UNITED STATES INTERNATIONAL TRADE COMMISSION

Washington, D.C.

In the Matter of

CERTAIN SMART THERMOSTATS, SMART HVAC SYSTEMS, AND COMPONENTS THEREOF **Investigation No. 337-TA-1185**

NOTICE OF COMMISSION DECISION NOT TO REVIEW AN INITIAL DETERMINATION GRANTING A MOTION FOR TERMINATION OF THE INVESTIGATION IN PART AS TO CERTAIN RESPONDENTS BASED ON SETTLEMENT

AGENCY: U.S. International Trade Commission.

ACTION: Notice.

SUMMARY: Notice is hereby given that the U.S. International Trade Commission has determined not to review an initial determination ("ID") (Order No. 15) of the presiding administrative law judge ("ALJ") granting a motion to terminate the investigation in part as to respondents Schneider Electric USA, Inc. of Andover, Massachusetts and Schneider Electric SE of Rueil-Malmaison, France (collectively, "the Schneider Respondents") based on a settlement agreement.

FOR FURTHER INFORMATION CONTACT: Houda Morad, Office of the General Counsel, U.S. International Trade Commission, 500 E Street SW, Washington, DC 20436, telephone (202) 708-4716. Copies of non-confidential documents filed in connection with this investigation may be viewed on the Commission's electronic docket (EDIS) at https://edis.usitc.gov. For help accessing EDIS, please email EDIS.3Help@usitc.gov. General information concerning the Commission may also be obtained by accessing its Internet server at https://www.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: On November 27, 2019, the Commission instituted this investigation under section 337 of the Tariff Act of 1930, as amended, 19 U.S.C. 1337 ("section 337"), based on a complaint filed by EcoFactor, Inc. of Palo Alto, California ("EcoFactor"). *See* 84 Fed. Reg. 65421-22 (Nov. 27, 2019). The complaint alleges a violation of section 337 based upon the importation into the United States, the sale for importation, and the sale within the United States after importation of certain smart thermostats, smart HVAC systems, and components thereof by reason of infringement of certain claims of U.S. Patent Nos. 8,131,497; 8,423,322; 8,498,753; and 10,018,371. *See id.* The notice of investigation names several respondents, including the Schneider Respondents. *See id.* The Office of Unfair Import Investigations ("OUII") is also a party to the investigation. *See id.*

On July 14, 2020, Complainant EcoFactor and the Schneider Respondents filed a joint motion ("Motion") to terminate the investigation in part as to the Schneider Respondents based on entry into a settlement agreement ("the Agreement"). On July 24, 2020, OUII filed a response in support of the Motion. No other response was filed.

On August 10, 2020, the ALJ issued the subject ID (Order No. 15) granting the Motion and staying the procedural schedule as to the Schneider Respondents. *See* ID at 4. The ID finds that the Motion complies with the Commission Rules. *See id.* at 2. In accordance with Commission Rule 210.21(b)(1), 19 CFR 210.21(b)(1), the Motion includes redacted and unredacted copies of the Agreement. In addition, the Motion includes a statement that "[o]ther than the Agreement, there are no other agreements, written or oral, express or implied, between EcoFactor and the Schneider Respondents concerning the subject matter of this Investigation." *See* ID at 2 (citing19 CFR 210.21(b)(1)). Furthermore, pursuant to Commission Rule 210.50(b)(2), 19 CFR 210.50(b)(2), the ID does not find "any evidence that terminating this investigation as to the Schneider Respondents based on the settlement agreement would be contrary to the public interest." *See* ID at 3. The ID also finds "good cause to limit service" of the unredacted version of the Agreement to EcoFactor, the Schneider Respondents, and OUII. *See id.* at 3-4.

No petition for review of the subject ID was filed. The Commission has determined not to review the subject ID.

The Commission's vote for this determination took place on August 31, 2020.

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 CFR part 210).

By order of the Commission.

Lisa R. Barton

Secretary to the Commission

Issued: August 31, 2020