

OCEAN TOMO

ITC 337 INVESTIGATIONS



An increasing number of 337 investigations are being filed at the International Trade Commission (ITC). While the majority of those investigations involve allegations relating to patent or trademark infringement, the ITC is also becoming an effective forum for litigating disputes stemming from claims of trade secret misappropriation, false advertising, and even antitrust issues. A detailed understanding of the economic considerations underlying a 337 investigation is critical to ensuring a successful result. From establishing the threshold domestic industry requirement to examining potential remedies, bond amounts and the impact of an exclusion order on the public interest, each case requires careful evaluation of a wide variety of economic issues that can directly impact the outcome of an investigation.

Ocean Tomo's financial experts have significant experience with 337 investigations involving issues of patent infringement, trademark infringement and trade secret misappropriation. Our experts go beyond a simple accounting to gain a comprehensive understanding of industry considerations that may bear on issues such as the significance of domestic investments, the applicability of potential remedies, or the impact of an exclusion order on the public interest. We have assisted counsel in every stage of a 337 investigation, from acquiring products and evaluating domestic industry and public interest considerations prior to filing, through assisting with settlement negotiations prior to the issuance of a Final Determination.

In connection with our work in 337 investigations, our experts have gained significant experience evaluating issues relating to the economic prong of domestic industry, general exclusion orders, commercial significance of inventories, bond amounts, economic harm, commercial success, licensing issues, and public interest considerations. The scope and breadth of Ocean Tomo's experience with 337 investigations is reflected in the number of investigations it has been involved with and the variety of issues on which it has opined. Examples of 337 investigations involving Ocean Tomo's experts include:

In the Matter of Certain
Personal Transporters,
Components Thereof, and
Packaging and Manuals
Thereof, and Certain
Personal Transporters and
Components Thereof

Investigation No.
337-TA-1007/1021

Patent and Trademark
Infringement Involving
Self-Balancing Electric
Scooters

Report, Deposition, and
Hearing Testimony

Segway, and its parent company Ninebot, brought suit against several respondents who were accused of importing infringing one-wheel and two-wheel self-balancing electric scooters. Ocean Tomo offered testimony related to the existence of a domestic industry, the appropriate remedy and bond, and the commercial success of the patented and accused products. Complainants prevailed on its trademark infringement claims and, consistent with the opinions offered by Ocean Tomo, the ALJ found the existence of a domestic industry and recommended cease and desist and limited exclusion orders. Those findings were later affirmed by the Commission's final determination.

In the Matter of Certain Botulinum Toxin Products, Processes for Manufacturing or Relating to Same and Certain Products Containing Same

Investigation No. 337-TA-1145

Trade Secret Misappropriation Involving Botulinum Toxin Products (BOTOX®)

Report, Deposition, and Hearing Testimony

Medytox brought suit against several respondents who were accused of importing botulinum toxin products that misappropriated certain manufacturing related trade secrets. Ocean Tomo offered testimony related to the existence of a domestic industry and whether any such domestic industry would be destroyed, or substantially injured, by the importation of the infringing products. Consistent with Ocean Tomo's opinions, the Commission found that the domestic industry requirement had been satisfied and that respondent's importation and sale of the infringing botulinum toxin product threatened to destroy, or substantially injure, Medytox's domestic industry and/or domestic industry products.

In the Matter of Semiconductor Chips with Minimized Chip Package Size and Products Containing Same (III)

Investigation No. 337-TA-630

Patent Infringement Litigation Involving the Packaging of DRAM Chips

Report, Deposition, and Hearing Testimony

Tessera brought suit against several respondents who were accused of importing infringing DRAM chips. Ocean Tomo offered testimony that the majority of units sold in or imported into the U.S. by respondents were purchased from suppliers or subcontractors directly licensed by Tessera, and thus licensed. The ALJ, in agreement with Ocean Tomo, found that all chips purchased by Defendants from Tessera's licensees were authorized. Thus, because Tessera's rights in those chips were exhausted, none of Tessera's patents had been infringed. Consistent with those findings, the Commission's final determination found that there was no violation of Section 337.

In the Matter of Certain Audio Players And, Controllers, Components, Thereof, and Products Containing the Same

Investigation No. 337-TA-1191

Patent Infringement Litigation Involving Music Streaming, Playback, and Distribution

Report, Deposition, and Hearing Testimony

Sonos brought suit against Google for infringing several patents relating to music streaming, playback and distribution. Ocean Tomo offered testimony relating to the existence of a domestic industry, remedy, and bond. Consistent with Ocean Tomo's opinions, the ALJ granted summary determination that the domestic industry requirement had been satisfied. That ruling was later affirmed by the Commission, which also affirmed Ocean Tomo's opinions relating to remedy and the amount of a bond.

