

UNITED STATES INTERNATIONAL TRADE COMMISSION

Washington, D.C.

In the Matter of

**CERTAIN WIRELESS DEVICES WITH
3G AND/OR 4G CAPABILITIES AND
COMPONENTS THEREOF**

Inv. No. 337-TA-868

**ORDER NO. 27: DENYING INTERDIGITAL'S MOTION FOR LEAVE TO AMEND
THE COMPLAINT**

(May 10, 2013)

On March 13, 2013, complainants InterDigital Communications, Inc., InterDigital Technology Corporation, IPR Licensing, Inc., and InterDigital Holdings, Inc. (collectively "InterDigital") filed a motion for leave to amend the complaint in this investigation to add allegations of infringement of claims 1, 5, 9, 13, 15, 16, and 21 of U.S. Patent No. 8,380,244 ("the '244 patent"). (Motion Docket No. 868-004) On March 25, 2013, Respondents ZTE Corporation and ZTE (USA) Inc. ("ZTE"); Huawei Technologies Co., Ltd., Huawei Device USA, Inc., and Futurewei Technologies, Inc. ("Huawei"); Nokia Corp. and Nokia, Inc. ("Nokia"); and Samsung Electronics Co., Ltd., Samsung Electronics America, Inc., and Samsung Telecommunications America, LLC ("Samsung") ("Respondents") filed an opposition to the motion. Commission Investigative Staff ("Staff") did not file a response.

InterDigital avers that pursuant to Ground Rule 3.2, it contacted counsel for Respondents and Staff at least two business days prior to filing the motion. InterDigital says that Staff indicated that it did not oppose the motion. InterDigital continues that Respondents indicated that they opposed the motion.

I. Parties' Positions

InterDigital seeks leave to file an amended complaint to add allegations of infringement of claims 1, 5, 9, 13, 15, 16, and 21 of the '244 patent. InterDigital says that at the time of filing the complaint in this investigation, the '244 patent had not yet issued and could not be asserted. InterDigital continues that good cause exists to grant leave to amend the complaint. InterDigital contends that the new patent does not complicate the case, as it is closely related to U.S. Patent No. 7,616,970 ("the '970 patent"), which is asserted against Samsung in this investigation and against the other respondents in currently pending Inv. No. 337-TA-800. InterDigital avers that all Respondents are already familiar with the scope of the technology covered by the '244 patent and any required discovery will likely be duplicative of the information being collected by Samsung currently, or already collected in Inv. No. 337-TA-800. InterDigital adds that granting the motion to amend the complaint will obviate the need to initiate an entirely separate investigation involving the same technologies at issue here and based on a patent related to one asserted here.

Respondents argue that InterDigital's motion should be denied because there is no good cause for InterDigital to amend its complaint after the investigation has already commenced and the procedural schedule has been set and the amendment would be prejudicial. Respondents say that InterDigital delayed issuance of the '244 patent with the United States Patent and Trademark Office several times. Respondents continue that InterDigital also chose not to wait until the '244 patent issued before filing its complaint, despite the fact that the application for the '244 patent was allowed on January 3, 2013, before the investigation was instituted by the Commission and only one day after the complaint was filed. Respondents add that InterDigital also delayed in

notifying the Commission and the Respondents of its intentions to add the '244 patent to the Investigation.

Respondents contend that they will be prejudiced if the '244 patent is added to the investigation. Respondents say that the investigation currently includes seven patents and 109 [sic] asserted claims. Respondents continue that the seven claims from the '244 patent that InterDigital seeks to add will raise new claim construction issues, necessitate additional prior art searches, and require supplemental discovery. Respondents say that the '244 patent touches on technical areas that are unrelated to the other patents in the investigation, which will likely require an additional expert. Respondents continue that six of the eleven claim charts for the '244 patent are for products not identified in the original complaint, and add an entirely new category of accused devices that does not exist in the current investigation—dual mode devices that lack 4G capability and are designed to operate with 3G networks that are not otherwise alleged to provide a basis for infringement. As a result, Respondents conclude that they will be greatly prejudiced if they are forced to mount a defense against the '244 patent at this stage of the investigation.

