

**PUBLIC VERSION**

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

In the Matter of

CERTAIN ELECTRONIC DEVICES,  
INCLUDING WIRELESS  
COMMUNICATION DEVICES,  
PORTABLE MUSIC AND DATA  
PROCESSING DEVICES, AND TABLET  
COMPUTERS

Investigation No. 337-TA-794

**RESPONDENT APPLE INC.'S NOTICE OF NEW AUTHORITY AND NEW FACTS  
RELEVANT TO ISSUES ON REVIEW**

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Apple submits this notice to inform the Commission of (a) new authority, specifically, a decision from the United States District Court for the Northern District of California, and (b) new facts, namely, recent Samsung submissions to a federal court that directly conflict with Samsung's arguments to the Commission. Both are highly relevant to the issues under review.

### *Realtek Semiconductor Corporation v. LSI Corporation*

1. On Monday, Judge Whyte in the Northern District of California decided a summary judgment and preliminary injunction motion in *Realtek Semiconductor Corporation v. LSI Corporation*. (Case No. C-12-03451-RMW, slip op. (N.D. Cal. May 20, 2013), attached as Exhibit A.) The court “GRANT[ED] Realtek’s partial motion for summary judgment that defendants breached their RAND licensing obligations to Realtek *by failing to offer a license to the declared standard essential ’958 and ’867 patents before filing a Section 337 action at the ITC seeking an exclusion order and injunctive relief,*” and “GRANT[ED] Realtek’s request for a preliminary injunction *barring defendants from enforcing any exclusion order or injunctive relief by the ITC*, which shall remain in effect until this court has determined defendants’ RAND obligations and defendants have complied therewith.” (*Id.* at 15 (emphases added).)

2. As factual background, Agere Systems LLC (a subsidiary of and co-defendant with LSI Corporation) had engaged in limited negotiations in 2002 and 2003 with Realtek regarding a license to Agere patents declared essential to the 802.11 wireless communications standard; these preliminary negotiations ended shortly thereafter, but during the discussions Agere stated that it was “willing to offer Realtek a license to essential claims of Agere patents for implementing the 802.11b standard at a royalty rate of 5.00% on all 802.11b products sold by Realtek.” (*Id.* at 2-3.) In early 2012, LSI contacted Realtek, alleging infringement of at least two of the patents that Agere had previously raised with Realtek. (*Id.* at 3.) LSI and Agere then

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filed an ITC complaint against Realtek on those same two patents. (*Id.*) After the ITC instituted an investigation, Realtek sent a letter to LSI requesting RAND license terms for the two patents. (*Id.* at 3-4.) In response, LSI sent a proposal that “reflects the total value of the end product rather than the value of the component that Realtek supplies.” (*Id.* at 4.) Realtek then filed the Northern District of California action “asserting that defendants breached their RAND licensing obligations by initiating the ITC Section 337 action naming Realtek as a respondent before approaching Realtek with a RAND licensing offer.” (*Id.*)

3. The court stated that the “question is whether defendants, by instigating an ITC Section 337 action naming Realtek as a respondent *prior to* offering a RAND license to Realtek, violated their contractual obligations to the IEEE and to Realtek to license their standard-essential patents under RAND terms. The court concludes that they did.” (*Id.* at 7.) The court recognized that “the act of seeking injunctive relief (here, at the ITC *before* proposing a RAND license to Realtek) is inherently inconsistent and a breach of defendants’ promise to license the patents on RAND terms.” (*Id.* at 9.)

4. The court acknowledged the narrow exception “where an accused infringer of a standard-essential patent outright *refuses* to accept a RAND license,” but found that Realtek’s pursuit of defenses to infringement, and its preservation of rights to appeal, did not constitute such a refusal. (*Id.* at 10.) The court further found that the pre-suit discussions between the parties did not include a RAND offer by Agere or LSI. (*Id.* at 11 (“The 2002 and 2003 correspondence regarding the IEEE 802.11b standard do not amount to a RAND offer . . . . Moreover, LSI’s March 7, 2012 letter did not offer a license . . . .”).) The court determined that “[u]nless and until Realtek were to refuse a license under the court’s-determined RAND terms

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(which Realtek indicates it will *not* do), then any exclusion order or injunctive relief is inconsistent with defendants' RAND obligations." (*Id.* at 12.)

5. The court weighed the equities relating to a preliminary injunction against enforcement of any ITC remedy, and concluded:

- (a) that Realtek not only had a likelihood of success on the merits of its breach-of-RAND claims, the court was finding in Realtek's favor on this claim (*id.* at 12);
- (b) "that the threat of an exclusion order has harmed [Realtek's] reputation and poses an imminent threat of customer and revenue loss," and that an actual exclusion order would indisputably impose irreparable harm on Realtek (*id.* at 12-13);
- (c) that the balance of equities favored a preliminary injunction against an exclusion order, including because an exclusion order would "force[] [Realtek] to negotiate a license in the disadvantaged position of having an exclusion order hanging over its head" (*id.* at 13); and
- (d) "the preliminary injunction serves the public interest by 'mak[ing] clear that commitments to make patents available on reasonable terms matter'" (*id.* (quoting Opening Remarks of Federal Trade Commission Chairman Jon Leibowitz as Prepared for Delivery in *In the Matter of Motorola Mobility LLC, a limited liability company, and Google, Inc., a corporation* at 3, FTC File No. 121-0120 (Jan. 3, 2013))).

The court enjoined the defendants (ITC complainants LSI and Agere) "from enforcing any exclusion order or injunctive relief by the ITC that they might obtain against Realtek with respect to the '958 and '867 declared standard essential patents." (*Id.* at 14.)

6. The *Realtek* case is strikingly similar to the instant case. Samsung brought an ITC complaint before making *any* offer specific to its declared-essential patents, let alone a

FRAND-compliant offer. Just as in *Realtek*, when Apple responded to the ITC complaint by requesting that Samsung provide FRAND terms for the specific asserted patents, Samsung responded by making a non-FRAND demand based on the total price of the accused Apple products—rather than the cost of the relevant accused components. Indeed, Samsung’s conduct here is even more egregious—

[REDACTED]

[REDACTED] In short, just as in *Realtek*, Samsung’s pursuit of an ITC exclusion order directly conflicts with its FRAND commitments.

*Ericsson Inc. v. Samsung Electronics Co., Ltd.*

7. As the judicial decisions and regulatory actions enforcing FRAND commitments continue to mount, Samsung itself has sought to benefit from the legal backlash against FRAND abuse, in a case in which Samsung is allegedly a victim of the same misconduct in which Samsung itself has engaged against Apple. In *Ericsson Inc. v. Samsung Electronics Co., LTD.*, in the United States District Court for the Eastern District of Texas, Ericsson has asserted patents that were declared essential to, e.g., certain cellular communications standards. Samsung has responded by raising defenses that parallel those Apple has asserted in the 794 investigation. (See Exhibit B, Defendant Samsung’s Response to Ericsson’s Answer, Affirmative Defenses, and Counterclaims to Samsung’s First Amended Answer, Affirmative Defenses, and Counterclaims, May 16, 2013.)

8. These parallel arguments include:

(a) arguing that Ericsson’s claims are “barred in whole or in part pursuant to a covenant not to sue, as express and/or implied license, and/or the doctrine of patent exhaustion” based on an agreement between Qualcomm and Ericsson (*id.* ¶¶ 157-58);

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(b) contending that Ericsson’s claims are “barred in whole or in part by reason or estoppel, unclean hands, waiver, and/or other equitable doctrines based on Plaintiff’s failure to comply with its contractual obligations” made to, e.g., ETSI and IEEE, (*id.* ¶ 160), including by seeking “to exclude Samsung’s products from the United States without ever offering a license on FRAND terms” (*id.* ¶172); and

(c) arguing that Ericsson’s claims were further barred because it “fail[ed] to use reasonable endeavors to inform ETSI, IEEE, and 3GPP in a timely fashion of the existence of the purported IPR [intellectual property rights] relating to the one or more patents asserted herein thus constituting further breach of tis obligations to the respective SSO and its members” (*id.* ¶ 173).

On each issue—rights arising from supplier agreements (Qualcomm and Intel), breach of FRAND obligations, and breach of disclosure obligations—Samsung has made inconsistent arguments in the 794 investigation. Samsung has denied rights from supplier agreements, treated FRAND as effectively meaningless, and minimized the effect of disclosure requirements. Samsung’s affirmative defenses and counterclaims in the *Ericsson* case undercut the credibility of the positions that Samsung has taken before the Commission.

\* \* \* \* \*

The *Realtek* decision and the Samsung submissions in the *Ericsson* case provide yet further grounds for concluding that it would subvert the public interest to issue an exclusionary remedy to Samsung on declared-essential patents in the 794 investigation.

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Respectfully submitted,  
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# **EXHIBIT A**



1 enforce, any exclusion order or injunction with respect to the alleged standard-essential patents  
 2 pending a full "RAND trial" on the merits. Defendants cross-move to stay the case pending the  
 3 resolution of the ITC action on the basis that Realtek is asserting the same arguments and facts  
 4 before the ITC.

## 5 I. BACKGROUND

### 6 A. The Standard and the Parties

7 The standard at issue is the Institute of Electronics Engineers' ("IEEE") standard for wireless  
 8 Internet connectivity known as "WLAN," "Wi-Fi" or "802.11" (the "802.11 standard").<sup>1</sup> Defendant  
 9 Agere owns two patents, U.S. Patent Nos. 6,452,958 ("958 patent") and 6,707,867 ("867 patent")  
 10 that it designated as essential to the 802.11 standard. Agere was incorporated in 2000 as a result of  
 11 a reorganization of Lucent Technologies, Inc., in which Lucent spun off its optoelectric components  
 12 and microelectronic business into Agere. Defendant LSI acquired Agere in 2001, and Agere is a  
 13 now wholly owned subsidiary of LSI. Realtek is a Taiwanese integrated circuit designer and  
 14 supplier, including integrated circuits for WLAN technology.

### 15 B. Defendants' Letters of Assurance and Licensing Proposals

16 Prior to the release of the 802.11 protocols at issue, in 2003 and 2004, Agere submitted  
 17 Letters of Assurance, as required by the IEEE Standards Board Bylaws, stating that it "is prepared  
 18 to grant a license to an unrestricted number of applicants on a worldwide, non-discriminatory basis  
 19 and on reasonable terms and conditions to comply with the [Proposed] IEEE Standard." Daire  
 20 Decl., Ex. D (Dkt. No. 67-6) (Letters of Assurance) (alteration in original). Agere's 2003 Letters of  
 21 Assurance identified the '958 and '867 patents or applications leading up thereto as including "one  
 22 or more claims that may be required to practice the draft standard for IEEE 802.11e [or 802.11g]."  
 23 *Id.* The 2004 Letter of Assurance made a similar promise with respect to the IEEE 802.11n  
 24 standard, but stated that the specific patents essential to that standard were "unknown." *Id.*

#### 25 1. 2002/2003 ccorrespondences regarding the IEEE 802.11b standard

26 On October 22, 2002, Agere first contacted Realtek suggesting that Realtek take a license to  
 27 certain Agere patents, including the '958 patent, allegedly essential to the IEEE 802.11b standard.

28 <sup>1</sup> For a more detailed description of the history of the 802.11 standard, see the court's Order Granting in Part and Denying in Part Mot. to Dismiss at 2, Dkt. No. 41.

1 Daire Decl., Ex. F (Dkt. No. 67-8) (2002/2003 letters).<sup>2</sup> Agere's letter stated that Agere was  
 2 "willing to offer Realtek a license to essential claims of Agere patents for implementing the 802.11b  
 3 standard at a royalty rate of 5.00% on all 802.11b products sold by Realtek." *Id.* Realtek replied to  
 4 the letter seeking more specific information regarding Agere's infringement contentions. *Id.*  
 5 (January 24, 2003 letter). Agere offered to set up a conference call with its patent counsel "to  
 6 highlight some of the particular claims of the previously referenced Agere patents that [it] believe[d]  
 7 [we]re relevant to the 802.11b standard." *Id.* (February 5, 2003 letter). Apparently having not heard  
 8 back, Agere again contacted Realtek a few weeks later to check on "the status of Realtek's analysis  
 9 and response to Agere's offer to license essential claims relating to the 802.11b standard." *Id.*  
 10 (March 31, 2003 letter). The correspondences between the parties apparently ceased after this last  
 11 communication, and Realtek never took a license.

## 12 **2. 2012 correspondences**

13 It was not until March 7, 2012 that a representative of LSI again contacted Realtek and  
 14 asserted that Realtek products, as incorporated into certain third-party devices, infringe, *inter alia*,  
 15 the '958 and '867 patents. Daire Decl., Ex. I (Dkt. No. 67-11) (March 7, 2012 letter). LSI's March  
 16 7, 2012 letter did not offer a license, but rather asked Realtek to immediately cease and desist from  
 17 the allegedly infringing activities. *Id.* Less than a week later, defendants filed a complaint with the  
 18 ITC naming Realtek and others as respondents and alleging, *inter alia*, that Realtek infringed the  
 19 '958 and '867 patents. *Id.*, Ex. J (Dkt. No. 67-12) ("ITC Complaint"). Based on the ITC Complaint,  
 20 the ITC instituted Investigation No. 337-TA-837 on April 11, 2012. *Id.*, Ex. K (Dkt. No. 67-13)  
 21 (ITC Notice). By way of the ITC Section 337 action, defendants seek: (1) a "limited exclusion  
 22 order" excluding the accused products from entry into the United States; and (2) "permanent cease-  
 23 and-desist orders" barring Realtek from, *inter alia*, importing the accused products into the United  
 24 States. ITC Complaint at 55-56.

