

# Exhibit B

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

In the Matter of

CERTAIN ELECTRONIC DEVICES WITH  
MULTI-TOUCH ENABLED TOUCHPADS  
AND TOUCHSCREENS

Investigation No. 337-TA-714

**COMPLAINANT'S PETITION FOR REVIEW OF INITIAL DETERMINATION  
FINDING COMPLAINANT COLLATERALLY ESTOPPED FROM ARGUING CLAIM  
CONSTRUCTION ISSUES (ORDER NO. 16)**

Yitai Hu  
Sean P. DeBruine  
Elizabeth H. Rader  
Helen Su  
Jennifer Liu  
ALSTON & BIRD LLP  
275 Middlefield Road, Suite 150  
Menlo Park, CA 94025-4008  
Tel.: (650) 838-2000  
Fax.: (650) 838-2001

Paul F. Brinkman  
Adam D. Swain  
ALSTON & BIRD LLP  
The Atlantic Building  
950 F Street, NW  
Washington, DC 20004-1404  
Tel.: (202) 756-3300  
Fax.: (202) 756-3333

*Counsel for Complainant*  
**ELAN MICROELECTRONICS  
CORPORATION**

## TABLE OF CONTENTS

	<u>Page</u>
TABLE OF AUTHORITIES .....	ii
INTRODUCTION .....	1
PRELIMINARY STATEMENT .....	2
I.    STATEMENT OF THE ISSUE FOR REVIEW .....	2
II.   PROCEDURAL BACKGROUND.....	3
ARGUMENT.....	5
I.    STANDARD OF REVIEW .....	5
II.   THE CALJ ERRED IN DETERMINING THAT ELAN IS PRECLUDED FROM OFFERING ITS PROPOSED CLAIM CONSTRUCTION ON THE ISSUE OF TEMPORAL LIMINATION.....	6
A.    The CALJ’s Application and Finding of Collateral Estoppel to Elan’s Claim Construction Arguments Created Inconsistencies .....	6
B.    Under the Correct Definition of “Issue,” Elan Should Not be Precluded from Offering its Proposed Constructions of Claims 1 and 18.....	7
1.    The “Issue” in Question is Not Identical to that Litigated in the Synaptics Court.....	8
2.    The Temporal Sequence Limitation was Not Actually Litigated .....	11
3.    The Temporal Sequence Limitation was Not Essential to the Final Judgment in the Synaptics Litigation.....	11
4.    Elan’s Positions are Consistent with its Arguments to the Synaptics Court.....	13
CONCLUSION.....	14

## TABLE OF AUTHORITIES

Page

### CASES

<i>Certain Equipment for Telecommunications or Data Communications Networks, Including Routers, Switches, and Hubs, and Components Thereof,</i> Inv. No. 337-TA-574, Order No. 11 (Oct. 30, 2006).....	8
<i>Certain Mobile Telephone Handsets, Wireless Communication Devices, and Components Thereof,</i> Inv. No. 337-TA-578, Initial Determination (Dec. 12, 2007) .....	10
<i>Certain Polyethylene Terephthalate Yarn and Products Containing Same,</i> Inv. No. 337-TA-457, Comm’n Op. (June 18, 2002) .....	6
<i>Certain Semiconductor Integrated Circuits Using Tungsten Metallization and Products Containing Same,</i> Inv. No. 337-TA-648, Comm’n Op. (Feb. 18, 2009) .....	8
<i>In re Trans Tex. Holdings Corp.,</i> 498 F.3d 1290 (Fed. Cir. 2007) .....	7
<i>Lava Trading, Inc. v. Sonic Trading Mgmt., LLC,</i> 445 F.3d 1348 (Fed. Cir. 2006).....	10
<i>Lectrolarm Custom Servs. v. Vicon Indus.,</i> 2005 U.S. Dist. LEXIS 32752 (W.D. Tenn. Sept. 2, 2005).....	9
<i>Masco Corp. v. United States,</i> 303 F.3d 1316 (Fed. Cir. 2002) .....	11
<i>Phonometrics, Inc. v. N. Telecom,</i> 133 F.3d 1459 (Fed. Cir. 1998) .....	9, 12
<i>SanDisk Corp. v. Memorex Prods. Inc.,</i> 415 F.3d 1278 (Fed. Cir. 2005) .....	13
<i>Southwestern Bell Tel., L.P. v. Arthur Collins, Inc.,</i> 2005 U.S. Dist. LEXIS 46874 (N.D. Tex. Oct. 14, 2005).....	12

