

UNITED STATES INTERNATIONAL TRADE COMMISSION

In the Matter of:	)	Investigation No.
CERTAIN OUTDOOR AND SEMI-OUTDOOR	)	337-TA-1331
ELECTRONIC DISPLAYS, PRODUCTS	)	
CONTAINING SAME, AND COMPONENTS	)	
THEREOF	)	

OPEN SESSIONS

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1 UNITED STATES INTERNATIONAL TRADE COMMISSION
2 Washington, D.C.
3 BEFORE THE HONORABLE MONICA BHATTACHARYYA
4 Administrative Law Judge

5 _____
6 In the Matter of:) Investigation No.
7 CERTAIN OUTDOOR AND SEMI-OUTDOOR) 337-TA-1331
8 ELECTRONIC DISPLAYS, PRODUCTS)
9 CONTAINING SAME, AND COMPONENTS)
10 THEREOF)

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13 International Trade Commission
14 500 E Street, S.W.
15 Washington, D.C.

16
17 Monday, June 26, 2023

18
19 EVIDENTIARY HEARING, VOLUME I

20
21 The Hearing commenced remotely, pursuant to the
22 notice of the Judge, at 9:30 a.m. Eastern.

23

24

25 Reported by: Karen Brynteson, FAPR, RMR, CRR

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1 P R O C E E D I N G S

2 (9:30 a.m.)

3 JUDGE BHATTACHARYYA: Good morning. Please be
4 seated.

5 Good to see everyone. We're here today for the
6 evidentiary hearing in Investigation No. 337-TA-1331,
7 Certain Outdoor and Semi-Outdoor Electronic Displays,
8 Products Containing Same, Components Thereof.

9 I'm Monica Bhattacharyya, Presiding ALJ. With
10 me is my attorney advisor, Alton Hare. Could counsel
11 please enter their appearances.

12 MS. SHAH: Good morning, Your Honor.

13 JUDGE BHATTACHARYYA: Good morning.

14 MS. SHAH: I'm Aarti Shah of the law firm
15 Kilpatrick Townsend & Stockton here on behalf of
16 Complainant MRI, Manufacturing Resources International.
17 And I'd like to introduce the rest of the people we have
18 here today. First, we have Mr. Dario Machleidt, Mitch
19 Stockwell, also from Kilpatrick Townsend. And --

20 MR. STOCKWELL: Good morning, Your Honor.

21 MS. SHAH: We have Mr. Alton Absher, Matthew
22 Meyer, David Reed. Next to him is Andie Anderson, who is
23 one of our NEXT advocates at her very first hearing or
24 trial ever. We have Ms. Kate Geyer, who is another one of
25 our NEXT advocates, one of our associates from Seattle.

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1 So the evidence will show, Your Honor, that the
2 Respondents have not infringed any MRI patent. The
3 evidence will show that those patents are invalid and
4 unenforceable. And we're confident, as a result, the
5 evidence will show there has been no violation of the
6 Tariff Act.

7 Thank you very much, Your Honor. We're looking
8 forward to the week.

9 JUDGE BHATTACHARYYA: Thank you.

10 MR. MACHLEIDT: Your Honor, may we proceed with
11 our first witness?

12 JUDGE BHATTACHARYYA: Yes, please go ahead.

13 MR. MACHLEIDT: MRI calls Bill Dunn to the
14 stand. And while Mr. Dunn comes up to the stand, may we
15 hand out some binders? And I believe you would like the
16 appendix of potential exhibits, correct? I'm happy to do
17 it now or later.

18 JUDGE BHATTACHARYYA: Right. I typically just
19 take the demonstratives. I don't need the big binders of
20 all documents.

21 MR. MACHLEIDT: Perfect. Thank you, Your Honor.

22 JUDGE BHATTACHARYYA: Good morning, Mr. Dunn.

23 THE WITNESS: Good morning, Your Honor.

24 JUDGE BHATTACHARYYA: Do you understand that
25 you're under an obligation to testify truthfully here

1 today?

