

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, D.C.

In the Matter of

**CERTAIN ENCAPSULATED
INTEGRATED CIRCUIT DEVICES AND
PRODUCTS CONTAINING SAME**

Investigation No. 337-TA-501

**NOTICE OF A COMMISSION DETERMINATION TO REQUEST BRIEFING AND SET
A SCHEDULE FOR FILING WRITTEN SUBMISSIONS ON THE ISSUES OF
ECONOMIC PRONG OF THE DOMESTIC INDUSTRY REQUIREMENT, AND
REMEDY, THE PUBLIC INTEREST, AND BONDING**

AGENCY: U.S. International Trade Commission.

ACTION: Notice.

SUMMARY: Notice is hereby given that the U.S. International Trade Commission has determined to request briefing on the economic prong of the domestic industry requirement, and on remedy, bonding and the public interest in the above-captioned 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, 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 (M) Sdn Bhd; Carsem Semiconductor Sdn Bhd; and Carsem, Inc. (collectively, "Carsem," or respondents) 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").

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 made certain findings as to the remanded issues. Specifically, with respect to the issue of infringement, the Remand ID found that (1) claims 1-4, 7, 17, 18 and 20-23 of the ‘277 patent are infringed by some or all of Carsem’s accused imported “Micro Leadframe Packages” (“MLPs”) products; (2) claims 1, 2 and 7 of the ‘728 patent are infringed by some or all of Carsem’s accused imported MLP products; and (3) claims 1, 2, 13 and 14 of the ‘356 patent are not infringed by any of Carsem’s accused imported MLP products. Furthermore, with respect to the issue of validity, the Remand ID found that claims 1, 7, 17, 18 and 20 of the ‘277 patent are invalid under 35 U.S.C. § 102(b) as anticipated by certain prior art references, but claims 2-4 and 21-23 of the ‘277 patent are not; (2) claims 1-4, 7 and 8 of the ‘728 patent are invalid under 35 U.S.C. § 102(b) as anticipated by certain prior art references; (3) claims 1, 2, 13 and 14 of the ‘356 patent are not invalid under 35 U.S.C. § 102(b) as anticipated by certain prior art references; (4) claim 1 of the ‘277 patent is invalid under 35 U.S.C. § 103(a) as obvious in view of a combination of certain prior art references; (5) claims 2-4, 7, 17, 18 and 20-23 of the ‘277 patent are not invalid under 35 U.S.C. § 103(a); (6) claims 3, 4 and 8 of the ‘728 patent are invalid under 35 U.S.C. § 103(a) as obvious in view of a combination of certain prior art references; (7) claims 1, 2 and 7 of the ‘728 patent are not invalid under 35 U.S.C. § 103(a); and (8) claims 1, 2, 13 and 14 of the ‘356 patent are not invalid under 35 U.S.C. § 103(a). Finally, with respect to the issue of the technical prong of the domestic industry requirement, the Remand ID found that Amkor satisfied the technical prong for both the ‘277 patent and the ‘728 patent, but did not meet the technical prong for the ‘356 patent.

Completion of this investigation was delayed because of difficulty in obtaining from third-party ASAT Inc. certain documents relating to ASAT’s invention (“ASAT invention”) that Carsem asserted were critical for its affirmative invalidity 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.

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 with respect to the issue of validity of the asserted patents 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. 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.

On August 22, 2012, the Federal Circuit 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. Int'l Trade Comm'n*, 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") requesting the parties to the investigation to submit initial comments regarding what further proceedings must be conducted to comply with the Federal Circuit's August 22, 2012, judgment in *Amkor Technology*. The parties filed their initial and responsive submissions.

Having examined the record in this investigation, including the parties' submissions filed in response to the Commission's Order, the Commission has determined to request briefing from the parties on only the following issues, with reference to the applicable law and the evidentiary record:

Whether there is any intervening legal precedent since the issuance of the 2004 Final ID that precludes or warrants the ALJ's determination that Amkor satisfied the economic prong of the domestic industry requirement under section 337(a)(3)(A), and did not satisfy the economic prong under section 337(a)(3)(B). *See* 19 U.S.C. § 1337(a)(3)(A) and (B).