### STATUTES

5 U.S.C. § 557(b).....	6
------------------------	---

**REGULATIONS**

19 C.F.R. § 210.43(b)(1)..... 6  
19 C.F.R. § 210.43(d)(2)..... 6

## INTRODUCTION

In Order No. 16, the Chief Administrative Law Judge (“CALJ”) determined that he is not bound by the claim constructions reached by the district court during prior litigation between Complainant Elan Microelectronics Corp.’s (“Elan”) predecessor-in-interest and third party Synaptics (the “Synaptics Litigation”). This conclusion alone should have ended the collateral estoppel inquiry – it is axiomatic that collateral estoppel does not apply where the *issue* being analyzed is *not* given preclusive effect.

Nevertheless, the CALJ applied the elements of collateral estoppel in concluding that Elan was barred from arguing its construction of a particular element in claims 1 and 18 of U.S. Patent No. 5,825,352 (“the ’352 patent”) in this investigation, *viz.*, that claims 1 and 18 do not include a temporal sequence limitation.<sup>1</sup> In so doing, an inconsistent result arises where the CALJ declared that he is not bound by the prior district court claim construction order, but Elan *is* barred from arguing a claim limitation that was not litigated or necessarily decided in that district court litigation. This inconsistency is caused by the CALJ’s overly broad definition of “issue” for purposes of collateral estoppel. The CALJ concluded that the “issue” in question is the general construction of the claims and not whether the “max/min/max” elements included a required temporal sequence. Such a claim limitation can only be found by construing the word “following” in the claims. Yet that term was not at issue in the Synaptics litigation. Claim construction is analyzed based upon each disputed individual element or limitation of the patent claim, and each claim or even each sentence of a claim could present multiple limitations. Therefore, even if a prior judicial proceeding has addressed the construction of the same patent

---

<sup>1</sup> See Order No. 16 at 3 n.1.

claim, the claim constructions in a subsequent proceeding may not present identical limitations and, hence may give rise to different issues.

Further, based on CALJ's incorrect interpretation of "issue," the CALJ erred in determining that the issue (of temporal limitation) was fully litigated and essential to the Synaptics court's decisions on claim construction and infringement. In fact it was not.

The CALJ also erroneously applied the legal standard from a different doctrine, namely judicial estoppel, to reach his conclusion that Elan is collaterally estopped. These are two very different doctrines. To the extent the CALJ conflated the two, the initial determination is erroneous. Judicial estoppel can not apply, because Elan *did not* take inconsistent positions regarding construction of the "following" claim term. Elan's predecessor did not expressly argue this temporal limitation in the Synaptics case. In fact, Elan's predecessor argued there that the claim limitation "following," on which any temporal requirement must rest, does not require a particular sequential order and is a mere reference to *spatial relationship* between the two maxima and the minimum, which was precisely the arguments Elan made in this investigation in front of the CALJ. Thus, the CALJ erred by precluding Elan from presenting arguments here that are consistent with its predecessor's express arguments to the district court in the previous litigation.

For the foregoing reasons, Order No. 16 should be reviewed and vacated.

## **PRELIMINARY STATEMENT**

### **I. STATEMENT OF THE ISSUE FOR REVIEW**

In light of his ruling that the district court's claim construction has no preclusive effect in this investigation, Elan requests that the Commission review whether the CALJ erred in determining that each of the elements of the collateral estoppel doctrine is satisfied.

Particularly, Elan requests that the Commission review whether the CALJ erred by applying the wrong legal definition of “issue” such that Elan is collaterally estopped from arguing that claims 1 and 18 of the ’352 patent do not include a temporal sequence limitation, a limitation that was not actually litigated or necessary to a final judgment by the Synaptics court.

