp.*, 295 F.3d 1292, 1295 (Fed. Cir. 2002); *In re Robertson*, 169 F.3d 743, 745 (Fed. Cir. 1999). Inherent anticipation occurs when "the missing descriptive material is 'necessarily present,' not merely probably or possibly present, in the prior art." *Id.* In other words, inherency may not be established by probabilities or possibilities. *See Continental Can*, 948 F.2d at 1268. Thus, "[t]he mere fact that a certain thing may result from a given set of circumstances is not sufficient." *Id.*

The critical question for inherent anticipation here is whether, as a matter of fact, practicing an alleged prior art reference necessarily features or results in each and every limitation of the asserted claim at issue. *See, e.g., Toro Co. v. Deere & Co.*, 355 F.3d 1313, 1320 (Fed. Cir. 2004).

If there are "slight differences" between separate elements disclosed in a prior art reference and the claimed invention, those differences "invoke the question of obviousness, not

anticipation." *NetMoneyIN*, 545 F.3d at 1071; *see also Trintec*, 295 F.3d at 1296 (finding no anticipation and stating that "the difference between a printer and a photocopier may be minimal and obvious to those of skill in this art. Nevertheless, obviousness is not inherent anticipation."). Statements such as "one of ordinary skill may, in reliance on the prior art, complete the work required for the invention," and that "it is sufficient for an anticipation if the general aspects are the same and the differences in minor matters is only such as would suggest itself to one of ordinary skill in the art," *actually relate to obviousness*, not anticipation. *Connell*, 722 F.2d at 1548.

Garmin argues that the asserted claims of the '952 patent are anticipated in light of certain prior art. For the reasons set forth below, the ALJ finds that Garmin has failed to prove by clear and convincing evidence that the asserted claims of the '952 patent are invalid under 35 U.S.C. § 102 for anticipation.

1. '952 Patent

a) Imagenex SportScan

Garmin contends that the SportScan invalidates the claims-at-issue in the '952 patent because it discloses all the limitations of the '952 patent claims. (RIB at 58-70.) Specifically, Garmin contends that boat-mounting was disclosed by the Imagenex SportScan System. (*Id.*)

(1) "transducer assembly mounted to a boat"

First, Garmin contends that Johnson Outdoors admitted to the Patent Office during the reexamination of the '952 patent that the novelty of the invention is not boat-mounting and that boat-mounting was in fact known in the prior art. (RIB at 63.) Additionally, Garmin argues that "the undisputed testimony of Complainants' own witnesses at the Hearing made clear that the Imagenex SportScan—and towfish generally—can be attached to boats[.]" (*Id.*) Last, Garmin

submits that "'[t]his undisputed testimony supports the conclusions of Dr. Calder, who testified that the Imagenex SportScan is indeed boat mountable." (*Id.* at 64.)

Johnson Outdoors contends that Garmin has not shown by clear and convincing evidence that the SportScan anticipates the asserted claims because each of the asserted claims require a system mounted to a boat and the SportScan is a towfish intended to be towed by a cable behind a boat. (CIB at 54.)

First, the ALJ finds that the SportScan qualifies as prior art as it was available for sale at least by March 2003 more than one year prior to the effective filing date (August 2, 2004) of the '952 patent. [redacted]

The ALJ finds that the SportScan clearly does not disclose a "transducer assembly mounted to a boat" as required by the asserted claims. Specifically, the evidence shows that the SportScan is designed and configured to be towed under the water behind a boat and not mounted to a boat. (RX-0044 (Setting Up Your SportScan and Product Documentation) ("Attach the cable thimble to the Aluminum housing using the shackle provided.") In fact, the evidence shows that the SportScan documentation only describes towing the device and never mentions any information about mounting the device to a boat. (*Id.*) Accordingly, the ALJ finds that the SportScan fails to disclose a "transducer assembly mounted to a boat" limitation. Therefore, the ALJ finds that Garmin has failed to prove by clear and convincing evidence that the asserted claims of the '952 patent are invalid for anticipation by the SportScan system.

b) Imagenex Model 855

(1) "transducer assembly mounted to a boat"

Garmin contends that the Imagenex Model 855 invalidates the claims-at-issue in the '952 patent because it discloses all the limitations of the '952 patent claims. (RIB at 70-79.)

Specifically, Garmin contends that boat-mounting was disclosed in the Imagenex Model 855. (*Id.*)

Specifically, Garmin submits that the Imagenex Model 855 is a digital sidescan sonar system used to see underwater surfaces and structures which includes a side scanning module that can be mounted to a boat using the standard bolt pattern on the top of the module. (RIB at 70-71.) Garmin also contends that the side scanning module (of which there are two models) contains two rectangular shaped acoustic elements that are no longer than about 7 inches and no wider than about 0.5 inches. (*Id.* at 71.) Garmin argues that the acoustic elements emit fan-shaped beams to the left side and the right side of the watercraft to which the module can be attached. (*Id.*) Finally, Garmin points out that the data captured by the sonar returns are then fed to the control unit, which features a display that allows the user to see the side scan sonar imagery. (*Id.*)

Johnson Outdoors points out that the asserted claims of the '952 patent claims require a system mounted to a boat. (CIB at 61.) Johnson Outdoors argues that the evidence shows that the Imagenex Model 855 is a towfish and does not have the claimed boat-mounted transducer assembly. (*Id.*)

First, the ALJ finds that the Imagenex Model 855 qualifies as prior art as it was available for sale before the '952 patent priority date. [redacted]

The ALJ finds that the Imagenex Model 855 clearly does not disclose a "transducer assembly mounted to a boat" as required by the asserted claims. Specifically, the evidence shows that the Imagenex Model 855 is [redacted] The evidence also shows the

Imagenex Model 855 is [redacted]

Additionally, the evidence shows the Imagenex Model 855 is [redacted]

Figure 2 Depiction from Model 855 System Brochure

As set forth *supra* in IV.B.7, the ALJ found the term "mounted to a boat" should be given its plain and ordinary meaning of "attached to a bottom surface of the boat." As such, the Imagenex Model 855 Brochure, which discloses [redacted] Accordingly, the ALJ finds that the Imagenex Model 855 fails to disclose the "transducer assembly mounted to a boat" limitation. Therefore, the ALJ finds that Garmin has failed to prove by clear and convincing evidence that the asserted claims of the '952 patent are invalid for anticipation by the Imagenex Model 855 system.

c) '952 Patent: Wesmar System

Garmin contends that the Wesmar System invalidates the claims-at-issue in the '952 patent because it discloses all the limitations of the '952 patent claims. (RIB at 79-87.) Garmin contends that boat-mounting was disclosed in the Wesmar System. (*Id.*)

Specifically, Garmin submits that the Wesmar System is a sidescan sonar system used for searching and surveying underwater surfaces and structures. (*Id.* at 79.) Garmin argues that it is

undisputed that the Wesmar System is prior art to the '952 patent as well as being undisputed that the Wesmar System is a side scanning sonar system. (*Id.* at 80.) Then, Garmin avers that the only disputed limitations for Wesmar are: (1) whether it could be boat-mounted, and (2) whether it would have been obvious to modify the 7.5 inch long acoustic elements of the Wesmar System to be about 7 inches long and 0.5 inches wide. (*Id.* at 81.) Garmin argues that Dr. Calder provided detailed element-by-element testimony showing how each asserted claim is anticipated by the Wesmar System. (*Id.*) Specifically, Garmin argues that the Wesmar System was sold as a device that could be mounted to boats. (*Id.* at 82.)

Johnson Outdoors points out that the asserted claims of the '952 patent require a system mounted to a boat. (CIB at 70.) Johnson Outdoors argues that the evidence shows that the Wesmar System is a towfish and does not have the claimed boat-mounted transducer assembly. (*Id.*)

First, the ALJ finds that the record shows the Wesmar System qualifies as prior art as it was available for sale before the '952 patent priority date. (RX-1685 (Blakey Dep. Tr.) at 31:10–32:10.)

The ALJ finds that the Wesmar System clearly does not disclose a "transducer assembly mounted to a boat" as required by the asserted claims. Specifically, the evidence shows that the Wesmar System is designed and configured to be submerged under water away from the boat. (RX-0023 (SHD700SS Brochure) at 0002 ("The system consists of a compact, simple-to-operate console, an easily transportable, **no-winch tow fish**, and all accessory equipment, such as Kevlar-reinforced cable, **tow bar**, ballast, and lead weight." (emphases added)).) Specifically, the evidence shows the Wesmar System is designed to be towed under the water behind a boat. (*Id.*) Additionally, the evidence shows the Wesmar System can also be submerged under the

water away from the boat by "surface vessel fixed strut and hull mounting" as show in Figure 3 Wesmar System with Tow Bar below. (RPX-0005 (Wesmar System).)

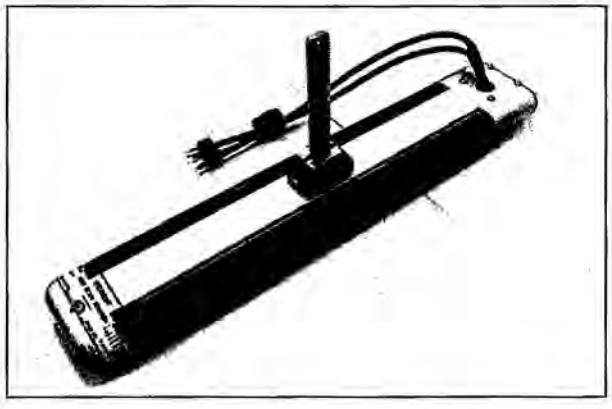


Figure 3 Wesmar System with Tow Bar

As set forth *supra* in IV.B.7, the ALJ found the term "mounted to a boat" should be given its plain and ordinary meaning of "attached to a bottom surface of the boat." As such, RPX-0005 shows the Wesmar System attached to a tow bar and subsequently the tow bar can be attached to the boat. As such, the ALJ finds that the evidence does not show a device mounted to a boat under the ALJ's construction. (RPX-0005.) Accordingly, the ALJ finds that the Wesmar System fails to disclose the "transducer assembly mounted to a boat" limitation. Therefore, the ALJ finds that Garmin has failed to prove by clear and convincing evidence that the asserted claims of the '952 patent are invalid for anticipation by the Wesmar System.

