

PUBLIC VERSION

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, D.C.

In the Matter of

CERTAIN AUTHENTICATION SYSTEMS,
INCLUDING SOFTWARE AND HANDHELD
ELECTRONIC DEVICES

Inv. No. 337-TA-697

**ORDER NO. 13: INITIAL DETERMINATION GRANTING JOINT MOTION TO
TERMINATE INVESTIGATION ON THE BASIS OF
SETTLEMENT AGREEMENT**

(May 28, 2010)

On May 17, 2010, complainant Prism Technologies, LLC (“Prism”) and respondents Research in Motion Limited and Research in Motion Corporation (“RIM”) filed a joint motion to terminate the investigation on the basis of a settlement agreement.¹ (Motion Docket No. 697-021.) On May 27, 2010, the Commission Investigative Staff (“Staff”) filed a response in support of the motion.

The Commission’s Rules provide that “[a]ny party may move at any time for an order to terminate an investigation in whole or in part as to any or all respondents on the basis of a settlement, a licensing or other agreement . . .” 19 C.F.R. § 210.21(a)(2); *see also Certain Organizer Racks And Products Containing Same*, Inv. No. 337-TA-466, Order No. 7 at 2, February 19, 2001.

In the instant investigation, the motion to terminate is based on a settlement agreement between Prism and RIM. In accordance with Commission Rule 210.21(b), the parties filed a public version of the settlement agreement, attached herein as Appendix A. The motion further

¹ On April 30, 2010, Prism filed a motion to withdraw the complaint and terminate the investigation. (Motion Docket No. 697-017.) On May 18, 2010, Prism filed an unopposed motion to withdraw Motion No. 697-017. (Motion Docket No. 697-022.) Prism’s motion to withdraw Motion No. 697-017 is hereby GRANTED.

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states, consistent with Commission Rule 210.21(b)(1), that there are no other agreements, written or oral, express or implied, between Prism and RIM concerning the subject matter of this investigation. (Memo at 1.) The settlement agreement appears to resolve the dispute between Prism and RIM.

Commission Rule 210.50(b)(2) provides that in the case of a proposed termination by settlement agreement or consent order, the parties may file statements regarding the impact of the proposed termination on the public interest, and the administrative law judge may hear argument, although no discovery may be compelled, with respect to issues relating solely to the public interest. 19 C.F.R. § 210.50(b)(2). In any initial determination terminating an investigation by settlement agreement or consent order, the administrative law judge is directed to consider and make appropriate findings regarding the effect of the proposed settlement on the public health and welfare, competitive conditions in the United States economy, the production of like or directly competitive articles in the United States, and United States consumers. *Id.*

In their motion, Prism and RIM assert that termination of this investigation is in the public interest. (Memo at 1-2.) Staff agrees and finds that terminating the investigation would not be contrary to public interest. (Staff Resp. at 3-4.)

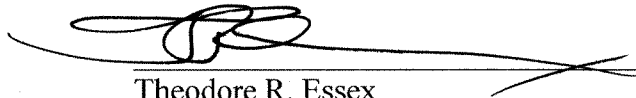
Based on the pleadings filed in connection with the motion to terminate the investigation, the ALJ finds that there is no indication that termination of this investigation based on the settlement agreement would have an adverse impact on the public interest. The ALJ finds that termination of this investigation does not impose any undue burdens on the public health and welfare, competitive conditions in the United States economy or United States consumers.

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Accordingly, it is the Initial Determination that the motion to terminate this investigation be GRANTED. This initial determination, along with supporting documentation, is hereby certified to the Commission.

Pursuant to 19 C.F.R. § 210.42(h), this Initial Determination shall become the determination of the Commission unless a party files a petition for review of the Initial Determination pursuant to 19 C.F.R. § 210.43(a), or the Commission, pursuant to 19 C.F.R. § 210.44, orders, on its own motion, a review of the Initial Determination or certain issues herein.