25 A little over a month after LSI instigated the ITC proceeding, Realtek sent a letter to LSI  
 26 requesting that it make the '958 and '867 patents available for a RAND license pursuant to

27  
 28 <sup>2</sup> IEEE 802.11b is an earlier, 1999 amendment to the IEEE 802.11 standard. Compl. ¶ 28. IEEE 802.11e and 802.11g were 2005 and 2007 amendments to the standard (later consolidated into "IEEE 802.11-2007"). *Id.* IEEE 802.11n is the 2009 amendment to the standard. *Id.*

1 defendants' designation of these patents as essential to the IEEE 802.11 standard and their promise  
2 in the Letters of Assurance to the IEEE to license on RAND terms. Daire Decl., Ex. M (Dkt. No.  
3 67-15) (May 24, 2012 "RAND" request). In response, LSI sent a "RAND" license proposal to  
4 Realtek. Pannell Decl., Ex. 5 (Dkt. No. 78-5) (LSI's June 20, 2012 email to Realtek attaching  
5 "RAND proposal for Realtek"); Daire Decl., Ex. N. (Dkt. No. 67-16) ("RAND" proposal) (under  
6 seal). Plaintiff contends that defendants' June 20, 2012 "RAND" proposal, the content of which is  
7 under seal, is inherently unreasonable because it reflects the total value of the end product rather  
8 than the value of the component parts that Realtek supplies, and would require Realtek to pay a  
9 royalty that exceeds the selling price of Realtek's products. Compl. ¶¶ 43, 44.

### 10 C. Procedural History

11 On June 29, 2012, Realtek filed the instant action asserting that defendants breached their  
12 RAND licensing obligations by initiating the ITC Section 337 action naming Realtek as a  
13 respondent before approaching Realtek with a RAND licensing offer. Specifically, Realtek asserted  
14 causes of action for: (1) breach of contract, (2) promissory estoppel, (3) declaratory judgment that  
15 defendants' must offer Realtek a RAND license or that the alleged "essential" patents are  
16 unenforceable as to Realtek, and (4) unfair competition under California Business and Professions  
17 Code § 17200. In its order on defendants' motion to dismiss, the court sustained the first three  
18 causes of action and dismissed Realtek's unfair competition claim. Order Granting in Part and  
19 Denying in Part Mot. to Dismiss ("MTD Order"), Dkt. No. 41.

20 Realtek now moves for partial summary judgment on the breach of contract claim and for an  
21 order enjoining defendants' from enforcing any exclusion order or injunctive relief with respect to  
22 the declared IEEE 802.11 standard-essential patents. Defendants cross-move for an order staying  
23 this case pending the resolution of the ITC action. For the purposes of these motions, the  
24 reasonableness of defendants' June 20, 2012 post-litigation license proposal is not at issue. Rather  
25 the issue is limited to whether defendants' initiation of the ITC Section 337 action naming Realtek  
26 as a respondent *before* offering a RAND license to Realtek is a *per se* breach of defendants'  
27 obligation to license its declared IEEE 802.11 standard-essential patents on RAND terms.  
28

## II. PARTIES' ARGUMENTS

### A. Realtek's Motion for Partial Summary Judgment for Breach of Contract

Realtek argues that partial summary judgment for breach of contract is appropriate because:

(1) LSI entered into enforceable contracts with the IEEE to license its declared standard-essential patents on RAND terms; (2) Realtek is a third party beneficiary to the contract; (3) LSI breached the contract as a matter of law by failing to satisfy its RAND obligations *before* seeking an exclusion order and injunctive relief before the ITC; and (4) Realtek suffered damage as a result of the breach. According to Realtek, "[i]n the context of letters of assurance to standards setting bodies, numerous other courts have found viable breach of contract claims based on the promisor's obligation to offer RAND licenses." Pl.'s Mot. 12 (citing *Microsoft Corp. v. Motorola, Inc.*, 854 F. Supp. 2d 993, 1002 (W.D. Wash. 2012), *Apple Inc. v. Motorola Mobility, Inc.*, 2011 WL 7324582, at \*8-10 (W.D. Wis. June 7, 2011), *Research in Motion Ltd. v. Motorola, Inc.*, 644 F. Supp. 2d 788, 797 (N.D. Tex. 2008) and *ESS Tech, Inc. v. PC-Tel, Inc.*, 1999 WL 33520483, at \*4 (N.D. Cal. Nov. 4, 1999)). Moreover, plaintiffs contend that, "for RAND-encumbered patents, injunctive relief such as an exclusion order may not be an appropriate remedy *at any time*." Pl.'s Mot. 14 (citing *Microsoft Corp. v. Motorola, Inc.*, 696 F.3d 872, 885 (9th Cir. 2012), *Apple, Inc. v. Motorola, Inc.*, 869 F. Supp. 2d 901, 914 (N.D. Ill. 2012) and *Microsoft Corp. v. Motorola, Inc.*, 2012 WL 5993202, at \*7-8 (W.D. Wash. Nov. 30, 2012)). Realtek argues that LSI's June 20, 2012 post-litigation "RAND" license proposal does not satisfy defendants' promise to the IEEE to license on RAND terms because "making a proposal while simultaneously seeking an exclusion order is inherently inconsistent with a patent holder's RAND obligations." Pl.'s Br. 16, Dkt. No. 67.

In light of its position, Realtek seeks an order enjoining defendants from enforcing any exclusion order or injunctive relief that the ITC may provide until *after* a RAND license offer has been determined by this court. Realtek asserts that an injunction is proper because: (1) it may permanently lose customers if defendants obtain an exclusion order before the RAND licensing issues are tried in this case; and (2) defendants have an adequate remedy without the threat of an exclusion order, namely a reasonable royalty.<sup>3</sup>

<sup>3</sup> Realtek asks the court to take judicial notice of three documents: (1) a January 8, 2013 Joint Policy Statement issued by the U.S. Department of Justice and the U.S. Patent & Trademark Office; (2) the ORDER GRANTING PARTIAL MSJ AND DENYING MOTION TO STAY Case No. C-12-03451-RMW; ALG

1 Defendants counter that Realtek's motion for partial summary judgment is premature  
 2 because it still needs deposition testimony from Realtek's designated witnesses to properly respond  
 3 to the motion. For example, defendants assert that they need information regarding, *inter alia*,  
 4 Realtek's willingness to accept a RAND license and Realtek's existing licenses, specifically to any  
 5 patents essential to the 802.11 standard. Defendants contend that, because it is premature, the court  
 6 should deny or continue Realtek's motion for summary judgment under Federal Rule of Civil  
 7 Procedure ("Rule") 56(d), and instead grant its motion to stay.

### 8 **B. Defendants' Motion to Stay**

9 Defendants argue that because Realtek is asserting that defendants breached their RAND  
 10 obligation as an affirmative defense in the ITC action, this court should exercise its discretion to  
 11 stay this case pending the ITC's resolution of the issue. In support of their position, defendants  
 12 argue that: (1) according to defendants' interpretation of Realtek's response to their request for  
 13 admission ("RFA"), Realtek would not accept any RAND license determined by this court in any  
 14 event until *after* the ITC investigation is complete and its noninfringement and invalidity  
 15 contentions have been resolved in that forum; and (2) a stay of this action would cause no harm to  
 16 Realtek because the only harm Realtek can point to is future harm *if* the ITC enters an exclusion  
 17 order.

18 Realtek counters that a stay is inappropriate because the ITC proceeding involves entirely  
 19 different claims and remedies. Realtek contends that the ITC proceeding is primarily dedicated to  
 20 resolving infringement and invalidity issues, not the RAND licensing issue, whereas here, all three  
 21 remaining claims relate specifically to defendants' alleged breach of their RAND obligations.  
 22 Realtek also points to the fact that no damages are sought or available in the ITC proceeding (the  
 23 sole relief to Realtek would be a finding of no violation of Section 337 and no exclusion order), and  
 24 that Realtek does not actually seek a determination of the RAND rate itself in the ITC proceeding,

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25 January 3, 2013 Opening Remarks of the U.S. Federal Trade Commission ("FTC") Chairman Jon  
 26 Leibowitz as Prepared for Delivery in *In the Matter of Motorola Mobility LLC and Google Inc.*,  
 27 FTC File No. 121-0120; and (3) the January 3, 2012 Decision and Order of the FTC in *In the Matter*  
 28 *of Motorola Mobility LLC and Google Inc.* The court considers these documents as part of the  
 record but need not judicially notice these documents. *See, e.g., Jones v. Tozzi*, 2006 WL 355175,  
 \*1 n.1 (E.D. Cal. Feb. 15 2006) ("It is not necessary for the court to take judicial notice of published  
 judicial decisions or of documents that are part of the record of this case. Plaintiff may simply cite  
 to these sources in his legal papers.").

1 which it does seek here. According to Realtek, although there is some overlap, the RAND-related  
2 documentary evidence in this case is substantially different and more extensive than that before the  
3 ITC, and the witnesses are not all the same. Finally, Realtek asserts that: (1) contrary to defendants'  
4 interpretation of its RFA response, it *is* a willing RAND licensee, as long as it can preserve its right  
5 to appeal and to maintain its invalidity and noninfringement defenses before the ITC; (2) it may  
6 simultaneously pursue a determination of the RAND rate in this court while denying infringement  
7 before the ITC, *see* MTD Order at 7; and (3) there is no reason for this court to wait before  
8 determining the RAND royalty rate.

### 9 III. ANALYSIS

#### 10 A. Breach of Contract

11 There is no dispute in this case that defendants entered into a binding contract with the IEEE  
12 to license their declared standard-essential patents, including the '958 and '867 patents, on RAND  
13 terms, and that Realtek is a third party beneficiary to that contract. The only question is whether  
14 defendants, by instigating an ITC Section 337 action naming Realtek as a respondent *prior to*  
15 offering a RAND license to Realtek, violated their contractual obligations to the IEEE and to  
16 Realtek to license their standard-essential patents under RAND terms. The court concludes that  
17 they did. This holding is consistent with the Ninth Circuit's recent decision in *Microsoft Corp. v.*  
18 *Motorola, Inc.*, 696 F.3d 872 (9th Cir. 2012).

#### 19 1. *Microsoft v. Motorola*

20 In *Microsoft v. Motorola*, Motorola (the declared standard-essential patent holder) sent  
21 Microsoft an offer to license certain of its declared standard-essential patents. *Id.* at 877. Microsoft,  
22 believing that the offer was unreasonable, instigated a breach of contract action in the U.S. District  
23 Court for the Western District of Washington alleging that Microsoft's unreasonable offer was a *per*  
24 *se* breach of its RAND obligations. *Id.* at 878. Meanwhile, Motorola sought an injunction in  
25 Germany to bar Microsoft from selling the allegedly infringing products in Germany. *Id.* at 879.  
26 Microsoft then moved the district court for a temporary restraining order ("TRO") and preliminary  
27 injunction to enjoin Motorola from enforcing any injunctive relief it might receive from the German  
28 court until the district court ruled on the RAND issues. *Id.* at 880.

1 First, the district court held that Motorola entered into binding contractual commitments to  
2 the IEEE and International Telecommunications Union ("ITU") and to Microsoft (as a third-party  
3 beneficiary to the contract) to license its declared essential patents on RAND terms and must do so,  
4 but denied summary judgment on the issue of whether Motorola's allegedly unreasonable offer  
5 letters were a *per se* breach of its RAND obligations. *Id.* at 878-79. Second, the district court  
6 issued an anti-suit injunction barring Motorola from "enforcing any injunctive relief it may receive  
7 in the German Action." *Id.* at 880 (citing the district court order of May 14, 2012, Case No. 10-  
8 1823, Dkt. No. 318 (W.D. Wash.)). The district court held that the anti-suit injunction would  
9 "remain in effect until [the district court] is able to determine whether injunctive relief is an  
10 appropriate remedy for Motorola to seek with respect to Microsoft's alleged infringement of  
11 Motorola's standard-essential patents." *Id.*

12 Motorola appealed the anti-suit injunction to the Ninth Circuit, and the circuit court affirmed  
13 under an abuse of discretion standard. *Id.* at 885. In so affirming, the district court first upheld  
14 "[t]he district court's conclusions that Motorola's RAND declarations to the ITU created a contract  
15 enforceable by Microsoft as a third-party beneficiary . . . , and that this contract governs in some  
16 way what actions Motorola may take to enforce its ITU standard-essential patents (including the  
17 patents at issue in the German suit)" were not legally erroneous. *Id.* at 884. The circuit court  
18 explained that "Motorola, in its declaration to the ITU, promised to 'grant a license to an unrestricted  
19 number of applicants on a worldwide, non-discriminatory basis and on reasonable terms and  
20 conditions to use the patented material necessary' to practice the ITU standards" and "*implicit in  
21 such a sweeping promise is, at least arguably, a guarantee that the patent-holder will not take steps  
22 to keep would be users from using the patented material, such as seeking an injunction, but will  
23 instead proffer licenses consistent with the commitment made.*" *Id.* (emphasis added). The Ninth  
24 Circuit then affirmed the anti-suit injunction, holding: "[T]he district court did not abuse its  
25 discretion in determining that Microsoft's contract-based claims, including its claim that the RAND  
26 commitment precludes injunctive relief, would, if decided in favor of Microsoft, determine the  
27 propriety of the enforcement by Motorola of the injunctive relief obtained in Germany." *Id.* at 885.  
28 The circuit court further stated that "even if Motorola did not breach its contract, . . . *injunctive*

1 relief against infringement is arguably a remedy inconsistent with the licensing commitment." *Id.*  
2 (emphasis added).