2 THE WITNESS: I am.

3 JUDGE BHATTACHARYYA: Would you please raise
4 your right hand.

5 Whereupon--

6 WILLIAM DUNN,
7 having been first duly sworn/affirmed, was examined and
8 testified as follows:

9 THE WITNESS: I do.

10 JUDGE BHATTACHARYYA: Thank you.

11 MR. MACHLEIDT: May I proceed, Your Honor?

12 JUDGE BHATTACHARYYA: Yes, you may. We're on
13 the public record, as you know.

14 MR. MACHLEIDT: Yes. And I've a big red note in
15 my outline for when we're going to have to go on the
16 confidential record. Thank you, Your Honor.

17 JUDGE BHATTACHARYYA: Good. Thank you.

18 DIRECT EXAMINATION

19 BY MR. MACHLEIDT:

20 Q. Mr. Dunn, please introduce yourself to everybody
21 in the courtroom.

22 A. I'm Bill Dunn, the founder and president and CEO
23 of Manufacturing Resources International, MRI.

24 Q. How long have you worked at MRI?

25 A. I incorporated MRI in December 2004.

1 Q. What is your role in this current lawsuit
2 between MRI and Samsung?

3 A. Well, after reviewing three of the Samsung
4 products, their OH85, 46, and 55, it became pretty clear
5 that they were infringing on our technology. I contacted
6 the Standley Law Group, who has been our patent attorney
7 since, I believe, 1993, and asked that they put Samsung on
8 notice.

9 Q. Mr. Dunn, what does MRI do as a company?

10 A. We design, fabricate, assemble, manufacture, and
11 support globally generally what's called outdoor LCD
12 displays or digital out-of-home displays.

13 Q. In what ways has MRI contributed to the market
14 that you just described?

15 A. Well, certainly, our cooling technology has been
16 the key to our success. We are known worldwide as having
17 the highest performance, most long-lived, most robust
18 products, and that's just not an idle statement. We are
19 the dominant supplier to all of the major digital
20 out-of-home advertising companies in the world, JCDecaux,
21 Clear Channel, Outfront, et cetera.

22 Q. Mr. Dunn, you have three binders. There's one
23 that's a little bit thicker than the rest. Can you take a
24 look at that bigger binder and, in particular, let me know
25 if you see the tabs JX-001 all the way to 005.

1 A. I do.

2 Q. Within those tabs, are those the five MRI
3 patents that are asserted in this investigation?

4 A. Yes, they are.

5 Q. Are you a named inventor on every one of those
6 patents?

7 A. I am.

8 Q. Mr. Dunn, let's take a step back. Where did you
9 go to college?

10 A. Georgia Institute of Technology.

11 Q. What did you study while you were there?

12 A. A Bachelor of Science in electrical engineering
13 and a minor in physics.

14 Q. I said I wanted to take a step back. Now I want
15 to take a big step forward and ask you some questions about
16 a few companies that you worked at before starting MRI.

17 What is Avionic Displays Corporation?

18 A. That is a company that myself and three other
19 equal partners started in 1991 to engineer, design, and
20 manufacture electronic flight guidance instrumentation for
21 aircraft using LCD technology.

22 Q. What type of physical environment did the
23 products made by Avionic Displays live in?

24 A. Honestly, the most demanding, harshest in the
25 world. We were doing cargo transport aircraft, fighter

1 jets, Apache helicopter, and M1A2 Abrams tank, Bradley
2 fighting vehicle, virtually every aircraft that landed and
3 took off of aircraft carriers. So the shock, vibration,
4 temperature extremes, the salt fog, the explosive
5 decompression, the explosive atmosphere, gun butt boot
6 kick, track slap gunfire, you name it, the displays had to
7 endure that.

8 Q. What was your role at that company?

9 A. Again, I started that from scratch. There was
10 myself and three other gentlemen. I was the president and
11 CEO, but I also did the mechanical and optical engineering
12 for the company, another gentleman did the electrical
13 design, the third one did software, and the fourth pretty
14 much was our business administrator.