SO ORDERED.

A handwritten signature in black ink, appearing to read 'T. Essex', is written over a horizontal line. The signature is stylized and cursive.

Theodore R. Essex
Administrative Law Judge

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ATTACHMENT A

UNITED STATES INTERNATIONAL TRADE COMMISSION
WASHINGTON, D.C.

Before The Honorable Theodore R. Essex
Administrative Law Judge

In the Matter of:

**CERTAIN AUTHENTICATION SYSTEMS,
INCLUDING SOFTWARE AND HANDHELD
ELECTRONIC DEVICES**

Investigation No. 337-TA-697

**JOINT MOTION OF COMPLAINANT PRISM TECHNOLOGIES
AND RESPONDENTS RESEARCH IN MOTION LIMITED AND
RESEARCH IN MOTION CORPORATION TO TERMINATE THE
INVESTIGATION ON THE BASIS OF SETTLEMENT**

Complainant Prism Technologies, LLC (“Prism”) and Respondents Research In Motion Limited and Research In Motion Corporation (collectively “RIM”), by and through their undersigned counsel and pursuant to Commission Rule of Practice 210.21(b), hereby move to terminate the above-captioned investigation (“Investigation”) on the basis of settlement.

Prism and RIM have entered into a License and Settlement Agreement (“Agreement”). As the Agreement contains confidential business information under 19 C.F.R. § 201.6, a true copy of the Agreement has been separately submitted with the confidential version of this joint motion. A redacted non-confidential copy of the Agreement is being submitted with this public version of this joint motion as Exhibit 1. There are no other agreements, written or oral, express or implied, between Prism and RIM concerning the subject matter of this Investigation.

Termination of this Investigation is in the interest of the public and in the interest of administrative economy. In view of the attached confidential License and Settlement Agreement there no longer exists a basis upon which to continue this Investigation. Commission policy and the public interest generally favor settlements, which preserve resources for both the

Commission and the private parties, and termination based on a settlement agreement is routinely granted. *See, e.g., Certain Safety Eyewear and Components Thereof*, Inv. No. 337-TA-433, Order No. 37 at 2 (November 3, 2000); *Certain Synchronous Dynamic Random Access Memory Devices, Microprocessors, and Products Containing Same*, Inv. No. 337-TA-431, Order No. 11 at 2 (July 13, 2000); *Certain Integrated Circuit Chipsets and Products Containing Same*, Inv. No. 337-TA-428, Order No. 16 at 5 (August 22, 2000).

Prism and RIM have consulted the Commission Investigative Attorney (“Staff”) regarding its position on this Motion. The Staff has indicated that it will set forth its position in written responses after the motion is filed.

For the foregoing reasons, Prism and RIM respectfully request that the Administrative Law Judge issue an initial determination terminating this Investigation on the basis of settlement.

A proposed order is being filed herewith.

Dated: May 17, 2010

By: /s/ Robert J. Walters
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Charles J. Hawkins
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600 13th Street, N.W. 12th Floor
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*Counsel for Complainant
Prism Technologies LLC*

Dated: May 17, 2010

By: /s/ Linda S. DeBruin
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*Attorneys for Respondents Research In Motion
Limited and Research In Motion Corporation*

CERTIFICATE OF SERVICE

Investigation No. 337-TA-697

I hereby certify that a copy of JOINT MOTION OF COMPLAINANT PRISM TECHNOLOGIES AND RESPONDENTS RESEARCH IN MOTION LIMITED AND RESEARCH IN MOTION CORPORATION TO TERMINATE THE INVESTIGATION ON THE BASIS OF SETTLEMENT was served as indicated to the parties listed below on May 17, 2010:

