



UNITED STATES
CONSUMER PRODUCT SAFETY COMMISSION
4330 EAST WEST HIGHWAY
BETHESDA, MD 20814
COMMISSIONER PETER A. FELDMAN

October 18, 2023

Mr. Ruan du Toit
Chief Executive Officer
Felder Group USA
2 Lukens Drive, Suite 300
New Castle, DE 19720

Dear Mr. du Toit:

Today, the United States Consumer Product Safety Commission (CPSC) voted to publish a Supplemental Notice of Proposed Rulemaking (SNPR) to promulgate a performance standard to address blade-contact injuries from table saws. I am seeking information that may be critical to the Commission's decision making. To allow for a complete record with sufficient time for review and additional comments, please provide the requested information **no later than November 15, 2023**.

Questions remain about what patents may be essential to the proposed active injury mitigation (AIM) performance standard and whether current owners have agreed to license this intellectual property (IP) on fair, reasonable, and nondiscriminatory (FRAND) terms. CPSC staff has identified the Felder Group as one of three manufacturers who has developed AIM technology, stating:

Felder Group's AIM technology detects human tissue through the use of electric conductivity. If potential blade contact is detected the system retracts the blade below the table to prevent blade contact. The system is currently patent pending but Felder has sliding saws with AIM technology currently available for purchase in the U.S.¹

To understand better Felder Group USA's (Felder Group) IP holdings and licensing history, it is important that the Commission's record reflect whether the firm's current and anticipated patent portfolio includes patents or other IP that would be relevant to meet the criteria of the proposed

¹ U.S. CONSUMER PROD. SAFETY COMM'N, DRAFT FED. REG. NOTICE: SAFETY STANDARD ADDRESSING BLADE-CONTACT INJURIES ON TABLE SAWS, SUPPLEMENTAL NOTICE OF PROPOSED RULEMAKING (Sept. 20, 2023) at OS-128, available at: https://www.cpsc.gov/s3fs-public/Federal-Register-Notice-Safety-Standard-Addressing-Blade-Contact-Injuries-on-Table-Saws-SNPR.pdf?VersionId=Ce3FOVBmbG0_.8j.gd1h0k3VWHZZ.URw [hereafter CPSC STAFF BRIEFING PACKAGE].

safety standard.² It should also reflect what commitments, if any, IP holders have made to grant FRAND licenses for use of these technologies by competitors.

CPSC staff believes that costs of the proposed rule would be significant and could raise the per-unit cost of a table saw by more than \$1,000. According to CPSC economists, reduced market competition would be a major driver of the increased cost:

The requirement of AIM technology in table saws almost certainly would result in most firms licensing the AIM technology from one of the firms who have patented the technology. This could grant a large amount of market power in the licensing of AIM technology. Firms would then have to spend additional money for licensing, along with installation of the technology. While most firms would likely continue production by licensing AIM technology, some firms, especially smaller firms, would likely drop out of the market altogether. This cost analysis captures higher price from licensing, and other costs, in its measurement of lost consumer surplus. There would also be an additional increase in price if a significant number of firms exited the market due to licensing ... This impact is not measured because staff is unable to determine, with certainty, how many firms would exit the market.”³

Given the issues described above, I am asking for responses to the following:

1. A list of patents (whether pending or issued), trademarks, copyrights, and trade secrets relevant to meeting the requirements of the Commission’s proposed safety standard presented in the current SNPR that have been owned or controlled by Felder Group USA. For the record, please provide relevant identifying information, including the patent number and filing or issuance date. Additionally, please indicate current ownership, including property transfers and any relevant transaction dates.
2. For the IP identified in Question 1, please provide the complete licensing history, if applicable, including licensees, terms, conditions, and copies of executed licensing agreements, where available.
3. With respect to the IP identified in Question 1, please provide a list of all patent litigation to which Felder Group USA has been a party. Please include not only patent assertions and defenses, but also any relevant administrative actions.
4. If the Commission adopts this SNPR as proposed, do you commit either to making standard-essential IP freely available to competitors for use in the United States market or to licensing this IP on FRAND terms?

² Felder Group herein refers to ASW Machinery, Inc., dba Felder USA, and any parent, subsidiary, or affiliated legal entities and persons.

³ CPSC STAFF BRIEFING PACKAGE at OS-127.

Felder Group USA

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Thank you for your attention to this matter. Please copy Commission Secretary Alberta Mills (email: cpsc-os@cpsc.gov) on your response, so that the correspondence can be included in the public record of the rulemaking proceeding. If you wish to seek confidential treatment for any of the requested information, you may file your response with CPSC staff pursuant to 16 C.F.R. 1015.18. Should you have any questions please contact my Counsel, Thomas Fuller, at TFuller@cpsc.gov, or (202) 669-7299.

Sincerely,

A handwritten signature in blue ink that reads "Peter A. Feldman". The signature is fluid and cursive, with a long horizontal line extending from the end of the name.

Peter A. Feldman
Commissioner

cc:

Ms. Alberta E. Mills
Secretary
U.S. Consumer Product Safety Commission