



**INTERNATIONAL TRADE COMMISSION**  
**[Investigation No. 337-TA-501 (Remand Proceeding)]**

**Certain Encapsulated Integrated Circuit Devices and Products Containing Same**

**Notice of a Commission Final Determination of Violation of Section 337; Issuance of a Limited Exclusion Order; Termination of Investigation**

**AGENCY:** U.S. International Trade Commission.

**ACTION:** Notice.

**SUMMARY:** Notice is hereby given that the U.S. International Trade Commission has determined that there is a violation of section 337 of the Tariff Act of 1930, as amended, by respondents Carsem (M) Sdn Bhd; Carsem Semiconductor Sdn Bhd; and Carsem, Inc. (collectively, "Carsem," or respondents) in the above-captioned investigation. The Commission has issued a limited exclusion order directed to the infringing products of Carsem and has terminated the investigation.

**FOR FURTHER INFORMATION CONTACT:** Michael Liberman, Esq., Office of the General Counsel, U.S. International Trade Commission, 500 E Street, S.W., Washington, D.C. 20436, telephone (202) 205-3115. Copies of non-confidential documents filed in connection with this investigation are or will be available for inspection during official business hours (8:45 a.m. to 5:15 p.m.) in the Office of the Secretary, U.S. International Trade Commission, 500 E Street, S.W., Washington, D.C. 20436, telephone (202) 205-2000. General information concerning the Commission may also be obtained by accessing its Internet server at <http://www.usitc.gov>. The public record for this investigation may be viewed on the Commission's electronic docket (EDIS) at <http://edis.usitc.gov>. Hearing-impaired persons are advised that information on this matter can be obtained by contacting the Commission's TDD

terminal on (202) 205-1810.

**SUPPLEMENTARY INFORMATION:** The Commission instituted this investigation under section 337 of the Tariff Act of 1930, as amended, 19 U.S.C. 1337, on December 19, 2003, based on a complaint filed by Amkor Technology Inc. (“Amkor”). *See* 68 FR 70836 (Dec. 19, 2003). Amkor alleged a violation of section 337 by respondents Carsem in the importation, sale for importation, and sale within the United States after importation of certain encapsulated integrated circuit devices and products containing same in connection with claims 1-4, 7, 17, 18 and 20-23 of U.S. Patent No. 6,433,277 (“the ‘277 patent”); claims 1-4, 7 and 8 of U.S. Patent No. 6,630,728 (“the ‘728 patent”); and claims 1, 2, 13 and 14 of U.S. Patent No. 6,455,356 (“the ‘356 patent”). All three patents are owned by Amkor. The investigation also concerns a third-party, ASAT, Inc. (“ASAT”), and its invention (“ASAT invention”), which Carsem argued was invalidating prior art to Amkor’s asserted patents.

On November 18, 2004, the ALJ issued a final initial determination (“Final ID”) finding no violation of section 337. After reviewing the Final ID in its entirety, the Commission on March 31, 2005, modified the ALJ’s claim construction and remanded the investigation to the ALJ with instructions “to conduct further proceedings and make any new findings or changes to his original findings that are necessitated by the Commission’s new claim construction.” Commission Order ¶ 8 (March 31, 2005). On November 9, 2005, the ALJ issued a remand initial determination (“Remand ID”). The Remand ID found a violation of section 337 with regard to six claims of the ‘277 patent, but found no violation in connection with the asserted claims of the ‘728 or ‘356 patents.

Completion of this investigation was delayed because of difficulty in obtaining from third-party ASAT certain documents that Carsem asserted were critical for its affirmative defenses.

The Commission's efforts to enforce a February 11, 2004, subpoena *duces tecum* and *ad testificandum* directed to ASAT resulted in a July 1, 2008, order and opinion of the U.S. District Court for the District of Columbia granting the Commission's second enforcement petition. On July 1, 2009, after ASAT had complied with the subpoena, the Commission issued a notice and order remanding this investigation to the ALJ so that the ASAT documents could be considered. On October 30, 2009, the ALJ issued a supplemental ID ("First Supplemental ID"), finding that the ASAT invention was not prior art, and reaffirming his finding of a violation of section 337.

