

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, D.C. 20436

In the Matter of

**CERTAIN OPTICAL DISK CONTROLLER CHIPS
AND CHIPSETS AND PRODUCTS CONTAINING
SAME, INCLUDING DVD PLAYERS AND PC OPTICAL
STORAGE DEVICES**

Inv. No. 337-TA-506

ORDER

The Commission instituted this investigation on April 14, 2004, based on a complaint filed on behalf of Zoran Corporation and Oak Technology, Inc. both of Sunnyvale, CA (collectively “complainants”). 69 *Fed. Reg.* 19876. The complaint, as supplemented, alleged violations of section 337 of the Tariff Act of 1930 in the importation into the United States, the sale for importation, and the sale within the United States after importation of certain optical disk controller chips and chipsets and products containing same, including DVD players and PC optical storage devices, by reason of infringement of certain claims of U.S. Patent Nos. 6,466,736 (the ‘736 patent); 6,584,527 (the ‘527 patent); and 6,546,440 (the ‘440 patent). *Id.*

On May 16, 2005, the presiding administrative law judge (“ALJ”) issued his final initial determination (“ID”) finding a violation of section 337 with respect to the ‘527 patent, but no violation with respect to the ‘736 and ‘440 patents.

On July 19, 2005, the Commission determined to review the ID’s findings of fact and conclusions of law with respect to the ‘527 and ‘440 patents. 70 *Fed. Reg.* 42589-91. The Commission determined not to review the ID’s findings of fact and conclusions of law with respect to the ‘736 patent, thereby adopting them. *Id.*

On review, the Commission determined that there is a violation of section 337 as to claim 3 of the '527 patent, but no violation of the statute as to the remaining claims in issue of the '527 patent (*viz.*, claims 1 and 2) and no violation as to the claims in issue of the '440 patent (*viz.*, claims 1, 5, 7, 8, 10, 13, 14, 19, and 21). The Commission issued a limited exclusion order prohibiting the unlicensed entry of chips or chipsets covered by claim 3 of the '527 patent manufactured abroad or imported by or on behalf of respondent Mediatek, Inc., and optical storage devices containing such covered chips or chipsets that are manufactured abroad or imported by or on behalf of respondents Artronix Technology, Inc.; ASUSTek Computer, Inc.; ASUS Computer International; MSI Computer Corporation; TEAC America Inc.; EPO Science and Technology, Inc.; LITE-ON Information Technology Corp.; Micro-Star International Co., Ltd.; TEAC Corp.; or Ultima Electronics Corp (collectively, with MediaTek, Inc. "respondents"). The Commission has also determined to issue cease and desist orders directed to Artronix Technology, Inc.; ASUSTek Computer, Inc.; ASUS Computer International; MSI Computer Corporation; TEAC America Inc.; EPO Science and Technology, Inc.; and LITE-ON Information Technology Corp.

On November 23, 2005, respondents filed a Motion to Stay Enforcement of Remedial Orders Pending Appeal, and requested that the Commission expedite briefing and consideration of its motion. On November 28, 2005, complainants filed an opposition to the motion for expedited briefing and decision. On December 5, 2005, complainants filed an opposition to respondents' motion to stay. The Commission's investigative attorney ("IA") also filed a response opposing the motion on December 5, 2005.

Having examined respondents' motion, complainant's opposition, and the IA's response, the Commission declines to grant a stay of its remedial orders pending review by the Federal Circuit. Respondents have failed to demonstrate, pursuant to 5 U.S.C. § 705, that there is an admittedly difficult legal question at issue, that they will suffer irreparable harm absent a stay, or that a balance of the equities or the public interest favor granting their motion for a stay. *See Certain Agricultural Tractors Under 50 Power Take-Off Horsepower*, Inv. No. 337-TA-380, Comm'n Op. (Apr. 24, 1997).

Accordingly, the Commission hereby **ORDERS** that:

1. Respondents' request to expedite briefing and consideration of its Motion to Stay Enforcement of Remedial Orders Pending Appeal is denied.
2. Respondents' Motion to Stay Enforcement of Remedial Orders Pending Appeal is denied.
3. The Secretary shall serve copies of this Order upon each party of record in this investigation.

By Order of the Commission.

Marilyn R. Abbott
Secretary to the Commission

Issued: January 9, 2006