In connection with the final disposition of this investigation, the Commission may (1) issue an order that could result in the exclusion of the subject articles from entry into the United States, and/or (2) issue one or more cease and desist orders that could result in the respondents being required to cease and desist from engaging in unfair acts in the importation and sale of such articles. Accordingly, the Commission is interested in receiving written submissions that address the form of remedy, if any, that should be ordered. If a party seeks exclusion of an article from entry into the United States for purposes other than entry for consumption, the party should so indicate and provide information establishing that activities involving other types of entry either are adversely affecting it or are likely to do so. For background, *see Certain Devices for Connecting Computers via Telephone Lines*, Inv. No. 337-TA-360, USITC Pub. No. 2843 Comm'n Op. (Dec. 1994).

If the Commission contemplates some form of remedy, it must consider the effects of that remedy upon the public interest. The factors the Commission will consider include the effect that an exclusion order and/or cease and desist orders would have on (1) the public health and welfare, (2) competitive conditions in the U.S. economy, (3) U.S. production of articles that are like or directly competitive with those that are subject to investigation, and (4) U.S. consumers. The

Commission is therefore interested in receiving written submissions that address the aforementioned public interest factors in the context of this investigation. The Commission also requests briefing as to the following question:

Whether for purposes of our public interest analysis, there are products comparable to the subject articles that are noninfringing products in the U.S. market.

If the Commission orders some form of remedy, the President has 60 days to approve or disapprove the Commission's action. During this period, the subject articles would be entitled to enter the United States under bond, in an amount determined by the Commission and prescribed by the Secretary of the Treasury. The Commission is therefore interested in receiving submissions concerning the amount of the bond that should be imposed.

WRITTEN SUBMISSIONS: The parties to the investigation are requested to file written submissions on the issues specified in this Notice. The submissions should be concise and thoroughly referenced to the record in this investigation. Parties to the investigation, interested government agencies, and any other interested persons are encouraged to file written submissions on the issues of remedy, the public interest, and bonding. Such submissions should address the recommended determination by the ALJ on remedy and bonding issued on November 18, 2004. Complainant and the Commission investigative attorney are also requested to submit proposed remedial orders for the Commission's consideration. Complainant is further requested to provide the expiration dates of the asserted patents at issue in this investigation and state the HTSUS number under which the accused articles are imported. The written submissions and proposed remedial orders must be filed no later than the close of business on Wednesday, June 19, 2013. Reply submissions must be filed no later than the close of business on Wednesday, June 26, 2013. No further submissions on these issues will be permitted unless otherwise ordered by the Commission.

Persons filing written submissions must file the original document electronically on or before the deadlines stated above and submit 8 true paper copies to the Office of the Secretary by noon the next day pursuant to section 210.4(f) of the Commission's Rules of Practice and Procedure (19 C.F.R. 210.4(f)). Submissions should refer to the investigation number ("Inv. No. 337-TA-501") in a prominent place on the cover page and/or the first page. (*See Handbook for Electronic Filing Procedures, http://www.usitc.gov/secretary/fed_reg_notices/rules/handbook_on_electronic_filing.pdf*). Persons with questions regarding filing should contact the Secretary (202-205-2000).

Any person desiring to submit a document to the Commission in confidence must request confidential treatment. All such requests should be directed to the Secretary to the Commission and must include a full statement of the reasons why the Commission should grant such treatment. *See* 19 C.F.R. § 201.6. Documents for which confidential treatment by the Commission is properly sought will be treated accordingly. A redacted non-confidential version of the document must also be filed simultaneously with the any confidential filing. All non-confidential written submissions will be available for public inspection at the Office of the Secretary and on EDIS.

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 in sections 210.42-.46 of the Commission's Rules of Practice and Procedure (19 C.F.R. §§ 210.42-.46).

By order of the Commission.

A handwritten signature in black ink, appearing to read 'Lisa R. Barton', with a stylized flourish at the end.

Lisa R. Barton
Acting Secretary to the Commission

Issued: June 5, 2013