

PUBLIC VERSION

UNITED STATES INTERNATIONAL TRADE COMMISSION

Washington, D.C.

In the Matter of

**CERTAIN CERAMIC CAPACITORS AND
PRODUCTS CONTAINING SAME**

Inv. No. 337-TA-692

**ORDER NO. 37 DENYING MOTION BY RESPONDENTS FOR SUMMARY
DETERMINATION OF NON-INFRINGEMENT OF U.S. PATENT
NOS. 6,014,309 AND 6,377,439**

(June 24, 2010)

On May 17, 2010, in advance of Complainants' final designation of the accused products, Respondents filed a motion, with supporting memorandum, for a summary determination affirmatively declaring that any of their multilayer ceramic capacitors (hereafter, singularly or plurally, "MLCC") that were not designated by Complainants as infringing claim 3 of U.S. Patent No. 6,014,309 (the "'309 patent") or claims 1-3 and 5 of U.S. Patent 6,377,439 (the "'439 patent") to be non-infringing with respect to those patents in this Investigation. (Motion Docket No. 692-028.)

On May 26, 2010, pursuant to Order No. 14, Complainants filed their final list of accused products, wherein they designated which of Respondents' ceramic capacitors are alleged to infringe either the '309 or the '439 patent. On the following day, May 27, 2010, Complainants filed an opposition to the motion for summary determination. The Commission Investigative Staff ("Staff") has not filed a response to the motion.

On June 15, 2010, while the subject motion was pending, Complainants filed an

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unopposed motion requesting a partial termination of the Investigation, based on their withdrawal of the '439 patent, which was granted on June 17, 2010. *See* Order No. 35. Because Order No. 35 has consequences as regards Respondents' motion for summary determination, it is referred to herein.

Respondents argue that, because Complainants, during the course, and for purposes, of discovery, have said that the term "Accused Products" applies to all of Respondents' MLCC, an initial determination of non-infringement incidental to this Investigation is appropriate as to any of Respondents' MLCC that Complainants "no longer accuse of infringement." (Mot. Mem. at 6.) In support of this proposition, Respondents cite *Certain NOR & NAND Flash Memory Devices & Products Containing Same*, Inv. No. 337-TA-560, Order No. 38 (U.S.I.T.C., Nov. 17, 2006).

In opposition, Complainants advance four arguments for why the motion should be denied. First, they argue that Respondents are essentially seeking an unauthorized advisory opinion declaring that Respondents' MLCC which have not been included by Complainants' on their final list of accused products are *ipso facto* non-infringing. (Opp. at 2-3.)

Second, they point out that this motion for summary determination is partially based on Respondents' ignorance of which of their MLCC would ultimately be included or, concomitantly, excluded from Complainants' final list of accused products (because Respondents are required to file all motions for summary determination no less than 60 days in advance of the hearing date under Commission Rule 210.18(a), which would not allow them time to await Complainants' submission of the list): a dilemma which has now vanished by virtue of the subsequent designation by Complainants of the final list of accused products. (*Id.* at 2.)

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Third, Complaints argue the motion for summary determination invites entry of an erroneous ruling of law, because the motion wrongly presumes that simply because a particular MLCC is not alleged to be infringing, it consequently does not infringe; whereas, given the large number of ceramic capacitors in question, and the technical documentation pertaining to them, it remains possible that some of the non-accused capacitors actually do infringe, albeit that a demonstration of that fact cannot be made by Complainants at this time. (*Id.*)

Fourth, Complainants argue that Respondents have not satisfied the burden of proof required of a party who seeks summary determination on the issue of non-infringement to adduce sufficient evidence to demonstrate that a finding of non-infringement is warranted. (*Id.* at 3.)

Initially, insofar as Respondents are seeking summary determination with respect to non-infringement of the '439 patent by any of their MLCC, it is concluded that by virtue of Order No. 35, which granted Complainants' unopposed motion for partial termination of the Investigation, based on a withdrawal of their allegations regarding that patent, the issue is now moot, and for that reason, that portion of Respondents' motion for summary determination that pertains to the '439 patent is hereby DENIED.

Before addressing the issues surrounding motions for summary determination generally, as they may apply to the '309 patent, it is worthwhile to point out that the Commission's Congressional authorization is to investigate any alleged violation of Section 337 on complaint under oath or upon its initiative. 19 U.S.C. § 1337(b)(1). *See also* Commission Rule 210.3. This Investigation, insofar as it concerns the subject motion, as it pertains to the '309 patent, arises out of a complaint which alleges that one identified MLCC of Respondents (CL31B106KIAHNNE), as well as other unidentified MLCC of theirs, infringe the '309 patent.

