

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

**Before the Honorable Theodore R. Essex  
Administrative Law Judge**

In the Matter of

CERTAIN HANDHELD ELECTRONIC  
COMPUTING DEVICES, RELATED  
SOFTWARE, AND COMPONENTS  
THEREOF

Investigation No. 337-TA-769

**UNOPPOSED MOTION OF COMPLAINANT MICROSOFT FOR PARTIAL  
TERMINATION OF THE INVESTIGATION AS TO CERTAIN ASSERTED CLAIMS**

Pursuant to 19 C.F.R. § 210.21(a)(1), in order to streamline the investigation, Complainant Microsoft Corporation hereby moves for Partial Termination of the Investigation as to Certain Asserted Claims, namely: (1) claims 1-6, 9-14, 17-26, and 29-42 of U.S. Patent No. 6,339,780 ("the '780 patent"); (2) claims 7, 9, and 11 of U.S. Patent No. 6,891,551 ("the '551 patent"); (3) claim 21 of U.S. Patent No. 6,957,233 ("the '233 patent"); (4) claims 1 and 2 of U.S. Patent No. 5,889,522 ("the '522 patent"); and (5) claim 1 of U.S. Patent No. 5,778,372 ("the '372 patent"), based on partial withdrawal of the Amended Complaint. As stated in the Amended Stipulation Regarding Assertion of Certain Claims ("Amended Stipulation"), included hereto as Attachment A to Microsoft's Memorandum in Support, the Investigation will continue as to: (1) no remaining claims of the '780 patent; (2) claims 1-3, 5, 8, and 10 of the '551 patent; (3) claim 22 of the '233 patent; (4) claim 12 of the '522 patent; and (5) claim 5 of the '372 patent.

Pursuant to Commission Rule 210.21(a)(1), Microsoft affirms that there exist no agreements, written or oral, express or implied between Microsoft and Barnes & Noble that

concern the subject matter of this Investigation as to this partial termination, other than the terms detailed in the Amended Stipulation.

Pursuant to Ground Rule 3.2, Microsoft certifies that Barnes & Noble and Inventec do not oppose this Motion, and the Commission Investigative Attorney stated that the Office of Unfair Import Investigations will take a position after reviewing the papers. Given the short amount of time remaining before the hearing on February 6, 2012, all Parties agreed to waive the 2-day rule under Ground Rule 3.2.

For the reasons stated in the attached memorandum, Complainant respectfully requests that this Investigation be terminated as to (1) claims 1-6, 9-14, 17-26, and 29-42 of the '780 patent; (2) claims 7, 9, and 11 of the '551 patent; (3) claim 21 of the '233 patent; (4) claims 1 and 2 of the '522 patent; and (5) claim 1 of the '372 patent, based on withdrawal of the Amended Complaint as to those claims only.

Dated: January 10, 2012

Respectfully submitted,

/s/ Andrew F. Pratt

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MSFT700312-2

UNITED STATES INTERNATIONAL TRADE COMMISSION  
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Administrative Law Judge

In the Matter of

CERTAIN HANDHELD ELECTRONIC  
COMPUTING DEVICES, RELATED  
SOFTWARE, AND COMPONENTS  
THEREOF

Investigation No. 337-TA-769

**MEMORANDUM IN SUPPORT OF UNOPPOSED  
MOTION OF COMPLAINANT MICROSOFT FOR PARTIAL  
TERMINATION OF THE INVESTIGATION AS TO CERTAIN ASSERTED CLAIMS**

Pursuant to 19 C.F.R. § 210.21(a)(1), in order to streamline the investigation, Complainant Microsoft Corporation submits this Memorandum in Support of its Unopposed Motion for Partial Termination of the Investigation as to Certain Asserted Claims based on partial withdrawal of the Amended Complaint, namely: (1) claims 1-6, 9-14, 17-26, and 29-42 of U.S. Patent No. 6,339,780 ("the '780 patent"); (2) claims 7, 9, and 11 of U.S. Patent No. 6,891,551 ("the '551 patent"); (3) claim 21 of U.S. Patent No. 6,957,233 ("the '233 patent"); (4) claims 1 and 2 of U.S. Patent No. 5,889,522 ("the '522 patent"); and (5) claim 1 of U.S. Patent No. 5,778,372 ("the '372 patent") (collectively, the "Withdrawn Claims"). The Investigation will continue as to those claims which Microsoft continues to assert, namely: (1) no remaining claims of the '780 patent; (2) claims 1-3, 5, 8, and 10 of the '551 patent; (3) claim 22 of the '233 patent; (4) claim 12 of the '522 patent; and (5) claim 5 of the '372 patent (collectively, the "Remaining Claims").