## **II. PROCEDURAL BACKGROUND**

This investigation was initiated on April 23, 2010 based on Elan’s Complaint filed on March 28, 2010. The subject of the investigation is whether Apple, Inc. has violated section 337 by its importation and sale of products practicing Elan’s U.S. Patent No. 5,825,352 (“the ’352 patent”). The ’352 patent relates to touch sensitive input devices, such as computer touchpads and touchscreens. In particular, the ’352 patent claims a novel method of capturing and analyzing the data from the touch sensitive surface to determine the number of fingers simultaneously present. The patent also discloses and claims refinements to and uses for that determination, for example by translating the number of fingers present, along with motion and/or the time the fingers are in contact, into input commands. Independent claim 1 is a method claim, while independent claim 18 is a means-plus-function claim, where the function corresponds to the steps of method claim 1. *See* JX-1. Order No. 16 relates to the first part of the claim which reads

scanning the touch sensor to (a) identify a first maxima in a signal corresponding to a first finger, (b) identify a minima following the first maxima, (c) identify a second maxima in a signal corresponding to a second finger following said minima

JX-1 at 16:17-20, 17:29-34.



On March 10, 2006 Elantech Devices Corp.<sup>2</sup> brought suit for infringement of the '352 patent against Synaptics, Inc. in federal court for the Northern District of California. (06-cv-1839 CRB) (“the Synaptics case”). On April 6, 2007, after briefing and a hearing, the Court issued a Claim Construction Order. JX-5. That Order only construed certain disputed terms in the '352 patent. Among the claim elements addressed by the parties and relied on by Judge Breyer were: “scanning the touch sensor,” “(a) identify a first maxima in a signal corresponding to a first finger,” “(b) identify a minima following the first maxima,” and “(c) identify a second maxima in a signal corresponding to a second finger following said minima.” In Order No. 16, the CALJ refers to claim elements (a), (b) and (c) as the “max/min/max” limitations. Order No. 16 at 3.

The district court adopted a claim construction for these elements based on Elantech’s proposal. That construction required step (c), identifying the second maxima, to occur after the minima has been identified. JX-5. Synaptics Court Claim Construction Order at 13-15. However, to the extent the issue of a required order for the “identify” steps was expressly raised and argued, Elantech repeatedly argued that no particular order was required. RX-4 (Elan Opening Markman Brief) at 31-34, JX-6 (Elantech Synaptics Court Markman Reply Brief) at 11.

On March 13, 2008, the district court granted Elantech’s motion for partial summary judgment, finding that certain of Synaptics’ products infringed claim 18 of the '352 patent. RX-12 (order); RX-13 (Memorandum in Support of Order). Synaptics court March 13, 2008 Summary Judgment Order at 7. While the court provided clarification of certain claim

---

<sup>2</sup> Elantech was a wholly-owned subsidiary of Elan. Elantech has since merged with Elan, such that Elan is the successor to Elantech.

construction positions, the “issue” of the order of the max/min/max steps was not addressed. *Id.* The Synaptics court similarly did not reach the finding of infringement based upon the “issue” of a temporal limitation. *Id.* at 6-7. Synaptics appealed the preliminary injunction subsequent order by the district court to the Federal Circuit, but the claim construction was not raised in that appeal. The appeal was dismissed along with the district court litigation when the parties settled the dispute and entered into a license agreement.

On April 7, 2009 Elan filed suit against Apple for infringement of the ’352 patent in the Northern District of California. On June 23, 2010 the district court held a claim construction hearing to address the 10 disputed claim terms in the three patents-in-suit identified by the parties for construction. The parallel district court case has not reached a claim construction ruling as of this date.

In this investigation, the CALJ ordered the parties to file competing motions for summary determination regarding claim construction by July 14, 2010. Order No. 8. After receiving briefing and supporting declarations, the CALJ held a two-day hearing, with live testimony from the parties’ experts. On September 3 and 10, 2010 the parties filed opening and responsive post-hearing briefs. Order No. 16 followed on September 28, 2010.