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(Complaint ¶¶ 5.12, 5.13.) Since this Investigation was initiated, and as a result of pursuing permissible discovery (*see* 19 C.F.R. § 210.27) of the 4,631 MLCC produced by Respondents (Mot. Mem. at 2; Opp. at 14), Complainants have identified 60 MLCC of Respondents as infringing the ‘309 patent. (Opp., Ex. 5.) To the extent that Respondents, for their part, seek a determination that their MLCC that have not been identified as accused products are thereby deemed not to infringe that patent, that determination is not germane¹ to this Investigation. Indeed, the Administrative Law Judge has already noted that such a “declaratory judgment” is outside the scope of a Section 337 investigation, would be contrary to the Commission’s objective to conduct expeditious proceedings, and wasteful of the Commission’s, the parties’, and the public’s resources. (Order No. 29 at 1-2.)

With respect to those principals and rules more particular to motions for summary determination themselves, Commission Rule 210.18(a) states, in relevant part: “Any party may move with any necessary supporting affidavits for a summary determination in its favor upon all or any part of the issues to be determined in the investigation.” That is not what is presented in Respondents motion for summary determination. For reasons previously stated, the Respondents are not entitled to summary determination that their non-accused MLCC are non-infringing, as that issue is outside the scope of this Investigation² and is not a fact relevant to a determination whether Respondents violated Section 337. (*See* Commission Rule 210.37(b). *See also* Fed. R.

¹ The fact that Respondents happened to produce MLCC that are not accused of infringing the ‘309 patent is no more probative, relevant, or material to a resolution of the question whether Respondents’ accused products violate Section 337 than is the fact that there may be one or many non-parties who also produce MLCC that are not accused of infringement. In either instance, the happenstance that not all of the universe of MLCC have been accused of infringing the ‘309 patent is not pertinent: the subject of the Investigation is whether Respondents have violated the statute in the manner alleged, not whether, in other respects, they have not violated the statute.

² Furthermore, it is not clear whether Respondents intend, by bringing the instant motion, to concede importation for all of the non-accused MLCC they argue should be found noninfringing.

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Evid. 401 regarding relevance.)

Respondents' request that their motion be granted even if it should be concluded that Complainants never formally accused the non-listed MLCC, is not supported by the ruling in the *Flash Memory Devices*, mentioned above, which they cite for support. (Mem. at 7.) As Complainants point out in their opposition, the circumstances in that Investigation are inapposite. In that Investigation, certain products were accused in the complaint; discovery showed that those accused products did not infringe the asserted patent; and respondents put forth in their motion specific reasons sufficient to demonstrate why those particular products did not infringe. (Opp. at 12-13.) The MLCC at issue here were not accused in the Complaint that gave rise to the Investigation with respect to the '309 patent, and only 60 of them were accused following discovery. In *Flash Memory Devices*, products which had not been formally accused were not the subjects of the ruling of non-infringement. Such is the case here. Furthermore, even if the Administrative Law Judge were to undertake an infringement analysis of the products at issue here, there is a lack of supporting evidence for the motion, as discussed in the next paragraph.

As to the question whether, on the basis of the materials put forth by Respondents in support of their motion, a lawful determination can be made that the non-accused MLCC of Respondents do not infringe the '309 patent, the answer is no. Respondents motion is devoid of any statements of fact, let alone evidence in support of them, demonstrating that the non-accused MLCC do not meet the limitations of the '309 patent. An initial determination, whether summary or otherwise, must be based on findings of fact determined from reliable, probative, and substantial evidence. (5 U.S.C. § 556(d).) Respondents' supporting documents do not satisfy the evidential requirements of Commission Rule 210.18(b) for granting summary


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determination. For these reasons, the Respondents' motion for summary determination (Motion Docket No. 692-028) is DENIED in full.

Within seven days of the date of this document, each party shall submit to the Office of the Administrative Law Judges a statement as to 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.

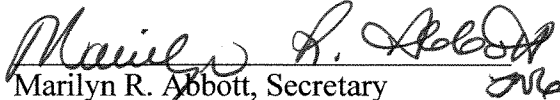
Any party seeking to have any portion of this document deleted from the public version thereof must submit to this office a copy of this document with red brackets indicating any portion asserted to contain confidential business information. The parties' submissions concerning the public version of this document need not be filed with the Commission Secretary.

SO ORDERED.


E. James Gildea
Administrative Law Judge

PUBLIC CERTIFICATE OF SERVICE

I, Marilyn R. Abbott, hereby certify that the attached **ORDER** has been served by hand upon, the Commission Investigative Attorney, **Aarti Shah, Esq.**, and the following parties as indicated on July 6, 2010.


Marilyn R. Abbott, Secretary
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**IN THE MATTER OF CERTAIN CERAMIC
CAPACITORS AND PRODUCTS CONTAINING
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337-TA-692

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