2. '825 Patent

a) Imagenex Sportscan

Garmin argues that the asserted claims of the '825 patent are invalid in view of the Imagenex Sportscan System. (RIB at 125.) Johnson Outdoors argues that the Imagenex Sportscan fails to disclose (1) a boat location; (2) the length of the housing is substantially co-extensive with the length of the left and right side scan sonar transducer; (3) housing with no openings; and (4) cradles. (CIB at 114-120.)

The ALJ finds that Garmin has failed to show by clear and convincing that the asserted claims of the '825 patent are invalid in view of the Imagenex Sportscan. Specifically, the ALJ finds that the Imagenex Sportscan fails to disclose (1) a boat location relative to the underwater images; (2) the length of the housing is substantially co-extensive with the length of the left and right side scan sonar transducer; and (3) housing with no openings.

The evidence shows that, under the ALJ's claim construction, the Imagenex Sportscan does not disclose the boat location because the Imagenex Sportscan discloses a line of travel and does not disclose the boat's present location relative to the underwater images, nor does it depict the boat's location with a boat icon or a "0" marker as required by the claims. [redacted] The evidence further shows the Imagenex Sportscan does not meet the "length of the housing is substantially co-extensive with the length of the left and right side scan sonar transducer" [redacted]. (CX-0792C at Q&A 157; RX-1517C at Q&A 444; JPX-0001; [redacted].)

Finally, the evidence shows that the Imagenex Sportscan has windows above its transducers and, as such, does not meet the "housing with no openings" limitation. (CX-0792C at Q&A 170-171.) Garmin argues that it would have been obvious to one of ordinary skill in the art to create a housing with no openings since it is simply a design choice and housings with no openings were well known in the prior art. (RIB at 127-128.) The ALJ finds such conclusory statements to be unpersuasive, especially since Garmin fails to explain why one of ordinary skill in the art would be prompted to remove the openings from the Imagenex Sportscan.

Therefore, the ALJ finds that Garmin has failed to show by clear and convincing evidence that the Imagenex Sportscan invalidates the asserted claims of the '825 patent.

b) Imagenex Model 855 System

Garmin argues that the asserted claims of the '825 patent are invalid in light of the Imagenex Model 855 System. (RIB at 128-130.) Johnson Outdoors argues that, like the Imagenex Sportscan, the Imagenex Model 855 System fails to disclose (1) a boat location; (2) the length of the housing is substantially co-extensive with the length of the left and right side scan sonar transducer; (3) housing with no openings; and (4) cradles. (CIB at 120-127.)

For the reasons set forth above relating to the Imagenex Sportscan, the ALJ finds that Garmin has failed to show by clear and convincing evidence that the asserted claims of the '825 patent are invalid in view of the Imagenex Model 855 System under the ALJ's construction. Specifically, the ALJ finds that the Imagenex Model 855 System also fails to disclose (1) a boat location relative to the underwater images; (2) the length of the housing is substantially co-extensive with the length of the left and right side scan sonar transducer; and (3) housing with no openings as set forth *supra* in Section VI.B.2.a. (CX-0792C at Q&A 248-267; RX-1517C at Q&A 497, 500, 524.)

c) Wesmar System

Garmin argues that the asserted claims of the '825 patent are invalid in view of the Wesmar System (RIB at 130-133.) Johnson Outdoors argues that the Wesmar system fails to disclose the (1) cradle; (2) the length of the housing is substantially co-extensive with the length of the left and right side scan sonar transducer; (3) a boat location; and (4) no opening on its surface aligned with the left and right side scan sonar transducers. (CIB at 127-139.)

The ALJ finds that Garmin has failed to show by clear and convincing evidence that the asserted claims of the '825 patent are invalid in view of the Wesmar System. Specifically, as with the Imagenex Sportscan and the Imagenex 855 Model System, the ALJ finds that the

evidence shows that the Wesmar System fails to disclose (1) "the length of the housing is substantially co-extensive with the length of the left and right side scan sonar transducer"; (2) "wherein the housing has no openings on its surface aligned with the left and right side scan sonar transducers;" and (3) "a boat location relative to the underwater image" under the ALJ's construction as set forth above in Section VI.B.2.a. (CX-0729C at Q&A at 328-9, 348; RX-0023; RX-1517C at Q&A 540, 543, 567 575.)

Therefore, the ALJ finds that Garmin has failed to show by clear and convincing evidence that the asserted claims of the '825 patent are invalid in view of the Wesmar System.

d) GeoSwath System

Garmin argues that the asserted claims of invalid in view of the GeoSwath System. (RIB at 133-134.) Johnson Outdoors argues that the GeoSwath System is not prior art and, even assuming that it was, it fails to disclose the following limitations: (1) boat mounted; (2) cradle and (3) down beam sonar transducer. (CRB at 47-49.)

The ALJ finds that the GeoSwath System is not prior art under 35 U.S.C. § 102(a), (b) or (e). Garmin argues that the GeoSwath System is prior art because (1) the GeoSwath System was described as being used in 2001 in New Hampshire in an article allegedly published in 2001 and (2) it was allegedly offered for sale in the United States prior to 2003. (RX-1517C at Q&A 351-352.) The ALJ finds that Garmin has failed to show by clear and convincing evidence that the GeoSwath System is prior art due to public use or on sale. *Advanced Fiber Tech. v. J and L Fiver Services*, 2010 WL 1948242 at *2 (N.D. New York 2010) ("The party asserting invalidity holds the burden of proof, and can meet its burden through showing, by clear and convincing evidence, the existence of qualifying prior art.") (citing *Linear Tech. Corp. v. Int'l Trade Comm'n*, 566 F.3d 1049, 1066 (Fed. Cir. 2009)).

First, the ALJ finds that the GeoSwath System is not prior art under § 102(e) as there is no evidence before the ALJ that the GeoSwath System was ever described in a patent application or patent.

As for the article, it is not clear whether Garmin argues that RX-0074, the article describing the use of the GeoSwath System, itself is the prior art reference under § 102(a) or whether the article is used to merely describe the author's use of the GeoSwath System to establish that it is prior art under § 102(b). (*See* CX-1517C at Q&A 351-352.) Garmin's brief discussion consisting of two sentences in its post hearing brief does little to clarify the position. (RX-0124; RX-1517C at Q&A 351-353.) Nevertheless, the ALJ finds that the GeoSwath System fails to qualify as prior art under either § 102(a) or (b). RX-0074 does not contain any copyright date nor does Garmin cite to any documentary evidence to support Dr. Calder's assertion that the article was, in fact, published in 2001 in the Journal of the Marine Technical Society. (RX-0124 (Cost Effective Swath Bathymetry).) As such, it is not a § 102(a) prior art reference. As for whether it was in public use, the ALJ finds that Garmin has also failed to prove by clear and convincing evidence that the one time use of the GeoSwath System in New Hampshire was "public" as required by U.S. patent law. (*See Motionless Keyboard Co. v. Microsoft Corp.*, 486 F.3d 1376, 1384-85 (Fed. Cir. 2007); *citing Electric Storage Battery Co. v. Shimadzu*, 307 U.S. 5 (1939).)

Moreover, even assuming that the publication and the public use were qualifying prior art, the ALJ finds that Garmin has still failed to prove by clear and convincing evidence that the asserted claims are anticipated by the GeoSwath System. Specifically, Garmin's invalidity analysis relies on multiple references, namely the article, a user manual and deposition testimony of Mr. Peter Hogarth. (*See* RIB at 133-134; RX-1517C at Q&A 578-624.) "Anticipation

requires disclosure of all of the limitations of a claim in one place, not by combination of multiple disclosures." *North American Oil v. Star Brite Distributing*, 46 Fed. Appx., 629, 631 (Fed. Cir 2002) (citing *Richardson v. Suzuki*, 868 F.2d 1226, 1236 (Fed. Cir. 1989)). Thus, the ALJ finds that Garmin has failed to show by clear and convincing evidence that the GeoSwath System is invalidating prior art.

3. '974 Patent

a. Imagenex SportScan

Garmin argues that the asserted claims of the '974 patent is invalid in view of the Imagenex SportScan for the same reasons the '952 and the '825 patents are invalid. (RIB at 137-138.) Garmin fails to set forth any claim by claim analysis and instead relies on its arguments set forth for the '952 and the '825 patents. However, the claims for the asserted claims of the '974 Patent are different from those of the '952 and the '825 patents. Given Garmin's failure to set forth argument relating specifically to the claims of the '974 Patent, the ALJ finds that Garmin has failed to show by clear and convincing evidence that the asserted claims of the '974 patent are also invalid.

Garmin further argues that the Imagenex SportScan discloses the claimed 30 degree depression angle in some of the asserted claims of the '974 patent because (1) 20 degrees is "about 30 degrees" and (2) it would have been obvious to one of ordinary skill in the art to change the depression angle. (RIB at 138.) The ALJ finds that neither argument is persuasive. Garmin cites to no evidence, aside from the conclusory testimony of its expert, to support its contentions.

Therefore, the ALJ finds that Garmin has failed to prove by clear and convincing evidence that the asserted claims of the '974 patent are invalid in view of the Imagenex Sportscan.

b. Imagenex Model 855 System

Garmin argues that the asserted claims of the '974 patent is invalid in view of the Imagenex Model 855 System for the same reasons the '952 and the '825 patents are invalid. (RIB at 138-139.) For the same reasons set forth *supra* in Sections. VI.B.3.a, the ALJ finds that Garmin has failed to show by clear and convincing evidence that the asserted claims of the '974 patent are invalid. Garmin further makes the same argument regarding the 30 degree depression angle as it did for the Imagenex SportScan and the ALJ finds that those arguments fail for the same reason. (*See* Section VI.B.3.a.)

Therefore, the ALJ finds that Garmin has failed to prove by clear and convincing evidence that the asserted claims of the '974 patent are invalid in view of the Imagenex Sportscan.

c. The Wesmar System

Garmin argues that the asserted claims of the '974 patent is invalid in view of the Wesmar System for the same reasons the '952 and the '825 patents are invalid. (RIB at 139-140.) For the same reasons set forth *supra* in Section VI.B.3.a, the ALJ finds that Garmin has failed to show by clear and convincing evidence that the asserted claims of the '974 patent are also invalid.

Garmin further argues that the lack of a plurality of frequencies, at least one of which being between 260kHz and about 462kHz, in the Wesmar Systems is not fatal because that was well known in the art and would have been obvious to one of ordinary skill in the art. (RIB at 140.) The ALJ finds that argument unpersuasive. Garmin cites to no evidence, aside from the conclusory testimony of its expert, to support its contentions.

