

PUBLIC VERSION
UNITED STATES INTERNATIONAL TRADE COMMISSION

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Washington, D.C.

In the Matter of

**CERTAIN
MICROLITHOGRAPHIC
MACHINES AND COMPONENTS
THEREOF**

000028

Inv. No. 337-TA-468

**ORDER NO. 8: GRANTING IN PART AND DENYING IN PART
RESPONDENTS' FIRST MOTION TO COMPEL PRODUCTION OF
DOCUMENTS AND WRITTEN ANSWERS TO INTERROGATORIES**

(June 11, 2002)

On May 20, 2002, respondents ASML Holding N.V., ASML Netherlands B.V. and ASM Lithography, Inc. (collectively, "Respondents" or "ASML") moved (468-005) ("ASML's Motion") for an order compelling complainants Nikon Corporation Nikon Precision Inc. and Nikon Research Corporation of America (collectively, Complainants" or "Nikon") to produce(1) all existing English language translations of Japanese documents produced by Nikon; and (2) documents and information relating to Nikon's operations outside the United States. On May 29, 2002, Nikon and the Commission Investigative Staff ("Staff") filed responses to ASML's motion (respectively, "Nikon's Response" and "Staff's Response"). On May 31, 2002, Nikon filed a motion (468-007) for leave, hereby granted, to reply to the Staff's response ("Nikon's Reply to Staff") and ASML filed a motion (468-008) for leave, hereby granted, to reply to Nikon's response

(“ASML’s Reply to Nikon”). On June 5, 2002, Nikon further moved (468-009) for leave, hereby granted, to respond to ASML’s reply (“Nikon’s Reply to ASML”). On June 10, 2002, ASML further moved (468-010) for leave, hereby granted, to file a sur-reply to Nikon’s Reply to ASML (“ASML’s Sur-reply to Nikon”).

In connection with the first category of documents, ASML contends that Nikon has produced in discovery over 100 boxes of documents containing, *inter alia*, over 100,000 pages of documents in the Japanese language. See ASML’s Motion at 2. ASML further asserts that Nikon possesses English language translations for a certain number of these documents, but has omitted these translations from production. See id.

Nikon responds that of the approximately 32,000 documents totaling around 600,000 pages that it produced, its counsel selected and compiled 304 of those documents to be translated for further study and use in the litigation, 207 of which were only partially translated and the remaining 97 of which were fully translated (all without translator certifications). See Nikon’s Response at 2; O’Meara Decl. ¶ 3. Nikon asserts that it has not produced these documents on the ground that their selection and compilation represents Nikon’s counsel’s opinion work product (*i.e.*, counsel’s identification of documents and specific portions thereof) bearing significantly on issues in dispute and on counsel’s theories of the case), that providing the translations would divulge that opinion work product, and that they are therefore privileged from disclosure as attorney work product. See Nikon’s Response at 2. These documents are referred to

in a privileged document list that Nikon provided to ASML during discovery. See id., O'Meara Decl. Exhibit A.

ASML contends that these translations are not so privileged and must be produced in accordance with Rule 4(v) of the Ground Rules of this investigation. See ASML's Motion at 4-7, citing Order No. 1, Ground Rule 4(v) (January 25, 2002). The Staff concurs with ASML. See Staff's Response at 3-5. Ground Rule 4(v) provides, in relevant part, that “[i]f an English translation of any document produced exists, the English translation should be produced.”

In essence, a translation is merely a copy of the original document in another language. Its purpose is to disseminate the contents of the document to others who are not fluent in the document's original language. If during discovery the supplier of a document has it translated in order to aid in screening its contents for relevance, materiality and non-privilege prior to production, and the supplier determines at the conclusion of that process that the original document should be produced, it follows that all copies of that document, and thus all translations, are equally relevant, material and non-privileged, and are therefore subject to production as well. If that were not the case, then the original document would not have to be produced either.