On February 18, 2010, the Commission reversed the ALJ's finding that ASAT invention is not prior art to Amkor's asserted patents, and remanded the investigation to the ALJ to make necessary findings in light of the Commission's determination that the ASAT invention is prior art. On March 22, 2010, the ALJ issued a Supplemental ID ("Second Supplemental ID") in which he found that the '277 and '728 patents were invalid in view of ASAT prior art and determined that there was no violation of Section 337 in the present investigation. On July 20, 2010, the Commission determined not to review the ALJ's Remand ID and Second Supplemental ID. As a result, the Commission determined that there is no violation of section 337 in this investigation. Amkor appealed the Commission's decision to the U.S. Court of Appeals for the Federal Circuit ("the Court").

On August 22, 2012, the Court ruled on Amkor's appeal reversing the Commission's determination that the '277 Patent is invalid under 35 U.S.C. 102(g)(2), declining to affirm the Commission's invalidity determination on the alternative grounds raised by Carsem, and remanding for further proceedings consistent with its opinion. *Amkor Technology Inc. v. International Trade Commission*, 692 F.3d 1250 (Fed. Cir. 2012) ("*Amkor Technology*"). On October 5, 2012, Carsem filed a combined petition for panel rehearing and for rehearing *en banc*.

The Court denied Carsem's petition on December 7, 2012, and issued its mandate on December 19, 2012, returning jurisdiction to the Commission.

On January 14, 2013, the Commission issued an Order ("Commission's Order") directing the parties to the investigation to submit their comments regarding what further proceedings must be conducted to comply with the August 22, 2012, judgment of the Court in *Amkor Technology*. The parties filed their initial and responsive submissions.

On June 5, 2013, the Commission issued a Notice ("Commission's Notice") requesting briefing on remedy, bonding and the public interest in the above-captioned investigation, as well as responses to certain questions posed by the Commission regarding the economic prong of the domestic industry requirement and the public interest. 78 FR 35051 (June 11, 2013). The Commission also set a schedule for the filing of written submissions. The parties have filed their initial and reply submissions pursuant to the Commission Notice.

Having examined the record in this investigation, including the parties' submissions filed in response to the Commission's Order and Commission's Notice, and consistent with the judgment of the Court, the Commission has determined to affirm the ALJ's First Supplemental ID and Remand ID thus finding a violation of section 337. The Commission has also determined as follows with respect to the specific issues raised by the parties in response to the Commission's Order and Commission Notice:

- (1) To affirm the ALJ's determination that claims 2-4 and 21-23 of the '277 patent are not invalid over the ASAT invention;
- (2) To affirm the ALJ's determination that Carsem failed to show that equitable estoppel defense based on Amkor's alleged failure to disclose the '277 patent to JEDEC applies in this investigation;

- (3) To affirm, in light of the ALJ's express findings that Carsem failed to prove that Amkor has deceived the standard setting body or that the '277 patent is necessary to practice JEDEC's standards, the ALJ's implicit determination that Carsem failed to show that its legal estoppel defense based on Amkor's alleged failure to disclose the '277 patent to JEDEC applies in this investigation;
- (4) To affirm with modifications the ALJ's finding in the 2004 Final ID that Amkor satisfied the economic prong of the domestic industry requirement under subsection 337(a)(3)(A);
- (5) To affirm with modifications the ALJ's finding in the 2004 Final ID that Amkor failed to satisfy the economic prong of the domestic industry requirement under subsection 337(a)(3)(B); and
- (6) To take no position on the ALJ's findings in the 2004 Final ID with respect to whether Amkor satisfied the economic prong of the domestic industry requirement under subsection 337(a)(3)(C).

The Commission has determined that the appropriate form of relief in this investigation is a limited exclusion order prohibiting the unlicensed entry of certain encapsulated integrated circuit devices covered by claims 2-4 and 21-23 of the United States Patent No. 6,433,277 and that are manufactured abroad by or on behalf of, or imported by or on behalf of, Carsem.

The Commission has further determined that the public interest factors enumerated in section 337(d)(1) (19 U.S.C. 1337(d)(1)) do not preclude issuance of the limited exclusion order.

Finally, the Commission determined that Amkor is required to post a bond in the amount of a reasonable royalty rate of \$0.00025 (0.025¢) per contact per covered encapsulated integrated circuit device imported during the period of Presidential review. The Commission's order was delivered to the President and the United States Trade Representative on the day of its issuance.

The Commission has therefore terminated this investigation. The authority for the Commission's determination is contained in section 337 of the Tariff Act of 1930, as amended (19 U.S.C. 1337), and Part 210 of the Commission's Rules of Practice and Procedure (19 CFR part 210).

By order of the Commission

Issued: April 4, 2014.

**William R. Bishop,**  
*Supervisory Hearings and Information Officer.*

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