Therefore, the ALJ finds that Garmin has failed to prove by clear and convincing evidence that the asserted claims of the '974 patent are invalid in view of the Imagenex Sportscan.

d. The GeoSwath System

As set forth *supra* in Section VI.B.2.d, the ALJ found that the GeoSwath System is not prior art. Therefore, the ALJ finds that Garmin has failed to prove by clear and convincing evidence that the asserted claims of the '974 patent are invalid in view of the GeoSwath System.

C. Derivation under 35 U.S.C. § 102(f)

Under 35 U.S.C. § 102(f), a person is not entitled to a patent if he derived conception of the invention from any other source or person. 35 U.S.C. § 102(f); *Solomon v. Kimberly-Clark Corp.*, 216 F.3d 1372, 1381 (Fed. Cir. 2000). To prove derivation "'the party asserting invalidity must prove both prior conception of the invention by another and communication of that conception to the patentee' by clear and convincing evidence." *Eaton Corp. v. Rockwell Int'l Corp.*, 323 F.3d 1332, 1344 (Fed. Cir. 2003) (internal quotations omitted). Furthermore, "[t]he communication [of the prior conception] must be sufficient to enable one of ordinary skill in the art to make the patented invention." *Id.*; *see also Hedgewick v. Akers*, 497 F.2d 905, 908 (C.C.P.A. 1974) (mere proof that a defendant had access to a third party's invention is insufficient to prove derivation).

1. '952 Patent: Imagenex SportScan

Garmin maintains that the inventors of the '952 patent derived the invention from the Imagenex Sportscan ("SportScan"). (RIB at 51.) First, Garmin points out that the inventors purchased a commercially available SportScan in March 2003. (*Id.* at 49.) Second, Garmin submits that on April 1, 2003, the inventors took the SportScan and attached the tail section to a

boat. (*Id.* at 50.) Then, based on testimony from Mr. Betts, one of the '952 patent inventors, Garmin argues that "[t]he Imagenex SportScan was the device the inventors were trying to imitate because it did everything they wanted and what they would later try to claim as their own invention." (*Id.* at 52.) Next, Garmin contends "[t]hat Mr. Betts derived the alleged invention from the Imagenex SportScan is confirmed by the testimony of Dr. Miller." (*Id.* at 52.) Specifically, Garmin points out that Dr. Miller testified that a simple formula known to one of skill in the art could be used to calculate the dimensions of a rectangular transducer from the beam pattern disclosed in the SportScan brochure and in fact, Dr. Miller testified that using that formula, one of ordinary skill would calculate that the SportScan transducer is 4.92 inches in length. (*Id.*) Last, Garmin argues that Mr. Betts' testimony about the conception of the invention as well as the use of the SportScan only to benchmark transducer element prototypes is uncorroborated testimony and therefore no proof exists to show Mr. Betts attached a sidescan prototype transducer to a boat prior to attaching the Sportscan tail section to a boat. (*Id.* at 55-56.)

Johnson Outdoors argues that the evidence shows the inventors did not derive their invention, or any part of it, from SportScan, but conceived of it independently and prior to any SportScan testing. (CRB at 57.) First, Johnson Outdoors contends that Garmin's derivation argument fails because every asserted claim is directed to a transducer assembly mounted to a boat and in contrast the SportScan towfish is towed. (*Id.*) Second, Johnson Outdoors submits that the inventors had already conceived of and prototyped a [redacted] acoustic element by the time the SportScan was acquired, and thus the purchase of the SportScan could not have been to copy its acoustic elements. (*Id.* at 58.) Third, Johnson Outdoors submits that the inventors had already conceived of their inventions by the time the SportScan tailfin was

tested in September 2003, and thus that testing could not have been to copy the inventions conceived by that date. (CRB at 59.)

The ALJ finds that Garmin failed to prove by clear and convincing evidence that the inventors derived the '952 patented invention from the SportScan towfish. "To show derivation, the party asserting invalidity must prove both prior conception of the invention by another and communication of that conception to the patentee." (*Gambro Lundia AB v. Baxter Healthcare Corp.*, 110 F.3d 1573, 1576 (Fed. Cir. 1997).) The communication of conception to the patentee must enable one of ordinary skill in the art without the exercise of ingenuity and special skill to make the patented invention. (*Id.* at 1578.)

The ALJ finds that Garmin's assertion of invalidity based on derivation fails for at least two reasons. First, the evidence shows the invention claimed in the '952 patent includes "a transducer assembly mounted to a boat" (JX-0001 at col. 4:29) whereas the SportScan towfish is towed by a boat and not intended to be mounted to a boat. (Calder Tr. 741:5-745:2.) Therefore, Garmin does not prove derivation because without the "mounted to a boat" limitation, the SportScan is not a prior conception of the invention claimed by the '952 patent. Second, the record shows the inventors had conceived of the '952 invention and developed prototypes before the comparative testing was completed against the SportScan towfish in September 2003. (CX-0085 at QA 83-85, 99; CX-0017 at 114-125 (Ex. L) and 126-402 (Ex. M).) Therefore, Garmin does not prove derivation because communication of the SportScan elements (even if the SportScan contained all the elements of the claimed invention which it does not) has not been proven by clear and convincing evidence as to have occurred prior to the conception of the '952 invention.

D. Obviousness

Included within the presumption of validity is a presumption of non-obviousness. *Structural Rubber Prods. Co. v. Park Rubber Co.*, 749 F.2d 707, 714 (Fed. Cir. 1984). Obviousness is grounded in 35 U.S.C. § 103, which provide, *inter alia*, that:

> A patent for a claimed invention may not be obtained, notwithstanding that the claimed invention is not identically disclosed as set forth in section 102, if the differences between the claimed invention and the prior art are such that the claimed invention as a whole would have been obvious before the effective filing date of the claimed invention to a person having ordinary skill in the art to which the claimed invention pertains. Patentability shall not be negated by the manner in which the invention was made.

35 U.S.C. § 103. Under 35 U.S.C. § 103, a patent is valid unless "the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains." 35 U.S.C. § 103. The ultimate question of obviousness is a question of law, but "it is well understood that there are factual issues underlying the ultimate obviousness decision." *Richardson-Vicks Inc.*, 122 F.3d at 1479; *Wang Lab., Inc. v. Toshiba Corp.*, 993 F.2d 858, 863 (Fed. Cir. 1993).

Obviousness is a question of law based on underlying facts, as set forth in *Graham v. John Deere Co.*, 383 U.S. 1 (1966). "The Graham factors are (1) the scope and content of the prior art, (2) the difference between the prior art and the claimed invention, (3) the level of ordinary skill in the field of the invention, and (4) any relevant objective considerations." *Soverain Software LLC v. NewEgg, Inc.*, 705 F.3d 1333, 1336 (Fed. Cir. 2013). "The Graham Court explained that 'the ultimate question of patent validity is one of law.'" *Id.* (citing *Graham*, 383 U.S. at 17).

"Generally, a party seeking to invalidate a patent as obvious must demonstrate 'by clear and convincing evidence that a skilled artisan would have been motivated to combine the teaching of the prior art references to achieve the claimed invention, and that the skilled artisan would have had a reasonable expectation of success in doing so.'" *OSRAM Sylvania, Inc. v. Am. Induction Techs., Inc.*, 701 F.3d 698, 706-707 (Fed. Cir. 2012) (quoting *Pfizer, Inc. v. Apotex, Inc.*, 480 F.3d 1348, 1361 (Fed. Cir. 2007)); *see also Amgen, Inc. v. F. Hoffman–LA Roche Ltd.*, 580 F.3d 1340, 1362 (Fed. Cir. 2009) ("An obviousness determination requires that a skilled artisan would have perceived a reasonable expectation of success in making the invention in light of the prior art." (citations omitted)). "The Supreme Court has warned, however, that, while an analysis of any teaching, suggestion, or motivation to combine known elements is useful to an obviousness analysis, the overall obviousness inquiry must be expansive and flexible." *OSRAM*, 701 F.3d at 707.

Obviousness may be based on any of the alleged prior art references or a combination of the same, and what a person of ordinary skill in the art would understand based on his knowledge and said references. If all of the elements of an invention are found, then:

> a proper analysis under § 103 requires, inter alia, consideration of two factors: (1) whether the prior art would have suggested to those of ordinary skill in the art that they should make the claimed composition or device, or carry out the claimed process; and (2) whether the prior art would also have revealed that in so making or carrying out, those of ordinary skill would have a reasonable expectation of success. *Both the suggestion and the reasonable expectation of success must be founded in the prior art, not in the applicant's disclosure.*

Velander v. Garner, 348 F.3d 1359, 1363 (Fed. Cir. 2003) (emphasis added) (internal citations omitted).

The critical inquiry in determining the differences between the claimed invention and the prior art is whether there is a reason to combine the prior art references. *See C.R. Bard v. M3 Sys.*, 157 F.3d 1340, 1352 (Fed. Cir. 1998). For example:

> *[A] patent composed of several elements is not proved obvious merely by demonstrating that each of its elements was, independently, known in the prior art.* Although common sense directs one to look with care at a patent application that claims as innovation the combination of two known devices according to their established functions, *it can be important to identify a reason that would have prompted a person of ordinary skill in the relevant field to combine the elements in the way the claimed new invention does. This is so because inventions in most, if not all, instances rely upon building blocks long since uncovered,* and claimed discoveries almost of necessity will be combinations of what, in some sense, is already known.