Hence, the translations in question, like the original Japanese-language documents underlying them, are not covered by the attorney work product privilege. Several court rulings are consistent with this principle and with Ground Rule 4(v). See Contreras et al. V. Isuzu Motors, Ltd., of Japan, No. Civ. S.A.-98-CA-442, 1999 WL

33290667 (W.D. Tex. 1999) (ordering production of all translations, holding “the work product of defense counsel would not be revealed by the disclosure of all English translations”); Howes v. Medical Components, Inc., et al., 698 F.Supp. 574, 581 n.4 (E.D. Pa. 1988) (“[t]he work product doctrine does not bar production of translations”). Even the few cited cases in which the attorney work product doctrine has been applied have nevertheless found such documents to be discoverable. See In re Papst Licensing GmbH Patent Litigation, No. Civ. A. 99-MD-1298, 2001 WL 797315 (E.D. La. 2001) (“the few cases that have addressed [the] issue have held that translated documents are discoverable”); In re Air Crash Disaster Near Warsaw, Poland on May 9, 1987, No. MDL 787, 1996 WL 684434 at *2 (E.D.N.Y. 1996) (“Plaintiff’s attorneys would be hard-pressed to glean [defendant’s] specific trial strategy or mental impressions of the case from such a broad selection of documents”).¹

Nikon does not profess to bear any undue burden resulting from turning over to ASML translations that it has created for its own purposes and at its own expense in this litigation. See Nikon’s Reply to Staff at 3 (replying to Staff in connection with a cited case² dealing with translation costs that the case did not address Nikon’s

¹The only case cited by Nikon that found the documents in question to be non-discoverable had to do with communications concerning translations that included legal advice, not with the translations themselves. See Viacom, Inc. V. Sumitomo Corp., 200 F.R.D. 213, 225 (S.D.N.Y. 2001) (cover memorandum and fax cover containing legal advice about translations of documents selected by counsel held nondiscoverable; translations themselves not at issue).

²Certain Anti-Theft Deactivatable Resonant Tags and Components, Inv. No.337-TA-347, Order No. 8, 1993 WL 852350 (U.S.I.T.C., May 13, 1993).

attorney work product claim and is “inapposite” to Nikon’s position here). Nikon asserts that it has produced and continues to produce all English translations made by or for Nikon in the ordinary course of its business; that is, other than by counsel’s selection. See Nikon’s Response at 3 and 7; O’Meara Decl. ¶ 6. Inasmuch as the translations are relevant, material and not privileged, they are no different from the other translations that Nikon has produced, and further resistance to producing the translations only serves to delay discovery, which is unacceptable under the tight deadlines of Section 337 proceedings. Even though, as Nikon points out, ASML has hired 13 Japanese translators and might therefore be able to translate, “in very short order,” the few documents represented by the withheld translations (Nikon’s Response at 9; O’Meara Decl. ¶ 7), the fact that the translations are not privileged means that ASML does not have to demonstrate a “substantial need” for, or an “undue hardship” in the absence of, the translations, and further means that Nikon cannot further delay producing the translations simply for the sake of delay itself.

ASML’s second request for an order to compel concerns document request numbers 30-32 and 36-42 of its first request to Nikon for production of documents, and interrogatory numbers 1-14 and 16-18 of its first set of interrogatories to Nikon. See ASML’s Motion at 3; Exhibits 3 and 4. These discovery requests go to Nikon’s non-U.S. operations in Japan and third countries as well as U.S. operations. See id. Nikon objects to these requests on the ground that their scope includes activities outside the United States that are beyond the scope of the domestic industry requirement of Section

337 (a)(2) and (3), 19 U.S.C. § 1337(a)(2) and (3). See id.; also see Nikon's Response at 10-11 and 13-26; Nikon's Reply to ASML at 2-5; Nikon's Reply to Staff at 4-7.

The domestic industry requirement of Section 337 requires sufficient proof of two elements: an "economic" prong and a "technical" prong. See 19 U.S.C. § 1337(a)(2) and (3); also see Certain HSP Modems, Software and Hardware Components Thereof and Products Containing the Same, Inv. No. 337-TA-439, Initial Determination at 31, 2001 WL 1441692 (U.S.I.T.C., October 18, 2001). In instances where the domestic products at issue are made wholly or in part outside the United States, the economic prong can be established by comparing the complainant's U.S. activities in connection with the domestic product to its non-U.S. activities. Certain Concealed Cabinet Hinges and Mounting Plates, Inv. No. 337-TA-289, Commission Opinion, 1990 WL 710375 (U.S.I.T.C., January 8, 1990) ("Hinges"); Certain Carbonated Candy Products, Inv. No. 337-TA-292, Initial Determination at 142, ("Where substantial production occurs abroad, section 337(a)(3) compels a comparative assessment of domestic versus foreign operations to determine whether the industry is sufficiently domestic in character through significant domestic activities."), aff'd in relevant part on review, Commission Decision, 1991 WL 790063 (U.S.I.T.C., June 1991). This analysis has on occasion been accomplished by means of a "value-added" analysis comparing the domestic activities embodied in the product to non-domestic activities embodied in that product. Id. Where U.S. activities are substantial, such a comparative analysis of U.S. and non-U.S. activities has not been required in every case. See, e.g., Certain Removable