3 In November 2012, the district court finally determined that any form of injunctive relief  
4 was improper because, in light of its commitment to license on F/RAND terms, "Motorola has not  
5 shown it has suffered an irreparable injury or that remedies available at law are inadequate."  
6 *Microsoft, Corp. v. Motorola, Inc.*, 2012 WL 5993202, at \*7-8 (W.D. Wash. Nov. 30, 2012). This  
7 decision "enjoin[ed] Motorola from seeking injunctive relief against Microsoft with respect to  
8 Motorola's [relevant] standard essential patent portfolios," which included the German patents and  
9 obviated the need for the anti-suit injunction. *Id.* at 8.

## 10 2. Application

11 Similar to the situation in *Motorola*, here, defendants' are contractually obligated under their  
12 Letters of Assurance to the IEEE to license the '958 and '867 patents on RAND terms and Realtek is  
13 a third-party beneficiary to that contract (this is not disputed). Also, like in *Motorola*, the act of  
14 seeking injunctive relief (here, at the ITC *before* proposing a RAND license to Realtek) is inherently  
15 inconsistent and a breach of defendants' promise to license the patents on RAND terms. *See*  
16 *Microsoft*, 696 F.3d at 884-85; *Microsoft*, 2012 WL 5993202, at \*7-8; *Apple, Inc. v. Motorola, Inc.*,  
17 869 F. Supp. 2d 901, 913-14 (N.D. Ill. 2012) (Posner, J.) ("To begin with Motorola's injunction  
18 claim, I don't see how, given FRAND, I would be justified in enjoining Apple from infringing the  
19 [designated standard-essential patent] unless Apple refuses to pay a royalty that meets the FRAND  
20 requirement.").<sup>4</sup> Defendants' conduct in this case (bringing the ITC action *before* offering a  
21 license) is even more glaringly inconsistent with its RAND obligations than Motorola's request for  
22 an injunction at the district court *after* offering a license to Microsoft in the *Motorola* case. In  
23 promising to license on RAND terms, defendants here admit that monetary damages, namely a

24 \_\_\_\_\_  
25 <sup>4</sup> LSI actually took a position in ITC Investigation No. 337-TA-753 (initiated by Rambus, Inc.) that  
26 is consistent with *Realtek's* position here. In that action, Rambus made promises to European  
27 antitrust officials that it would accept royalties for the use of the patents at issue, but later sought an  
28 exclusion order naming LSI as a respondent. There, LSI argued that "injunctive relief is antithetical  
to [Rambus'] promises." Decl., Ex. Q at 132, Dkt. No. 67-19 (Respondents' Brief in ITC Inv. No.  
337-TA-753). In view of LSI's binding promises to the IEEE to license the '958 and '867 patents on  
RAND terms, it is hypocritical for defendants to take the opposite position here—i.e., that injunctive  
relief is consistent with its patent right to exclude—now that it is on the other side of the coin as the  
declared standard-essential patent holder.

1 RAND royalty, would be adequate compensation for any injury it has suffered as a result of  
2 Realtek's allegedly infringing conduct. *See Microsoft*, 2012 WL 5993202, at \*7-8. Moreover,  
3 Realtek is harmed as a result of the breach because the pending threat of an exclusion order gives  
4 defendants inherent bargaining power in any RAND licensing negotiation that may now take place.  
5 *See* U.S. Dept. of Justice and U.S. Patent & Trademark Office, Joint Policy Statement on Remedies  
6 for Standards-Essential Patents Subject to Voluntary F/RAND Commitments at 6 (Jan. 8 2013),  
7 Dkt. No. 68-1 ("Joint Policy Statement") ("A decision maker could conclude that the holder of a  
8 F/RAND-encumbered, standards-essential patent had attempted to use an exclusion order to  
9 pressure an implementer of a standard to accept more onerous licensing terms than the patent holder  
10 would be entitled to receive consistent with the F/RAND commitment—in essence concluding that  
11 the patent holder had sought to reclaim some of its enhanced market power . . ."); *see also* Opening  
12 Remarks of Federal Trade Commission ("FTC") Chairman Jon Leibowitz as Prepared for Delivery  
13 in *In the Matter of Motorola Mobility LLC, a limited liability company, and Google, Inc., a*  
14 *corporation* at 3, FTC File No. 121-0120 (Jan. 3, 2013) ("FTC's Opening Remarks"), Dkt. No. 68-2  
15 ("[C]ommitments to make patents available on reasonable terms matter, and . . . companies cannot  
16 make those commitments when it suits them—that is, to have their patents included in a standard  
17 and then behave opportunistically later, once the standard is in place and those relying on it are  
18 vulnerable to extortion.").

19 While an injunction may be warranted where an accused infringer of a standard-essential  
20 patent outright *refuses* to accept a RAND license, *see Apple*, 869 F. Supp. 2d at 913-14; Joint Policy  
21 Statement at 7 ("For example, if a putative licensee refuses to pay what has been determined to be a  
22 F/RAND royalty, or refuses to engage in a negotiation to determine F/RAND terms, an exclusion  
23 order could be appropriate."), contrary to defendants' assertion here, there is no indication that  
24 Realtek is *not* willing to accept a RAND license. In fact, Realtek admits that it would accept a  
25 RAND license, as long as it may preserve its rights to appeal and to maintain its defenses at the ITC,  
26 the venue in which *defendants* elected to pursue their infringement claims. This court already  
27 determined that "Realtek can simultaneously pursue a determination of the RAND royalty rate while  
28 denying infringement or asserting invalidity, even though those issues may ultimately obviate the

1 need for a license" and that there is no reason the RAND royalty rate cannot be determined first.  
2 MTD Order at 7.

3 Defendants make no meaningful argument that they offered a RAND license to Realtek prior  
4 to naming Realtek in the ITC action. The 2002 and 2003 correspondences regarding the IEEE  
5 802.11b standard do not amount to a RAND offer for a variety of reasons, including that: (1) the  
6 802.11b standard is neither the standard at issue in the ITC litigation nor is it the subject of the  
7 RAND commitments in Agere's Letters of Assurance to the IEEE in the record before the court; (2)  
8 the parties ceased communications before any specific offer was ever actually made; and (3) Realtek  
9 continued to sell its Wi-Fi/802.11 component parts for almost nine years thereafter without hearing  
10 from defendants, implying that defendants were no longer seeking to license their declared standard-  
11 essential patents to Realtek. Moreover, LSI's March 7, 2012 letter did not offer a license, but rather  
12 asked Realtek to immediately cease and desist from the allegedly infringing activities. Instead of  
13 offering a license, or even waiting for a response, defendants filed the ITC action naming Realtek as  
14 a respondent less than a week later.

15 Accordingly, the court holds that defendants breached their contractual obligations to IEEE  
16 and to Realtek as a third-party beneficiary of that contract by seeking injunctive relief against  
17 Realtek before offering Realtek a license. The court's breach of contract holding is limited to the  
18 situation here, where defendants did not even attempt to offer a license, on "RAND" terms or  
19 otherwise, until after seeking injunctive relief. This conduct is a clear attempt to gain leverage in  
20 future licensing negotiations and is improper. The court denies defendants' motion for a Rule 56(d)  
21 stay or continuance because the additional discovery defendants seek is only pertinent to this court's  
22 *later* determination of an appropriate RAND rate, and does not affect the court's decision on the  
23 limited issue here of whether the initiation of the ITC action *before offering any license* was a  
24 breach of defendants' RAND obligations.

### 25 **3. Realtek's request for a preliminary injunction**

26 Realtek requests an order enjoining defendants' from enforcing any exclusion order or  
27 injunctive relief that they might receive until after the RAND issues have been determined in this  
28

1 case.<sup>5</sup> Defendants argue that a preliminary injunction is improper because Realtek is not currently  
 2 suffering irreparable harm, and can only point to speculative, future harm in the event that the ITC  
 3 were to issue an exclusion order.

4 "A plaintiff seeking a preliminary injunction must establish that he is likely to succeed on  
 5 the merits, that he is likely to suffer irreparable harm in the absence of preliminary relief, that the  
 6 balance of equities tips in his favor, and that an injunction is in the public interest." *Winter v.*  
 7 *Natural Resources Defense Council, Inc.*, 555 U.S. 7, 20 (2008). The Ninth Circuit has "also  
 8 articulated an alternate formulation of the *Winter* test, under which 'serious questions going to the  
 9 merits and a balance of hardships that tips sharply towards the plaintiff can support issuance of a  
 10 preliminary injunction, so long as the plaintiff also shows that there is a likelihood of irreparable  
 11 injury and that the injunction is in the public interest.'" *Farris v. Seabrook*, 677 F.3d 858, 864 (9th  
 12 Cir. 2012) (quoting *Alliance for the Wild Rockies v. Cottrell*, 632 F.3d 1127, 1135 (9th Cir. 2011)).  
 13 The court applies the *Winter* test here because Realtek has already established a likelihood of  
 14 success on the merits.

15 *a. Likelihood of success on the merits.*

16 The court has already determined that defendant's act of seeking an exclusion order or  
 17 injunctive relief by the ITC is inconsistent with defendants' RAND obligations at this time. *See* Part  
 18 III.A.2 *supra*. Unless and until Realtek were to refuse a license under the court's-determined RAND  
 19 terms (which Realtek indicates it will *not* do), then any exclusion order or injunctive relief is  
 20 inconsistent with defendants' RAND obligations.

21 *b. Likelihood of irreparable harm*

22 Realtek has shown that the threat of an exclusion order has harmed its reputation and poses  
 23 an imminent threat of customer and revenue loss. The record shows that at least two of Realtek's  
 24 major customers have contacted Realtek to express concerns about the pending ITC action. *See*

25 \_\_\_\_\_  
 26 <sup>5</sup> Realtek characterizes this request as a motion for summary judgment—and not a request for a  
 27 preliminary injunction— but because the relief that Realtek seeks is, in fact, a preliminary  
 28 injunction, the court characterizes and analyzes Realtek's request as a request for a preliminary  
 injunction. Contrary to defendants' assertion, the court considers Realtek's motion to be timely  
 under the circumstances because Realtek brought the motion soon after one of its major customers  
 contacted it with concerns about the ITC litigation and at the time that Realtek apparently faced the  
 threat of irreparable harm.

1 Daire Decl. Ex. U, Dkt. No. 67-23 (Chiang Ho Tsai Deposition discussing communications with  
2 customer); Tsai Decl., Ex. A (Dkt. No. 67-25) (letter from customer to Realtek expressing concern).  
3 The risk that Realtek loses its customers to competitors who are not faced with the threat of an  
4 exclusion order is more than speculative. Moreover, defendants do not dispute in their opposition  
5 papers to Realtek's motion for partial summary judgment that Realtek *would* suffer irreparable harm  
6 in the event that Realtek's products practicing the 802.11 standard were subject to an exclusion  
7 order. *See* Defs.' Opp'n 10, Dkt. No. 77. Thus, Realtek has demonstrated a likelihood of irreparable  
8 harm.

9 *c. Balancing of equities*

10 The court concludes that the balancing of equities also weighs in favor of a preliminary  
11 injunction. If Realtek's products practicing the 802.11 standard were to be excluded from the  
12 United States, Realtek would either (1) lose its customers who sell, use, or import Realtek's  
13 component parts into the United States, or (2) be forced to negotiate a license in the disadvantaged  
14 position of having an exclusion order hanging over its head. *See Microsoft v. Motorola*, Case No.  
15 10-1823, Dkt. No. 318 (W.D. Wisconsin), May 14, 2012 Order Granting an Anti-Suit Injunction at  
16 24 (applying the same analysis under this factor). Defendants are not similarly prejudiced by a  
17 preliminary injunction. After this court has determined defendants' RAND obligations and  
18 defendants have complied with those obligations, defendants may then pursue any injunctive relief  
19 that may become appropriate at that time. *See id.*

20 *d. Public interest*

21 Finally, the preliminary injunction serves the public interest by "mak[ing] clear that  
22 commitments to make patents available on reasonable terms matter." FTC's Opening Remarks at 3.  
23 Similar to the anti-suit injunction in the *Microsoft v. Motorola* case, the preliminary injunction here  
24 "ensur[es] standard essential patents are accessible to all comers under RAND terms" and "permit[s]  
25 [Realtek's] customers, who rely on [Realtek's Wi-Fi component parts], to conduct business  
26 uninterrupted." *Microsoft v. Motorola*, Case No. 10-1823, Dkt. No. 318 (W.D. Wisconsin), May  
27 14, 2012 Order Granting an Anti-Suit Injunction at 24. The fact that *Microsoft v. Motorola* dealt  
28 with an anti-suit injunction is immaterial because the promise to license on RAND terms implies a

1 promise not to seek injunctive relief either domestically (as is the case here) or abroad (the case in  
2 *Motorola*) until the standard essential patent holder first satisfies its RAND obligations.

3 *e. Conclusion on preliminary injunction*

4 Based on the foregoing, the court GRANTS Realtek's motion for a preliminary injunction  
5 enjoining defendants' from enforcing any exclusion order or injunctive relief by the ITC that they  
6 might obtain against Realtek with respect to the '958 and '867 declared standard essential patents.<sup>6</sup>  
7 The preliminary injunction shall remain in effect until this court determines defendant's RAND  
8 obligations and defendants have complied therewith.