KSR Int'l Co. v. Teleflex, Inc., 550 U.S. 398, 418-19 (2007) (emphasis added). The Federal Circuit case law previously required that, in order to prove obviousness, the patent challenger must demonstrate, by clear and convincing evidence, that there is a "teaching, suggestion, or motivation to combine. The Supreme Court has rejected this "rigid approach" employed by the Federal Circuit in *KSR Int'l Co. v. Teleflex Inc.*, 500 U.S. 398, 415 (2007). The Supreme Court stated:

> When a work is available in one field of endeavor, design incentives and other market forces can prompt variations of it, either in the same field or a different one. If a person of ordinary skill can implement a predictable variation, § 103 likely bars its patentability. For the same reason, if a technique has been used to improve one device, and a person of ordinary skill in the art would recognize that it would improve similar devices in the same way, using the technique is obvious unless its actual application is beyond his or her skill. Sakraida and Anderson's-Black Rock are illustrative–a court must ask whether the improvement is more than the predictable use of prior art elements according to their established function.
>
> Following these principles may be more difficult in other cases than it is here because the claimed subject matter may involve more than the simple substitution of one known element for another or the mere application of a known technique to a piece of prior art ready for the improvement. Often, it will be necessary for a court to look to interrelated teachings of multiple patents; the effects of demands

> known to the design community or present in the marketplace; and the background knowledge possessed by a person having ordinary skill in the art, all in order to determine whether there was an apparent reason to combine the known elements in the fashion claimed by the patent at issue. To facilitate review, this analysis should be made explicitly. See *In re Kahn*, 441 F.3d 977, 988 (CA Fed. 2006) ("[R]ejections on obviousness grounds cannot be sustained by mere conclusory statements; instead, there must be some articulated reasoning with some rational underpinning to support the legal conclusions of obviousness"). As our precedents make clear, however, the analysis need not seek out precise teachings directed to the specific subject matter of the challenged claim, for a court can take account of the inferences and creative steps that a person of ordinary skill in the art would employ.
>
> [. . .]
>
> The obviousness analysis cannot be confined by a formalistic conception of the words teaching, suggestion, and motivation, or by overemphasis on the importance of published articles and the explicit content of issued patents. The diversity of inventive pursuits and of modern technology counsels against limiting the analysis in this way. In many fields it may be that there is little discussion of obvious techniques or combinations, and it often may be the case that market demand, rather than scientific literature, will drive design trends. Granting patent protection to advance that would occur in the ordinary course without real innovation retards progress and may, in the case of patents combining previously known elements, deprive prior inventions of their value or utility.

KSR, 550 U.S. at 417-419. The Federal Circuit has harmonized the KSR opinion with many prior circuit court opinions by holding that when a patent challenger contends that a patent is invalid for obviousness based on a combination of prior art references, "the burden falls on the patent challenger to show by clear and convincing evidence that a person of ordinary skill in the art would have had reason to attempt to make the composition or device, or carry out the claimed process, and would have had a reasonable expectation of success in doing so." *PharmaStem Therapeutics, Inc. v. ViaCell, Inc.*, 491 F.3d 1342, 1360 (Fed. Cir. 2007)(citing *Medichem S.A. v. Rolabo S.L.*, 437 F.3d 1175, 1164 (Fed. Cir. 2006)); *Noelle v. Lederman*, 355 F.3d 1343, 1351-52 (Fed. Cir. 2004); *Brown & Williamson Tobacco Corp. v. Philip Morris, Inc.*, 229 F.3d 1120, 1121 (Fed. Cir. 2000) and *KSR*, 550 U.S. at 416 ("a combination of elements 'must do more than

yield a predictable result'; combining elements that work together 'in an unexpected and fruitful manner' would not have been obvious"). Further, a suggestion to combine need not be express and may come from the prior art, as filtered through the knowledge of one skilled in the art. *See Certain Lens-Fitted Film Pkgs.*, Inv. No. 337-TA-406, Order No. 141 at 6 (May 24, 2005).

"Secondary considerations," also referred to as "objective evidence of non-obviousness," must be considered in evaluating the obviousness of a claimed invention, but the existence of such evidence does not control the obviousness determination. *Graham*, 383 U.S. at 17-18. A court must consider all of the evidence under the *Graham* factors before reaching a decision on obviousness. *Richardson-Vicks Inc.*, 122 F.3d at 1483-84. Objective evidence of non-obviousness may include evidence of the commercial success of the invention, long felt but unsolved needs, failure of others, copying by others, teaching away, and professional acclaim. *See Perkin-Elmer Corp. v. Computervision Corp.*, 732 F.2d 888, 894 (Fed. Cir. 1984), *cert. denied*, 469 U.S. 857 (1984); *Avia Group Int'l, Inc. v. L.A. Gear California*, 853 F.2d 1557, 1564 (Fed. Cir. 1988); *In re Hedges*, 783 F.2d 1038, 1041 (Fed. Cir. 1986); *Kloster Speedsteel AB v. Crucible Inc.*, 793 F.2d 1565 (Fed. Cir. 1986), *cert. denied*, 479 U.S. 1034 (1987). The burden of showing secondary considerations is on the patentee and, in order to accord objective evidence substantial weight, a patentee must establish a nexus between the evidence and the merits of the claimed invention; a *prima facie* case is generally set forth "when the patentee shows both that there is commercial success, and that the thing (product or method) that is commercially successful is the invention disclosed and claimed in the patent." *In re GPAC Inc.*, 57 F.3d 1573, 1580 (Fed. Cir. 1995); *Demaco Corp. v. F. Von Langsdorff Licensing Ltd.*, 851 F.2d 1387, 1392 (Fed. Cir. 1988), *cert. denied*, 488 U.S. 956 (1988); *Certain Crystalline Cefadroxil Monohydrate*, Inv. No. 337-TA-293, Comm'n Op. (March 15, 1990). Once a

patentee establishes nexus, the burden shifts back to the challenger to show that, *e.g.*, commercial success was caused by "extraneous factors other than the patented invention, such as advertising, superior workmanship, etc." *(Id.)* at 1393.

Generally, a prior art reference that teaches away from the claimed invention does not create *prima facie* case of obviousness. *In re Gurley*, 27 F.3d 551, 553 (Fed. Cir. 1994; *Certain Rubber Antidegradants*, Inv. No. 337-TA-533 (Remand), Final ID (Dec. 3, 2008) (stating, "*KSR* reaffirms that obviousness is negated when the prior art teaches away from the invention.")). However, the nature of the teaching is highly relevant. *Id.* "A reference may be said to *teach away when* a person of ordinary skill, upon reading the reference, would be *discouraged from following the path set out in the reference, or would be led in a direction divergent from the path that was taken by the applicant.*" *Id.* (emphasis added). For example, "a reference will teach away if it suggests that the line of development flowing from the reference's disclosure is unlikely to be productive of the result sought by the applicant." *Id.*

The Federal Circuit has recently explained, moreover, that the obviousness inquiry requires examination of all four Graham factors. *E.g.*, *Mintz v. Dietz & Watson, Inc.*, 679 F.3d 1372, 1375 (Fed. Cir. 2012). Indeed, courts must consider all of the Graham factors prior to reaching a conclusion with respect to obviousness. *In re Cyclobenzaprine Hydrochloride Extended–Release Capsule Patent Litig.*, 676 F.3d 1063, 1076–77 (Fed. Cir. 2012) (collecting cases). At all times, the burden is on the defendant to establish by clear and convincing evidence that the patent is obvious. *Id.* at 1077–78.

Garmin argues that the asserted claims of the '952 patent are obvious in view of certain prior art. For the reasons set forth below, the ALJ finds that Garmin has failed to prove by clear

and convincing evidence that the asserted claims of the '952 patent are invalid under 35 U.S.C. § 103 for obviousness.

1. '952 Patent: Imagenex SportScan

Garmin contends that the prior art invalidates the claims-at-issue of the '952 patent because the points of novelty (boat-mounting and size of the transducer elements) that Complainants alleged to the Patent Office were well-known in the prior art, including in the Imagenex SportScan System. (RIB at 59.) Garmin argues that the obviousness of using a rectangular transducer with the claimed dimensions is clear from Dr. Miller's own admissions. (*Id.*) Specifically, Garmin submits that "it would have been obvious to one of skill in the art to know the SportScan transducer discloses a rectangular transducer, as was typical, and also calculate the length and width of the SportScan transducer from the publicly available information in the SportScan brochure." (*Id.* at 60.) First, Garmin contends that Johnson Outdoors own witnesses (Mr. Betts and Dr. Miller) made clear that towfish generally and the SportScan specifically can be attached to boats. (*Id.* at 63.) Second, Garmin argues the size and shape of the SportScan does fall within the limitations of the asserted claims of the '952 patent and was known by Johnson Outdoors. (*Id.* at 64.) Third, Garmin argues that "[t]he evidence at the Hearing showed that the remaining disputed elements were all disclosed by the Imagenex SportScan: (1) a control head operatively coupled; (2) two modules for the control head; (3) transmitting and receiving circuitry; (4) housing approximately the same length as the acoustic elements; and (5) downward acoustic element." (*Id.* at 66.)

Johnson Outdoors contends that "there is no evidence that the SportScan towfish was designed to be mounted to a boat, or in the prior art had ever been mounted to a boat." (CRB at 14.) Johnson Outdoors also argues that the '952 patent claims require a rectangular acoustic element not a rectangular transducer and Garmin has not put forth any evidence that the

SportScan had rectangular acoustic elements. (*Id.* at 15.) Johnson Outdoors also points out that the SportScan towfish transducers include [redacted], there is a layer of lead covering the fourth side, the side which faces the water and through which the sonar signals and sonar returns pass. (*Id.*)

Additionally, Johnson Outdoors argues that Garmin failed to address additional requirements of the asserted claims of the '952 patent that the SportScan lacked, such as (1) a "transducer assembly" (all claims); (2) an acoustic element having "a total width of about 0.125 inches to about 0.5 inches" (claims 2, 17, 25, 31 and 32); (3) a first module of an electronic control head that comprises "transmitting and receiving circuitry" (claim 26); (4) a "housing . . . wherein the length of the housing is approximately the same length as the length of the first and second side scan acoustic elements" (claims 35); (5) an "electronic control head . . . wherein the electronic control head contains all of the electronic circuitry for transmitting the side scan sonar beams and receiving the side scan sonar returns" (claims 36 and 41); and (6) a downward acoustic element that is positioned between the left and right elements (claim 42). (*Id.* at 26-27.)

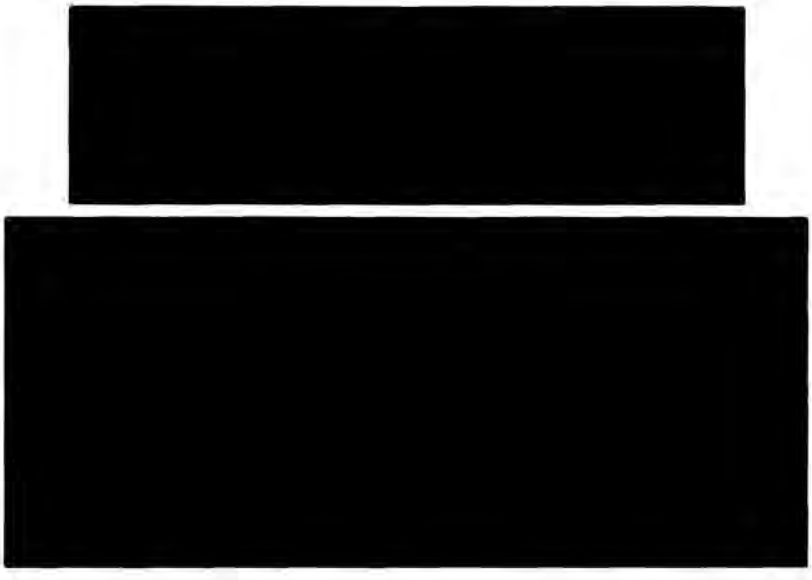
The ALJ finds that Garmin's obviousness contentions are facially inadequate and, thus, the ALJ finds Garmin has failed to prove by clear and convincing evidence that the '952 patent is invalid due to obviousness in view of the SportScan system.