In the Matter of Certain Pocket Lighters

Investigation No. 337-TA-1142

Patent Infringement Litigation Involving Disposable Lighters

Report and Deposition

BIC brought suit against several respondents who were accused of infringing certain trademarks relating to the well-known BIC lighter. Ocean Tomo offered testimony relating to the existence of a domestic industry, remedy, and bond. Consistent with Ocean Tomo's opinions, the ALJ granted summary determination regarding the existence of a domestic industry. The investigation later settled, prior to a hearing.



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Michael Milani leads the Expert Opinion group. He is a Senior Managing Director in the Intellectual Property Disputes practice and has significant ITC experience.

Mr. Milani also has significant experience addressing economic considerations in connection with 337 investigations at the International Trade Commission. In connection with that work, Mr. Milani has offered testimony in several hearings relating to the issues of domestic industry, remedy, bond, public interest, and commercial success. Mr. Milani's professional experience covers a wide range of industries including consumer products and electronics, medical equipment and devices, pharmaceuticals, semiconductors, LED, sporting goods, computer networking equipment, cellular technologies, avionics, retail security, as well as industrial/building, lighting, automotive and flooring products, among others.



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About Ocean Tomo

Ocean Tomo LLC provides Expert Opinion, Management Consulting, and Advisory services focused on matters involving intellectual property (IP) and other intangible assets. Practice offerings address economic damage calculations and testimony; business licensing strategy and contract interpretation; trade secret reasonable measures; asset and business valuation; strategy and risk management consulting; merger and acquisition advisory; debt and equity private placement; and IP brokerage.

Ocean Tomo experts are routinely qualified in U.S. District Courts, U.S. Bankruptcy Courts, U.S. Tax Court, U.S. Court of Federal Claims, state courts, the U.S. Patent and Trademark Office Patent Trial and Appeal Board, international courts, and arbitration tribunals on questions relating to intellectual property economics. The firm's professionals have provided expert opinions on IP valuation, reasonable royalty, lost profits, price erosion, commercial success, corrective advertising, creditor allocations, Hatch-Waxman Act market exclusivity, business licensing terms including RAND obligations, venture financing, and equities of a potential injunction. The firm's experience extends to general business valuation and commercial disputes, domestic and foreign, as well as policy issues affecting international technology transfer and economic matters before the International Trade Commission.

Intangible assets comprise 90 percent of business value but are also subject to significant impairment due to enterprise and regulatory compliance risk. Our services are built upon more than three decades of experience assessing intellectual property in the most rigorous of venues. Our financial, market, scientific, and technical experts have deep experience with tangible and intangible assets protected by intellectual property. We bring a unique understanding of the contributory value of proprietary innovation to every engagement. This is the cornerstone of our business.

Subsidiaries of the firm include Ocean Tomo Investments Group, LLC, a registered broker-dealer. As a part of J.S. Held, Ocean Tomo works alongside more than 1500 professionals globally and assists clients – corporations, insurers, law firms, governments, and institutional investors – on complex technical, scientific, and financial matters across all assets and value at risk.

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About J.S. Held

J.S. Held is a global consultancy providing technical, scientific, and financial expertise across all assets and value at risk. Our professionals serve as trusted advisors to organizations facing high-stakes events demanding urgent attention, staunch integrity, clear-cut analysis, and an understanding of both tangible and intangible assets. The firm provides a comprehensive suite of products, data, and services that enable clients across industries to navigate complex, contentious, and often catastrophic situations.

In 2022, Ocean Tomo joined J.S. Held, continuing the strategic growth of the firm. Leveraging the J.S. Held team of more than 1,500 professionals around the world, our clients will now have access to J.S. Held's suite of specialized services, including:

- Construction Advisory Services
- Corporate Finance
- Economic Damages and Valuation Services
- Environmental, Health, and Safety Services
- Equipment Consulting
- Forensic Accounting
- Forensic Architecture and Engineering
- Global Investigations
- Property and Infrastructure Damage Consulting
- Surety Services

Headquartered in New York, J.S. Held has offices across the United States, Canada, Latin America, Europe, Asia Pacific, and the Middle East.

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