



INTERNATIONAL TRADE COMMISSION

[Investigation No. 337-TA-1336]

Certain Semiconductor Devices, Mobile Services Contacting the Same, and Components Thereof; Notice of a Commission Determination Not to Review an Initial Determination Granting a Joint Motion to Terminate the Investigation Due to Settlement; Termination of the Investigation

AGENCY: U.S. International Trade Commission.

ACTION: Notice.

SUMMARY: Notice is hereby given that the U.S. International Trade Commission (“Commission”) has determined not to review an initial determination (“ID”) (Order No. 78) of the presiding administrative law judge (“ALJ”) granting a joint motion to terminate the investigation due to settlement.

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 may be viewed on the Commission’s electronic docket (EDIS) at <https://edis.usitc.gov>. For help accessing EDIS, please email EDIS3Help@usitc.gov. General information concerning the Commission may also be obtained by accessing its Internet server at <https://www.usitc.gov>. Hearing-impaired persons are advised that information on this matter can be obtained by contacting the Commission’s TDD terminal, telephone (202) 205-1810.

SUPPLEMENTARY INFORMATION: The Commission instituted this investigation on October 19, 2022, based on a complaint filed on behalf of Daedalus Prime LLC (“Daedalus” or “Complainant”) of Bronxville, New York. 87 FR 63524-25 (Oct. 19, 2022). The complaint, as supplemented, alleges violations of section 337 based upon the importation into

the United States, the sale for importation, and the sale within the United States after importation of certain semiconductor devices, mobile devices containing the same, and components thereof by reason of the infringement of certain claims of U.S. Patent Nos. 9,831,306 (“the ’306 patent”); 10,319,812 (“the ’812 patent”); 10,700,178; and 11,251,281. The Commission’s notice of investigation named as respondents Samsung Electronics Co., Ltd. of Suwon-si, Gyeonggi-do, Republic of Korea and Samsung Electronics America, Inc. of Ridgefield Park, New Jersey (collectively, “Samsung”); Taiwan Semiconductor Manufacturing Company Limited of Hsinchu City, Taiwan and TSMC North America of San Jose, California (collectively, “TSMC”). The Office of Unfair Import Investigations (“OUII”) is also a party in this investigation.

Subsequently, the investigation was terminated with respect to the ’306 and the ’812 patents. Order No. 35 (June 9, 2023), *unreviewed by* Comm’n Notice (July 10, 2023). Furthermore, the ALJ granted Complainant’s motion for summary determination that the TSMC respondents are not licensed to the asserted patents. Order No. 49 (July 17, 2023), *reviewed and, on review, vacated in part and affirmed in part with modified reasoning by* Comm’n Notice (August 23, 2023). Also, the investigation was terminated with respect to the Samsung respondents. Order No. 52 (August 7, 2023), *unreviewed by* Comm’n Notice (Sep. 5, 2023).

On October 18, 2023, Daedalus and the TSMC respondents (Daedalus and TSMC together, the “Moving Parties”) filed a joint motion to, *inter alia*, terminate the investigation based on settlement. (“Mot.”). On October 24, 2023, OUII filed a response supporting the motion. (“Staff Resp.”).

On November 14, 2023, the ALJ issued an ID (Order No. 78) granting the joint motion. The ID noted that, consistent with Commission Rule 210.21(b)(1), Daedalus and TSMC attach a copy of a Settlement and Patent License Agreement, a Patent Purchase Agreement, and two binding Term Sheets as Exhibits 1-4 to their motion. ID at 2. The ID further noted

that, in addition, pursuant to Commission Rule 210.21(b)(1), the motion states that “[t]here are no other agreements, written or oral, express or implied, between Daedalus and TSMC concerning the subject matter of this Investigation.” *Id.* (citing Mot. at 2).

The ID further noted that Daedalus and TSMC submit that termination “will not adversely affect the public interest” and that “[t]ermination will also conserve Commission resources, including those of the Administrative Law Judge and the Commission Investigative Staff, as well as those of the Moving Parties.” *Id.* (citing Mot. at 2-3). The ID noted that in its response to the Moving Parties’ motion to terminate, OUII states that “Staff is not aware of any reason why termination of this investigation on the basis of the Agreements would be contrary to the public health and welfare, competitive conditions in the U.S. economy, the production of like or directly competitive articles in the United States, or U.S. consumers[.]” and that “the public interest favors settlement to avoid unnecessary litigation and to conserve public and private resources.” *Id.* (citing Staff Resp. at 4). The ID found no evidence of any adverse impact on the public interest from the termination of the investigation and granted the motion thus terminating the investigation. *Id.* at 2-3.

The Commission has determined not to review the ID. The investigation is hereby terminated.

The Commission vote for this determination took place on December 14, 2023.

By order of the Commission.

Issued: December 14, 2023.

Lisa Barton,
Secretary to the Commission.