## **I. SUMMARY**

On March 21, 2011, Microsoft filed its Section 337 Complaint alleging infringement by Barnes & Noble, Inc., barnesandnoble.com LLC, Hon Hai Precision Industry Co., Ltd., Foxconn Electronics, Inc., Foxconn Precision Component (Shenzhen) Co. Ltd., Foxconn International Holdings Ltd., and Inventec Corporation of at least claims 1-6, 9-14, 17-26 and 29-42 of the '780 patent; at least claims 1-3, 5 and 7-11 of the '551 patent; at least claims 21 and 22 of the '233 patent; at least claims 1, 2 and 12 of the '522 patent; and at least claims 1 and 5 of the '372 patent. Microsoft filed an Amended Complaint on April 8, 2011, asserting the same patents and claims against the same Respondents. This Investigation was instituted by publication of the Notice of Investigation in the Federal Register on April 25, 2011. 76 Fed. Reg. 22918 (Apr. 25, 2011). On November 28, 2011, Order No. 23 issued, terminating Respondents Hon Hai Precision Industry Co., Ltd., Foxconn Electronics, Inc., Foxconn Precision Component (Shenzhen) Co. Ltd., and Foxconn International Holdings Ltd. Pursuant to Order No. 4, the hearing is set for February 6, 2010.

In accordance with the attached Amended Stipulation (Attachment A), Microsoft now seeks to withdraw the allegations of infringement as to the Withdrawn Claims to conserve the resources of the Commission, as well as those of the parties. Terminating the Investigation as to the Withdrawn Claims does not prejudice the Respondents and will conserve the resources of the Parties and the Commission by streamlining the issues in dispute. Furthermore, there are no exceptional circumstances that require continuation of the Investigation as to the Withdrawn Claims. Accordingly, the Investigation should be terminated as to the Withdrawn Claims only.

## **II. ARGUMENT**

Commission Rule 210.21(a)(1) expressly authorizes partial termination of an investigation prior to a determination on the merits. The Rule provides that:

Any party may move at any time prior to the issuance of an initial determination on violation of section 337 of the Tariff Act of 1930 to terminate an investigation in whole or in part as to any or all respondents, on the basis of withdrawal of the complaint or certain allegations contained therein, or for good cause other than the grounds listed in paragraph (a)(2) of this section.

19 C.F.R. § 210.21(a)(1). In order to streamline the investigation, withdrawal of the Amended Complaint and termination of the Investigation as to these claims is appropriate. *See, e.g., Certain Video Game Mach. & Related Three-Dimensional Pointing Devices ("Video Game Mach."),* Inv. No. 337-TA-658, Order No. 42, 2009 WL 1579955, at \*1 (June 3, 2009) (granting motion to withdraw claims).

The Commission has held that "in the absence of extraordinary circumstances, termination of the investigation will be readily granted to a complainant during the prehearing stage of an investigation." *Certain Ultrafiltration Membrane Sys., & Components Thereof, Including Ultrafiltration Membranes,* Inv. No. 337-TA-107, Comm'n Action and Order at 2 (Mar. 11, 1982); *see also Certain Flip-Top Vials & Prods. Containing Same,* Inv. No. 337-TA-779, Order No. 9 at 1-2 (Unreviewed ID) (Aug. 29, 2011). When a complainant moves to withdraw the complaint, public policy supports termination in order to conserve public and private resources. *Certain Semiconductor Light Emitting Devices, Components Thereof, & Prods. Containing Same,* Inv. No. 337-TA-444, Order No. 7 (June 27, 2001). The "extraordinary circumstances" that support continuation of an investigation are very limited. For example, a respondent's objection to termination does not constitute an exceptional circumstance warranting denial of a motion to terminate based on withdrawal of a complaint. *See, e.g., Certain Single In-Line Memory Modules & Prods. Containing Same,* Inv. No. 337-TA-336, Initial Determination, 1992 WL 811387 (June 18, 1992). Similarly, the time and effort expended by parties during discovery does not constitute an exceptional circumstance. *Id.* In addition, a

pending motion for summary determination is not an exceptional circumstance sufficient to deny a motion for termination. *See Certain Transport Vehicle Tires*, Inv. No. 337-TA-390, Order No. 17 (Jan. 30, 1997).

Here, there are no exceptional circumstances that require continuation of the Investigation as to the Withdrawn Claims. Moreover, the removal of the Withdrawn Claims will be beneficial to all parties, and it will simplify the Investigation, streamline the hearing and post-hearing issues, and conserve the ALJ's time and effort in considering the claims in dispute. *Video Game Mach.*, Inv. No. 337-TA-658, Order No. 42, 2009 WL 1579955 at \*1, (June 3, 2009) (referencing multiple investigations to support the ALJ's grant of a motion to withdraw certain patent claims from the investigation); *see also Certain GPS Devices & Prods. Containing Same*, Inv. No. 337-TA-602, Order No. 16, 2008 WL 402149, \*1 (Feb. 5, 2008) (holding that "such an amendment will streamline the investigation"). Accordingly, this Investigation should be terminated as to the Withdrawn Claims based on the partial withdrawal of the Amended Complaint.

