

## Fed. Circ. Backs ITC Ban On Comcast Cable Box In Patent Suit

By Khorri Atkinson

*Law360, Washington (March 2, 2020, 9:02 PM EST)* -- The Federal Circuit on Monday affirmed the International Trade Commission's holding that Comcast cable boxes infringe two of a TiVo Corp. subsidiary's patents covering interactive program guides, leaving intact the commission's ban on the cable and broadband company's importation of X1 boxes.

A three-judge panel's precedential opinion unanimously rejected Comcast's argument that the company cannot be held liable because the X1 set-top boxes with the two infringed patents owned by Rovi Corp. were imported by third-party companies and ultimately sold to the cable company inside the U.S.

Comcast had also argued that the ITC exceeded its authority under a federal law prohibiting the importation of items that infringe U.S. patents, and that the commission's order was unwarranted because the products were not alleged to have been used to commit direct infringement before importation.

But the panel upheld the commission's November 2017 ruling that Comcast was "sufficiently" involved with the design, manufacture and importation of the set-top boxes.

"The commission correctly held that Section 337 applies to articles that infringe after importation," the panel wrote.

"It is undisputed that direct infringement of ... the patents occur when the imported X1 set-top boxes are fitted by or on behalf of Comcast and used with Comcast's customers' mobile devices," the panel added. "Reversible error has not been shown in the commission's determinations that the X1 set-top boxes imported by and for Comcast for use by Comcast's customers are 'articles that infringe' in terms of Section 337."

The panel cited the "extensive evidence" the ITC reviewed, which showed that Comcast did have control over the importation of the X1 set-top boxes.

The evidence also revealed, the panel added, that Comcast required equipment manufacturers Arris International PLC and Technicolor SA to build the products with certain "specifications and acceptability standards," and that the telecom giant provided them with "detailed technical documents" to ensure the set-top boxes "operate as required by Comcast within its network to provide services to Comcast subscribers."

"The rulings and remedial actions of the commission are in accordance with law, and the underlying findings are supported by substantial evidence," the panel concluded.

Arvin Patel, executive vice president and chief intellectual property officer at Rovi, lauded the ruling in a statement.

"Comcast has relied heavily [on the company's patented technology] since launching its X1 platform," Patel said. Adding that "Comcast cannot continue to use [it] without paying for a license."

"We are hopeful today's announcement will encourage Comcast to put their customers first and license our IP just as the other top 9 U.S. pay-TV providers do," Patel added.

Counsel for Comcast did not immediately respond to a request for comment.

The patents-in-suit are U.S. Patent Numbers 8,006,263 and 8,578,413.

U.S. Circuit Judges Pauline Newman, Jimmie V. Reyna and Todd M. Hughes sat on the panel for the Federal Circuit.

Comcast is represented by Donald B. Verrilli Jr. and Ginger Anders of Munger Tolles & Olson LLP, Steven Anzalone of Winston & Strawn LLP and David Lisson of Davis Polk & Wardwell LLP.

The ITC is represented by Ronald Traud, Dominic L. Bianchi, Wayne W. Herrington and Sidney A. Rosenzweig of the Office of the General Counsel.

TiVo is represented by Roderick George Dorman, Joshua Wright Budwin, Douglas Aaron Cawley and Joel Lance Thollander of McKool Smith PC, Rayiner Hashem, Jeffrey A. Lamken and Michael Gregory Pattillo Jr. of MoloLamken LLP and John M. Whealan of George Washington University Law School.

The case is Comcast Corp. v. ITC, case number 18-1450, in the U.S. Court of Appeals for the Federal Circuit.

--Editing by Nicole Bleier.