

UNITED STATES INTERNATIONAL TRADE COMMISSION

Washington, D.C.

In the Matter of

**CERTAIN FLASH MEMORY CHIPS AND
PRODUCTS CONTAINING SAME**

Inv. No. 337-TA-735

**ORDER NO. 11: GRANTING COMPLAINANT'S MOTION TO COMPEL
DISCOVERY RESPONSES FROM RESPONDENT SAMSUNG
ELECTRONICS CO., LTD.**

(December 8, 2010)

On November 9, 2010, complainant Spansion, LLC ("Spansion") filed a motion to compel respondent Samsung Electronics Co., Ltd. ("Samsung") to respond to discovery regarding the full scope of the accused products in this investigation. (Motion Docket No. 735-009.) On November 19, 2010, Samsung filed a response opposing the motion. On November 19, 2010, the Commission Investigative Staff ("Staff") filed a response supporting the motion.

Spansion argues that the scope of discovery in this investigation includes both NAND and NOR flash memory devices. Spansion states that Samsung has limited its discovery responses to NAND flash memory. (Mot. at 1.) Spansion seeks discovery from Samsung regarding NOR flash memory.

Samsung opposes the motion. Samsung argues that Spansion's Complaint lists only NAND flash memory structures when identifying the Samsung products accused in this investigation. (Opp. at 3.) Samsung contends that it is entitled to interpret the language in the

Complaint as notice that Spansion has limited its desired relief to Samsung's NAND flash memory devices.

Staff supports Spansion's motion and argues that both NAND and NOR flash memory devices are within the scope of the Notice of Investigation, and therefore Samsung should provide discovery on both types of devices.

Two Commission Rules inform the scope of discovery relevant to Spansion's motion. First, Commission Rule 210.27 provides that a party may obtain discovery regarding information that is relevant to a party's claims or defenses or information that is reasonably calculated to lead to the discovery of admissible evidence. *See* 19 CFR § 210.27(b). Second, Commission Rule 210.10(b) states that the notice of investigation issued by the Commission "will define the scope of the investigation." *See* 19 CFR § 210.10(b); *Certain Semiconductor Integrated Circuits and Products Containing Same*, 337-TA-665, Order No. 8, at 2, n. 1 (March 5, 2009). Applying these rules, administrative law judges have consistently held that the scope of discovery "may be broad enough to encompass information about products beyond those specifically identified in the complaint (*e.g.*, by name or model number) because the scope of investigation dictates the scope of discovery." *See Certain Wireless Communications Equipment, Articles Therein, and Products Containing the Same*, Inv. No. 337-TA-577, Order No. 14 at 1 (Jan. 11, 2007).

In this matter, the Notice of Investigation states that the investigation will determine, *inter alia*, "whether...flash memory chips and products containing the same...infringe one or more claims" of four U.S. patents asserted by Spansion. (Notice of Investigation (Sept. 7, 2010).) The Notice does not limit the flash memory devices at issue to NAND devices. Because the Notice dictates the scope of discovery, Spansion is entitled to discovery on the full range of flash memory technology, which includes both NAND and NOR devices.

Samsung's contention that the Complaint limits the investigation to Samsung's NAND devices is also factually incorrect. The Complaint gives Samsung actual notice that flash memory comes in NAND and NOR varieties. (Complaint at ¶ 55.) The Complaint also provides claim charts showing how the patents in suit apply to both NAND and NOR flash memory. For example, exhibits supporting the infringement portion of the Complaint apply the patent claims to NAND technology. (*Id.* at Ex. 25-39.) Other exhibits, submitted to support the domestic industry portion of the Complaint, give illustrations of how the patents in suit may apply to NOR flash memory. (*Id.* at Ex. 4, 7, 10, 13.) Thus, when Samsung received notice of an investigation into "whether...flash memory chips...infringe" Spansion's patents, Samsung should have known that the investigation could include both NAND and NOR technology.

