

PUBLIC VERSION

UNITED STATES INTERNATIONAL TRADE COMMISSION

Washington, D.C.

In the Matter of

**CERTAIN COLD CATHODE FLUORESCENT
LAMP ("CCFL") INVERTER CIRCUITS AND
PRODUCTS CONTAINING THE SAME**

Inv. No. 337-TA-666

2009 AUG 31 AM 10:47
OFFICE OF THE SECRETARY
US INTERNATIONAL TRADE COMMISSION

**ORDER NO. 24: INITIAL DETERMINATION GRANTING MOTION TO
TERMINATE THE INVESTIGATION WITH RESPECT TO
RESPONDENTS LG ELECTRONICS, INC. AND LG
ELECTRONICS USA, INC. BASED UPON A SETTLEMENT
AGREEMENT**

(August 31, 2009)

On August 14, 2009, Complainants O2 Micro International Ltd. and O2 Micro Inc. (collectively, "O2 Micro") and Respondents LG Electronics, Inc. and LG Electronics USA, Inc. (collectively, "LGE") filed a motion to terminate the Investigation with respect to LGE by reason of a confidential Settlement Agreement. (Motion Docket No. 666-028.) LGE further requests that the Administrative Law Judge "render Order No. 16 (requiring additional document production) moot[.]" (Mot. at 2.) Pursuant to Commission Rules, moving parties submitted non-confidential versions of the Memorandum of Understanding between O2 Micro and LGE ("Settlement Agreement") and the Stipulation of Certain Facts by Respondents LG Electronics, Inc. and LG Electronics USA, Inc. ("Stipulation"). O2 Micro and LGE state that other than the Settlement Agreement and Stipulation, there are no other agreements, written or oral, express or implied between O2 Micro and LGE concerning the subject matter of this Investigation. (Mot. Mem. at 1.) In support of their motion, O2 Micro and LGE argue that termination "would pose

PUBLIC VERSION

no threat to the public interest” but instead would result in the “conservation of the parties’ time and resources.” (Mot. Mem. at 2.)

On August 26, 2009, the Commission Investigative Staff (“Staff”) responded in support of the motion. Staff argues that the motion complies with the procedural requirements of Commission Rule 210.21(b)(1) and that the Settlement Agreement appears to settle all existing disputes between O2 Micro and LGE. (Staff Resp. at 4.) Staff notes that although the Settlement Agreement contemplates a more detailed agreement between the parties, it is sufficiently binding to provide “an appropriate basis on which to terminate this investigation as to the LGE Respondents.” (*Id.* at n.3.) Staff further argues that termination would not be contrary to the public interest. (*Id.* at 6.)

The Commission’s Rules permit termination of the Investigation in whole or in part with respect to one or more respondents on the basis of a settlement. 19 C.F.R. § 210.21(b)(1). The binding settlement appears to resolve the dispute between O2 Micro and LGE. In satisfaction of 19 C.F.R. § 210.21(b)(1), O2 Micro and LGE have filed both public and confidential versions of the Settlement Agreement and Stipulation, and have made a statement that they have no other agreements with respect to the subject matter of the Investigation.

In the case of a proposed termination by settlement agreement,

the parties may file statements regarding the impact of the proposed termination on the public interest, and the administrative law judge may hear argument, although no discovery may be compelled with respect to issues relating solely to the public interest. Thereafter, the administrative law judge shall consider and make appropriate findings in the initial determination regarding the effect of the proposed settlement on the public health and welfare, competitive conditions in the U.S. economy, the production of like or directly competitive articles in the United States, and U.S. consumers.

19 C.F.R. § 210.50(b)(2). O2 Micro and LGE argue that granting the joint motion would not be contrary to the public interest and would conserve the parties’ resources. (Mot. Mem. at 2.)


PUBLIC VERSION

Staff agrees. (Staff Resp. at 5-6.) Furthermore, termination of litigation under these circumstances as an alternative method of dispute resolution is generally in the public interest.

For good cause shown, it is the Initial Determination of the Administrative Law Judge that O2 Micro and LGE's motion to terminate the Investigation with respect to LGE (Motion Docket No. 666-028) should be GRANTED. In light of the above Initial Determination, the Administrative Law Judge further finds that Order No. 16 is moot.

