

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

In the Matter of

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

Inv. No. 337-TA-501

ORDER

The Commission instituted this investigation on December 19, 2003, based on a complaint filed by Amkor Technology, Inc. (“Amkor”) alleging a violation of section 337 of the Tariff Act of 1930, 19 U.S.C. § 1337, in the importation, sale for importation, and sale within the United States after importation of certain encapsulated integrated circuit devices and products containing same that allegedly infringe 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/or 14 of U.S. Patent No. 6,455,356 (“the ‘356 patent”). 68 *Fed. Reg.* 70836 (December 19, 2003). The complainant named Carsem (M) Sdn Bhd; Carsem Semiconductor Sdn Bhd; and Carsem, Inc. (collectively, “Carsem”) as respondents.

On June 7, 2004, the presiding administrative law judge (“ALJ”) issued Order No. 63 granting respondents’ motion to certify to the Commission a request for judicial enforcement of a subpoena *duces tecum* and *ad testificandum* issued on February 11, 2004, and directed to ASAT Inc., a non-party to this investigation (“ASAT enforcement proceeding”). On July 12,

2004, the Commission issued a notice of its determination to grant the request for judicial enforcement of the subpoena.

On November 18, 2004, the ALJ issued a final initial determination (“ID”) finding no violation of section 337. On February 1, 2005, the Commission determined to review the final ID in its entirety. On March 31, 2005, the Commission issued a notice of its decision and order to remand this investigation to the ALJ for further proceedings and findings in light of claim construction determinations made by the Commission and a then expected ruling by the U.S. Court of Appeals for the District of Columbia Circuit on the subpoena enforcement matter.

Upon its review of the Final ID, the Commission, *inter alia*, directed the ALJ to reopen the record to admit any new evidence that is obtained as a result of the Commission’s ASAT subpoena enforcement proceeding, and to make any necessary findings concerning Carsem’s affirmative defenses based on that evidence.

On November 9, 2005, the ALJ issued an ID on remand and a recommended determination on remedy and bond (“Remand ID”). The ALJ found a violation of section 337 with regard to claims 2, 3, 21 and 22 of the ‘277 patent, but found no violation in connection with claims 1-4, 7 and 8 of the ‘728 patent, and claims 1, 12, 13, and 14 of the ‘356 patent. The ALJ also determined that a domestic industry exists in the United States that practices the ‘277 and ‘728 patents, but no domestic industry exists in the United States that practices the ‘356 patent. All the parties to the investigation, including the Commission investigative attorney (IA), filed timely opening comments regarding various portions of the Remand ID, and all parties filed timely responsive comments.

On January 9, 2006, respondent Carsem filed a motion to extend the target date for completion of the current investigation. Both the IA and Amkor filed their timely responses. Subsequently, Carsem filed a motion for leave to file a reply in support of its motion to extend the target date with the reply attached. Amkor filed an opposition to Carsem's motion for leave to file a reply.

While a Section 337 investigation is to be completed in an expeditious manner, fairness requires that the parties have a reasonable opportunity to gather potentially probative facts and submit them for inclusion in the record. The Court of Appeals for the Federal Circuit has examined the tension that may arise between these sometimes competing considerations. In *Modine Manufacturing Co. v. United States Int'l Trade Comm'n*, 75 F.3d 1545 (Fed. Cir. 1996) the Federal Circuit stated:

Although the substantive aspects are mooted by our affirmance with respect to this issue, we have considered Modine's appeal of a discovery-related decision, to the following extent. Modine complains that the ALJ refused to reopen the record to receive newly discovered evidence relevant to the issue of obviousness. Modine states that this evidence was within the clear scope of the agreed discovery, was highly relevant to Showa's challenge to validity, and was deliberately withheld. The issue is not, as the Commission and the intervenors state, whether the ALJ had discretion to refuse to open the record because of the imminent deadline for filing the Initial Determination. The issue is whether the Commission should ignore an asserted noncompliance with agreed discovery. The Commission's statutory deadlines place a special responsibility not only on the parties, but on the Commission. Should a party withhold with impunity clearly relevant information that had been reasonably requested, the integrity of the ensuing Commission decision is jeopardized.

Modine, 75 F.3d at 1556 n.2. *Accord*, *Genentech, Inc. v. United States Int'l Trade Comm'n*, 122 F.3d 1409, 1414 (Fed. Cir. 1997) (the ALJ and the Commission abused their discretion in dismissing a Section 337 investigation where, *inter alia*, the ALJ declined to accept further submissions from a complainant “[b]ecause of the impending deadline.”) The Commission shares the Court’s concern that the “integrity of the . . . Commission decision” may be jeopardized if the record lacks certain information such as, in this case, the information sought from ASAT, Inc. by Carsem.

Having reviewed the record in this investigation, the Commission hereby **ORDERS THAT:**

- (1) Respondent Carsem’s motion is **GRANTED IN PART** to the extent that the target date for completion of this investigation is extended to a date that is three (3) months after completion of the pending ASAT, Inc. subpoena enforcement proceeding in the U.S. District Court for the District of Columbia;
- (2) Respondent Carsem’s motion for leave to file a reply in support of its motion to extend the target date is **DENIED**; and
- (3) The Secretary shall serve a copy of this Order upon each party to the investigation and publish notice thereof.

By order of the Commission.

Marilyn R. Abbott
Secretary to the Commission

Issued: February 9, 2006