### III. CONCLUSION

For the foregoing reasons, Microsoft respectfully requests that the Investigation be partially terminated as to: (1) claims 1-6, 9-14, 17-26, and 29-42 of the '780 patent; (2) claims 7, 9, and 11 of the '551 patent; (3) claim 21 of the '233 patent; (4) claims 1 and 2 of the '522 patent; and (5) claim 1 of the '372 patent based on withdrawal of allegations set forth in the Amended Complaint.

Dated: January 10, 2012

Respectfully submitted,

/s/ Andrew F. Pratt

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# **ATTACHMENT A**

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

Before the Honorable Theodore R. Essex  
Administrative Law Judge

**In the Matter of**

**CERTAIN HANDHELD ELECTRONIC  
COMPUTING DEVICES, RELATED  
SOFTWARE, AND COMPONENTS  
THEREOF**

**Investigation No. 337-TA-769**

**AMENDED STIPULATION REGARDING ASSERTION OF CERTAIN CLAIMS**

Complainant Microsoft Corporation ("Microsoft") and Respondents Barnes & Noble, Inc. and barnesandnoble.com LLC (collectively, "Barnes & Noble"), collectively referred to as "the Parties," hereby stipulate and agree as follows:

1. To simplify the above-captioned Investigation, streamline the hearing, and conserve the Parties' and Commission's resources in consideration of the amount of time allotted for the hearing, Microsoft hereby withdraws from this Investigation its infringement allegations as to (1) claims 1-6, 9-14, 17-26, and 29-42 of U.S. Patent No. 6,339,780, leaving no asserted claims of that patent; (2) claims 7, 9, and 11 of U.S. Patent No. 6,891,551, leaving claims 1-3, 5, 8 and 10 as the only asserted claims of that patent; (3) claim 21 of U.S. Patent No. 6,957,233, leaving claim 22 as the only asserted claim of that patent; (4) claims 1 and 2 of U.S. Patent No. 5,889,522, leaving claim 12 as the only asserted claim of that patent; and (5) claim 1 of U.S. Patent No. 5,778,372, leaving claim 5 as the only asserted claim of that patent. This stipulation shall not impact any of the other asserted claims. This stipulation is also not an admission as to the merits of any claim.

2. Respondents agree not to use the fact that Microsoft has withdrawn its infringement allegations regarding any of the foregoing claims as evidence in support of their affirmative defense of patent misuse or in support of any other claim, defense or cause of action in this Investigation. Other than the fact that Microsoft has withdrawn the above-referenced claims in this Investigation, Respondents reserve the right to continue to use U.S. Patent No. 6,339,780, U.S. Patent No. 6,891,551, U.S. Patent No. 6,957,233, U.S. Patent No. 5,889,522 and U.S. Patent No. 5,778,372 (and their accompanying claims) for any other purpose in support of their affirmative defense of patent misuse, or in support of any other claim, defense or cause of action (including, but not limited to, the fact that Microsoft has asserted infringement claims against Respondents relating to these five patents).

3. Respondents agree that Microsoft preserves the right to present technical evidence, including testimony disclosed in its expert reports as to infringement or validity, for the above-withdrawn claims if Respondents present technical evidence regarding such withdrawn claims in support of their affirmative defense of patent misuse, or in support of any other claim, defense or cause of action.

4. Respondents reserve the right to respond to any lawful requests or demands from a court of competent jurisdiction or from any third party with the legal authority to require a response from Respondents relating to, among other things, the fact that Microsoft has withdrawn its infringement allegations against Respondents for the above-referenced claims of U.S. Patent No. 6,339,780, U.S. Patent No. 6,891,551, U.S. Patent No. 6,957,233, U.S. Patent No. 5,889,522 and U.S. Patent No. 5,778,372.

Dated: January 10, 2012

/s/ Andrew F. Pratt

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**CERTIFICATE OF SERVICE**

I hereby certify that a copy of the foregoing **UNOPPOSED MOTION OF COMPLAINANT MICROSOFT FOR PARTIAL TERMINATION OF THE INVESTIGATION AS TO CERTAIN ASSERTED CLAIMS AND MEMORANDUM IN SUPPORT THEREOF** was served to the parties, in the manner indicated below, this 10<sup>th</sup> day of January 2012:

The Honorable James R. Holbein  
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VIA ELECTRONIC FILING  
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VIA HAND DELIVERY

Jeffrey Hsu  
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VIA HAND DELIVERY  
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