This Initial Determination, along with the public copies of the Settlement Agreement and Stipulation,¹ is hereby certified to the Commission. Pursuant to 19 C.F.R. § 210.42(h), this Initial Determination shall become the determination of the Commission unless a party files a petition for review of the Initial Determination pursuant to 19 C.F.R. § 210.43(a), or the Commission, pursuant to 19 C.F.R. § 210.44, orders on its own motion a review of the Initial Determination or certain issues herein.

SO ORDERED.


E. James Gildea
Administrative Law Judge

¹ The Commission's Rules require both confidential and public versions of settlement agreements. See 19 C.F.R. § 210.21(b)(1). Copies of the confidential or public versions of the Settlement Agreement and Stipulation (without exhibits) between O2 Micro and LGE are attached to the respective confidential and public versions of this Initial Determination.

EXHIBIT A

Term Sheet - O2 Micro and LGE

MEMORANDUM OF UNDERSTANDING

This document summarizes the principal terms and conditions with respect to an agreement between O2 Micro International Limited and O2 Micro Inc. (collectively, "O2 Micro") and LG Electronics Inc. and LG Electronics U.S.A., Inc. (collectively, "LGE"). This is a binding agreement but contemplates that a more complete version of the agreement will follow providing additional detail to the following major terms. However, even in the event that the parties do not execute the more complete version of the agreement, this document will serve as the final, binding agreement between the parties with respect to the following major terms.

MAJOR TERMS

•

REDACTED

- LGE will supply O2 Micro with a stipulation showing:

After receiving that executed stipulation, O2 Micro and LGE will move to terminate LGE's involvement in the JTC Investigation.

•

•

- Term of agreement:

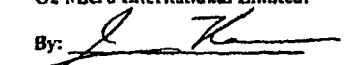
- each party may disclose publicly that it is a license agreement to certain O2 Micro patents related to inverter controller technology between the parties (i.e., either party may make a public announcement),

•

REDACTED

O2 Micro International Limited:

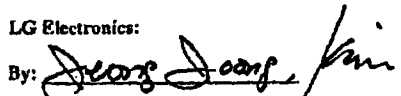
By:


Name: James Keem

Date: July 30, 2009

LG Electronics:

By:


Name: Jeong Joong Kim

Date: July 28, 2009

EXHIBIT B

**UNITED STATES INTERNATIONAL TRADE COMMISSION
WASHINGTON, D.C.
Before the Honorable E. James Gildea
Administrative Law Judge**

In the Matter of

**CERTAIN COLD CATHODE FLUORESCENT
LAMP ("CCFL") INVERTER CIRCUITS AND
PRODUCTS CONTAINING SAME.**

Investigation No. 337-TA-666

**STIPULATION OF CERTAIN FACTS BY RESPONDENTS
LG ELECTRONICS INC. AND LG ELECTRONICS U.S.A., INC.**

The United States International Trade Commission ("Commission") instituted the above-captioned investigation under section 337 of the Tariff Act of 1930, as amended (19 U.S.C. § 1337), based upon the Complaint filed by Complainants O2 Micro International Ltd. and O2 Micro Inc. (collectively, "O2 Micro") which alleged unfair acts by Respondents LG Electronics Inc. and LG Electronics U.S.A, Inc. (collectively, "LGE"). LGE stipulates to the following facts in lieu of additional discovery relating to such facts:

1.

REDACTED

2.

REDACTED

3.

4.

5.

REDACTED

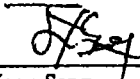
6.

REDACTED

7. LGE stipulates and the LGE signatory declares under penalty of perjury of the laws of the United States of America that Exhibits E - H are business records made at or near the time of the occurrence of the matters set forth by, or from information transmitted by, a person or persons with knowledge of those matters, kept in the ordinary course of the regularly conducted activity and made by the regularly conducted activity as a regular practice, and that the signatory is a qualified person at LGE to make this declaration. LGE further stipulates and the LGE signatory declares under penalty of perjury of the laws of the United States of America, to his best knowledge after reasonable investigation, that the facts recited in Exhibits A - D are true and correct, that the information recited in those exhibits are business record information made at or near the time of the occurrence of the matters set forth by, or from information transmitted by, a person or persons with knowledge of those matters, kept in the ordinary course of the regularly conducted activity and made by the regularly conducted activity as a regular practice.