II. Analysis and Conclusions

Commission Rule 210.14(b) provides that:

After an investigation has been instituted, the complaint or notice of investigation may be amended only by leave of the Commission for good cause shown and upon such conditions as are necessary to avoid prejudicing the public interest and the rights of the parties to the investigation.

19 C.F.R. § 210.14(b). Because InterDigital has not shown good cause for adding the '244 patent to the complaint and the amendment would result in prejudice to Respondents, InterDigital's motion is denied. The '244 patent issued on February 19, 2013. (Mot. Ex. A) As a result, there is no question that the '244 patent could not have been raised in the complaint filed

on January 2, 2013. (*See* Complaint) Despite the fact that the ‘244 patent issued on February 19, 2013, InterDigital waited until March 13, 2013 to file its motion for leave to amend the complaint to add its allegations based on the ‘244 patent. This more than three week delay defeats any assertion of good cause based on the fact that the ‘244 patent issued after the complaint was filed.

InterDigital’s only explanation for this delay is that the time that lapsed between when the patent issued and when InterDigital filed its motion was needed for InterDigital to investigate whether or not to assert the ‘244 patent. This argument is unpersuasive. The application that issued as the ‘244 patent was allowed by the United States Patent and Trademark Office on January 3, 2013 (Opp. Ex. 18) and InterDigital paid the issue fees on January 4, 2013 (Opp. Ex. 19). Thus, InterDigital had more than one month before the ‘244 patent officially issued to evaluate the allowed claims and determine whether or not it wanted to add these claims in this investigation. In light of this additional time between when the claims were allowed and when the patent issued, InterDigital’s delay of more than three weeks from when the patent issued to when it filed its motion for leave was not reasonable. As a result, I find that InterDigital has not shown good cause to amend the complaint to add its allegations of infringement of the ‘244 patent.

Moreover, assuming *arguendo*, that InterDigital had shown good cause to amend the complaint, allowing InterDigital to add the ‘244 patent to the investigation at this stage would prejudice the Respondents. As noted *supra*, Commission Rule 210.14(b) requires not only a showing of good cause; but the conditions for allowing the amendment must be those that “are necessary to avoid prejudicing the public interest and the rights of the parties to the investigation.” 19 C.F.R. § 210.14(b). This investigation involves four respondents and raises


infringement allegations for 100 asserted claims across seven patents. InterDigital proposes adding infringement allegations for seven claims from an eighth patent. Given the already accelerated schedule of Section 337 investigations (trial in this investigation begins on December 16, 2013), Respondents will be prejudiced if they must address claim construction, invalidity, and non-infringement for another patent, and be prepared for trial on all patents in just more than seven months. Moreover, Respondents have alleged (and InterDigital has not sought to contest) that six of the eleven claim charts for the '244 patent address products that were not identified in the original complaint. Investigating InterDigital's infringement allegations and providing discovery on these additional products under the current time constraints (especially in light of the number of issues already raised by the original complaint) would be prejudicial to Respondents.

Because InterDigital has failed to show good cause and because Respondents would be prejudiced if InterDigital's motion were granted, InterDigital's motion for leave to amend the complaint to add allegations of infringement under claims 1, 5, 9, 13, 15, 16, and 21 of the '244 patent is denied.

ORDER

Motion No. 868-004 is hereby DENIED.

SO ORDERED.



Robert K. Rogers, Jr.
Administrative Law Judge

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PUBLIC CERTIFICATE OF SERVICE

I, Lisa R. Barton, hereby certify that the attached **ORDER** was served upon **Lisa Murray, Esq.**,
Commission Investigative Attorney, and the following parties via first class mail delivery on

MAY 10 2013



Lisa R. Barton, Acting Secretary
U.S. International Trade Commission
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PUBLIC CERTIFICATE OF SERVICE PAGE 2

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