

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

**In the Matter of**

**CERTAIN DEVICES FOR IMPROVING  
UNIFORMITY USED IN A BACKLIGHT  
MODULE AND COMPONENTS THEREOF  
AND PRODUCTS CONTAINING SAME**

**Inv. No. 337-TA-805**

**ORDER NO. 13: GRANTING IN PART AND DENYING IN PART SAMSUNG  
ELECTRONICS AMERICA, INC.'S MOTION TO QUASH OR  
LIMIT THE SUBPEONAS *DUCES TECUM* AND *AD  
TESTIFICANDUM* DIRECTED TO SAMSUNG ELECTRONICS  
AMERICA, INC.**

(March 26, 2012)

On December 23, 2011, third party Samsung Electronics America (“SEA”) filed a motion to limit or quash complainants Industrial Technology Research Institute’s and ITRI International’s (collectively “ITRI”) subpoena *duces tecum* and subpoena *ad testificandum*. (Motion Docket No. 805-004). ITRI opposes the motion. Samsung Electronics, Co. Ltd. and its subsidiaries, including SEA, are ITRI’s licensees.

SEA argues that the motion should be granted because the subpoena improperly seeks documents that are not in SEA’s possession, custody, or control. (Third-Party Samsung Electronics America, INC.’s Motion to Quash or Limit the Subpoenas *Duces Tecum* and *Ad Testificandum* Directed To Samsung Electronics, America, Inc.(“Mot.”) at 1.) Specifically, Request for Production Nos. 5, 7, 16, and 17 of the Document Subpoena seek documents related to the design of Samsung-branded LCD products, as well as legal documents submitted in prior U.S. International Trade Commission Investigations to which SEA was not a party. (Mot. at 2.) Samsung-branded LCD products are designed and manufactured by SEA’s South Korean parent

company, Samsung Electronics Co., Ltd. (“Samsung Korea”), and technical documents related to the design of these products are in its sole possession, custody, or control. Similarly, the Deposition Subpoenas directed to SEA are improper because SEA cannot provide witnesses who are knowledgeable about the design of Samsung-branded LCD products and the legal documents submitted in prior U.S. International Trade Commission investigations to which SEA was not a party. While SEA argues that ITRI had made no attempts to obtain the documents from Samsung Korea, ITRI has since subpoenaed Samsung Korea and received a similarly non-responsive answer with Samsung arguing that the subpoenas were not properly served.

ITRI argues that the subpoena seeks documents that are within SEA’s “possession, custody or control.” Specifically, Samsung Korea satisfied the domestic industry requirement in Inv. No. 337-TA-631 through the activities of its subsidiary, SEA. (Complainants’ Response to Third-Party Samsung Electronics America, Inc.’s Motion (Mtn. Dkt. No. 805-004) To Quash or Limit the Subpoena’s Duces Tecum and Ad Testificandum Directed to Samsung Electronics America, Inc. (“Resp.”) at 2-3.) In that investigation, Chief Administrative Law Judge Luckern granted Samsung Korea’s summary determination on the economic prong of the domestic industry requirement, finding that SEA’s domestic “investments in customer support play an important role in maintaining its leadership position in [the LCD television] industry and strengthening its customer-centric business....” Inv. No. 337-TA-631, Order No. 18 (Pub. Version) (Sept. 23, 2008). He further found that SEA “provides support, including warranty service, for LCD televisions” protected by the patents at issue and that the expenditures incurred “constitute a significant employment of labor or capital with respect to articles” at issue. (*Id* at 7.) The Initial Determination in the 631 Investigation cites confidential exhibits and investment amounts incurred by SEA “for the support, service, repair and replacement” of products that

practiced the patents in suit. (*Id.*) More recently, Samsung Korea has relied on SEA's domestic activities to support its claim of domestic industry in 337-TA-782. (Resp. at 3.) ITRI argues that SEA must have documents relating to the domestic industry position taken in both the 631 and 782 investigations in its possession, custody, or control by virtue of its role in performing the activities, *e.g.*, customer service, warranty service, on which Samsung Korea based its domestic industry claims and SEA's role in preparing the requested documents and/or SEA has possession, custody, or control of documents maintained by its counsel.