15 MR. MACHLEIDT: Your Honor, may I ask in terms
16 of just microphones, can you hear everything just fine?

17 JUDGE BHATTACHARYYA: Yes, I can hear well.

18 BY MR. MACHLEIDT:

19 Q. Mr. Dunn, can you lean forward just a smidge? I
20 don't know where the microphone is for you.

21 A. I'm trying not to cover the microphone with the
22 notebook.

23 Q. Thank you, Mr. Dunn.

24 What did you do after working at Avionic
25 Displays?

1 A. Well, in 1998, we were trying to grow the
2 business and also get into a situation where we could buy a
3 higher volume of LCD displays. We had formed a
4 relationship with LG -- at the time, they were called LG
5 LCD -- out of Seoul, South Korea, to design and provide
6 custom displays for Avionic Displays Corporation. Being a
7 consumer electronics oriented company, they were pushing us
8 to buy higher volumes, so we created another company,
9 American Panel Corporation, or APC, in the middle of, say,
10 the second half of 1998, that became a display module
11 component manufacturer selling not only to ADC but also
12 many of ADC's competitors, still in the primarily military
13 aviation/ground vehicle, ultimately getting into commercial
14 aviation as well.

15 Q. What was your title at American Panel
16 Corporation?

17 A. I was also the president and CEO of that
18 company.

19 Q. Briefly, because I know you covered some of it,
20 what type of work did you do at that company?

21 A. Well, at that time, initially primarily did the
22 marketing. We had grown ADC to a fairly sizeable number.
23 I think at that time at ADC we had well over 100 employees.
24 So when APC was launched, my main role was going out and
25 developing business.

1 Q. Mr. Dunn, moving forward, when did you start --
2 or remind us when you started MRI?

3 A. I incorporated MRI in December 2004. And we
4 fielded our first product in February 2006.

5 Q. What type of work did you want to do at MRI?

6 A. Well, much like ADC and APC, we had pretty much
7 saturated the market by the 2004 time frame, and at APC I
8 was looking to get into other verticals or other commercial
9 opportunities. I was looking for something that did not
10 involve military contracts and felt that outdoor signage
11 was the way to go. So we actually launched gasoline
12 pump-top displays to be put on the top of gasoline
13 dispensers at convenience stores at APC. And then,
14 ultimately, that became the first product at MRI.

15 Q. Was cooling the outdoor products an issue you
16 faced at MRI?

17 A. Oh, absolutely.

18 Q. In the early days, what were some of the ways
19 that you were aware of people trying to keep these displays
20 cool?

21 A. Well, you've got to remember, back in that
22 period of time, the outdoor LCD industry was very immature,
23 very green. There weren't a lot of players in the space.
24 It was a very tough environment. Display sizes were
25 somewhat limited.

1 So air-conditioning seemed to be the direction
2 our other competitors were going. I felt from the very
3 beginning that air-conditioning was not the way to go.
4 Contained freon, which is not environmentally friendly.
5 We've always tried to minimize the carbon footprint of our
6 products. We wanted to have something that was economical,
7 something that wouldn't condense, something that wouldn't
8 consume a lot of power.

9 So air-conditioning was not something that was
10 on the radar to take a look at. So we began using ambient
11 air to cool the products.

12 Q. Mr. Dunn, you have three binders, and I think
13 the bigger one is alphanumeric. Can you take a look at
14 that and look, in particular, at the tab CX-1105C?

15 A. CX-1105C. Yes, I have that.

16 Q. Are you familiar with what's located at that
17 tab?

18 A. Yes, I am.

19 Q. What is it?

20 A. Well, that's a photograph of our MRI, or
21 Manufacturing Resource International, headquarters, what we
22 call plant 2. We've actually sold plant 1. But it's a
23 220,000-square-foot design, fabrication, assembly, and
24 support center based in Alpharetta, Georgia.

25 JUDGE BHATTACHARYYA: Mr. Machleidt, would it be

1 possible to show the photo on the screen?

2 MR. MACHLEIDT: I was just moving to that. And
3 actually --

4 JUDGE BHATTACHARYYA: Okay. Okay.

5 MR. MACHLEIDT: No, this is perfect. We tried
6 to carve it up as much as we could, but I believe now we're
7 going go into a mix of confidential information. So before
8 putting things on the screen, I think we'd like to go on
9 the confidential record, put the blinds down, and
10 unfortunately kick some folks out.

11 JUDGE BHATTACHARYYA: All right. Which
12 confidential record are we going onto, or is it all
13 parties' confidential?

14 MR. MACHLEIDT: This is MRI confidential
15 information. Mr. Dunn will not be discussing Samsung
16 confidential information.