9 **B. Stay**

10 Defendants' primary argument in support of its motion to stay is that Realtek will not accept  
11 a RAND license in any event until after the ITC litigation concludes. As previously discussed,  
12 however, Realtek admits that it *is* a willing RAND licensee, as long as it can preserve its right to  
13 appeal and to maintain its invalidity and noninfringement defenses before the ITC, and this court  
14 has already held that Realtek may simultaneously pursue a determination of the RAND rate in this  
15 court while denying infringement before the ITC. MTD Order at 7. The court also agrees with  
16 Realtek that its breach of contract affirmative defense before the ITC is substantially different in  
17 nature than its affirmative breach of contract claim before this court. While the ITC may consider  
18 defendants' RAND obligations or violation thereof, it may do so only in the context of deciding  
19 whether Realtek violated Section 337 and whether an exclusion order is thus proper. Realtek has  
20 not asked the ITC to determine a RAND royalty rate, nor is the ITC independently compelled to do  
21 so. Unlike the ITC, this court may also order any *monetary relief* that may be warranted in light of  
22 its determination of the RAND issues. Defendants' conduct in bringing the Section 337 action,  
23 which carries with it the threat of an exclusion order and thus increases defendants' bargaining  
24 power in a licensing negotiation, necessitates a speedy resolution of the RAND issues by this court.  
25 The court finds no just reason to delay this determination and denies defendants' motion to stay.

26  
27 <sup>6</sup> This preliminary injunction will only go into effect in the event that the ITC grants an exclusion  
28 order or injunctive relief in favor of defendants. The ITC may, of course, still analyze Realtek's  
claims and defenses independently, and may find no Section 337 violation in any event. In that  
instance, this preliminary injunction will become moot.

IV. ORDER

For the foregoing reasons, the court: (1) GRANTS Realtek's partial motion for summary judgment that defendants breached their RAND licensing obligations to Realtek by failing to offer a license to the declared standard essential '958 and '867 patents before filing a Section 337 action at the ITC seeking an exclusion order and injunctive relief; (2) GRANTS Realtek's request for a preliminary injunction barring defendants from enforcing any exclusion order or injunctive relief by the ITC, which shall remain in effect until this court has determined defendants' RAND obligations and defendants have complied therewith; and (3) DENIES defendants' motion for a stay.

Dated: May 20, 2013

*Ronald M. Whyte*  
RONALD M. WHYTE  
United States District Judge

United States District Court  
For the Northern District of California

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# **EXHIBIT B**

**UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF TEXAS  
TYLER DIVISION**

<p>ERICSSON INC., and TELEFONAKTIEBOLAGET LM ERICSSON Plaintiffs-Counterclaim Defendants,</p> <p style="text-align: center;">v.</p> <p>SAMSUNG ELECTRONICS CO., LTD., <i>et al</i>,  Defendants-Counterclaim Plaintiffs.</p>	<p>CIVIL ACTION NO. 6:12-cv-894</p> <p>JURY TRIAL DEMANDED</p>
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**DEFENDANT SAMSUNG’S RESPONSE TO ERICSSON’S  
ANSWER, AFFIRMATIVE DEFENSES, AND COUNTERCLAIMS TO SAMSUNG’S  
FIRST AMENDED ANSWER, AFFIRMATIVE DEFENSES AND COUNTERCLAIMS**

Defendants Samsung Electronics Co., Ltd., Samsung Electronics America, Inc., and Samsung Telecommunications America LLC<sup>1</sup> (individually and collectively “Samsung”), by and through their attorneys, hereby answer Plaintiffs Ericsson Inc. and Telefonaktiebolaget LM Ericsson’s (collectively “Ericsson” or “Plaintiff”) Answer, Affirmative Defenses and Counterclaims to Samsung’s First Amended Answer, Affirmative Defenses and Counterclaims (“Ericsson’s Counterclaims”), filed on April 22, 2013.

**GENERAL DENIAL**

Samsung denies the allegations in Ericsson’s Counterclaims unless expressly admitted in the following paragraphs.

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<sup>1</sup> Ericsson also purports to assert claims against Samsung Telecommunications America LLP. However, Samsung Telecommunications America LLP does not exist. Thus, Samsung denies any and all allegations asserted as to Samsung Telecommunications America LLP.

### **BACKGROUND**

1. Samsung repeats and incorporates by reference its responses to Ericsson's allegations as set forth in paragraphs 1-10 of Samsung's Answer, Affirmative Defenses and Counterclaims to Ericsson's First Amended Complaint for Patent Infringement, dated March 18, 2013 ("Samsung's Answer").

### **ERICSSON**

2. Samsung repeats and incorporates by reference its responses to Ericsson's allegations as set forth in paragraphs 11-14 of Samsung's Answer.

### **THE DEFENDANTS**

3. Samsung repeats and incorporates by reference its responses to Ericsson's allegations as set forth in paragraphs 15-17 of Samsung's Answer.

4. Samsung admits that Samsung Telecommunications America, LLC is a corporation organized under the laws of the State of Delaware, with its principal place of business at 1301 East Lookout Drive, Richardson, Texas 75082. Samsung further admits that Samsung Telecommunications' business includes importing, marketing, selling, and/or offering for sale telephones, base stations and other devices in the United States, including within this District, but not necessarily directed purposefully or solely at this District. Samsung denies that Samsung Telecommunications America, LLC manufactures telephones, base stations, televisions, computers, Blu-ray players, cameras, and other devices. Samsung further admits that Samsung Telecommunications America, LLC has a registered agent in Texas, and that this agent is Corporation Service Company dba CSC – Lawyers Incorporating Service Company, located at 211 E. 7th Street, Suite 620, Austin, Texas 78701-3218. Samsung denies the remaining allegations of paragraph 4 of Ericsson's Counterclaims.

### **JURISDICTION AND VENUE**

5. Samsung repeats and incorporates by reference its responses to Ericsson's allegations as set forth in paragraphs 18-20 of Samsung's Answer.

6. Samsung admits that Ericsson's allegations of patent infringement purport to arise under Title 35 of the United States Code, but denies that such allegations are meritorious.

7. Samsung admits that, for the purposes of this action only, this Court has subject matter jurisdiction over this suit pursuant to 28 U.S.C. §§ 1331, 1338, 1367, 2201, and/or 2202. Samsung admits that venue is permissible, for purposes of this action only, under 28 U.S.C. §§ 1391 and 1400, but denies that venue is proper or convenient.

8. For purposes of this action only, Samsung does not contest personal jurisdiction. Samsung denies the remaining allegations of paragraph 8 of Ericsson's Counterclaims.

### **THE PATENTS**

9. Samsung repeats and incorporates by reference its responses to Ericsson's allegations as set forth in paragraphs 21-31 of Samsung's Answer.

10. Samsung admits that United States Patent No. 6,029,125 ("the '125 patent"), entitled "Reducing Sparseness In Coded Speech Signals," issued on February 22, 2000. Samsung further admits that, on its face, the '125 patent lists Roar Hagen, Björn Stig, Erik Johansson, Erik Ekudden, and Willem Baastian Kleijn as inventors. Samsung denies that the '125 patent was "duly and legally" issued. Samsung is without knowledge or information sufficient to form a belief as to the truth of the remaining allegations contained in paragraph 10 of Ericsson's Counterclaims, and therefore denies those allegations.

11. Samsung admits that United States Patent No. 6,031,832 ("the '832 patent"), entitled "Method And Apparatus for Improving Performance Of A Packet Communications

System,” issued on February 29, 2000. Samsung further admits that, on its face, the ’832 patent lists Dalibor Turina as the inventor. Samsung denies that the ’832 patent was “duly and legally” issued. Samsung is without knowledge or information sufficient to form a belief as to the truth of the remaining allegations contained in paragraph 11 of Ericsson’s Counterclaims, and therefore denies those allegations.

12. Samsung admits that United States Patent No. 6,070,078 (“the ’078 patent”), entitled “Reduced Global Positioning System Receiver Code Shift Search Space For A Cellular Telephone System,” issued on May 30, 2000. Samsung further admits that, on its face, the ’078 patent lists William O. Camp, Jr., Pambiz Zangi, and Rajaram Ramesh as inventors. Samsung denies that the ’078 patent was “duly and legally” issued. Samsung is without knowledge or information sufficient to form a belief as to the truth of the remaining allegations contained in paragraph 12 of Ericsson’s Counterclaims, and therefore denies those allegations.

13. Samsung admits that United States Patent No. 6,418,130 (“the ’130 patent”), entitled “Reuse of Security Associations For Improving Hand-Over Performance,” issued on July 9, 2002. Samsung further admits that, on its face, the ’130 patent lists Yi Cheng, Lars Björup, Martin Jakob Rinman, and Karl Dan Gustav Jerrestam as inventors. Samsung denies that the ’130 patent was “duly and legally” issued. Samsung is without knowledge or information sufficient to form a belief as to the truth of the remaining allegations contained in paragraph 13 of Ericsson’s Counterclaims, and therefore denies those allegations.

14. Samsung admits that United States Patent No. 7,149,510 (“the ’510 patent”), entitled “Security Access Manager In Middleware,” issued on December 12, 2006. Samsung further admits that, on its face, the ’510 patent lists Jonas Hansson and Björn Bjäre as inventors. Samsung denies that the ’510 patent was “duly and legally” issued. Samsung is without

knowledge or information sufficient to form a belief as to the truth of the remaining allegations contained in paragraph 14 of Ericsson's Counterclaims, and therefore denies those allegations.

15. Samsung admits that United States Patent No. 7,286,823 ("the '823 patent"), entitled "Mobile Multimedia Engine," issued on October 23, 2007. Samsung further admits that, on its face, the '823 patent lists Mikael Reinholdsson, Erik Ledfelt, and Johan Svenér as inventors. Samsung denies that the '823 patent was "duly and legally" issued. Samsung is without knowledge or information sufficient to form a belief as to the truth of the remaining allegations contained in paragraph 15 of Ericsson's Counterclaims, and therefore denies those allegations.

16. Samsung admits that United States Patent No. 8,023,990 ("the '990 patent"), entitled "Uplink Scheduling In A Cellular System," issued on September 20, 2011. Samsung further admits that, on its face, the '990 patent lists Stefan Parkvall as the inventor. Samsung denies that the '990 patent was "duly and legally" issued. Samsung is without knowledge or information sufficient to form a belief as to the truth of the remaining allegations contained in paragraph 16 of Ericsson's Counterclaims, and therefore denies those allegations.

17. Samsung denies that United States Patent No. 8,214,710 ("the '710 patent"), is entitled "Uplink Scheduling In A Cellular System." Samsung admits that the '710 patent bears an issue date of July 3, 2012. Samsung further admits that, on its face, the '710 patent lists Mats Fredrik Sångfors and Per Johan Torsner as inventors. Samsung denies that the '710 patent was "duly and legally" issued. Samsung is without knowledge or information sufficient to form a belief as to the truth of the remaining allegations contained in paragraph 17 of Ericsson's Counterclaims, and therefore denies those allegations.

**FACTUAL BACKGROUND**

18. Samsung repeats and incorporates by reference its responses to Ericsson's allegations as set forth in paragraphs 32-34 of Samsung's Answer.

19. The allegations of paragraph 19 are too generalized, vague, and ambiguous to admit or deny. To the extent a response is necessary, Samsung denies the allegations and characterizations of paragraph 19 of Ericsson's Counterclaims.

20. Samsung denies the allegations of paragraph 20 of Ericsson's Counterclaims.

21. Samsung denies the allegations of paragraph 21 of Ericsson's Counterclaims.

**ANSWERS TO ERICSSON'S COUNTERCLAIMS**

**Ericsson Counterclaim Counts 1-11:**

22. Samsung repeats and incorporates by reference the responses in paragraphs 1-21 above as though fully set forth herein. Samsung repeats and incorporates its responses to Ericsson's allegations as set forth in paragraphs 35-67 of Samsung's Answer.

**Ericsson Counterclaim Count 12:  
Claim for Patent Infringement of U.S. Patent No. 6,029,125**

23. Samsung repeats and incorporates by reference the responses in paragraphs 1-21 above as though fully set forth herein.

24. Samsung denies the allegations of paragraph 24 of Ericsson's Counterclaims.

25. Samsung admits that it has been licensed under the '125 patent and has been the beneficiary of a covenant not to sue on the '125 patent. Samsung denies any implication that it had the requisite knowledge or awareness of the '125 patent and/or any direct infringement of the '125 patent to cause any alleged indirect infringement or to have allegedly infringed willfully. Samsung denies all other allegations of paragraph 25 of Ericsson's Counterclaims.

**Ericsson Counterclaim Count 13:**  
**Claim for Patent Infringement of U.S. Patent No. 6,031,832**

26. Samsung repeats and incorporates by reference the responses in paragraphs 1-21 above as though fully set forth herein.

27. Samsung denies the allegations of paragraph 27 of Ericsson's Counterclaims.

28. Samsung admits that it is has been licensed under the '832 patent and has been the beneficiary of a covenant not to sue on the '832 patent. Samsung denies any implication that it had the requisite knowledge or awareness of the '832 patent and/or any direct infringement of the '832 patent to cause any alleged indirect infringement or to have allegedly infringed willfully. Samsung denies all other allegations of paragraph 28 of Ericsson's Counterclaims.

**Ericsson Counterclaim Count 14:**  
**Claim for Patent Infringement of U.S. Patent No. 6,070,078**

29. Samsung repeats and incorporates by reference the responses in paragraphs 1-21 above as though fully set forth herein.

30. Samsung denies the allegations of paragraph 30 of Ericsson's Counterclaims.

31. Samsung admits that it is has been licensed under the '078 patent and has been the beneficiary of a covenant not to sue on the '078 patent. Samsung denies any implication that it had the requisite knowledge or awareness of the '078 patent and/or any direct infringement of the '078 patent to cause any alleged indirect infringement or to have allegedly infringed willfully. Samsung denies all other allegations of paragraph 31 of Ericsson's Counterclaims.

**Ericsson Counterclaim Count 15:**  
**Claim for Patent Infringement of U.S. Patent No. 6,418,130**

32. Samsung repeats and incorporates by reference the responses in paragraphs 1-21 above as though fully set forth herein.