With regard to mounting the SportScan onto a boat, Dr. Miller testified that a person "using merely the exercise of ordinary skill" could have mounted the tail taken off of the SportScan to a boat. (Miller Tr. 190:7-11.) However, the record does not provide any evidence that the SportScan was designed to be mounted to a boat nor that the SportScan tail section could be removed and mounted to a boat. (Calder Tr. 744:24 – 745:2.) Additionally, the record shows the SportScan was not sold with boat-mounting hardware but only with a tow cable and none of the SportScan publications refer to using the device with struts, poles or hull attachments. (Calder Tr. 743:2-8.) Thus, the record shows attempting to mount the removed tail section of the SportScan may have been a reasonable thing to try; however, "[e]vidence of obviousness, especially when that evidence is proffered in support of an 'obvious-to-try' theory, is insufficient unless it indicates that the possible options skilled artisans would have encountered were 'finite,' 'small,' or 'easily traversed,' and that skilled artisans would have had a reason to select the route that produced the claimed invention." *In re Cyclobenzaprine Hydroschloride Extended-Release Capsule Patent Litigation*, 676 F.3d 1064, 1072 (citing *Ortho–McNeil Pharm., Inc. v. Mylan Labs., Inc.*, 520 F.3d 1358, 1364 (Fed. Cir. 2008)). The ALJ finds that although a POSITA could have tried to cut off the tail section of the SportScan and mount the tail to a boat, relying on this "obvious-to-try" theory to support an obviousness finding is impermissible. (*Cyclobenzaprine*, 676 F.3d at 1071-72.) Nothing in Dr. Miller's testimony sheds light on why a skilled artisan would have cut the tail off of the SportScan and mounted the tail to a boat. Thus, the absence of such testimony suggests that skilled artisans had no reason to take this course of action. (*Id.*) Accordingly, at least as to the SportScan being mounted to a boat, Garmin has failed to show that the SportScan renders the asserted claims obvious.

Additionally, with regard to the issue of the SportScan disclosing rectangular acoustic elements, Mr. Kristensen testified that [redacted] However, the record does not provide any evidence that the SportScan contained acoustic elements with rectangular shape because the record only points out that the SportScan has rectangular acoustic *windows* and not rectangular acoustic *elements* as described in the '952 patent. (JX-0001 at col. 5 ll. 4-6; Miller Tr. 1037:8-11.) [redacted] suggests that skilled artisans had no reason to use acoustic elements with the aforementioned dimensions. (*Cyclobenzaprine*, 676 F.3d at 1071-72.) Accordingly, at least as to the SportScan disclosing acoustic elements having rectangular shape, Garmin has failed to show that the SportScan renders the asserted claims obvious.

2. '952 Patent: Imagenex Model 855

Garmin contends that the prior art invalidates the claims-at-issue of the '952 patent because the points of novelty (boat-mounting and size of the transducer elements) that Complainants alleged to the Patent Office were well-known in the prior art, including in the Imagenex Model 855. (RIB at 70.) Garmin contends that the Imagenex Model 855 System includes a side scanning module that can be mounted to a boat using the standard bolt pattern on the top of the module as shown in the illustrations below.



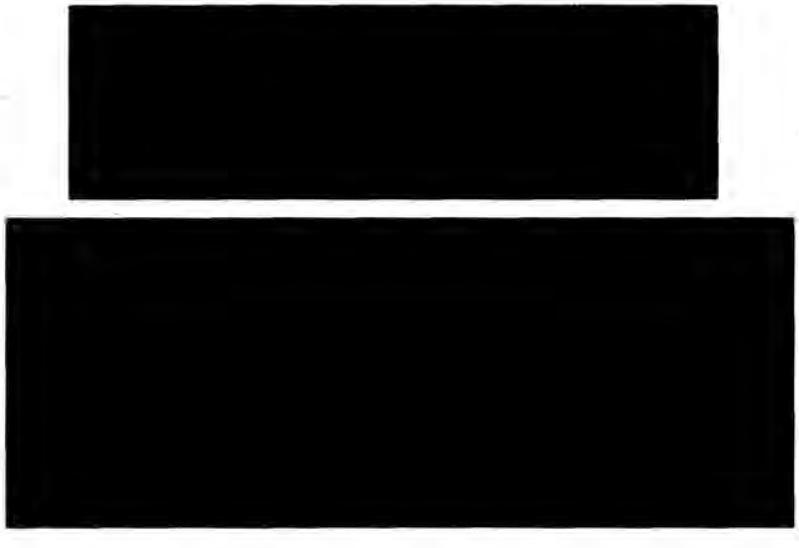
(*Id.*) Garmin argues that the side scanning module (of which there are two models) contains two rectangular shaped acoustic elements that are no longer than about [redacted] and no wider than about [redacted]. (*Id.* at 71.) Furthermore, Garmin contends that the acoustic elements emit fan-shaped beams to the left and the right of the watercraft to which the module can be attached. (*Id.*) Lastly, Garmin submits that the data captured by the sonar returns are then fed to the control unit, which features a display that allows the user to see the side scan sonar imagery. (*Id.*)

Johnson Outdoors contends that Garmin has failed to prove by clear and convincing evidence that the '952 patent is rendered obvious by what Garmin refers to as "the Imagenex Model 855 System." (CRB at 27.) First, Johnson Outdoors submits that there is no evidence that the Imagenex Model 855 was ever strut or boat mounted, and there is no evidence that the Imagenex Model 855 was designed to be, or was reasonably capable of being, mounted to a boat, or for that matter, a strut attached to a boat. (*Id.* at 27-28.) Additionally, Johnson Outdoors contends that none of the Imagenex Model 855 dual transducer side scan sonar modules [redacted]

[redacted] Johnson Outdoors also argues that Garmin has not met its burden of proving that the "Model 855 System Brochure" (RX-0025C) is prior art because the legal requirements of a "printed publication" have not been met. (*Id.* at 29.) In sum, Johnson Outdoors argues that the "Model 855 System Brochure" (RX-0025C.0005) or the Model 855 dual modules offered for sale in the United States cannot substitute for evidence that a person of ordinary skill could utilize the depicted dual transducer side scan sonar modules for hull or strut mounting. (*Id.* at 33.) Additionally, Johnson Outdoors contends there is no evidence that "the Imagenex Model 855" contained acoustic elements that were rectangular in shape [redacted]

Last, Johnson Outdoors submits that Garmin failed to address additional requirements of the asserted claims of the '952 patent that the Imagenex Model 855 lacked, such as (1) an electronic control head including a user interface having a liquid crystal display (LCD) (all asserted claims); (2) a housing approximately the same length as the length of the first and second side scan acoustic elements (claim 35); (3) acoustic elements mounted at a depression angle of between about 20 degrees and about 40 degrees; (4) a downward acoustic element (claims 42 and 43); and (5) a housing that does not contain any electronic circuitry for transmitting the side scan sonar beams or receiving the side scan sonar returns (claims 41, 42 and 43). (*Id.* at 35.)

The ALJ finds that the Imagenex Model 855 qualifies as prior art as it was available for sale before the '952 patent priority date. [redacted] However, the ALJ finds that Garmin has failed to prove the Imagenex Model 855 brochure (RX-0025C) is a prior art reference as a printed publication because the record does not show the Imagenex Model 855 brochure was distributed to anyone as well as RX-0025C [redacted] Thus, the record does not show the following illustrations from the Imagenex Model 855 brochure are prior art to support a showing of obviousness by clear and convincing evidence.



Therefore, Garmin's obviousness argument based in part on the Imagenex Model 855 brochure fails.

Even if the Imagenex Model 855 brochure was taken as a prior art reference, the ALJ still finds Garmin has failed to prove by clear and convincing evidence that the '952 patent is invalid due to obviousness in view of the Imagenex Model 855 and/or the Imagenex Model 855 brochure. With regard to mounting the Imagenex Model 855 onto a boat, the Imagenex Model

855 brochure states and shows that [redacted]. Therefore, attaching a Imagenex Model 855 to the bottom surface of a boat would not have been obvious to a POSITA. (CX-0792C at QA 192.) In fact, the ALJ finds the record shows (even with the Imagenex Model 855 brochure illustrations shown above) the Imagenex Model 855 teaches away from attaching the Imagenex Model 855 to a bottom surface of a boat because [redacted] using the Imagenex Model 855 away from the surface of the boat. Dr. Miller testified that a person "using merely the exercise of ordinary skill" could have mounted the SportScan (with the tail taken off) to a boat. (Miller Tr. 190:7-11.) Accordingly, at least as to the Imagenex Model 855 being mounted to a boat, Garmin has failed to show by clear and convincing evidence that the SportScan renders the asserted claims obvious.

Additionally, with regard to the issue of the Imagenex Model 855 disclosing rectangular acoustic elements, Garmin has failed to show by clear and convincing evidence that rectangular acoustic elements would have been obvious based upon the Imagenex Model 855 as prior art. The record shows that [redacted] nor does the record point to a teaching or motivation for a rectangular acoustic element as construed in Section IV.B.3 *supra* as "a single

rectangular element or a plurality of connected rectangular elements operating as a single substantially rectangular element whereby the overall shape of the one or more side scan acoustic elements facing the water is rectangular." [redacted] Accordingly, at least as to the Imagenex Model 855 disclosing acoustic elements having rectangular shape, Garmin has failed to show that the Model 855 renders the asserted claims obvious.