17 JUDGE BHATTACHARYYA: Then let's move now to the
18 MRI confidential record.

19 MR. MACHLEIDT: Yes, please.

20 JUDGE BHATTACHARYYA: And all persons not
21 authorized to see MRI confidential information should leave
22 the room.

23 (Whereupon, the hearing proceeded in
24 confidential session.)

25

1 THE WITNESS: Thank you.

2 MR. MACHLEIDT: Your Honor, while we do a
3 reshuffling, MRI will next call Mr. Dave Williams. And he
4 should be out of the room. He's out of the room. So may
5 we take a moment to go bring him in?

6 JUDGE BHATTACHARYYA: Of course.

7 THE WITNESS: Leave all this here?

8 JUDGE BHATTACHARYYA: Ask your counsel how they
9 want to --

10 MR. MACHLEIDT: We will move that to somewhere
11 where nobody loses it. Thank you, Mr. Dunn.

12 (The witness stood down.)

13 JUDGE BHATTACHARYYA: Good afternoon,
14 Mr. Williams.

15 THE WITNESS: Good afternoon, Your Honor. Nice
16 to meet you.

17 JUDGE BHATTACHARYYA: You understand that you're
18 under an obligation to testify truthfully here today?

19 THE WITNESS: Yes, I am.

20 JUDGE BHATTACHARYYA: Would you please raise
21 your right hand.

22 Whereupon--

23 DAVID WILLIAMS,
24 having been first duly sworn/affirmed, was examined and
25 testified as follows:

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1 THE WITNESS: Yes, I do.

2 JUDGE BHATTACHARYYA: Thank you.

3 MS. GEYER: Good afternoon, Your Honor.

4 JUDGE BHATTACHARYYA: Good afternoon.

5 DIRECT EXAMINATION

6 BY MS. GEYER:

7 Q. Good afternoon, Mr. Williams.

8 MS. GEYER: I have a table of exhibits I plan to
9 admit through him. Would you like that ahead of time or
10 tomorrow after we've discussed them?

11 JUDGE BHATTACHARYYA: Please bring it to me
12 tomorrow after you've had a chance to confer with the other
13 side.

14 MS. GEYER: Perfect.

15 BY MS. GEYER:

16 Q. Can you please introduce yourself to the Court.

17 A. My name is David Williams.

18 Q. Where do you work, Mr. Williams?

19 A. I am currently retired.

20 Q. Where are you retired from?

21 A. I am retired from Manufacturing Resources
22 International.

23 Q. When did you start working at Manufacturing
24 Resources International?

25 A. I started working for -- can I say MRI?

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1 Q. Yes.

2 A. I started working for MRI in January of 2007.

3 Q. What was your role at MRI in January of 2007?

4 A. I was hired as the vice president of engineering
5 and chief technical officer. In addition to that, I was
6 also hired as the vice president of engineering and chief
7 technical officer for American Panel Corporation as well.
8 So I had two -- two titles.

9 Q. Can you please describe your educational
10 background.

11 A. I received a Bachelor's of science in electrical
12 engineering from Youngstown State University in Ohio.
13 After I started working for Hughes Aircraft out of college,
14 worked with them for seven years. About four or five years
15 in with Hughes Aircraft, they had a fellowship program, I
16 went and received a Master's degree in computer engineering
17 from California State University at the Fullerton branch
18 where Hughes Aircraft was located.

19 Q. So you mentioned your experience at Hughes. Can
20 you please also briefly describe the other experiences
21 you've had between then and joining MRI?

22 A. Sure. I worked for Hughes Aircraft for seven
23 years. We had two children and my wife did not want to
24 have concrete babies, as she referred in California, so we
25 moved to Georgia where I worked for a company called Rou

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1 Information Display Systems. I worked for them for three
2 years.

3 And then I received a phone call from Mr. Joe
4 Goode, who was one of the partners with Mr. Dunn at a
5 company called Avionic Displays Corporation, ADC. I took
6 on a role in ADC as a design -- hardware design engineer
7 and designing electrical circuit boards. Primarily my
8 background was in video and graphics boards. I worked at
9 ADC for approximately four years.

10 The four owners then sold the company. They had
11 a business side of the company and a military side of the
12 business. The military was sold to L3 Communications, and
13 the business side of the company was sold to Universal
14 Avionics Systems Corporation.