33. Samsung denies the allegations of paragraph 33 of Ericsson's Counterclaims.

34. Samsung admits that it is has been licensed under the '130 patent and has been the beneficiary of a covenant not to sue on the '130 patent. Samsung denies any implication that it had the requisite knowledge or awareness of the '130 patent and/or any direct infringement of the '130 patent to cause any alleged indirect infringement or to have allegedly infringed willfully. Samsung denies all other allegations of paragraph 34 of Ericsson's Counterclaims.

**Ericsson Counterclaim Count 16:**  
**Claim for Patent Infringement of U.S. Patent No. 7,149,510**

35. Samsung repeats and incorporates by reference the responses in paragraphs 1-21 above as though fully set forth herein.

36. Samsung denies the allegations of paragraph 36 of Ericsson's Counterclaims.

37. Samsung admits that it is has been licensed under the '510 patent and has been the beneficiary of a covenant not to sue on the '510 patent. Samsung denies any implication that it had the requisite knowledge or awareness of the '510 patent and/or any direct infringement of the '510 patent to cause any alleged indirect infringement or to have allegedly infringed willfully. Samsung denies all other allegations of paragraph 37 of Ericsson's Counterclaims.

**Ericsson Counterclaim Count 17:**  
**Claim for Patent Infringement of U.S. Patent No. 7,286,823**

38. Samsung repeats and incorporates by reference the responses in paragraphs 1-21 above as though fully set forth herein.

39. Samsung denies the allegations of paragraph 39 of Ericsson's Counterclaims.

40. Samsung admits that it is has been licensed under the '823 patent and has been the beneficiary of a covenant not to sue on the '823 patent. Samsung denies any implication that it had the requisite knowledge or awareness of the '823 patent and/or any direct infringement of the '823 patent to cause any alleged indirect infringement or to have allegedly infringed willfully. Samsung denies all other allegations of paragraph 40 of Ericsson's Counterclaims.

**Ericsson Counterclaim Count 18:**  
**Claim for Patent Infringement of U.S. Patent No. 8,023,990**

41. Samsung repeats and incorporates by reference the responses in paragraphs 1-21 above as though fully set forth herein.

42. Samsung denies the allegations of paragraph 42 of Ericsson's Counterclaims.

43. Samsung denies any implication that it had the requisite knowledge or awareness of the '990 patent and/or any direct infringement of the '990 patent to cause any alleged indirect infringement or to have allegedly infringed willfully. Samsung denies all other allegations of paragraph 43 of Ericsson's Counterclaims.

**Ericsson Counterclaim Count 19:**  
**Claim for Patent Infringement of U.S. Patent No. 8,214,710**

44. Samsung repeats and incorporates by reference the responses in paragraphs 1-21 above as though fully set forth herein.

45. Samsung denies the allegations of paragraph 45 of Ericsson's Counterclaims.

46. Samsung denies any implication that it had the requisite knowledge or awareness of the '710 patent and/or any direct infringement of the '710 patent to cause any alleged indirect infringement or to have allegedly infringed willfully. Samsung denies all other allegations of paragraph 46 of Ericsson's Counterclaims.

**Ericsson Counterclaim Count 20:**  
**Breach of Contract**

47. Samsung denies the allegations of Ericsson's affirmative defense paragraphs 213-226. Further, in response to Ericsson repeating and realleging paragraphs 1-21 of Ericsson's Counterclaims, Samsung repeats and incorporates by reference the responses in paragraphs 1-21 above as though fully set forth herein. The remaining allegations of paragraph 47 are too

generalized, vague, and ambiguous to admit or deny. To the extent a response is necessary, Samsung denies the remaining allegations in paragraph 47 of Ericsson's Counterclaims.

48. Samsung admits that it has been a member of ETSI and 3GPP, and that ETSI and 3GPP are standards-setting organizations responsible for the standardization of information and communication technologies for the benefit of their members and third parties. Samsung denies the remaining allegations of paragraph 48 of Ericsson's Counterclaims.

49. The allegations of paragraph 49 are too generalized, vague, and ambiguous to admit or deny. To the extent a response is necessary, Samsung denies the allegations in paragraph 49 of Ericsson's Counterclaims.

50. Samsung denies the allegations of paragraph 50 of Ericsson's Counterclaims that are directed at Samsung. The remaining allegations of paragraph 50 of Ericsson's Counterclaims are too generalized, vague, and ambiguous to admit or deny, and therefore Samsung denies those allegations.

51. Samsung denies the allegations of paragraph 51 of Ericsson's Counterclaims.

52. Samsung denies the allegations of paragraph 52 of Ericsson's Counterclaims.

53. Samsung denies the allegations of paragraph 53 of Ericsson's Counterclaims.

54. Samsung denies the allegations of paragraph 54 of Ericsson's Counterclaims.

**Ericsson Counterclaim Count 21:  
Equitable Estoppel**

55. Samsung denies the allegations of Ericsson's affirmative defense paragraphs 213-226. Further, in response to Ericsson repeating and realleging paragraphs 1-21 and 47-54 of Ericsson's Counterclaims, Samsung repeats and incorporates by reference the responses in paragraphs 1-21 and 47-54 above as though fully set forth herein. The remaining allegations of paragraph 55 are too generalized, vague, and ambiguous to admit or deny. To the extent a

response is necessary, Samsung denies the remaining allegations in paragraph 55 of Ericsson's Counterclaims.

56. Samsung denies the allegations of paragraph 56 of Ericsson's Counterclaims.

57. Samsung denies the allegations of paragraph 57 of Ericsson's Counterclaims.

58. Samsung denies the allegations of paragraph 58 of Ericsson's Counterclaims.

59. Samsung denies the allegations of paragraph 59 of Ericsson's Counterclaims.

**Ericsson Counterclaim Count 22:  
Promissory Estoppel**

60. Samsung denies the allegations of Ericsson's affirmative defense paragraphs 213-226. Further, in response to Ericsson repeating and realleging paragraphs 1-21 and 47-59 of Ericsson's Counterclaims, Samsung repeats and incorporates by reference the responses in paragraphs 1-21 and 47-59 above as though fully set forth herein. The remaining allegations of paragraph 60 are too generalized, vague, and ambiguous to admit or deny. To the extent a response is necessary, Samsung denies the remaining allegations in paragraph 60 of Ericsson's Counterclaims.

61. Samsung denies the allegations of paragraph 61 of Ericsson's Counterclaims.

62. Samsung denies the allegations of paragraph 62 of Ericsson's Counterclaims.

63. Samsung denies the allegations of paragraph 63 of Ericsson's Counterclaims.

64. Samsung denies the allegations of paragraph 64 of Ericsson's Counterclaims.

65. Samsung denies the allegations of paragraph 65 of Ericsson's Counterclaims.

**Ericsson Counterclaim Count 23:  
Declaratory Judgment that Ericsson is Licensed to Practice Samsung's Patents**

66. Samsung denies the allegations of Ericsson's affirmative defense paragraphs 213-226. Further, in response to Ericsson repeating and realleging paragraphs 1-21 and 47-65 of Ericsson's Counterclaims, Samsung repeats and incorporates by reference the responses in

paragraphs 1-21 and 47-65 above as though fully set forth herein. The remaining allegations of paragraph 66 are too generalized, vague, and ambiguous to admit or deny. To the extent a response is necessary, Samsung denies the remaining allegations in paragraph 66 of Ericsson's Counterclaims.

67. Samsung denies the allegations of paragraph 67 of Ericsson's Counterclaims.

68. Samsung denies the allegation that its rights are exhausted as to the Asserted Patents referenced in paragraph 68 of Ericsson's Counterclaims. The remaining allegations of paragraph 68 of Ericsson's Counterclaims are too generalized, vague, and ambiguous to admit or deny, and therefore Samsung denies those allegations.

69. Samsung denies the allegations of paragraph 69 of Ericsson's Counterclaims.

70. Samsung denies the allegations of paragraph 70 of Ericsson's Counterclaims.

71. Samsung denies the allegations directed at Samsung in paragraph 71 of Ericsson's Counterclaims. Samsung is without knowledge or information sufficient to form a belief as to the truth of the remaining allegations contained in paragraph 71 of Ericsson's Counterclaims, and therefore denies those allegations.

72. Samsung denies the allegations of paragraph 72 of Ericsson's Counterclaims.

**Ericsson Counterclaim Count 24:  
Declaratory Judgment of Non-Infringement, Invalidity & Unenforceability of  
U.S. Patent No. 6,617,929**

73. In response to Ericsson repeating and realleging paragraphs 1-72 of Ericsson's Counterclaims, Samsung repeats and incorporates by reference the responses in paragraphs 1-72 above as though fully set forth herein. The remaining allegations of paragraph 73 are too generalized, vague, and ambiguous to admit or deny. To the extent a response is necessary, Samsung denies the remaining allegations in paragraph 73 of Ericsson's Counterclaims.

74. Samsung admits that it is asserting a claim against Ericsson for infringement of the '929 patent. On information and belief, Samsung admits that a controversy exists between Samsung and Ericsson regarding the '929 patent. Samsung denies the remainder of the allegations in paragraph 74 of Ericsson's Counterclaims.

75. Samsung denies the allegations of paragraph 75 of Ericsson's Counterclaims.

76. Samsung denies the allegations of paragraph 76 of Ericsson's Counterclaims.

77. Samsung denies the allegations of paragraph 77 of Ericsson's Counterclaims.

78. Samsung denies the allegations of paragraph 78 of Ericsson's Counterclaims.

**Ericsson Counterclaim Count 25:  
Declaratory Judgment of Non-Infringement, Invalidity & Unenforceability of  
U.S. Patent No. 6,767,813**

79. In response to Ericsson repeating and realleging paragraphs 1-72 of Ericsson's Counterclaims, Samsung repeats and incorporates by reference the responses in paragraphs 1-72 above as though fully set forth herein. The remaining allegations of paragraph 79 are too generalized, vague, and ambiguous to admit or deny. To the extent a response is necessary, Samsung denies the remaining allegations in paragraph 79 of Ericsson's Counterclaims.

80. Samsung admits that it is asserting a claim against Ericsson for infringement of the '813 patent. On information and belief, Samsung admits that a controversy exists between Samsung and Ericsson regarding the '813 patent. Samsung denies the remainder of the allegations in paragraph 80 of Ericsson's Counterclaims.

81. Samsung denies the allegations of paragraph 81 of Ericsson's Counterclaims.

82. Samsung denies the allegations of paragraph 82 of Ericsson's Counterclaims.

83. Samsung denies the allegations of paragraph 83 of Ericsson's Counterclaims.

84. Samsung denies the allegations of paragraph 84 of Ericsson's Counterclaims.

**Ericsson Counterclaim Count 26:  
Declaratory Judgment of Non-Infringement, Invalidity & Unenforceability of  
U.S. Patent No. 6,865,682**

85. In response to Ericsson repeating and realleging paragraphs 1-72 of Ericsson's Counterclaims, Samsung repeats and incorporates by reference the responses in paragraphs 1-72 above as though fully set forth herein. The remaining allegations of paragraph 85 are too generalized, vague, and ambiguous to admit or deny. To the extent a response is necessary, Samsung denies the remaining allegations in paragraph 85 of Ericsson's Counterclaims.

86. Samsung admits that it is asserting a claim against Ericsson for infringement of the '682 patent. On information and belief, Samsung admits that a controversy exists between Samsung and Ericsson regarding the '682 patent. Samsung denies the remainder of the allegations in paragraph 86 of Ericsson's Counterclaims.

87. Samsung denies the allegations of paragraph 87 of Ericsson's Counterclaims.

88. Samsung denies the allegations of paragraph 88 of Ericsson's Counterclaims.

89. Samsung denies the allegations of paragraph 89 of Ericsson's Counterclaims.

90. Samsung denies the allegations of paragraph 90 of Ericsson's Counterclaims.

**Ericsson Counterclaim Count 27:  
Declaratory Judgment of Non-Infringement, Invalidity & Unenforceability of  
U.S. Patent No. 7,221,031**

91. In response to Ericsson repeating and realleging paragraphs 1-72 of Ericsson's Counterclaims, Samsung repeats and incorporates by reference the responses in paragraphs 1-72 above as though fully set forth herein. The remaining allegations of paragraph 91 are too generalized, vague, and ambiguous to admit or deny. To the extent a response is necessary, Samsung denies the remaining allegations in paragraph 91 of Ericsson's Counterclaims.

92. Samsung admits that it is asserting a claim against Ericsson for infringement of the '031 patent. On information and belief, Samsung admits that a controversy exists between

Samsung and Ericsson regarding the '031 patent. Samsung denies the remainder of the allegations in paragraph 92 of Ericsson's Counterclaims.

93. Samsung denies the allegations of paragraph 93 of Ericsson's Counterclaims.

94. Samsung denies the allegations of paragraph 94 of Ericsson's Counterclaims.

95. Samsung denies the allegations of paragraph 95 of Ericsson's Counterclaims.

96. Samsung denies the allegations of paragraph 96 of Ericsson's Counterclaims.

**Ericsson Counterclaim Count 28:  
Declaratory Judgment of Non-Infringement, Invalidity & Unenforceability of  
U.S. Patent No. 7,342,444**

97. In response to Ericsson repeating and realleging paragraphs 1-72 of Ericsson's Counterclaims, Samsung repeats and incorporates by reference the responses in paragraphs 1-72 above as though fully set forth herein. The remaining allegations of paragraph 97 are too generalized, vague, and ambiguous to admit or deny. To the extent a response is necessary, Samsung denies the remaining allegations in paragraph 97 of Ericsson's Counterclaims.

98. Samsung admits that it is asserting a claim against Ericsson for infringement of the '444 patent. On information and belief, Samsung admits that a controversy exists between Samsung and Ericsson regarding the '444 patent. Samsung denies the remainder of the allegations in paragraph 98 of Ericsson's Counterclaims.

