

**PUBLIC VERSION**

**UNITED STATES INTERNATIONAL TRADE COMMISSION  
Washington, D.C.**

**In the Matter of**

**CERTAIN LARGE SCALE INTEGRATED  
CIRCUIT SEMICONDUCTOR CHIPS AND  
PRODUCTS CONTAINING SAME**

**Inv. No. 337-TA-716**

**Order 29**

Respondents,<sup>1</sup> pursuant to Commission Rule 210.14(b)(2), move to amend their Responses to the Amended Complaint and Notice of Investigation Under Section 337 of the Tariff Act of 1930, as Amended. (Motion No. 716-21). Complainant Panasonic Corporation (“Panasonic” or “complainant”) opposes the motion. The Commission Investigative Staff (“Staff”) supports the motion. The motion is granted.

Specifically, respondents move to amend their responses to assert the defense of inequitable conduct regarding U.S. Patent No. 5,933,364 (“the ’364 patent”).

Respondents assert that they “first learned of the facts underlying their inequitable conduct defense through documents produced by Complainant Panasonic Corporation and during the recent depositions of [ ] a co-applicant of the ’364 patent,

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<sup>1</sup> Respondents are: Freescale Semiconductor, Inc., Freescale Semiconductor Japan Ltd., Freescale Semiconductor Malaysia Sdn. Bhd., Freescale Semiconductor Singapore Pte. Ltd., Freescale Semiconductor Taiwan Ltd., Freescale Qiangxin (Tianjin) IC Design Co., Ltd., Freescale Semiconductor (China) Limited, Mouser Electronics, Inc, Motorola, Inc., Newark Electronics Corporation, and Newark Corporation (collectively “respondents” or “Freescale”).

and [ ] an employee in Panasonic’s Intellectual Property Division.” Cor. Mot. at 1. Respondents further argue that good cause exists because “Respondents could not have plead their new defense until after 1) Panasonic produced documents relating to the prosecution of the Japanese version of the ’364 patent; 2) Respondents had the documents translated into English; and 3) Respondents deposed Messrs. [ ] and [ ]” *Id.* at 4.

The Staff states that it “supports the Motion because the information supporting the inequitable conduct defense was disclosed during the course of discovery and none of the parties will suffer undue prejudice as a result of the amendment.” Staff Resp. at 1-2. After noting the facts articulated by respondents in its motion, the Staff agrees that “these facts constitute ‘good faith’ justifying Respondents leave to amend their responses.” *Id.* at 3.

Complainant essentially argues that respondents intentionally delayed taking depositions of [ ] until late in discovery. Resp. at 1-15. For example, Complainant asserts that respondents “apparently chose to wait months before translating key documents, and noticing and deposing key witnesses.” Resp. at 15. In its sur-reply, Complainant reiterates its argument that respondents are to blame for taking depositions of [ ] late in discovery.<sup>2</sup> Sur-Reply Mem. at 1-3.

In response to this argument by complainant, respondents counter that complainant “refused to make inventors, or any individual with knowledge about the prosecution of the ’364 patent, available for depositions in the United States” and that

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<sup>2</sup> Complainant’s motion for leave to file a sur-reply in response to respondents’ reply, Motion No. 716-28, is granted.

complainant “insisted that the depositions go forward in Japan,” but does not cite to any supporting evidence.<sup>3</sup> Reply Mem. at 2. Thus, respondents argue that complainant and the Japanese government played a role in the scheduling of the two depositions late in discovery. *Id.* Complainant argues that it “*never* refused to make Messrs. [ ] or [ ] available for deposition in the United States or insisted that their depositions go forward in Japan,” but does not cite to any supporting evidence. Sur-Reply Mem. at 2 (emphasis in original).

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In any event, complainant does not deny that respondents had to go through a lengthy procedure of arranging for depositions at the Japanese consulate in Osaka, Japan. More importantly, complainant does not deny that it did not designate [ ] as corporate witnesses until August 9, 2010. Moreover, it is undisputed that on August 10, 2010, the very next day, respondents noticed [ ] deposition for September 29, 2010, and Panasonic agreed to the noticed date. Resp. at 2-3, citing Ex. 6 (8/10/2010 Deposition Notice of [ ]). It is further undisputed that shortly thereafter, on August 16, 2010, respondents noticed [ ] deposition for October 19, 2010, and Panasonic agreed to the noticed date. Resp. at 3, citing Ex. 9 (8/16/2010 Deposition Notice of [ ]).

Respondents argue that they “[

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<sup>3</sup> Respondents’ motion for leave to file a reply in support of their corrected motion, Motion No. 716-24, is granted.

.] Therefore, it was not

possible for respondents to plead inequitable conduct when they responded to the Amended Complaint.

In contending that it would be unduly prejudiced, complainant argues that “[n]ow that discovery is closed, [ ] Panasonic can no longer request additional information or specificity with respect to the ‘364 inequitable conduct allegations.’” Sur-Reply Mem. at 5. Nevertheless, as argued by respondents and the Staff, it appears that complainant has all of the documents related to respondents’ inequitable conduct contention in its “possession, custody, and control.” Reply Mem. at 3-4, Staff Resp. at 3-4. To the extent the parties need additional discovery on this specific issue, they may seek for appropriate relief.

Accordingly, Motion No. 716-21 is granted.

Within seven days of the date of this document, each party shall submit to the Office of Administrative Law Judges a statement as to whether or not it seeks to have any portion of the document redacted from the public version. The parties’ submissions may be made by facsimile and, or, by hard copy. Any party seeking to have a portion of this document redacted from the public version must submit to this office a copy of this

document with red brackets indicating the portion, or portions, asserted to contain confidential business information.

So Ordered.



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Carl C. Charneski  
Administrative Law Judge

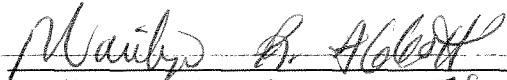
Issued: December 20, 2010

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**PUBLIC CERTIFICATE OF SERVICE**

I, Marilyn R. Abbott, hereby certify that the attached **ORDER NO. 29** has been served by hand upon the Commission Investigative Attorney Stephen R. Smith, Esq., and the following parties as indicated, on JAN 10 2010.

  
Marilyn R. Abbott, Secretary *Me*  
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