<p><u>Via EDIS</u> Honorable Marilyn Abbott Secretary U.S. INTERNATIONAL TRADE COMMISSION 500 E Street SW, Room 112 Washington, DC 20436</p>	<p><u>Via Hand Delivery (2 Copies)</u> Honorable Theodore R. Essex Administrative Law Judge U.S. International Trade Commission 500 East Street, S.W., Room 317-N Washington, DC 20436</p>
<p><u>Via Email</u> Tamara Lee Attorney Advisor U.S. International Trade Commission Office of Unfair Import Investigations 500 E. Street, S.W., Room 401-P Washington, DC 20436 tamara.lee@usitc.gov</p>	<p><u>Via Email</u> Vu Q. Bui, Esq. Investigative Attorney Office of Unfair Import Investigations U.S. International Trade Commission 500 E. Street, S.W., Room 401-P Washington, DC 20436 vu.bui@usitc.gov</p>
<p>Counsel for Complainant Prism Technologies LLC</p>	
<p><u>Via Email</u> Robert J. Walters Blair M. Jacobs Charles J. Hawkins McDermott Will & Emery LLP 600 Thirteenth Street, NW Washington, DC 20005-3096</p>	

/s/ Jamie H. McDole
Jamie H. McDole
KIRKLAND & ELLIS LLP
300 North LaSalle Street
Chicago, IL 60654

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

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

In the Matter of:

**CERTAIN AUTHENTICATION SYSTEMS,
INCLUDING SOFTWARE AND HANDHELD
ELECTRONIC DEVICES**

Investigation No. 337-TA-697

**[PROPOSED] ORDER NO. ___ : INITIAL DETERMINATION GRANTING JOINT
MOTION TO TERMINATE THE INVESTIGATION BASED ON SETTLEMENT
AGREEMENT**

On May 17, 2010, Complainant Prism Technologies, LLC (“Prism”) and Respondents Research In Motion Limited and Research In Motion Corporation (collectively “RIM”), filed a joint motion to terminate the above-captioned investigation (“Investigation”) on the basis of settlement. The motion to terminate is based on a License and Settlement Agreement (“Agreement”) entered into by Prism and RIM. In accordance with Commission Rule 210.21(b), in addition to submitting a Confidential version of the Settlement Agreement to the Commission, the parties attached to their joint motion a public version of the Settlement Agreement (a copy of which is also attached to this Order).

Consistent with Commission Rule 210.21 (b)(1), the joint motion states that that there are “no other agreements, written or oral, express or implied, between Prism and RIM concerning the subject matter of this Investigation.” (Motion at 1.) The Agreement thus appears to resolve all relevant disputes between Prism and RIM.

Commission Rule 210.50(b)(2) provides, among other things, that in the case of a proposed termination by settlement agreement, the parties may file statements regarding the

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impact of the proposed termination on the public interest. In their motion, Prism and RIM assert that termination of this investigation is in the public interest. (Motion at 1.) Indeed, the termination of an investigation, such as that proposed by the joint motion, is generally in the public interest. Based on the pleadings filed in connection with the joint motion to terminate, there is no indication that termination of this Investigation based on the Agreement would have an adverse impact on the public interest.

Having considered the pleadings of the parties, the Administrative Law Judge concludes that no party has provided “extraordinary circumstances” that would advise against terminating the Investigation. Accordingly, it is the Initial Determination that the motion to terminate this Investigation be GRANTED. This Initial Determination, along with supporting documentation, is hereby certified to the Commission.

Pursuant to 19 C.F.R. § 210.42(h), this Initial Determination shall become the determination of the Commission unless a party files a petition for review of the Initial Determination pursuant to 19 C.F.R. § 210.43(a), or the Commission, pursuant to 19 C.F.R. § 210.44, orders, on its own motion, a review of the Initial Determination or certain issues herein.

SO ORDERED.

Theodore R. Essex, Administrative Law Judge
United States International Trade Commission

› PUBLIC VERSION ‹

EXHIBIT 1

LICENSE AND SETTLEMENT AGREEMENT

THIS LICENSE AND SETTLEMENT AGREEMENT is made as of REDACTED by and between **RESEARCH IN MOTION LIMITED**, a corporation incorporated under the laws of Ontario ("**RIM**") and **PRISM TECHNOLOGIES LLC**, a limited liability company organized under the laws of Nebraska ("**Prism**").