99. Samsung denies the allegations of paragraph 99 of Ericsson's Counterclaims.

100. Samsung denies the allegations of paragraph 100 of Ericsson's Counterclaims.

101. Samsung denies the allegations of paragraph 101 of Ericsson's Counterclaims.

102. Samsung denies the allegations of paragraph 102 of Ericsson's Counterclaims.

**Ericsson Counterclaim Count 29:  
Declaratory Judgment of Non-Infringement, Invalidity & Unenforceability of  
U.S. Patent No. 7,782,749**

103. In response to Ericsson repeating and realleging paragraphs 1-72 of Ericsson's Counterclaims, Samsung repeats and incorporates by reference the responses in paragraphs 1-72 above as though fully set forth herein. The remaining allegations of paragraph 103 are too generalized, vague, and ambiguous to admit or deny. To the extent a response is necessary, Samsung denies the remaining allegations in paragraph 103 of Ericsson's Counterclaims.

104. Samsung admits that it is asserting a claim against Ericsson for infringement of the '749 patent. On information and belief, Samsung admits that a controversy exists between Samsung and Ericsson regarding the '749 patent. Samsung denies the remainder of the allegations in paragraph 104 of Ericsson's Counterclaims.

105. Samsung denies the allegations of paragraph 105 of Ericsson's Counterclaims.

106. Samsung denies the allegations of paragraph 106 of Ericsson's Counterclaims.

107. Samsung denies the allegations of paragraph 107 of Ericsson's Counterclaims.

108. Samsung denies the allegations of paragraph 108 of Ericsson's Counterclaims.

**Ericsson Counterclaim Count 30:  
Declaratory Judgment of Non-Infringement, Invalidity & Unenforceability of  
U.S. Patent No. 8,059,681**

109. In response to Ericsson repeating and realleging paragraphs 1-72 of Ericsson's Counterclaims, Samsung repeats and incorporates by reference the responses in paragraphs 1-72 above as though fully set forth herein. The remaining allegations of paragraph 109 are too generalized, vague, and ambiguous to admit or deny. To the extent a response is necessary, Samsung denies the remaining allegations in paragraph 109 of Ericsson's Counterclaims.

110. Samsung admits that it is asserting a claim against Ericsson for infringement of the '681 patent. On information and belief, Samsung admits that a controversy exists between

Samsung and Ericsson regarding the '681 patent. Samsung denies the remainder of the allegations in paragraph 110 of Ericsson's Counterclaims.

111. Samsung denies the allegations of paragraph 111 of Ericsson's Counterclaims.

112. Samsung denies the allegations of paragraph 112 of Ericsson's Counterclaims.

113. Samsung denies the allegations of paragraph 113 of Ericsson's Counterclaims.

114. Samsung denies the allegations of paragraph 114 of Ericsson's Counterclaims.

**Ericsson Counterclaim Count 31:  
Declaratory Judgment of Non-Infringement, Invalidity & Unenforceability of  
U.S. Patent No. 8,165,081**

115. In response to Ericsson repeating and realleging paragraphs 1-72 of Ericsson's Counterclaims, Samsung repeats and incorporates by reference the responses in paragraphs 1-72 above as though fully set forth herein. The remaining allegations of paragraph 115 are too generalized, vague, and ambiguous to admit or deny. To the extent a response is necessary, Samsung denies the remaining allegations in paragraph 115 of Ericsson's Counterclaims.

116. Samsung admits that it is asserting a claim against Ericsson for infringement of the '081 patent. On information and belief, Samsung admits that a controversy exists between Samsung and Ericsson regarding the '081 patent. Samsung denies the remainder of the allegations in paragraph 116 of Ericsson's Counterclaims.

117. Samsung denies the allegations of paragraph 117 of Ericsson's Counterclaims.

118. Samsung denies the allegations of paragraph 118 of Ericsson's Counterclaims.

119. Samsung denies the allegations of paragraph 119 of Ericsson's Counterclaims.

120. Samsung denies the allegations of paragraph 120 of Ericsson's Counterclaims.

**Ericsson Counterclaim Count 32:  
Declaratory Judgment of Non-Infringement, Invalidity & Unenforceability of  
U.S. Patent No. 8,208,438**

121. In response to Ericsson repeating and realleging paragraphs 1-72 of Ericsson's Counterclaims, Samsung repeats and incorporates by reference the responses in paragraphs 1-72 above as though fully set forth herein. The remaining allegations of paragraph 121 are too generalized, vague, and ambiguous to admit or deny. To the extent a response is necessary, Samsung denies the remaining allegations in paragraph 121 of Ericsson's Counterclaims.

122. Samsung admits that it is asserting a claim against Ericsson for infringement of the '438 patent. On information and belief, Samsung admits that a controversy exists between Samsung and Ericsson regarding the '438 patent. Samsung denies the remainder of the allegations in paragraph 122 of Ericsson's Counterclaims.

123. Samsung denies the allegations of paragraph 123 of Ericsson's Counterclaims.

124. Samsung denies the allegations of paragraph 124 of Ericsson's Counterclaims.

125. Samsung denies the allegations of paragraph 125 of Ericsson's Counterclaims.

126. Samsung denies the allegations of paragraph 126 of Ericsson's Counterclaims.

**Ericsson Counterclaim Count 33:  
Declaratory Judgment of Non-Infringement, Invalidity & Unenforceability of  
U.S. Patent No. 8,228,827**

127. In response to Ericsson repeating and realleging paragraphs 1-72 of Ericsson's Counterclaims, Samsung repeats and incorporates by reference the responses in paragraphs 1-72 above as though fully set forth herein. The remaining allegations of paragraph 127 are too generalized, vague, and ambiguous to admit or deny. To the extent a response is necessary, Samsung denies the remaining allegations in paragraph 127 of Ericsson's Counterclaims.

128. Samsung admits that it is asserting a claim against Ericsson for infringement of the '827 patent. On information and belief, Samsung admits that a controversy exists between

Samsung and Ericsson regarding the '827 patent. Samsung denies the remainder of the allegations in paragraph 128 of Ericsson's Counterclaims.

129. Samsung denies the allegations of paragraph 129 of Ericsson's Counterclaims.

130. Samsung denies the allegations of paragraph 130 of Ericsson's Counterclaims.

131. Samsung denies the allegations of paragraph 131 of Ericsson's Counterclaims.

132. Samsung denies the allegations of paragraph 132 of Ericsson's Counterclaims.

**Ericsson Counterclaim Count 34:  
Declaratory Judgment of Non-Infringement, Invalidity & Unenforceability of  
U.S. Patent No. 8,315,195**

133. In response to Ericsson repeating and realleging paragraphs 1-72 of Ericsson's Counterclaims, Samsung repeats and incorporates by reference the responses in paragraphs 1-72 above as though fully set forth herein. The remaining allegations of paragraph 133 are too generalized, vague, and ambiguous to admit or deny. To the extent a response is necessary, Samsung denies the remaining allegations in paragraph 133 of Ericsson's Counterclaims.

134. Samsung admits that it is asserting a claim against Ericsson for infringement of the '195 patent. On information and belief, Samsung admits that a controversy exists between Samsung and Ericsson regarding the '195 patent. Samsung denies the remainder of the allegations in paragraph 134 of Ericsson's Counterclaims.

135. Samsung denies the allegations of paragraph 135 of Ericsson's Counterclaims.

136. Samsung denies the allegations of paragraph 136 of Ericsson's Counterclaims.

137. Samsung denies the allegations of paragraph 137 of Ericsson's Counterclaims.

138. Samsung denies the allegations of paragraph 138 of Ericsson's Counterclaims.

**Ericsson Counterclaim Count 35:  
Declaratory Judgment of Non-Infringement, Invalidity & Unenforceability of  
U.S. Patent No. 8,331,328**

139. In response to Ericsson repeating and realleging paragraphs 1-72 of Ericsson's Counterclaims, Samsung repeats and incorporates by reference the responses in paragraphs 1-72 above as though fully set forth herein. The remaining allegations of paragraph 139 are too generalized, vague, and ambiguous to admit or deny. To the extent a response is necessary, Samsung denies the remaining allegations in paragraph 139 of Ericsson's Counterclaims.

140. Samsung admits that it is asserting a claim against Ericsson for infringement of the '328 patent. On information and belief, Samsung admits that a controversy exists between Samsung and Ericsson regarding the '328 patent. Samsung denies the remainder of the allegations in paragraph 140 of Ericsson's Counterclaims.

141. Samsung denies the allegations of paragraph 141 of Ericsson's Counterclaims.

142. Samsung denies the allegations of paragraph 142 of Ericsson's Counterclaims.

143. Samsung denies the allegations of paragraph 143 of Ericsson's Counterclaims.

144. Samsung denies the allegations of paragraph 144 of Ericsson's Counterclaims.

**Ericsson Counterclaim Count 36:  
Declaratory Judgment of Non-Infringement, Invalidity & Unenforceability of  
U.S. Patent No. RE44,105**

145. In response to Ericsson repeating and realleging paragraphs 1-72 of Ericsson's Counterclaims, Samsung repeats and incorporates by reference the responses in paragraphs 1-72 above as though fully set forth herein. The remaining allegations of paragraph 145 are too generalized, vague, and ambiguous to admit or deny. To the extent a response is necessary, Samsung denies the remaining allegations in paragraph 145 of Ericsson's Counterclaims.

146. Samsung admits that it is asserting a claim against Ericsson for infringement of the RE '105 patent. On information and belief, Samsung admits that a controversy exists

between Samsung and Ericsson regarding the RE '105 patent. Samsung denies the remainder of the allegations in paragraph 146 of Ericsson's Counterclaims.

147. Samsung denies the allegations of paragraph 147 of Ericsson's Counterclaims.

148. Samsung denies the allegations of paragraph 148 of Ericsson's Counterclaims.

149. Samsung denies the allegations of paragraph 149 of Ericsson's Counterclaims.

150. Samsung denies the allegations of paragraph 150 of Ericsson's Counterclaims.

**EXCEPTIONAL CASE**

151. Samsung denies the allegations of paragraph 151 of Ericsson's Counterclaims.

**DEMAND FOR A JURY TRIAL**

Samsung hereby demands trial by jury for all issues so triable.

**PRAYER FOR RELIEF**

Samsung denies that Plaintiff is entitled to any relief whatsoever from Samsung as prayed for by Plaintiff, including in Plaintiff's Complaint, Amended Complaint, or in Ericsson's Counterclaims, and Samsung denies that Plaintiff is entitled to an injunction, and denies that Plaintiff is entitled any other relief.

**SAMSUNG'S AFFIRMATIVE DEFENSES**

Samsung incorporates by reference the Affirmative Defenses stated in Samsung's Answer as though separately alleged herein against each of Ericsson's counterclaims. Samsung also states the following additional affirmative defenses in response to Ericsson's Counterclaims. Samsung specifically reserves the right to assert additional defenses as they become known through the course of discovery.

**FIRST AFFIRMATIVE DEFENSE  
(Invalidity)**

152. The claims of the '125, '832, '078, '130, '510, '823, '990, and '710 patents ("Ericsson Counterclaim Patents") are invalid because they fail to satisfy one or more of the conditions for patentability specified in Title 35 of the United States Code, including, without limitation, 35 U.S.C. §§ 101, 102, 103, and/or 112.

**SECOND AFFIRMATIVE DEFENSE  
(Non-Infringement)**

153. Samsung does not infringe and has not infringed under any theory (including directly, jointly, contributorily, or by inducement) any valid and enforceable claim of the Ericsson Counterclaim Patents, either literally or under the doctrine of equivalents.

**THIRD AFFIRMATIVE DEFENSE  
(Statutory Damages Limitations)**

154. Plaintiff's recovery for alleged infringement of the Ericsson Counterclaim Patents, if any, is limited by Title 35 of the United States Code, including, without limitation, 35 U.S.C. §§ 286 and 287.

**FOURTH AFFIRMATIVE DEFENSE  
(Government Sales)**

155. Plaintiff's remedies as to the Ericsson Counterclaim Patents, if any, are limited under 28 U.S.C. § 1498(a).

**FIFTH AFFIRMATIVE DEFENSE  
(Prosecution History Estoppel)**

156. Plaintiff is estopped, based on statements, representations, and admissions made during the prosecution of the patent applications resulting in the Ericsson Counterclaim Patents, as well as reissue and/or reexamination proceedings related to any of the Ericsson Counterclaim Patents, from asserting that Samsung has infringed, directly or indirectly, any claim of the Ericsson Counterclaim Patents, either literally or under the doctrine of equivalents.

**SIXTH AFFIRMATIVE DEFENSE  
(Covenant Not to Sue, License, and/or Patent Exhaustion)**

157. Plaintiff's claims are barred in whole or in part pursuant to a covenant not to sue, an express and/or implied license, and/or the doctrine of patent exhaustion.

158. On information and belief, and by way of example without limitation, Samsung has rights arising from its use of Qualcomm Incorporated ("Qualcomm") components in certain Samsung products. On information and belief, Qualcomm entered into a license agreement with Plaintiff by which Qualcomm received, among other things, certain rights related to the Ericsson Counterclaim Patents. Samsung has an express or implied license to manufacture, use, import, and sell electronic devices incorporating licensed Qualcomm components under the Ericsson Counterclaim Patents. Moreover, under the doctrine of patent exhaustion, the purchase by Samsung of the licensed components from Qualcomm exhausts Plaintiff's alleged rights under the Ericsson Counterclaim Patents.

