



7020-02

INTERNATIONAL TRADE COMMISSION

[Investigation No. 337-TA-501 (Rescission)]

Certain Encapsulated Integrated Circuit Devices and Products Containing Same;

Commission Determination to Rescind the Limited Exclusion Order Based on a Settlement and License Agreement

AGENCY: U.S. International Trade Commission.

ACTION: Notice.

SUMMARY: Notice is hereby given that the U.S. International Trade Commission has determined to rescind the limited exclusion order issued in the above-captioned investigation based on a settlement and license agreement.

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 Fed. Reg.* 70836 (Dec. 19, 2003). Amkor alleged a violation of section 337 of the Tariff Act of 1930, as amended (19 U.S.C. § 1337), 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 concerned 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 constructions."

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 the 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 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") ordering 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 U.S. Court of Appeals for the Federal Circuit ("the Court") in *Amkor Technology*.

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 providing responses to certain questions posed by the Commission regarding the economic prong of the domestic industry requirement and the public interest. *78 Fed. Reg.* 35051 (June 11, 2013).

On April 4, 2014, the Commission determined that there is a violation of Section 337 in

the unlawful importation, sale for importation, and sale after importation by Respondents Carsem of certain encapsulated integrated circuit devices covered by one or more of claims 2-4 and 21-23 of the '277 patent. The Commission determined that the appropriate form of relief was a limited exclusion order prohibiting the unlicensed entry of covered encapsulated integrated circuit devices manufactured abroad by or on behalf of, or imported by or on behalf of, Respondents or any of their affiliated companies, parents, subsidiaries, or other related business entities, or their successors or assigns.

On May 23, 2014, both private parties jointly petitioned that the limited exclusion order issued by the Commission in the above-captioned proceeding on April 4, 2014, be rescinded pursuant to 19 U.S.C. § 1337(k) and 19 C.F.R. § 210.76(a). The petitioners submit that rescission is warranted on the basis of changed conditions of fact or law stemming from a settlement between Amkor and Carsem, which provides that all articles currently covered by the Commission's remedial order are now licensed. On May 29, 2014, the Commission investigative attorney filed his response in support of the petition.

The Commission has granted the petition. 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 C.F.R. Part 210).

By order of the Commission.

Issued: June 19, 2014.

Lisa R. Barton,

Secretary to the Commission.

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