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12	NXP SEMICONDUCTORS USA, INC.	
13		
14	UNITED STATES DISTRICT COURT	
15	NORTHERN DISTRICT OF CALIFORNIA	
16	SAN FRANCISCO DIVISION	
17	NXP SEMICONDUCTORS USA, INC.,	Case No. C 08-05682 MMC
18	a Delaware corporation,	SUPPLEMENTAL JOINT CASE
19	Plaintiff and Counterdefendant,	MANAGEMENT CONFERENCE STATEMENT AND [PROPOSED] ORDER
20	V.	CONTINUING CASE MANAGEMENT
21	LSI CORPORATION d/b/a LSI LOGIC CORPORATION, a Delaware corporation,	CONFERENCE
22	and AGERE SYSTEMS, INC., a Delaware corporation,	
23	Defendants and Counterclaimants.	
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Pursuant to Civil L.R. 16-10(d), Plaintiff and Counterclaim-Defendant NXP Semiconductors USA, Inc. ("NXP") and Defendants and Counterclaimants LSI Corp. d/b/a LSI Logic Corp. ("LSI") and Agere Systems, Inc. ("Agere") (together "LSI") jointly submit this supplement to their March 27, 2009 Joint Case Management Statement and Proposed Order (Dkt. No. 20).

On July 7, 2009, the parties participated in a mediation session with the Honorable Edward A. Infante (Ret.). Although unable to settle the case at that mediation, the parties made progress and scheduled another mediation session with Judge Infante for September 10, 2009. On July 28, 2009, the parties filed a Stipulation and [Proposed] Order Vacating Case Deadlines Pending Further Mediation by the Parties. Dkt. No. 31. On July 30, 2009, the Court filed an Order vacating the then-existing case schedule, advancing the case management conference to October 16, 2009, and ordering the parties to file a supplemental case management conference statement by October 9, 2009 that addresses, among other things, the status of the parties' settlement discussions. Dkt. No. 32.

I. <u>BACKGROUND</u>

A. Patents at Issue In the Litigation

NXP brought this action under the patent laws of the United States, 35 U.S.C. §§ 1 *et seq.*, seeking damages and injunctive relief for Defendants' direct or indirect infringement of U.S. Patent No. 6,529,035 (the "NXP '035 patent"), U.S. Patent No. 6,369,427 (the "427 patent"), U.S. Patent No. 6,104,589 (the "589 patent"), U.S. Patent No. 6,483,847 (the "847 patent"), and U.S. Patent No. 6,657,477 (the "477 patent") (collectively, the "NXP patents"). *See* Dkt No. 1. Defendants have denied directly or indirectly infringing any of the NXP patents, and assert that one or more claims of the NXP patents are invalid.

LSI brought its counterclaims under the Declaratory Judgment Act, 28 U.S.C. §§ 2201 *et seq.*, and the United States Patent Act, 35 U.S.C. §§ 101 *et seq.*, seeking declarations of non-infringement and/or invalidity relating to the NXP patents and seeking damages and injunctive relief relating to U.S. Patent Nos. 6,798,035 (the "LSI '035 patent"), 6,184,700 (the "700 patent"), 6,777,803 (the "803 patent"), 5,895,968 (the "968 patent"), and 6,313,683 (the "683 SUPP JOINT CASE MGMT CONE STMT

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patent") (collectively, the "LSI patents"). *See* Dkt. No. 22. Plaintiff has denied directly or indirectly infringing any of the LSI patents, asserts that one or more claims of the LSI patents are invalid, and counterclaimed under the Declaratory Judgment Act, 28 U.S.C. §§ 2201 *et seq.* seeking declarations of non-infringement and/or invalidity relating to the LSI patents.

On June 23, 2009, the parties filed a Stipulation And [Proposed] Order Regarding Dismissal Of Certain Claims And Counterclaims Relating To U.S. Patent No. 6,529,035. *See* Dkt. No. 29. On June 25, 2009, the Court entered an order based on this stipulation dismissing all claims/counterclaims regarding the NXP '035 patent. *See* Dkt. No. 30.

B. Case Status

On May 29, 2009, the parties disclosed their respective asserted claims and preliminary infringement contentions pursuant to Patent L.R. 3-1. On June 29, 2009, the parties exchanged their respective invalidity contentions pursuant to Patent L.R. 3-3. On July 13, 2009, the parties each proposed patent claim terms for construction pursuant to Patent L.R. 4-1.

On July 28, 2009, the parties filed a Stipulation and [Proposed] Order Vacating Case Deadlines Pending Further Mediation by the Parties. Dkt. No. 31. On July 30, 2009, the Court filed an Order vacating the then-existing case schedule and continuing the case management conference to October 16, 2009. *See* Dkt. No. 32.

II. <u>UPDATE REGARDING SETTLEMENT DISCUSSIONS</u>

On July 7, 2009, the parties participated in a mediation session, conducted by the Honorable Edward A. Infante (Ret.), in an attempt to settle this and the co-pending case (assigned to Judge Ware, Case No. C 08-0775 JW, RS). While the parties did not settle, the parties agreed to participate in, and did participate in, a further session with Judge Infante on September 10, 2009. The parties believe they made substantial progress toward a settlement of this and the copending litigation assigned to Judge Ware during the September 10, 2009 mediation session.

The parties remain optimistic that further settlement discussions will be successful and are currently negotiating over the terms of a draft settlement agreement. To the extent necessary, the parties have also scheduled a further settlement conference with Judge Infante for October 29, 2009. Accordingly, the parties believe a continuance of the Case Management Conference in this

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action until November 13, 2009 would best serve their interests in pursuing settlement and avoid 1 2 the expense and potential waste of judicial resources associated with the current Case 3 Management Conference schedule. 4 III. REQUEST TO CONTINUE CASE MANAGEMENT CONFERENCE 5 The parties jointly request that the Court continue the October 16, 2009 Case Management 6 Conference until November 13, 2009 to allow the parties to try to reach a binding resolution of 7 the co-pending cases. The parties request that the Court continue the stay of proceedings in this 8 case pending the continued Case Management Conference. No later than seven (7) calendar days 9 prior to the continued Case Management Conference, the parties will submit a supplemental 10 report to the Court in the event their discussions have not resulted in a settlement of the litigation. 11 If it appears at that time that settlement is not likely, the parties will, in that report, propose that 12 the stay on discovery be lifted and will propose a schedule for further proceedings in the case. 13 14 Respectfully submitted, 15 Dated: October 7, 2009 MORGAN, LEWIS & BOCKIUS LLP 16 17 By /s/ Michael J. Lyons 18 Michael J. Lyons Attorneys for Plaintiff 19 Dated: October 7, 2009 **IRELL & MANELLA LLP** 20 21 By /s/ Samuel K. Lu 22 Samuel K. Lu Attorneys for Defendants 23 24 25 26 27

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1	IT IS SO RECOMMENDED	
2 3	Dated: October 7, 2009	
4	By /s/ Hon. Edward A. Infante (Ret.)	
5	Hon. Edward A. Infante (Ret.)	
6		
7	[PROPOSED] ORDER	
8	<u></u>	
9	The Case Management Conference scheduled for October 16, 2009 is continued to	
10	November 20, 2009 . The parties shall file a Supplemental Joint Case Management	
11	Conference Statement by November 13, 2009	
12	IT IS SO ORDERED.	
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14	Dated: October 8, 2009	
15	By Maline M. Chesney Hon. MAXINE M. CHESNEY UNIVED STATES DISTRICT JUDGE	
16	UNITED STATES DISTRICT JUDGE	
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