The test for determining whether a subpoena should be quashed includes balancing (i) the relevance of discovery sought; (ii) the need of the requesting party; and (iii) the potential hardship to the party responding to the subpoena. *See e.g., Certain Foam Footwear*, Inv. No. 337-TA-567, Order No. 16 at 2-3 (August 2006). The subpoena at issue seeks information relating to the asserted patent, U.S. Patent No. 6,883,932 (the "932 Patent"). ITRI's domestic industry allegations are based on the activities of its licensee, Samsung Korea, and its subsidiaries, including SEA. More specifically, the subpoena seeks information on (1) documents submitted in Inv. No. 337-TA-631 in connection with Samsung's Motion for Summary Determination Regarding Economic Prong of Domestic Industry Requirement, Motion No. 631-016; (2) confidential versions of exhibits 51-C, 52-C, 53-C, and 61-C to Samsung's complaint filed in Inv. No. 337-TA-782; (3) documents sufficient to demonstrate any changes to the Backlight Module for each of the Samsung LCD Products from January 1, 2007, until the present, including any changes to the light source, backlight housing, and/or arc sheets and (4) documents sufficient to show the structure and operation of the Backlight Module for each of the Samsung LCD Products. Such documents include, but are not limited to, technical specifications for any sheets used for diffusing, distributing, and/or reflecting light in the Backlight Module.

The ALJ finds that the subpoena need not be quashed in its entirety and any potential hardship to SEA can be alleviated by limiting it based on the rulings set forth herein.

Samsung Korea is a separate legal entity and a foreign corporation, from which SEA has no *legal* right to demand any potentially responsive documents. While SEA has no legal right to obtain any potentially responsive documents, SEA has failed to show that it cannot *practically* obtain said documents<sup>1</sup>. In its opposition, ITRI has demonstrated that SEA has the ability to obtain at least some of the requested information. A subsidiary has control over documents in a parent's possession where: (1) the alter ego doctrine warrants "piecing the corporate veil," (2) the subsidiary was an agent of the parent in the transaction giving rise to the lawsuit, (3) the agent-subsubsidiary can secure documents from the principal-parent to meet its own business needs and documents helpful for use in litigation, (4) the subsidiary can access the documents when the need arises in the ordinary course of business, and (5) the subsidiary was a marketer and servicer of the parent's products in the United States. *U.S. Int'l Trade Comm'n v. ASAT, Inc.*, 411 F.3d. 245, 254 (Fed. Cir. 2005) (quoting *Camden Iron & Metal, Inc. v. Marubeni Am. Corp.*, 138 F.R.D. 438 (D.N.J. 1991)). Here, since SEA provides customer service and warranty service support for Samsung Korea relating to its LCD televisions, it seems highly probable that SEA meets the following factors: factor (1): SEA "can secure documents from [Samsung Korea] to meet its own business needs," factor (4): SEA can access the documents when the need arises in the ordinary course of business, and factor (5): SEA is servicer of Samsung Korea's products in the United States. Therefore, SEA shall provide responsive documents in its possession, custody or control. If necessary, SEA shall request responsive documents from Samsung Korea<sup>2</sup>. If Samsung Korea refuses to comply with SEA's request, SEA

---

<sup>1</sup> A declaration from an officer at SEA that they do not have the documents is insufficient. Indeed, as set forth *infra*, SEA can, at the very least, request such documents from Samsung.

<sup>2</sup> The ALJ notes that ITRI has subpoenaed Samsung Korea via service to an officer who lists his address with the PTO at the DC Office of SEA.

shall submit an affidavit outlining the steps taken to comply with this Order and Samsung Korea's refusal.

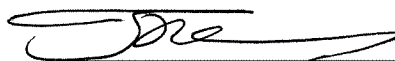
Furthermore, as for documents related to the 631 and 782 investigations, SEA merely argues that it was not a party to those investigations and that any documents are "likely in the possession, custody or control of Samsung Korea." (Memo. at 9.) As set forth in ITRI's response, Samsung Korea relied on the domestic activities and investments of SEA to satisfy the domestic industry requirement for those investigations. SEA's argument that documents related to *its own* domestic activities and investments are "likely" in the control of its parent company, Samsung Korea, are highly unpersuasive. First, if, in fact, Samsung Korea has such documents in its own possession, custody or control and need not request such documents from SEA, then it would imply that SEA and Samsung Korea are not separate and distinct corporate entities and, therefore, as Samsung Korea "likely" was in possession, custody or control of SEA's documents, then SEA equally could "likely" be in possession, custody or control of Samsung Korea's documents. Alternatively, if Samsung Korea did indeed request such information from SEA then such information and documents are clearly within the possession, custody or control of SEA, and SEA can produce said documents in response to the subpoena. However, should SEA maintain its position that Samsung Korea is the only corporate entity in control of documents relating to SEA's own activities upon which it based its domestic industry allegations, SEA shall submit a sworn affidavit stating such and explaining, in detail, the relationship between SEA and Samsung Korea so that the ALJ and the parties in this investigation may understand how SEA is not in possession, custody or control of documents relating to its own activities.