The cases cited by Samsung to argue for a narrower reading of the Complaint are readily distinguished from the facts at bar. Samsung quotes *Certain Electronic Devices, Including Handheld Wireless Communications Devices*, Inv. Nos. 337-TA-673, 337-TA-667, Order No. 18C (June 11, 2009) for the proposition that a complaint may limit the scope of relief a complainant seeks against a respondent. That statement may be correct in the abstract, but the facts and procedural posture that made that principle applicable in *Certain Electronic Devices* are not present here. In *Certain Electronic Devices*, the original complaint asserted two patents against one of the respondents. *Id.* at 1. The complainant later moved to amend the complaint to assert a third patent against that respondent. *Id.* I denied the motion, because the Complainant failed to set forth justification for its lengthy delay in moving to amend the complaint and, therefore, did not demonstrate the good cause necessary to amend the complaint. *Id.* at 5-6. The order in *Certain Electronic Devices* is not applicable to Spansion's present motion, which does not involve an amendment to the Complaint.

Samsung also cites *Certain Wireless Communication Devices, Components Thereof, and Products Containing the Same*, Inv. No. 337-TA-583, Order No.6 (Dec. 15, 2006), where the administrative law judge denied a motion to compel discovery because the request sought information outside of the scope of the complaint. In *Certain Wireless Communication Devices* the complaint expressly stated that the infringement allegations were “limited to” certain features of accused devices. *Id.* at 3. In contrast, Spansion’s Complaint contains no language expressly limiting the type of flash memory at issue.

Samsung additionally relies on *Certain NOR and NAND Flash Memory Devices and Products Containing Same*, Inv. No. 337-TA-560, Order No. 14 (July 6, 2006). That order addressed whether downstream products were included in the scope of the investigation. *Id.* at 10. The order involved the unusual circumstance in which the caption on the notice of investigation included the phrase “and Products Containing Same” but the body of the notice describing the scope of the investigation did not include that language. *Id.* The administrative law judge determined that the scope of the investigation was defined by the language in the body of the notice, not by the notice caption and not by the complaint. *Id.* at 10-11. Thus, the holding contradicts Samsung’s claim that the language in Spansion’s Complaint controls the scope of this investigation.

Samsung further cites *Certain Semiconductor Integrated Circuits and Products Containing Same*, Inv. No. 337-TA-665, Order No. 23 (Apr. 28, 2009). That order denied a motion to compel because the discovery requests at issue sought information about “non-accused products,” was overly broad, and was a use of discovery not to confirm its reasoned beliefs regarding its infringement claims, but to figure out which products potentially infringe the patents. The discovery request in that case was an improper use of discovery, and demonstrated

that the Complainant launched its investigation without a clear view of what products allegedly infringed the asserted patents. *Id.* at 23. In contrast, Spansion’s motion seeks information about the full scope of accused products defined by the Notice of Investigation: “flash memory chips and products containing the same.” (*See* Notice of Investigation.)

Based on the Notice of Investigation, the Complaint, and the relevant law noted above, I conclude that Spansion’s request for discovery relating to Samsung’s NOR flash memory technology is reasonably calculated to lead to the discovery of admissible evidence in this investigation. Accordingly, Samsung shall supplement its discovery responses to include responsive documents and information relevant to Samsung’s NOR flash memory technology.

It is worth noting that Samsung recently argued before the Commission that “[a] Complainant may obtain discovery beyond merely the exemplary products named in the Complaint, so long as it is still within the scope of the Investigation and reasonably calculated to lead to the discovery of admissible evidence.” *See Certain Flash Memory and Products Containing Same*, Inv. No. 337-TA-685, Complainant Samsung Electronics Co., Ltd.’s, Motion to Compel Discovery Responses from Respondents Spansion, Inc. and Spansion, LLC, Motion Docket No. 685-011, at 10 (Aug. 3, 2010). Samsung prevailed on that argument. *See id.*, Order No. 19 (Aug. 17, 2010). The discovery rules do not change simply because Samsung is now a respondent instead of a complainant.

ORDER


Motion Docket No. 735-009 is hereby GRANTED. Within seven (7) days of the date of this Order, respondent Samsung shall supplement its discovery responses to include responsive information relevant to Samsung’s NOR flash memory technology.

PUBLIC VERSION

Within seven (7) days of the date of this Order, each party shall submit to the Office of the Administrative Law Judges a statement regarding 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.



Robert K. Rogers, Jr.
Administrative Law Judge

PUBLIC CERTIFICATE OF SERVICE

I, Marilyn R. Abbott, hereby certify that the attached **ORDER** was served upon **Stephen R. Smith, Esq.**, Commission Investigative Attorney, and the following parties via first class mail delivery on **JAN 20 2011**


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