Electronic Card and Electronic Card Reader Devices and Products Containing the Same, Inv. No. 337-TA-396, Initial Determination at 133, 1998 WL 681871 (U.S.I.T.C., March 24, 1998); Certain Personal Computers and Components Thereof, Inv. No. 337-TA-140, Views of the Commission, 1984 WL 273663 (U.S.I.T.C., March 9, 1984). Nevertheless, facts directed to a comparative or “value-added” analysis of the economic prong are relevant and material to the domestic industry issue, and are therefore discoverable. They are particularly relevant in a case such as the present investigation in which, as the Staff observes, Nikon’s U.S. activities “appear to have a more tenuous relationship to the patents at issue than in most cases.” See Staff’s Response at 7.

However, the relevance and materiality of such discovery does not extend to Nikon’s activity everywhere the world in connection with every Nikon product that meets the claims of the patents at issue, as ASML seeks. See ASML’s Reply to Nikon at 6. It extends only to Nikon’s activity throughout the world that relates to products alleged by Nikon to practice the patents at issue that involve, in whole or in part, activity in the United States. Accordingly, Nikon is compelled to produce the requested documents and answer the propounded interrogatories to that extent.³

Accordingly, Motion No. 468-005 is granted in part and denied in part. Nikon

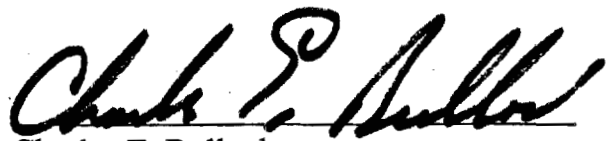
³In its sur-reply to Nikon, ASML contends that Nikon has since recognized the relevance of the information that it seeks, and has claimed that it has already been produced in the 600,000 pages of documents already produced to ASML. See ASML’s Sur-reply to Nikon at 3. The responsive documents should not only be produced, but identified by Bates number in a manner that corresponds to the categories of ASML’s document requests.

is hereby compelled to produce all documents and answer all interrogatories propounded to it by ASML in a manner consistent with this order by no later than close of business on June 21, 2002. All parties are further ordered to meet and confer to resolve the details of these requests consistently with this order, and to jointly report in writing to the Administrative Law Judge on the progress of production on these discovery requests by close of business on June 26, 2002.

Within seven days of the date of this document, each party shall submit to the office of the Administrative Law Judge a statement as to whether or not it seeks to have any portion of this document deleted from the public version. The parties' submissions may be made by facsimile and/or hard copy by the aforementioned date.

Any party seeking to have any portion of this document deleted from the public version thereof must submit to this office a copy of this document with red brackets indicating any portion asserted to contain confidential business information. The parties' submissions concerning the public version of this document need not be filed with the Commission Secretary.

SO ORDERED.

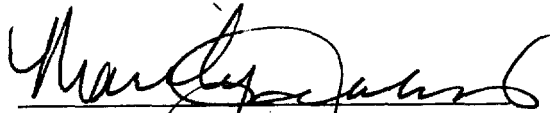

Charles E. Bullock
Administrative Law Judge

**CERTAIN MICROLITHOGRAPHIC
MACHINES AND COMPONENTS THEREOF**

Investigation No. 337-TA-468

CERTIFICATE OF SERVICE

I, Marilyn R. Abbott, hereby certify that the attached **Order** was served by hand upon Commission Investigative Attorneys Juan Cockburn, Esq. and Anne M. Goalwin, Esq., and upon the following parties via first class mail, and air mail where necessary, on August 6, 2002.



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