As for Request for Production No. 17, it appears that the parties have already agreed to a more limiting request, namely that it is limited to "Samsung television, monitors, and notebook computers containing LCD displays." (Resp. at 14.)

With regard to the subpoena *ad testificandum*, SEA shall produce any witnesses within its control to testify on the topics set forth therein. While SEA asserts that it has no knowledgeable witnesses, SEA likely has witnesses who can answer at least some of the questions, especially given its role in providing customer and/or warranty services, and shall make them available for deposition. Where SEA cannot produce a knowledgeable witness it should at least provide documentation as to its attempt to find such a witness. In addition, ITRI has the right to question SEA about the search for the information requested in the subpoena, about any knowledge regarding responsive information in the possession of SEA's corporate parents or affiliates, and the steps taken to comply with this Order. SEA has already ascertained the identity of some of these individuals when it conducted its initial search of email records and producing these individuals for deposition will, therefore, cause no undue burden.

Accordingly, motion 805-004 is GRANTED IN-PART and DENIED IN-PART. SEA shall comply with the subpoenas *duces tecum* and *ad testificandum*, as limited above.<sup>3</sup> Depositions shall occur within fifteen (15) calendar days of the issuance of this Order in close proximity to SEA, or at any other such time and place as agreed upon by ITRI and SEA. Document production pursuant to the subpoena *duces tecum* (including privilege logs) shall occur at least ten (10) calendar days prior to the deposition, or at any other such time as agreed upon by ITRI and SEA.

**SO ORDERED**



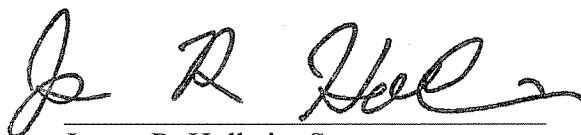
Theodore R. Essex  
Administrative Law Judge

---

<sup>3</sup> The ALJ notes that the situation in this series of motions practice is rather unusual given that Samsung and SEA are ITRI's own licensees. The ALJ encourages ITRI to work closely with SEA in minimizing the burden placed on this third party and focusing its requests to information it genuinely needs in order to prove its domestic industry requirements.

**PUBLIC CERTIFICATE OF SERVICE**

I, James R. Holbein, hereby certify that the attached **ORDER 13** has been served by hand upon the Commission Investigative Attorney, **Vu Q. Bui, Esq.**, and the following parties as indicated on **March 26, 2012**.



James R. Holbein, Secretary  
U.S. International Trade Commission  
500 E Street, SW, Room 112A  
Washington, DC 20436

**On Behalf of Complainant Industrial Technology Research  
Institute and ITRI International Inc.:**

Tom M. Schaumberg, Esq.  
**ADDUCI, MASTRIANI & SCHAUMBERG LLP**  
1133 Connecticut Avenue, 12<sup>th</sup> Floor  
Washington, DC 20036

- ( ) Via Hand Delivery
- ( ) Via Overnight Delivery
- (  ) Via First Class Mail
- ( ) Other: \_\_\_\_\_

**On Behalf of Respondents LG Corporation, LG  
Electronics Inc., LG Electronics USA, Inc. LG Display Co.,  
Ltd. and LG Display America, Inc.:**

Charles F. Schill, Esq.  
**STEPTOE & JOHNSON LLP**  
1330 Connecticut Avenue, NW  
Washington, DC 20036

- ( ) Via Hand Delivery
- ( ) Via Overnight Delivery
- (  ) Via First Class Mail
- ( ) Other: \_\_\_\_\_

**CERTAIN SET-TOP BOXES, AND HARDWARE AND SOFTWARE COMPONENTS THEREOF**

**Inv. No. 337-TA-761**

Certificate of Service – Page 2

**Public Mailing List:**

Heather Hall  
**LEXIS – NEXIS**  
9443 Springboro Pike  
Miamisburg, OH 45342

- Via Hand Delivery
- Via Overnight Delivery
- Via First Class Mail
- Other: \_\_\_\_\_

Kenneth Clair  
**THOMSON WEST**  
1100 13<sup>th</sup> Street, NW, Suite 200  
Washington, DC 20005

- Via Hand Delivery
- Via Overnight Delivery
- Via First Class Mail
- Other: \_\_\_\_\_