3. '952 Patent: Wesmar System

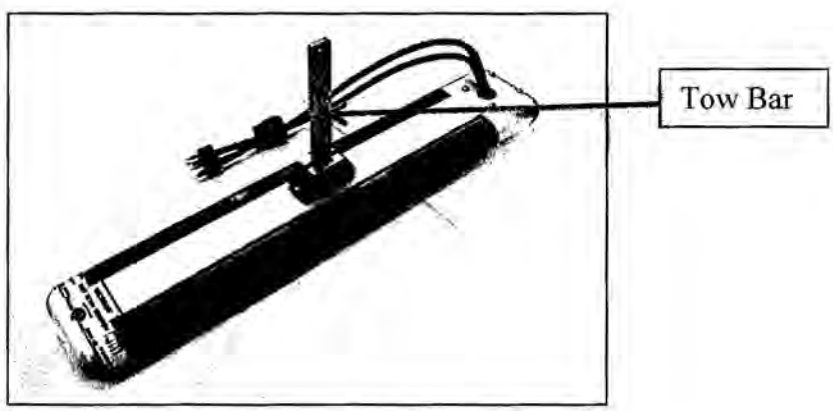
Garmin contends that the Wesmar System invalidates the asserted claims of the '952 patent for obviousness. (RIB at 79-87.) Garmin contends that boat-mounting was disclosed in the Wesmar System. (*Id.*)

Specifically, Garmin submits that the Wesmar System is a sidescan sonar system used for searching and surveying underwater surfaces and structures. (*Id.* at 79.) Garmin argues that it is undisputed that the Wesmar System is prior art to the '952 patent as well as being undisputed that the Wesmar System is a side scanning sonar system. (*Id.* at 80.) Then, Garmin avers that the only disputed limitations for the Wesmar System are: (1) whether it could be boat-mounted, and (2) whether it would have been obvious to modify the 7.5 inch long acoustic elements of the Wesmar System to be about 7 inches long and 0.5 inches wide. (*Id.* at 81.) Garmin argues that Dr. Calder provided detailed element-by-element testimony showing how each asserted claim is obvious in view of the Wesmar System. (*Id.*) Specifically, Garmin argues that the Wesmar System was sold as a device that could be mounted to boats. (*Id.* at 82.)

Johnson Outdoors points out that the asserted claims of the '952 patent require a system mounted to a boat. (CIB at 70.) Johnson Outdoors contends that Garmin has failed to show that any asserted claim of the '952 patent was obvious in view of the Wesmar system, alone or in combination with other references. (CRB at 39.) Then, Johnson Outdoors points out that

"Garmin focuses mainly on two limitations: '(1) whether [the Wesmar towfish] could be boat-mounted, and (2) whether it would have been obvious to modify the 7.5 inch long acoustic elements of the Wesmar System to be about 7 inches long and 0.5 inches wide.'" (*Id.*; internal quote from RIB at 81.) Johnson Outdoors contends that neither modification of the Wesmar System would have been obvious to a POSITA at the time of the invention. (*Id.*) Johnson Outdoors argues that the evidence shows that the Wesmar System is a towfish and does not have the claimed boat-mounted transducer assembly nor acoustic elements about 7 inches long and 0.5 inches wide. (*Id.*)

The ALJ finds Garmin has failed to prove by clear and convincing evidence that the '952 patent is invalid due to obviousness in view of the Wesmar system. The record shows the Wesmar system was designed for and sold to be "towed" by a boat and not mounted to a boat. (RX-0017.) The ALJ finds Garmin's Wesmar mounting bracket argument based on RPX-0005 (see below) is unpersuasive because the "strut" (*i.e.*, tow bar) was meant to be and showed to be "towed" by or "hung" off a boat as seen in Figure 1: Systems Components at RX-0017.0007 as shown below).



(RPX-0005 (Wesmar System))

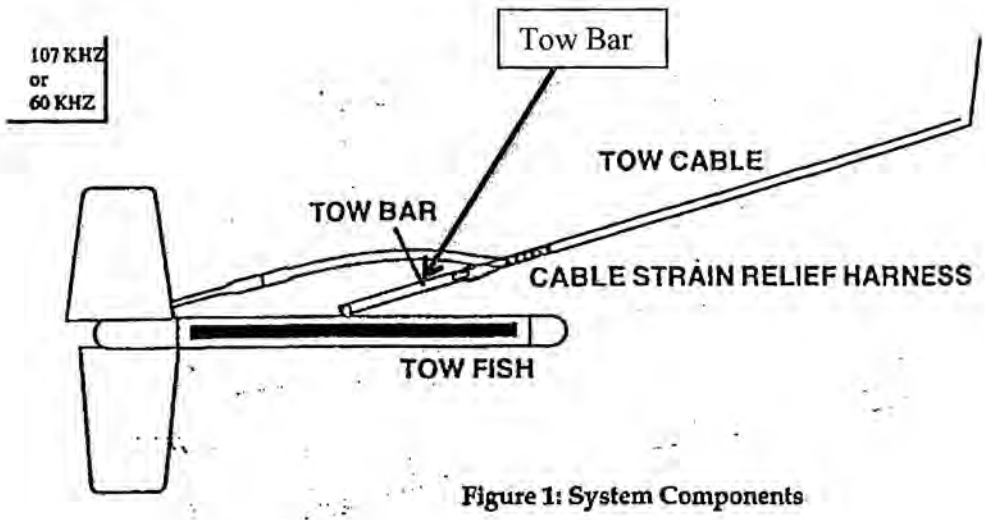


Figure 1: System Components

(RX-0017.0007 (Wesmar Operations Manual Bottom of Fig. 1))

Additionally, the ALJ finds that Garmin's argument with respect to obviousness as to "mounted to a boat" with respect to the Wesmar system does not specifically point out any motivation or teaching to mount the Wesmar system to a boat. Accordingly, the ALJ finds Garmin has failed to prove by clear and convincing evidence that the '952 patent is invalid due to obviousness in view of the Wesmar system.

4. '825 and '974 Patents

For the '825 and the '974 patents, Garmin simply asserts that the asserted claims of these patents are invalid. As set forth *supra* in Sections VI.B.2 and VI.B.3, the ALJ addressed Garmin's arguments as anticipation arguments. It is not clear whether Garmin argues that the asserted claims of these two patents are also obvious in light of the individual references aside from including a heading for secondary considerations of non-obviousness. (*See* RIB at 125-135; 137-140.) The ALJ will not guess Garmin's arguments or even attempt to "glean" the obviousness arguments from its briefs. A simple assertion that the asserted claims are "invalid" does little to shed any light on whether such invalidity is based on 35 U.S.C. § 102, 103 or some

other section, *e.g.*, 112. Thus, the ALJ finds that Garmin has not made any obviousness arguments for the '825 and the '974 patents.

However, even assuming that obviousness arguments were made, then those arguments fail for the same reasons set forth *supra* in Sections VI.D.1-3. (*See* RIB at 125-135; 137-140 (Garmin incorporating its arguments regarding the invalidity of the '952 patent into its analyses on invalidity of the '825 and the '974 patents.)

VII. INEQUITABLE CONDUCT

A. Applicable Law

A patent shall be unenforceable on grounds of inequitable conduct if material information is withheld from the PTO by the patentee, coupled with intent to mislead or deceive. *LaBounty Mfr. Inc. v. U.S. Int'l Trade Comm'n,* 958 F.2d 1066, 1070 (Fed. Cir. 1992). "The accused infringer must prove by clear and convincing evidence that the applicant knew of the reference, knew that it was material, and made a deliberate decision to withhold it." *Therasense v. Becton, Dickinson and Co.*, 649 F.3d 1276, 1290 (Fed. Cir. 2011). The Federal Circuit has emphasized that

> [t]he need to strictly enforce the burden of proof and elevated standard of proof in the inequitable conduct context is paramount because the penalty of inequitable conduct is so severe… [j]ust as it is inequitable to permit a patentee who obtained a patent through deliberate misrepresentations or omissions of material information to enforce the patent right against others, it is also inequitable to strike down an entire patent where the patentee only committed minor missteps or acted with minimal culpability or in good faith. As a result, courts must ensure that an accused infringer asserting inequitable conduct has met his burden on materiality and deceptive intent with clear and convincing evidence before exercising its discretion on whether to render a patent unenforceable.

Star Scientific, Inc. v. R.J. Reynolds Tobacco Co., 537 F.3d 1357, 1366 (Fed. Cir. 2008).

Those two main burdens, materiality and intent, are separate requirements for a finding of inequitable conduct and should be analyzed independent of each other. *Therasense*, 649 F.3d at 1290. In other words, a strong finding for one requirement cannot compensate for deficiencies in the other requirement. *Id.* ("A district court should not use a 'sliding scale,' where a weak showing of intent may be found sufficient based on a strong showing of materiality, and vice versa").

Information that is withheld or misrepresented to the PTO is considered material if it satisfies a "but for" test:

> When an applicant fails to disclose prior art at the PTO, that prior art is but-for material if the PTO would not have allowed that claim had it been aware of the undisclosed prior art. Hence, in assessing the materiality of a withheld reference, the court must determine whether the PTO would have allowed the claim if it had been aware of the undisclosed reference. In making this patentability determination, the court should apply the preponderance of the evidence standard and give claims their broadest reasonable construction.

Id. at 1291-92.

Although but-for materiality is required for a finding of inequitable conduct, there is an exception for cases of affirmative egregious misconduct. *Id.* at 1292. Such conduct is *per se* material and includes, but is not limited to, filing false affidavits. *Id.* "Because neither mere nondisclosure of prior art references nor failure to mention prior art references in an affidavit constitutes affirmative egregious misconduct, claims of inequitable conduct that are based on such omissions require proof of but-for materiality." *Id.* at 1292-93.

An inequitable conduct claim also requires proof that the patentee acted with the specific intent to deceive the PTO. *Star Scientific*, 537 F.3d at 1366. A finding that a patentee was negligent or grossly negligent regarding an omission or misrepresentation to the PTO does not satisfy the intent requirement. *Therasense,* 649 F.3d at 1290. Specific intent to deceive can be

inferred from indirect or circumstantial evidence; it cannot, however, be inferred from materiality of the omitted or misrepresented reference. *Id.* at 1290; *see also Larson Mfg. Co. of S.D., Inc. v. Aluminart Prods. Ltd.*, 559 F.3d 1317, 1340 (Fed. Cir. 2009). Additionally, the absence of a good faith explanation for withholding a material reference does not, by itself, prove intent to deceive. *Star Scientific*, 537 F.3d at 1368. To satisfy the clear and convincing evidence standard the specific intent to deceive must be "the single most reasonable inference able to be drawn from the evidence." *Therasense*, 649 F.3d at 1290 (citing *Star Scientific,* 537 F.3d at 1366). When multiple reasonable inferences can be drawn as to why a reference was withheld, deceptive intent cannot be found. *Id.* at 1290-91.

