## United States Court of Appeals for the Federal Circuit

HYOSUNG TNS INC., NAUTILUS HYOSUNG AMERICA INC., HS GLOBAL, INC., Appellants

v.

INTERNATIONAL TRADE COMMISSION, Appellee

DIEBOLD NIXDORF, INC., DIEBOLD SELF-SERVICE SYSTEMS,

Intervenors

2017-2563

Appeal from the United States International Trade Commission in Investigation No. 337-TA-972.

Decided: June 17, 2019

GREGORY G. GARRE, Latham & Watkins LLP, Washington, DC, argued for appellants. Also represented by GABRIEL BELL, ELANA NIGHTINGALE DAWSON, KEVIN WHEELER.

SIDNEY A. ROSENZWEIG, Office of General Counsel, United States International Trade Commission, Washington, DC, argued for appellee. Also represented by DOMINIC

DOCKE

#### L. BIANCHI, WAYNE W. HERRINGTON.

PATRICK FLINN, Alston & Bird LLP, Atlanta, GA, argued for intervenors. Also represented by KEITH E. BROYLES, PAMELA COUNCILL, DAVID FRIST, JOSHUA MARK WEEKS; ADAM SWAIN, Washington, DC.

Before DYK, CLEVENGER, and O'MALLEY, Circuit Judges.

DYK, Circuit Judge.

Hyosung TNS Inc., Nautilus Hyosung America Inc., and HS Global, Inc., (collectively "Hyosung") appeal from a decision by the International Trade Commission ("ITC"). The ITC concluded that various automatic teller machine ("ATM") models imported by Hyosung infringed claims of two patents owned by Diebold Nixdorf, Inc., and Diebold Self-Service Systems (collectively "Diebold"), U.S. Patent Nos. 6,082,616 (616 patent) and 7,832,631 (631 patent).<sup>1</sup> The ITC issued a limited exclusion order as well as cease and desist orders.

Because the appeal has become moot as to the '616 patent, we dismiss the appeal as to the '616 patent, vacate the ITC's decision as to that patent, and remand with instructions to revise the applicable orders. We affirm the ITC's decision and orders as to the '631 patent.

#### BACKGROUND

Hyosung and Diebold are both in the market of manufacturing and selling ATMs. Diebold owns the '616 and '631 patents directed to ATMs. Diebold filed a complaint with the ITC claiming that Hyosung's imported ATMs infringe

DOCKF

RM

<sup>&</sup>lt;sup>1</sup> Other patents were also at issue earlier in the ITC's investigation, but the only ones at issue on appeal are the '616 and '631 patents.

claims in the '616 and '631 patents and their importation violates 19 U.S.C. § 1337(a)(1)(B). The ITC initiated an investigation. The patented technology generally relates to the structure and function of ATMs. The '616 patent claims an ATM rollout tray that allows for easier servicing of internal components of the ATM. The '631 patent relates to a particular method for reading magnetic ink character recognition ("MICR") data on checks (e.g., ink used for the account and routing numbers) that are inserted into an ATM regardless of their width or orientation.

The ITC concluded that Hyosung's accused products infringed both the '616 and '631 patents; that the asserted claims were not shown to be invalid; and that the domestic industry requirement was met for both patents. The ITC entered a limited exclusion order and cease and desist orders against Hyosung.

Thereafter, Hyosung redesigned its products in an effort to avoid infringing the '616 patent. On May 26, 2017, it sought an administrative ruling by U.S. Customs and Border Protection ("Customs") that the redesigned products did not infringe the '616 patent, which would allow Hyosung's importation of the redesigned ATM products. See 19 C.F.R. § 177. Both Hyosung and Diebold participated in the proceeding. Customs concluded that the newly redesigned products did not infringe the '616 patent and were therefore not covered by the ITC's limited exclusion order as to the '616 patent. Ruling Letter re Certain Automated Teller Machs., ATM Modules, Components Thereof, & Prods. Containing Same, HQ H286719 (Customs), 2017 WL 3371581, at \*17 (July 24, 2017).

Hyosung appeals the ITC's decision. We have jurisdiction under 28 U.S.C. § 1295(a)(6).

#### DISCUSSION

We review the ITC's factual findings for substantial evidence and legal conclusions de novo. *Honeywell Int'l, Inc.* 

DOCKE

RM

v. Int'l Trade Comm'n, 341 F.3d 1332, 1338 (Fed. Cir. 2003).

4

DOCKE.

#### I. '616 Patent

Claims 1, 6, 10, 16, 26, and 27 of the '616 patent are at issue on appeal. Representative claim 1 of the '616 patent recites:

An automated banking machine apparatus comprising:

a housing bounding an interior area, the housing having a first opening to the interior area;

a rollout tray movably supported on the housing, the rollout tray including a wall portion, a <u>service</u> <u>opening</u> extending through the wall portion, wherein the rollout tray is movable between a first position wherein the tray extends outward from the first opening and the <u>service opening</u> is accessible from outside the housing, and a <u>second position</u> wherein the tray is within the interior area and the service opening is not accessible from outside the housing;

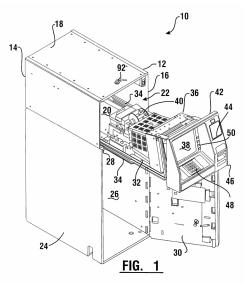
a first serviceable component mounted in supporting connection with the tray and overlying the <u>ser-</u><u>vice opening</u>, the serviceable component having a service point, and wherein the service point is accessible from outside the housing by extending a tool upwardly through the <u>service opening</u> when the tray is in the first position.

'616 patent, col. 8, ll. 8–25 (emphases added).

Hyosung makes two arguments as to why the ITC erred when it found infringement of the '616 patent. First, Hyosung argues that the ITC improperly construed the claim term "service opening." Based on the intrinsic record, the ITC construed the term to mean "an opening through which a component may be serviced." J.A. 94 (emphasis

added). Hyosung argues this is an erroneous construction because the claim term, in the context of the specification and prosecution history, requires an opening that is *designed to enable* servicing of a component. Hyosung contends that the alleged service openings were not so designed, and the administrative law judge found that most of the imported ATMs had other ways to access components for servicing other than by using the alleged "service opening extending through the wall portion" of the rollout tray.

Second, Hyosung argues that the ITC improperly found that its products met the claim limitation "a second position wherein the tray is within the interior area and the service opening is not accessible from outside the housing." The parties agreed that the term "housing bounding an interior area" refers to the "structure bounding an interior area from which the rollout tray extends and into which the rollout tray is retracted." J.A. 336. An example of such a "housing" (12) is shown in Figure 1 of the '616 patent.



The patent distinguishes between the top portion of the enclosure (housing 12) and the bottom portion (chest 24). The ITC found that the second position limitation was satisfied

# DOCKET A L A R M



# Explore Litigation Insights

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

## **Real-Time Litigation Alerts**



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

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

## **Advanced Docket Research**



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

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

## **Analytics At Your Fingertips**



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

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

## API

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

## LAW FIRMS

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

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

## FINANCIAL INSTITUTIONS

Litigation and bankruptcy checks for companies and debtors.

## E-DISCOVERY AND LEGAL VENDORS

Sync your system to PACER to automate legal marketing.