WHEREAS, Prism, on the one hand, and RIM and its affiliate Research In Motion Corporation ("**RIMC**"), on the other hand (RIM and RIMC, together, the "**RIM Defendants**"), are involved in certain litigations related to U.S. Patent No. 7,290,288 (the "**288 Patent**"); and

WHEREAS, to fully and finally settle all such litigations and REDACTED

NOW THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Prism and RIM agree as follows:

REDACTED

REDACTED
SUBJECT TO U.S. FEDERAL RULE OF EVIDENCE 408

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SUBJECT TO U.S. FEDERAL RULE OF EVIDENCE 408

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SUBJECT TO U.S. FEDERAL RULE OF EVIDENCE 408

REDACTED

IN WITNESS WHEREOF, the Parties have executed this Agreement.

PRISM TECHNOLOGIES LLC

By:

Name: **REDACTED**

Title:

Date:

RESEARCH IN MOTION LIMITED

By: _____

Name:

Title:

Date:

REDACTED

REDACTED
SUBJECT TO U.S. FEDERAL RULE OF EVIDENCE 408

IN WITNESS WHEREOF, the Parties have executed this Agreement.

PRISM TECHNOLOGIES LLC

By: _____

Name:
Title:
Date:

~~RESEARCH IN MOTION LIMITED~~

By:

Name: **REDACTED**
Title:
Date:

REDACTED
SUBJECT TO U.S. FEDERAL RULE OF EVIDENCE 408

SCHEDULE A

REDACTED

REDACTED
SUBJECT TO U.S. FEDERAL RULE OF EVIDENCE 408

REDACTED

REDACTED
SUBJECT TO U.S. FEDERAL RULE OF EVIDENCE 408

SCHEDULE B

REDACTED

REDACTED
SUBJECT TO U.S. FEDERAL RULE OF EVIDENCE 408

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SUBJECT TO U.S. FEDERAL RULE OF EVIDENCE 408

REDACTED

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SUBJECT TO U.S. FEDERAL RULE OF EVIDENCE 408

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REDACTED
SUBJECT TO U.S. FEDERAL RULE OF EVIDENCE 408

SCHEDULE C

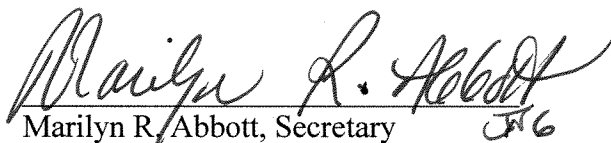
REDACTED

**CERTAIN AUTHENTICATION SYSTEMS, INCLUDING
SOFTWARE AND HANDHELD ELECTRONIC DEVICES**

Inv. No. 337-TA-697

PUBLIC CERTIFICATE OF SERVICE

I, Marilyn R. Abbott, hereby certify that the attached **ORDER 13** has been served by hand upon, the Commission Investigative Attorney, **Vu Q. Bui, Esq.** and the following parties as indicated on **May 28, 2010**.



Marilyn R. Abbott, Secretary
U.S. International Trade Commission
500 E Street, SW, Room 112A
Washington, D.C. 20436

On Behalf of Complainant Prism Technologies, LLC:

Robert J. Walters, Esq.
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() Via Hand Delivery
() Via Overnight Mail
() Via First Class Mail
() Other: _____

**On Behalf of Respondents Research In Motion, Ltd.
and Research In Motion, Corp. :**

D. Sean Trainor, Esq.
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655 Fifteenth Street, NW
Washington, DC 20005-5793

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() Via First Class Mail
() Other: _____

**CERTAIN AUTHENTICATION SYSTEMS, INCLUDING
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PUBLIC CERTIFICATE OF SERVICE - PAGE 2

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