Garmin argues that the asserted claims of the '952, the '825 and the '974 patents are unenforceable due to inequitable conduct committed during reexaminations proceedings of the '952 patent.[2] (RIB at 7.) Garmin asserts that Johnson Outdoors withheld material information from the Patent Office and made arguments that deliberately misinformed the PTO. (*Id.* at 8.) Garmin argues that Mr. Sharrott, council for Johnson Outdoors, had knowledge of the deposition of Imagenex engineer, Mr. Kristensen, which disclosed [redacted] and that he and Mr. Miller, Complainant's expert, then made arguments to the contrary before the Patent Office to dissuade the PTO's conclusion regarding the acoustic element of the SportScan reference. (*Id.* at 102-103.) Specifically, the PTO argued that the prior art disclosed "side scan acoustic elements having a rectangular shape with a total length of up to about seven inches and a total width of us to about 0.5 inches". (RIB at 103 citing JX-0007 ('952 Reexam) at JOI_GARMIN_00001798.) The Kristensen Deposition

[2] Garmin argues that the '974 patent and '825 patent are also unenforceable by association, as they belong in the same family and similar arguments were used to avoid invalidity during reexamination. (RRB at 63.)

disclosed [redacted]. (RIB at 100-101.) However, Mr. Sharrott and Mr. Miller argued that the exact shape and size of the transducers could not be deduced from the SportScan brochure. (*Id.* at 103-104.) Garmin argues that the PTO withdrew its obviousness rejection in view of Mr. Sharrott and Mr. Miller's representations. (RIB at 105-106.) Consequently, Garmin argues that the reexamination claims would not have issued had it not been for Johnson Outdoors' representations. (*Id.* at 106.)

Johnson Outdoors argues that the patents are not unenforceable due to inequitable conduct because the Kristensen Deposition was not a patent or printed publication as required under 35 U.S.C. § 301, and that, consequently, Mr. Sharrott was under the belief there was no need to disclose the deposition because it is not a patent or printed publication. (CRB at 72-74.) Johnson Outdoors further argues that the information in dispute was disclosed to the PTO through other documents that are not confidential. (*Id.* at 64.) Furthermore, Mr. Sharrott believed that the testimony could not be submitted because it was subject to two protective orders, and Imagenex, whose confidential information was implicated, expressly denied any permission to disclose. (*Id.*)

For the reasons set forth below, the ALJ finds that Garmin has failed to meet its heavy burden of proving by clear and convincing evidence that the asserted patents are unenforceable due to inequitable conduct.

B. Materiality

As noted above, in assessing the materiality of a withheld reference, the ALJ must determine whether the PTO would have allowed the claim if it had been aware of the undisclosed reference, *i.e.*, "but-for materiality." While a very close call, the ALJ finds that the evidence presented by Garmin ultimately fails to create an unrebuttable presumption that the PTO would

not have allowed the claims "but for" the undisclosed Kristensen Deposition. First, it is unclear exactly how much weight was given to the actual dimensions of the SportScan acoustic elements in allowing the re-examination claims. (*See* JX-0007 at JOI_GARMIN_00007982). Specifically, the PTO stated that

> SportScan is similar in scope to Keitz embodiment (2) [mounted in a towfish pulled by a boat] and thus any suggestion of SportScan to reduce the size of the side-scan transducers to the claimed size in embodiment (1)[mounted under a boat] would teach away from the invention of Keitz. Moreover, Patent Owner's remarks and Mr. Miller's declaration ¶38-39 regarding the lack of size specifics of the acoustic elements of SportScan are found persuasive.

(*Id.*) While Johnson Outdoors' statements certainly played a role in the PTO's allowance of the reexamination claims, it is not clear that it rises to the level of "but-for" materiality. Indeed, the word "moreover" stands out as a signifier that the arguments made in regards to the acoustic element size and shape were not a sole factor for reinstatement of the claims. Indeed, it appears that the PTO allowed the claims over the SportScan brochure because boat-mounting short side scan acoustic elements in a towfish taught away from the convention in the art at the time of the inventions of mounting long side scan acoustic elements to a boat. (JX-0007 at JOI_GARMIN_00007982.) Given that the claims were also allowed for other reasons, it becomes less certain that the PTO would not have allowed the claims "but-for" the failure to disclose the Kristensen Deposition.

Second, the evidence shows that the information at issue in the Kristensen Deposition could have been sufficiently deduced from other documents submitted to the PTO. For example, the Johnson Outdoors submitted a plethora of documents from the Navico proceedings that were not subject to a confidentiality agreement. (*See* JX-0007 at JOI_GARMIN_00007722-29; JOI_GARMIN_00007869-73.) Those documents disclosed the same crucial information as that disclosed in the Kristensen Deposition. (*See* JX-0007 at JOI_GARMIN_00004310, 4342,

JOI_GARMIN_00004841-4842, JOI_GARMIN_00007680, 7702 (disclosing SportScan rectangular transducers); JX-0007 at JOI_GARMIN_00007678, 7697, JOI_GARMIN_00004841-4844 (disclosing Model 855 rectangular transducers); JX 0007 at JOI_GARMIN_00004310-4311, 4841-4842, 4844, 4848, 6821-6822, 6836, 7680 (disclosing [redacted] transducers in SportScan and Model 855).) Indeed, this is evidenced by the fact that Garmin's Assistant General Counsel for Intellectual Property, Mr. Korte, was able to deduce the critical information which Garmin claims is missing from the reexamination proceedings, mainly the size and shape of the SportScan transducer. (Korte, Tr. 637:7-640:9; RX-1602C.) Garmin argues that Mr. Korte's ability to deduce does not excuse Johnson Outdoors' statements to the contrary to the Examiner. (RIB at 110.) However, while a close call, the ALJ finds that the evidence supports Johnson Outdoors' argument that the relevant statements were specifically directed to the SportScan brochure and what it disclosed since that is what the PTO based its initial rejection upon. (JX-0007 at JOI_GARMIN_00001791 (listing "Imagenex Model 855 Brochure" as one of the principal references in the re-examination of the '952 Patent.)

Finally, the PTO is a "qualified government agency presumed to have done its job," and it can only be assumed that they could have been and were able to deduce missing information in the same manner as Mr. Korte. *See Sciele Pharma Inc v. Lupin, Ltd.*, 684 F.3d 1253, 1260 (Fed. Cir. 2012). If the PTO felt that information was omitted or masked, it has the power to request additional information under 37 C.F.R. 1.105(a)(1)(viii). The PTO did not request any additional information.

The burden of proof in proving materiality falls on the party asserting inequitable conduct, and, here, Garmin has failed to show that the PTO would have not allowed the claims had it been aware of the Kristensen Deposition. Since other information before the PTO was

cumulative to that information contained in the Kristensen Deposition and the claims were allowed even with knowledge of the SportScan, Garmin has failed to show that withholding the Kristensen Deposition is but-for material.

C. Intent

The evidence also fails to show that Johnson Outdoors had a specific intent to deceive the PTO. Garmin asserts that the single most reasonable inference is that Mr. Sharrott misrepresented and withheld material information deliberately during the reexamination with the intent to deceive the PTO. (RIB at 111.) The absence of a good faith explanation for withholding a material reference does not, by itself, prove intent to deceive. *Star Scientific*, 537 F.3d at 1368. Furthermore, while specific intent can be inferred from indirect or circumstantial evidence, it cannot be inferred from the materiality of the omitted or misrepresented reference. *Therasense*, 649 F.3d at 1290. The ALJ finds that the most reasonable inference in this instance is not that Johnson Outdoors intended to deceive the PTO, rather Johnson Outdoors had a genuine belief that the Kristensen Deposition need not and, more importantly, could not be disclosed to the PTO.

The evidence shows that Johnson Outdoors believed that they did not need to submit the deposition because (1) MPEP specifically provides that only patents and printed publications need be submitted during reexamination and (2) the Kristensen Deposition was subject to two protective orders. (CIB at 92-93; CRB at 60; Sharrott, Tr. at 870:1-3 ("Well, they could not. I mean, the -- just to be clear, the re-examination statute is based on prior art patents and publications."); 916:11-13 ("[T]he sole premise of jurisdiction in a patent re-examination is prior art patents, prior art publications."); 916:18-20 ("So the obligation and duty of disclosure from my understanding of control and present of the Federal Circuit is similar, it regards printed

publications and patents.") Thus, according to Johnson Outdoors, since the Kristensen Deposition was neither a patent nor a printed publication, it was under no duty to submit it to the PTO. (*Id.*) The ALJ finds this reasoning questionable as Johnson Outdoors also submitted Navico's motions for summary judgment from their concurrent district court case to the PTO as part of its reexamination. (*See* JX-0007 at JOI_GARMIN_00007722-29; JOI_GARMIN_00007869-73.) Clearly, those pleadings and deposition transcripts are not a patent or a printed publication.

However, the ALJ finds that Johnson Outdoors' belief, and more specifically, Mr. Sharrott's belief that it could not disclose the Kristensen Deposition because it was subject to two protective orders to be genuine. (Sharrott, Tr. 882:9-17, 908:9-909:8.) The ALJ finds that genuine belief counters any specific intent to deceive. As noted above, the Kristensen Deposition was subject to two protective orders – one from a U.S. District Court in Alabama and one from a Canadian court in British Columbia. (CX-0825 (Protective Order from British Columbia Court); CX-0766 (Letter fr. Imagenex Counsel re disclosure of CBI).) The ALJ finds Mr. Sharrott's testimony to be credible: his belief, correct or not, was that he could not disclose the deposition without violating those protective orders. That belief coupled with his belief that the MPEP does not have the force of law led him to the conclusion that he could not disclose the Kristensen Deposition. Whether that belief was ultimately correct or not is irrelevant to the ALJ's analysis: Mr. Sharrott's belief that he could not produce the Kristensen Deposition to the PTO without violating two separate protective orders belies any specific intent to deceive the PTO.

Garmin cites several rules and procedures used by the Patent Office for collection and treatment of confidential information that is material under 37 C.F.R. §1.555, and that Johnson

Outdoors took no steps in following these procedures. (RRB at 68); *See* 37 C.F.R. 1.552(c); MPEP § 724.02. The ALJ finds that Johnson Outdoors' failure to follow this procedure is not indicative of an intent to deceive, but rather an incorrect reading and understanding of the MPEP, at best, or negligence, at worst. Again, those actions do not create a specific intent to deceive the PTO. Moreover, even if those avenues had been pursued, it appears that Imagenex, whose CBI was implicated, affirmatively stated that they would not give consent to release the confidential information. (CX-0766 at 2.) Regardless of whether Johnson Outdoors' interpretation of the rules is correct, their genuine belief that their interpretation of the rules is correct undercuts any intent to deceive. Moreover, mere negligence, or even gross negligence, during reexamination does not satisfy a requirement for specific intent. *Therasense,* 649 F.3d at 1290.