15 I continued to work -- I'm sorry, this is
16 probably going too long. Continued to work for Universal
17 until January of 2007, when I then transferred to MRI/APC.

18 Q. When you started working at MRI in January of
19 2007, what products was MRI offering at the time?

20 A. So, to the best of my knowledge, in 2007 Mr.
21 Dunn was focused on working on a 47-inch car wash display
22 that was being deployed up in Canada. And then we were
23 starting work for a double-sided 20.1-inch diagonal display
24 for a company called Gas Station TV, GSTV.

25 Q. I'd like to focus on the 47-inch car wash. Who

1 was the customer for that product?

2 A. We sold the product to Convergent, but then
3 Convergent resold the product -- I don't know if they
4 resold it -- but the end user was Petro-Canada for MacNeil
5 Car Wash, was the final end customer.

6 Q. What cooling systems were used in the 47-inch
7 car wash?

8 A. I'm sorry, I didn't hear --

9 Q. What cooling systems were used in the 47-inch
10 car wash?

11 A. There were several iterations of the 47-inch car
12 wash. The one in 2007 when I came onboard, Mr. Dunn was
13 working on a liquid cooled version of the 47-inch display.
14 That's the one that I'm the most familiar with.

15 Q. Did the liquid cooling solution have any
16 problems?

17 A. It did. No doubt about it. There was -- I
18 remember Mr. Dunn -- I can still see him back there working
19 on the 47-inch. They had problems with having maybe too
20 much pressure of the fluid passing between the cover glass,
21 LCD cover glass, as well bulging, breaking the cover glass,
22 not having enough fluid going through the system. So they
23 had to go through quite a few iterations of getting it to
24 work, but eventually, yes, they did get that system to work
25 to prevent -- excuse me -- to prevent solar clearing of the

1 LCD in an outdoor environment.

2 And that liquid cooling, in essence, is really a
3 closed loop system because it was not exposed to any
4 outdoor environmental. In addition, it had fans at the
5 bottom of the unit that was bringing in, if you will,
6 outside ambient air and blowing up through the system. And
7 there was a radiator that the liquid would pass through
8 prior to going to a holding tank, and so that outside
9 ambient air was then cooling the closed loop liquid in that
10 radiator before being exhausted out the top of the unit.

11 That's the best of my memory on that particular
12 product.

13 Q. After those iterations to fix the problems, did
14 the final solution fix the pressure problems with the fluid
15 in the bulging and breaking that you mentioned?

16 A. Yes, it did.

17 Q. Did MRI consider that liquid cooling to be a
18 sufficient long-term solution to cool displays?

19 A. No. The coolant that we ended up using and that
20 Mr. Dunn ended up using was referred to as TKS. It's
21 basically ethylene glycol, isopropyl alcohol, and distilled
22 water. Of course, it's a flammable material, so that's not
23 a good thing.

24 You -- if somebody was to break the front manowe
25 glass, and then you have this fluid leaking out of the unit

1 on to the ground, so that presents an environmental issue.
2 So the short answer, it's not a long-term viable solution.

3 Q. Did MRI eventually come up with an alternate to
4 the liquid cooling solution?

5 A. Yeah. It's interesting. Mr. Dunn and I had
6 worked together for quite a few years, just stated almost
7 25 years, and it wasn't uncommon for Mr. Dunn to come into
8 my office early in the morning. I'm an early riser. I'm
9 usually in the office by 5 a.m. Mr. Dunn would come in and
10 he would have this big smile on his face and he would say:
11 Dave, I have got this great idea. And he would go on to
12 explain.

13 Well, I distinctively remember he came into my
14 office one morning, he said: Dave, I have this great idea.
15 We can use an air-to-air cooling system instead of using a
16 liquid cooled system.

17 Q. When did that discussion with Mr. Dunn occur?

18 A. I do not know the exact date.

19 Q. When was the next time you remember Mr. Dunn
20 explaining that air-to-air cooling system to you or anyone
21 else?

22 A. The next time that I'm aware of Mr. Dunn
23 explaining this to, I'll say, the general public was during
24 a meeting that took place in December 17th of 2007.

25 MS. GEYER: Your Honor, may I approach the