159. On information and belief, and by way of example without limitation, Samsung has rights arising from its use of ST-Ericsson components in certain Samsung products. On information and belief, ST-Ericsson has obtained rights to one or more of the Ericsson Counterclaim Patents from Plaintiff. Samsung has an express or implied license to manufacture, use, import, and sell electronic devices incorporating licensed ST-Ericsson components under the Ericsson Counterclaim Patents. Moreover, under the doctrine of patent exhaustion, the purchase by Samsung of the licensed components from ST-Ericsson exhausts Plaintiff's alleged rights under the Ericsson Counterclaim Patents.

**SEVENTH AFFIRMATIVE DEFENSE  
(Unenforceability)**

160. Plaintiff's claims as they relate to some or all of the Ericsson Counterclaim Patents are barred in whole or in part by reason of estoppel, unclean hands, waiver, and/or other equitable doctrines based on Plaintiff's failure to comply with its contractual obligations made to the European Telecommunications Standards Institute ("ETSI"), 3rd Generation Partnership Project ("3GPP"), and Institute of Electrical and Electronics Engineers ("IEEE"), as well as to third party beneficiaries of those obligations (including the members of those organizations and manufacturers of products compliant with ETSI, 3GPP, and IEEE standards).

161. Samsung repeats and reincorporates by reference paragraphs 77-83 of Samsung's Answer.

162. ETSI is a standards-setting organization ("SSO") that is responsible for the standardization of information and communication technologies for the benefit of its members and third parties. 3GPP is a collaborative activity through a group of recognized SSOs (its "Organizational Partners"), including ETSI. 3GPP develops technical specifications subsequently presented to and adopted as standards by its Organizational Partners, such as ETSI.

163. IEEE, through IEEE-SA, is an SSO that is responsible for standardization for the benefit of its members and third parties. IEEE develops and adopts technical specifications, including the 802.11 series of standards.

164. Like other SSOs, ETSI, IEEE, and 3GPP have developed Intellectual Property Rights ("IPR") Policies designed to ensure that investment in standard-setting and standard-compliant equipment is not wasted as a result of essential IPR being unavailable or only available under unreasonable and/or discriminatory licensing terms. In addition, as a 3GPP "Individual Member," Ericsson was "bound by the IPR Policy" of ETSI, the Organizational Partner through which Ericsson participated in 3GPP. These policies generally require that SSO

members disclose their ownership of patents that may be essential to practice the standard and commit to licensing these patents on fair, reasonable and non-discriminatory (“FRAND”) terms. SSO IPR Policies are designed to obtain FRAND licensing obligations from patent owners to ensure that they will not use their IPR to extract unreasonable license fees or to exclude any market participant that is willing to accept a license for use of the IPR on FRAND terms and conditions.

165. ETSI’s IPR Policy is set forth in Annex 6 of its Rules of Procedure. Clause 4.1 of the ETSI IPR Policy requires ETSI members to declare all essential IPR in a timely manner. Clause 15 of ETSI’s IPR Policy defines IPR to mean “any intellectual property right conferred by statute law including applications therefor other than trademarks.” Therefore, market participants have a reasonable expectation that all potentially essential patents or patent applications will be disclosed to ETSI. Clause 6 of ETSI’s IPR Policy governs the availability of licenses to essential IPR, stating that when essential IPRs are brought to the attention of ETSI, ETSI shall immediately request an undertaking in writing that the IPR owner is prepared to grant irrevocable licenses on fair, reasonable, and non-discriminatory terms. Clause 8 of ETSI’s IPR Policy states that, if an IPR owner refuses to give a FRAND commitment in accordance with Clause 6.1 of the IPR Policy prior to the publication of a standard, ETSI will select an alternative technology to incorporate into the standard, or will stop work entirely on the standard if no alternative is available. Further, if an IPR owner refuses to give a FRAND commitment in accordance with Clause 6.1 after publication of a standard, ETSI shall try to modify the standard so that the IPR in question is no longer essential or failing that will involve the European Commission to see what further action is required.

166. The IEEE's IPR Policy is set forth in Section 6.2 of the IEEE-SA Standards Board Bylaws. This section requires that the IEEE "request licensing assurance" through a Letter of Assurance process. This Letter of Assurance must contain either (1) "[a] general disclaimer to the effect that the Submitter without conditions will not enforce any present or future Essential Patent Claims against any person ... implementing ... the standard," or (2) "[a] statement that a license for a compliant implementation of the standard will be made available to an unrestricted number of applicants on a worldwide basis without compensation or under reasonable rates, with reasonable terms and conditions that are demonstrably free of any unfair discrimination."

167. The IEEE's IPR Policy further states that "In order for IEEE's patent policy to function efficiently, individuals participating in the standards development process: (a) shall inform the IEEE (or cause the IEEE to be informed) of the holder of any potential Essential Patent Claims of which they are personally aware and that are not already the subject of an existing Letter of Assurance, owned or controlled by the participant or the entity the participant is from, employed by, or otherwise represents; and (b) should inform the IEEE (or cause the IEEE to be informed) of any other holders of such potential Essential Patent Claims that are not already the subject of an existing Letter of Assurance."

168. Relying on the IPR Policies of these SSOs and on the accompanying patent owner obligations under these Policies, the SSOs and other third parties, including Samsung, adopted various technologies into the technical standards that were being developed.

169. Ericsson is a member of the respective SSOs and an alleged contributor to these various standards. As such, Ericsson has declared that the related patents must be licensed on FRAND terms. For example, Ericsson has declared to ETSI that some or all of the Ericsson Counterclaim Patents are essential or potentially essential to one or more standard, and explicitly

has undertaken “to grant irrevocable licenses under the IPRs on terms and conditions which are in accordance with Clause 6.1 of the ETSI IPR Policy,” i.e., on FRAND terms. Also, in a Letter of Assurance directed to IEEE 802.11n, Ericsson also agreed to “grant a license under reasonable rates to an unrestricted number of applicants on a worldwide basis with reasonable terms and conditions that are demonstrably free of unfair discrimination.”

170. As a member and participant in these SSOs, Samsung relied on the IPR Policies of ETSI, 3GPP and IEEE to ensure that it will have the ability to obtain licenses to standard essential patents on FRAND terms before developing and investing in products and technologies that may practice the standard. For example, Samsung has made substantial investments in the design, manufacture, launch and continued innovation of these products and technologies.

171. Moreover, Samsung and Ericsson have previously entered into license agreements relating to technology at issue in this case. In December 2001, after extensive arm’s-length negotiations, Samsung and Ericsson entered into a worldwide cross-license agreement that specified payment from Samsung to Ericsson for a four year cross license plus a release for the previous four years for the use of both parties’ essential patents.

172. When the 2001 License expired in 2005, Ericsson demanded an exorbitant renewal fee for the following five years. Despite Samsung’s attempts to reach an agreement with Ericsson, Ericsson refused to reduce its demand. Instead, Ericsson initiated litigations against Samsung in the middle of the renewal negotiations between the parties. Contrary to Ericsson’s FRAND obligations, Ericsson sought to exclude Samsung’s products from the United States without ever offering a license on FRAND terms as required.

173. The parties eventually resolved the pending litigations by entering into a new cross-license on June 29, 2007. The 2007 Agreement expired in 2011. Instead of proposing terms

consistent with the two previous license agreements, Ericsson refused to acknowledge those agreements. Instead, consistent with Ericsson's new business model, which no longer includes the manufacture of handsets, Ericsson demanded terms that were unfair, unreasonable, and discriminatory, particularly in comparison to the parties' previous agreements. Ericsson has not complied with its obligation to offer to Samsung, and negotiate, a license on FRAND terms. In addition, upon information and belief, Ericsson failed to use reasonable endeavors to inform ETSI, IEEE, and 3GPP in a timely fashion of the existence of the purported IPR relating to one or more patents asserted herein thus constituting further breach of its obligations to the respective SSO and its members.

174. Ericsson once again initiated litigations against Samsung in the middle of the renewal negotiations between the parties. Ericsson again seeks to exclude Samsung's products from the United States, contrary to its earlier contractual obligations and promises. Ericsson's unreasonable and discriminatory license demands and associated litigation tactics are in violation of its FRAND obligations. Ericsson is in breach of its obligations and promises and should be barred from seeking relief here, at the ITC, or any other forum for Samsung's alleged infringement of Ericsson's declared standards-essential patents, including some or all of the Ericsson Counterclaim Patents.

**EIGHTH AFFIRMATIVE DEFENSE  
(Patent Misuse)**

175. Samsung incorporates the allegations set forth in paragraphs 160-174, above. In light of these facts, Plaintiff is barred from asserting the Ericsson Counterclaim Patents by the equitable doctrine of patent misuse.

**NINTH AFFIRMATIVE DEFENSE  
(Lack of Standing)**

176. Samsung incorporates the allegations set forth in paragraphs 160-174, above. In light of these facts, Ericsson lacks standing as to its claims relating to some or all of the Ericsson Counterclaim Patents. Ericsson is precluded from obtaining injunctive or other exclusionary relief because it failed to comply with its commitments to ETSI and IEEE that it would license its declared-essential patents on FRAND terms to willing licensees, such as Samsung here. Ericsson lacks standing because it has not offered Samsung a license on FRAND terms or negotiated in good faith to offer Samsung such a FRAND license in violation of Ericsson's representations and obligations to ETSI and IEEE.

**TENTH AFFIRMATIVE DEFENSE  
(Failure to State a Claim)**

177. Samsung incorporates the allegations set forth in paragraphs 160-174, above. In light of these facts, Plaintiff's Complaint fails to state a claim upon which relief can be granted.

**SAMSUNG'S RESPONSIVE COUNTERCLAIMS**

As its responsive counterclaims against Ericsson, Samsung demands a trial by jury on its non-equitable claims and alleges as follows:

**Nature of the Action and Relief Sought**

1. Samsung repeats and reincorporates by reference paragraphs 1-12 of the counterclaims in Samsung's Answer.
2. This is also an action to declare United States Patents No. 6,029,125, 6,031,832, 6,070,078, 6,418,130, 7,149,510, 7,286,823, 8,023,990, and 8,214,710 ("the Ericsson Counterclaim Patents") not infringed by Samsung, unenforceable, and/or invalid, that Ericsson has breached obligations by asserting the Ericsson Counterclaim Patents, and that Samsung has an express or implied license to practice such patents.

**Parties**

3. Samsung repeats and reincorporates by reference paragraphs 13-17 of the counterclaims in Samsung's Answer.

**Jurisdiction and Venue**

4. This action arises under the patent laws of the United States, 35 U.S.C. § 100 et seq and the Federal Declaratory Judgment Act, 28 U.S.C. § 2201 et seq.

5. This Court has jurisdiction over these counterclaims under 28 U.S.C. §§ 1331, 1338(a), 1367(a) and 2201(a).

6. To the extent that this action remains in this District, venue is appropriate pursuant to 28 U.S.C. § 1391(b)-(d) and 1400(b). Case 6:12-cv-00894-LED Document 26 Filed 03/18/13 Page 27 of 72

7. Ericsson has consented to personal jurisdiction by commencing its action for patent infringement in this judicial district, as set forth in its Complaint and in Ericsson's Counterclaims.

**Factual Background**

8. Samsung repeats and reincorporates by reference paragraphs 22-43 of the counterclaims in Samsung's Answer.

**Counterclaim Counts 1-26**

9. Samsung repeats and reincorporates by reference paragraphs 44-197 of the counterclaims in Samsung's Answer.

**Counterclaim Count 27:  
Declaratory Judgment of Non-infringement & Invalidity of U.S. Patent No. 6,029,125**

10. Samsung re-alleges and fully incorporates paragraphs 1-9 above of the Counterclaims as though fully set forth herein.

11. By the filing of its Complaint, Ericsson has purported to assert a claim against Samsung for the alleged infringement of United States Patent No. 6,029,125 (“the ’125 Patent”). Samsung has not infringed, contributed to the infringement of, or induced the infringement of any valid claim of the ’125 Patent. Consequently, an actual controversy exists between the parties with respect to the infringement, validity and scope of the ’125 Patent.

12. Samsung has not and is not now infringing, directly or indirectly, or contributed to infringement by another, or actively induced others to infringe any valid or enforceable claim of the ’125 Patent. Samsung is not liable for any infringement, literal or under the doctrine of equivalents, of the ’125 Patent.

13. Samsung does not willfully infringe and has not willfully infringed, either directly, jointly, indirectly, contributorily, or by inducement, any valid and enforceable claim of the ’125 Patent, either literally or under the doctrine of equivalents.

14. As a result, Samsung is entitled to a judgment finding that the ’125 Patent is not infringed by Samsung, either literally or under the doctrine of equivalents, and that Samsung has not contributed to or induced any infringement by another.

**Counterclaim Count 28:**  
**Declaratory Judgment of Non-infringement & Invalidity of U.S. Patent No. 6,031,832**

15. Samsung re-alleges and fully incorporates paragraphs 1-9 above of the Counterclaims as though fully set forth herein.

16. By the filing of its Complaint, Ericsson has purported to assert a claim against Samsung for the alleged infringement of United States Patent No. 6,031,832 (“the ’832 Patent”). Samsung has not infringed, contributed to the infringement of, or induced the infringement of any valid claim of the ’832 Patent. Consequently, an actual controversy exists between the parties with respect to the infringement, validity and scope of the ’832 Patent.

17. Samsung has not and is not now infringing, directly or indirectly, or contributed to infringement by another, or actively induced others to infringe any valid or enforceable claim of the '832 Patent. Samsung is not liable for any infringement, literal or under the doctrine of equivalents, of the '832 Patent.

18. Samsung does not willfully infringe and has not willfully infringed, either directly, jointly, indirectly, contributorily, or by inducement, any valid and enforceable claim of the '832 Patent, either literally or under the doctrine of equivalents.

19. As a result, Samsung is entitled to a judgment finding that the '832 Patent is not infringed by Samsung, either literally or under the doctrine of equivalents, and that Samsung has not contributed to or induced any infringement by another.