As for the statements made before the Patent Office by Johnson Outdoors, the ALJ also finds a lack of specific intent to deceive. Mr. Sharrott testified that his statements were solely in regards to the brochure for the Imagenex SportScan, not the product itself. (CRB at 67; Sharrot, Tr. 892:21-893:19.) Thus, based on his understanding as to what was at issue, *i.e.*, the SportScan brochure and not the SportScan itself, Mr. Sharrott's statements were not indicative of an intent to deceive. (*See* JX-0007 at JOI_GARMIN_00002161; 2182-2183; 7900.)

Therefore, the ALJ finds that Johnson Outdoors conduct, while not above reproach, does not evidence a specific intent to deceive as set forth in *Therasense*. The ALJ finds that Garmin has failed to satisfy their burden of proof by clear and convincing evidence that the single most reasonable inference of intent is that Johnson Outdoors had the requisite and specific intent to deceive the PTO.

D. Conclusion

The ALJ acknowledges that this was a very close call and, further, that Johnson Outdoors should have and could have taken more affirmative steps to disclose the information to the PTO. However, the burden in proving inequitable conduct is extremely high given the consequences of such a finding and "courts must ensure that an accused infringer asserting inequitable conduct has met his burden on materiality and deceptive intent with clear and convincing evidence before exercising its discretion on whether to render a patent unenforceable." *Star Scientific*, 537 F.3d at 1366. The ALJ finds that the Garmin has failed to meet the high burden of proof set by *Therasense* as to intent and materiality as to the '925, the '974 and '825 patents and, consequently, has failed to show that those patents are unenforceable due to inequitable conduct.

VIII. DOMESTIC INDUSTRY

On March 24, 2015 the ALJ issued an Initial Determination Granting Complainants' Motion for Summary Determination that Complainants Satisfy the Domestic Industry Requirement. (Order No 15.) Specifically, the ALJ found that Johnson Outdoors satisfied the technical prong of the domestic industry requirement. (*Id.* at 4.) The ALJ also found that Johnson Outdoors satisfied the economic prong of the domestic industry requirement under subsections (A), (B), or (C) of subsection 337(a)(3). (*Id.* at 8.)

On April 22, 2015, the Commission determined not to review either order. (*See* Notice of Commission Determination Not to Review Two Initial Determinations Granting Unopposed Motions for Summary Determinations of Importation and the Existence of a Domestic Industry That Practices the Asserted Patents (April 22, 2015).)

IX. CONCLUSIONS OF LAW

1. The Commission has personal jurisdiction over the parties and subject-matter and *in rem* jurisdiction over the accused products.

2. The importation or sale requirement of section 337 is satisfied.

3. Garmin is not liable for direct infringement of the asserted claims of the '952 patent, the '825 patent and claim 25 of the '974 patent.

4. Garmin is not liable for indirect infringement of the asserted claims of the '952 patent, the '825 patent and claim 25 of the '974 patent.

5. Garmin is liable for direct infringement of claims 14, 18, 21, 22, 23 and 33 of the '974 patent.

6. Garmin is not liable for indirect infringement of claims 14, 18, 21, 22, 23 and 33 of the '974 patent.

7. The '952 patent, the '825 patent and the '974 patent are not invalid under 35 U.S.C. § 102 for anticipation.

8. The '952 patent is not invalid under 35 U.S.C. § 102 for derivation.

9. The '952 patent, the '825 patent and the '974 patent are not invalid under 35 U.S.C. § 103 for obviousness.

10. The '952 patent, the '825 patent and the '974 patent are not unenforceable due to inequitable conduct.

11. The domestic industry requirement for the '952, '825 and '974 patents has been satisfied.

12. It has been established that no violation exists of section 337 for the asserted claims of the asserted claims of the '952 patent, the '825 patent and claim 25 of the '974 patent.

13. It has been established that a violation exists of section 337 for claims 14, 18, 21, 22, 23 and 33 of the '974 patent.

X. INITIAL DETERMINATION AND ORDER

Based on the foregoing, it is the INITIAL DETERMINATION of the ALJ that no violation of section 337 of the Tariff Act of 1930, as amended, 19 U.S.C. § 1337, has occurred in the importation into the United States, the sale for importation, or the sale within the United States after importation of certain marine sonar imagining systems, products containing the same, and components thereof by reason of infringement of the asserted claims of U.S. Patent Nos. 7,652,952 and 7,710,825 and claim 25 of U.S. Patent No. 7,755,974.

It further is the INITIAL DETERMINATION of the ALJ that a violation of section 337 of the Tariff Act of 1930, as amended, 19 U.S.C. § 1337, has occurred in the importation into the United States, the sale for importation, or the sale within the United States after importation of certain marine sonar imaging systems, products containing the same, and components thereof by reason of infringement of claims 14, 18, 21, 22, 23 and 33 of U.S. Patent No. 7,755,974.

Further, this Initial Determination, together with the record of the hearing in this investigation consisting of:

(1) the transcript of the hearing, with appropriate corrections as may hereafter be ordered, and

(2) the exhibits received into evidence in this investigation, as listed in the attached exhibit lists in Appendix A,

are CERTIFIED to the Commission. In accordance with 19 C.F.R. § 210.39(c), all material found to be confidential by the undersigned under 19 C.F.R. § 210.5 is to be given *in camera* treatment.

The Secretary shall serve a public version of this ID upon all parties of record and the confidential version upon counsel who are signatories to the Protective Order (Order No. 1.) issued in this investigation.

XI. RECOMMENDED DETERMINATION ON REMEDY AND BOND

A. Remedy and Bonding

The Commission's Rules provide that subsequent to an initial determination on the question of violation of section 337 of the Tariff Act of 1930, as amended, 19 U.S.C. § 1337, the administrative law judge shall issue a recommended determination containing findings of fact and recommendations concerning: (1) the appropriate remedy in the event that the Commission finds a violation of section 337, and (2) the amount of bond to be posted by respondents during Presidential review of Commission action under section 337(j). *See* 19 C.F.R. § 210.42(a)(1)(ii).

1. Limited Exclusion Order

Under Section 337(d), the Commission may issue either a limited or a general exclusion order. A limited exclusion order ("LEO") directed to respondents' infringing products is among the remedies that the Commission may impose, as is a general exclusion order that would apply to all infringing products, regardless of their manufacturer. *See* 19 U.S.C. § 1337(d).

Johnson Outdoors argues that a LEO should be issued if a violation is found. (CIB at 149.)

Garmin argues that any LEO should be limited to Garmin's transducers with SideVü functionality and should not include the chartplotters that operate together with it. (RIB at 141.) Garmin further argues that should the chartplotters be included, they should be limited to chartplotters that are sold together with black boxes and SideVü transducers. (*Id.*) Garmin further argues that a certification provision that Garmin head units imported without a transducer should be included in the LEO. (*Id.*) Garmin further argues that the LEO should not extend to downstream products. (*Id.*)

Should the Commission find a violation, the ALJ recommends that the Commission issue a LEO against Garmin's Accused Products with a certification provision. Johnson Outdoors concedes that it is not seeking to exclude downstream products.

2. Cease and Desist Order

Johnson Outdoors argues that the parties have stipulated that Garmin maintains a commercially significant inventory of products and, as such, a cease and desist order against Garmin should issue. (CIB at 149; Joint Stipulation Between Complainants and Respondents (Jan. 15, 2015).)

Garmin does not appear to dispute the issuance of a cease and desist order if a violation is found. (*See* RIB at 141-145.)

The ALJ recommends the issuance of a CDO against Garmin.

3. Bond During Presidential Review Period

The Administrative Law Judge and the Commission must determine the amount of bond to be required of a respondent, pursuant to section 337(j)(3), during the 60-day Presidential review period following the issuance of permanent relief, in the event that the Commission determines to issue a remedy. The purpose of the bond is to protect the complainant from any injury. 19 C.F.R. § 210.42(a)(1)(ii), § 210.50(a)(3).

Johnson Outdoors argues that a bond amount of 100% is appropriate given the wide range of products accused of infringement and the difficulty in comparing the prices of those products with the domestic industry products. (CIB at 149-150.)

Garmin argues that no bond should be imposed during the Presidential Review Period. (RIB at 143.) However, should the Commission determine that a bond is appropriate, then Garmin argues that the bond should be set at 8% of the sale price of Garmin's SideVü transducer. (RIB at 144-145.)

[redacted]

Should the Commission find a violation, the ALJ recommends a bond rate of 8%.

B. Conclusion

In accordance with the discussion of the issues contained herein, it is the RECOMMENDED DETERMINATION ("RD") of the ALJ that should the Commission find a violation, the Commission issue a LEO with a certification provision and CDO against Garmin. The ALJ also recommends a bond rate of 8%.

Within seven days of the date of this document, each party shall submit to the office of the Administrative Law Judge a statement as to whether or not it seeks to have any portion of this document deleted from the public version. The parties' submissions must be made by hard copy by the aforementioned date.

Any party seeking to have any portion of this document deleted from the public version thereof must submit to this office (1) a copy of this document with red brackets indicating any portion asserted to contain confidential business information by the aforementioned date and (2) a list specifying where said redactions are located. The parties' submission concerning the public version of this document need not be filed with the Commission Secretary.

SO ORDERED.

Theodore R. Essex
Administrative Law Judge

CERTAIN MARINE SONAR IMAGING SYSTEMS, PRODUCTS CONTAINING THE SAME, AND COMPONENTS THEREOF **Inv. No. 337-TA-926**

PUBLIC CERTIFICATE OF SERVICE

I, Lisa R. Barton, hereby certify that the attached **INITIAL DETERMINATION ON VIOLATION OF SECTION 337 AND RECOMMENDED DETERMINATION ON REMEDY AND BOND** has been served by hand upon the following parties as indicated, on **July 29, 2015.**

Lisa R. Barton, Secretary
U.S. International Trade Commission
500 E Street, SW, Room 112
Washington, DC 20436

On Behalf of Complainant Johnson Outdoors Inc. and Johnson Outdoors Marine Electronics, Inc.:

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( ) Via Hand Delivery
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Respondents Garmin International, Inc., Garmin North America, Inc., Garmin USA, Inc., and Garmin Corporation:

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