Dated: August 10, 2009

Respectfully submitted,



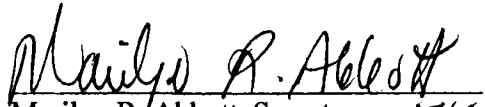
Jung, Yoon Sang
Assistant Manager
LG Electronics Inc.

**IN THE MATTER OF CERTAIN COLD CATHODE
("CCFL") INVERTER CIRCUITS AND PRODUCTS
CONTAINING SAME**

Inv. No. 337-TA-666

PUBLIC CERTIFICATE OF SERVICE

I, Marilyn R. Abbott, hereby certify that the attached **INITIAL DETERMINATION** has been served by hand upon, the Commission Investigative Attorney, **David O. Lloyd, Esq.**, and the following parties as indicated on August 31, **2009**.


Marilyn R. Abbott, Secretary *JAC*
U.S. International Trade Commission
500 E Street, SW, Room 112A
Washington, D.C. 20436

COMPLAINANTS 02 MIRCO INTERNATIONAL LTD AND 02 MICRO INC.:

Margaret D. Macdonald, Esq.
HOWREY, LLP
1299 Pennsylvania Ave NW
Washington, DC 20004
P-202-783-0800

() Via Hand Delivery
() Via Overnight Mail
() Via First Class Mail
() Other: _____

FOR RESPONDENTS MONOLITHIC POWER SYSTEMS INC:

Mark A. Flagel, Esq.
LATHAM & WATKINS LLP
355 South Grand Avenue
Los Angeles, CA 90071-1560
P-213-485-1234

() Via Hand Delivery
() Via Overnight Mail
() Via First Class Mail
() Other: _____

**IN THE MATTER OF CERTAIN COLD CATHODE
("CCFL") INVERTER CIRCUITS AND PRODUCTS
CONTAINING SAME**

Inv. No. 337-TA-666

CERTIFICATE OF SERVICE - PAGE 2

**FOR RESPONDENTS MONOLITHIC POWER SYSTEMS, INC., ASUS
COMPUTER, INC., ASUS COMPUTER INTERNATIONAL**

Smith R. Brittingham IV, Esq. () Via Hand Delivery
FINNEGAN, HENDERSON, FARABOW, (X) Via Overnight Mail
GARRETT & DUNNER, LLP () Via First Class Mail
901 New York Avenue NW () Other: _____
Washington, DC 20001
P-202-408-4000

**FOR RESPONDENTS LG ELECTRONICS, LG ELECTRONICS U.S.A., INC., LG
DISPLAY CO., LG DISPLAY AMERICA, INC.**

Anthony C. Roth, Esq. () Via Hand Delivery
MORGAN, LEWIS AND BOCKIUS, LLP (X) Via Overnight Mail
1111 Pennsylvania Avenue, NW () Via First Class Mail
Washington, DC 20004 () Other: _____
P-202-739-3000

FOR RESPONDENT MICROSEMI CORPORATION

Fred T. Grasso, Esq. () Via Hand Delivery
GRASSO PLLC (X) Via Overnight Mail
1818 Library Street, Suite 500 () Via First Class Mail
Reston, VA 20190 () Other: _____
P-703-956-3020

Joel D. Covelman, Esq. () Via Hand Delivery
THE YOCCA LAW FIRM LLP (X) Via Overnight Mail
19900 MacArthur Blvd., Suite 650 () Via First Class Mail
Irvine, CA 92612 () Other: _____
P-949-253-0800

**IN THE MATTER OF CERTAIN COLD CATHODE
("CCFL") INVERTER CIRCUITS AND PRODUCTS
CONTAINING SAME**

Inv. No. 337-TA-666

PUBLIC MAILING LIST

Heather Hall
LEXIS - NEXIS
9443 Springboro Pike
Miamisburg, OH 45342

Via Hand Delivery
 Via Overnight Mail
 Via First Class Mail
 Other: _____

Kenneth Clair
THOMSON WEST
1100 Thirteen Street, NW, Suite 200
Washington, D.C. 20005

Via Hand Delivery
 Via Overnight Mail
 Via First Class Mail
 Other: _____