**Counterclaim Count 29:**  
**Declaratory Judgment of Non-infringement & Invalidity of U.S. Patent No. 6,070,078**

20. Samsung re-alleges and fully incorporates paragraphs 1-9 above of the Counterclaims as though fully set forth herein.

21. By the filing of its Complaint, Ericsson has purported to assert a claim against Samsung for the alleged infringement of United States Patent No. 6,070,078 ("the '078 Patent"). Samsung has not infringed, contributed to the infringement of, or induced the infringement of any valid claim of the '078 Patent. Consequently, an actual controversy exists between the parties with respect to the infringement, validity and scope of the '078 Patent.

22. Samsung has not and is not now infringing, directly or indirectly, or contributed to infringement by another, or actively induced others to infringe any valid or enforceable claim of the '078 Patent. Samsung is not liable for any infringement, literal or under the doctrine of equivalents, of the '078 Patent.

23. Samsung does not willfully infringe and has not willfully infringed, either directly, jointly, indirectly, contributorily, or by inducement, any valid and enforceable claim of the '078 Patent, either literally or under the doctrine of equivalents.

24. As a result, Samsung is entitled to a judgment finding that the '078 Patent is not infringed by Samsung, either literally or under the doctrine of equivalents, and that Samsung has not contributed to or induced any infringement by another.

**Counterclaim Count 30:**  
**Declaratory Judgment of Non-infringement & Invalidity of U.S. Patent No. 6,418,130**

25. Samsung re-alleges and fully incorporates paragraphs 1-9 above of the Counterclaims as though fully set forth herein.

26. By the filing of its Complaint, Ericsson has purported to assert a claim against Samsung for the alleged infringement of United States Patent No. 6,418,130 ("the '130 Patent"). Samsung has not infringed, contributed to the infringement of, or induced the infringement of any valid claim of the '130 Patent. Consequently, an actual controversy exists between the parties with respect to the infringement, validity and scope of the '130 Patent.

27. Samsung has not and is not now infringing, directly or indirectly, or contributed to infringement by another, or actively induced others to infringe any valid or enforceable claim of the '130 Patent. Samsung is not liable for any infringement, literal or under the doctrine of equivalents, of the '130 Patent.

28. Samsung does not willfully infringe and has not willfully infringed, either directly, jointly, indirectly, contributorily, or by inducement, any valid and enforceable claim of the '130 Patent, either literally or under the doctrine of equivalents.

29. As a result, Samsung is entitled to a judgment finding that the '130 Patent is not infringed by Samsung, either literally or under the doctrine of equivalents, and that Samsung has not contributed to or induced any infringement by another.

**Counterclaim Count 31:**  
**Declaratory Judgment of Non-infringement & Invalidity of U.S. Patent No. 7,149,510**

30. Samsung re-alleges and fully incorporates paragraphs 1-9 above of the Counterclaims as though fully set forth herein.

31. By the filing of its Complaint, Ericsson has purported to assert a claim against Samsung for the alleged infringement of United States Patent No. 7,149,510 ("the '510 Patent"). Samsung has not infringed, contributed to the infringement of, or induced the infringement of any valid claim of the '510 Patent. Consequently, an actual controversy exists between the parties with respect to the infringement, validity and scope of the '510 Patent.

32. Samsung has not and is not now infringing, directly or indirectly, or contributed to infringement by another, or actively induced others to infringe any valid or enforceable claim of the '510 Patent. Samsung is not liable for any infringement, literal or under the doctrine of equivalents, of the '510 Patent.

33. Samsung does not willfully infringe and has not willfully infringed, either directly, jointly, indirectly, contributorily, or by inducement, any valid and enforceable claim of the '510 Patent, either literally or under the doctrine of equivalents.

34. As a result, Samsung is entitled to a judgment finding that the '510 Patent is not infringed by Samsung, either literally or under the doctrine of equivalents, and that Samsung has not contributed to or induced any infringement by another.

**Counterclaim Count 32:**  
**Declaratory Judgment of Non-infringement & Invalidity of U.S. Patent No. 7,286,823**

35. Samsung re-alleges and fully incorporates paragraphs 1-9 above of the Counterclaims as though fully set forth herein.

36. By the filing of its Complaint, Ericsson has purported to assert a claim against Samsung for the alleged infringement of United States Patent No. 7,286,823 (“the ’823 Patent”). Samsung has not infringed, contributed to the infringement of, or induced the infringement of any valid claim of the ’823 Patent. Consequently, an actual controversy exists between the parties with respect to the infringement, validity and scope of the ’823 Patent.

37. Samsung has not and is not now infringing, directly or indirectly, or contributed to infringement by another, or actively induced others to infringe any valid or enforceable claim of the ’823 Patent. Samsung is not liable for any infringement, literal or under the doctrine of equivalents, of the ’823 Patent.

38. Samsung does not willfully infringe and has not willfully infringed, either directly, jointly, indirectly, contributorily, or by inducement, any valid and enforceable claim of the ’823 Patent, either literally or under the doctrine of equivalents.

39. As a result, Samsung is entitled to a judgment finding that the ’823 Patent is not infringed by Samsung, either literally or under the doctrine of equivalents, and that Samsung has not contributed to or induced any infringement by another.

**Counterclaim Count 33:**  
**Declaratory Judgment of Non-infringement & Invalidity of U.S. Patent No. 8,023,990**

40. Samsung re-alleges and fully incorporates paragraphs 1-9 above of the Counterclaims as though fully set forth herein.

41. By the filing of its Complaint, Ericsson has purported to assert a claim against Samsung for the alleged infringement of United States Patent No. 8,023,990 (“the ’990 Patent”).

Samsung has not infringed, contributed to the infringement of, or induced the infringement of any valid claim of the '990 Patent. Consequently, an actual controversy exists between the parties with respect to the infringement, validity and scope of the '990 Patent.

42. Samsung has not and is not now infringing, directly or indirectly, or contributed to infringement by another, or actively induced others to infringe any valid or enforceable claim of the '990 Patent. Samsung is not liable for any infringement, literal or under the doctrine of equivalents, of the '990 Patent.

43. Samsung does not willfully infringe and has not willfully infringed, either directly, jointly, indirectly, contributorily, or by inducement, any valid and enforceable claim of the '990 Patent, either literally or under the doctrine of equivalents.

44. As a result, Samsung is entitled to a judgment finding that the '990 Patent is not infringed by Samsung, either literally or under the doctrine of equivalents, and that Samsung has not contributed to or induced any infringement by another.

**Counterclaim Count 34:**  
**Declaratory Judgment of Non-infringement & Invalidity of U.S. Patent No. 8,214,710**

45. Samsung re-alleges and fully incorporates paragraphs 1-9 above of the Counterclaims as though fully set forth herein.

46. By the filing of its Complaint, Ericsson has purported to assert a claim against Samsung for the alleged infringement of United States Patent No. 8,214,710 ("the '710 Patent"). Samsung has not infringed, contributed to the infringement of, or induced the infringement of any valid claim of the '710 Patent. Consequently, an actual controversy exists between the parties with respect to the infringement, validity and scope of the '710 Patent.

47. Samsung has not and is not now infringing, directly or indirectly, or contributed to infringement by another, or actively induced others to infringe any valid or enforceable claim

of the '710 Patent. Samsung is not liable for any infringement, literal or under the doctrine of equivalents, of the '710 Patent.

48. Samsung does not willfully infringe and has not willfully infringed, either directly, jointly, indirectly, contributorily, or by inducement, any valid and enforceable claim of the '710 Patent, either literally or under the doctrine of equivalents.

49. As a result, Samsung is entitled to a judgment finding that the '710 Patent is not infringed by Samsung, either literally or under the doctrine of equivalents, and that Samsung has not contributed to or induced any infringement by another.

**Counterclaim Count 35:**  
**Breach of Contract**

50. Samsung re-alleges and fully incorporates paragraphs 1-9 above and 118-121 of Samsung's Answer.

51. Upon information and belief, Ericsson contends that one or more of the Ericsson Counterclaim Patents is essential to practicing at least one technical standard.

52. For each such Ericsson Counterclaim Patent, as set forth in Counterclaim 13 above, Ericsson has breached its contractual commitments to license such Ericsson Counterclaim Patent on FRAND terms, and Samsung has been harmed as a consequence.

**Counterclaim Count 36:**  
**Promissory Estoppel**

53. Samsung re-alleges and fully incorporates paragraphs 1-9 above and 122-127 of Samsung's Answer.

54. Upon information and belief, Ericsson contends that one or more of the Ericsson Counterclaim Patents is essential to practicing at least one technical standard.

55. For each such Ericsson Counterclaim Patent, as set forth in Counterclaim 14 above, Ericsson is promissorially estopped from asserting such Ericsson Counterclaim Patent against Samsung.

**Counterclaim Count 37:  
Declaration of License**

56. Samsung re-alleges and fully incorporates paragraphs 1-9, 25, 28, 31, 34, 37, and 40 above and 128-132 of Samsung's Answer.

57. Samsung is entitled to a judgment finding that it is licensed to manufacture, use, import, and sell electronic devices, including under one or more of the Ericsson Counterclaim Patents, because Samsung is/was licensed, and/or because Samsung's electronic devices incorporating licensed Qualcomm components, ST Ericsson components, and/or components of other Ericsson licensed third parties are licensed. Samsung accordingly owes no royalties to Ericson on account of such manufacture, use, import, or sale.

**EXCEPTIONAL CASE**

58. This case is an exceptional case entitling Samsung to an award of its reasonable attorneys' fees incurred in connection with this action pursuant to 35 U.S.C. § 285, as a result of, *inter alia*, Ericsson's assertion of the Ericsson Counterclaim Patents against Samsung with the knowledge that the Ericsson Counterclaim Patents are invalid and unenforceable.

**PRAYER FOR RELIEF**

WHEREFORE, Samsung prays for judgment against Ericsson as follows:

- a. For dismissal of Ericsson's Complaint, First Amended Complaint, and Counterclaims in their entirety with prejudice;
- b. For a judgment that Ericsson has infringed directly, contributorily, and/or by inducement the asserted claims of each Samsung Asserted Patent asserted in Samsung's Answer;

- c. For a judgment declaring that each and every claim of the Samsung Asserted Patents are valid and enforceable;
- d. For judgment and a declaration that Ericsson has breached its legal obligations with respect to granting Samsung FRAND terms and conditions of licenses to any of its essential patents;
- e. For an order compelling specific performance of Ericsson's FRAND obligations;
- f. For a judgment declaring that Samsung has not and does not infringe, under any theory, any asserted claim of an Ericsson Asserted Patent or an Ericsson Counterclaim Patent;
- g. For a judgment declaring that Samsung is licensed to manufacture, use, import, and sell electronic devices incorporating licensed Qualcomm components, ST Ericsson components, and/or components of other Ericsson licensed third parties and owes no royalties to Ericsson on account of such manufacture, use, import, or sale;
- h. For a judgment declaring that each and every asserted claim of the Ericsson Asserted Patents and Ericsson Counterclaim Patents is invalid and unenforceable;
- i. For an award of reasonable attorneys' fees and expenses against Ericsson pursuant to 35 U.S.C. § 285 or otherwise;
- j. For damages together with prejudgment interest;
- k. For Samsung's costs of suit against Ericsson;
- l. For a permanent injunction against Ericsson products found to infringe any Samsung patent for which Samsung is entitled to obtain an injunction; and
- m. For such other and further relief as this Court may deem just and proper.

**DEMAND FOR JURY TRIAL**

Samsung hereby demands a trial by jury on all issues triable by a jury alleged or relating to this litigation pursuant to Rule 38 of the Federal Rules of Civil Procedure.

Dated: May 16, 2013

Respectfully submitted,

**SAMSUNG ELECTRONICS CO., LTD  
SAMSUNG ELECTRONICS AMERICA, INC.  
SAMSUNG TELECOMMUNICATIONS  
AMERICA LLC**

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**CERTIFICATE OF SERVICE**

The undersigned hereby certifies that a true and correct copy of the above and foregoing document has been served on May 16, 2013 to all counsel of record pursuant to the Court's CM/ECF system.

*/s/Indranil Mukerji*  
\_\_\_\_\_  
Indranil Mukerji

*In the Matter of* CERTAIN MOBILE ELECTRONIC DEVICES, INCLUDING WIRELESS COMMUNICATION DEVICES, PORTABLE MUSIC AND DATA PROCESSING DEVICES, AND TABLET COMPUTERS

Inv. No. 337-TA-794

U.S. International Trade Commission; Before the Honorable E. James Gildea

**CERTIFICATE OF SERVICE**

I, Lanta M. Chase, hereby certify that copies of the foregoing document, **RESPONDENT APPLE INC.'S NOTICE OF NEW AUTHORITY AND NEW FACTS RELEVANT TO ISSUES ON REVIEW**, were served upon the following parties as indicated below on this 22ND day of May, 2013.

The Honorable Lisa R. Barton Acting Secretary U.S. International Trade Commission 500 E Street, S.W., Room 112 Washington, D.C. 20436	<input type="checkbox"/> Via Hand Delivery (Original + 2 Copies) <input checked="" type="checkbox"/> Via Electronic Filing (EDIS) <input type="checkbox"/> Via Overnight Delivery
The Honorable E. James Gildea Administrative Law Judge U.S. International Trade Commission 500 E Street, S.W., Room 317-E Washington, D.C. 20436	<input type="checkbox"/> Via Hand Delivery <input checked="" type="checkbox"/> Via Overnight Delivery <input type="checkbox"/> Via Facsimile <input checked="" type="checkbox"/> Via Electronic Mail Sarah.zimmerman@usitc.gov
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/s/ Lanta M. Chase  
Lanta M. Chase