## **ARGUMENT**

### **I. STANDARD OF REVIEW**

The Commission derives its authority to review initial determinations from section 557(b) of the Administrative Procedure Act, which provides:

When the presiding employee makes an initial decision, that decision then becomes the decision of the agency without further proceedings unless there is an appeal to, or review on motion of, the agency within time provided by rule. On appeal from or review of the initial decision, the agency has all the powers which it would have in making the initial decision except as it may limit the issues on notice or by rule.

5 U.S.C. § 557(b).

Commission Rule 210.43(b)(1) establishes the standard the Commission employs when considering whether to review an initial determination. Review is appropriate where:

- (i) a finding or conclusion of material fact is clearly erroneous;
- (ii) a legal conclusion is erroneous, without governing precedent, rule or law, or constitutes an abuse of discretion; or
- (iii) the determination is one affecting Commission policy.

19 C.F.R. § 210.43(b)(1). The Commission will grant review “if it appears that an error or abuse of the type described in paragraph (b)(1) of this section is present or if the petition raises a policy matter connected with the initial determination, which the Commission thinks it necessary or appropriate to address.” 19 C.F.R. § 210.43(d)(2).

Once the Commission orders review of an initial determination, its review is *de novo*. See *Certain Polyethylene Terephthalate Yarn and Products Containing Same*, Inv. No. 337-TA-457, Comm’n Op. (June 18, 2002).

## **II. THE CALJ ERRED IN DETERMINING THAT ELAN IS PRECLUDED FROM OFFERING ITS PROPOSED CLAIM CONSTRUCTION ON THE ISSUE OF TEMPORAL LIMINATION**

### **A. The CALJ’s Application and Finding of Collateral Estoppel to Elan’s Claim Construction Arguments Created Inconsistencies**

In Order No. 16, the CALJ explained that he is not required to adopt district court claim constructions where: (1) the constructions were not final; (2) the constructions had not been reviewed by an appellate court; (3) the Staff and respondents had not been parties to the previous action; or (4) “it might well be necessary to consider the accused devices to provide ‘a proper context for claim construction.’” Order No. 16 at 10 n.2. Based on these factors, the

CALJ determined that he was not bound by Judge Breyer’s prior constructions of claims 1 and 18 in the Synaptics Litigation. *See id.*

Notwithstanding the conclusion that Judge Breyer’s prior construction has no collateral estoppel effect, and CALJ’s recognition that “*specific arguments made or not made regarding a particularly issue are irrelevant when deciding whether or not collateral estoppel applies to that issue,*” the CALJ adopted an contradictory position that Elan is nonetheless “*barred by collateral estoppel* from arguing a *different* claim construction than that found by Judge Breyer in the Synaptics case.” *Id.* at 4, 10.

This finding caused a few inherent inconsistencies. First, the CALJ decided *not* to give preclusive effect to Judge Breyer’s construction of claims 1 and 18 and yet barred Elan from arguing a different construction of a limitation that was not directly addressed by the Synaptics court. *See* Order No. 16 at 10 n.2. Secondly, the CALJ expressly concluded that specific arguments made or not made is irrelevant when it applies to collateral estoppel, but at the same time, the CALJ barred Elan from supposedly arguing a “different claim construction” from the prior litigation, which is not part of the analysis of collateral estoppel.<sup>3</sup> *See* Order No. at 4. Due to these inconsistencies in the Order, Order No. 16 should be reviewed and vacated.

**B. Under the Correct Definition of “Issue,” Elan Should Not be Precluded from Offering its Proposed Constructions of Claims 1 and 18**

Collateral estoppel (or “issue preclusion”) may be applied to prevent re-litigation of issues actually litigated and necessarily decided, after a full and fair opportunity for litigation, in a prior proceeding. *In re Trans Tex. Holdings Corp.*, 498 F.3d 1290 (Fed. Cir. 2007).

Consistent with this precedent, the Commission uses a four part test for determining whether

---

<sup>3</sup> Taking a “clearly inconsistent position” is part of the analysis for judicial estoppel, a very different legal doctrine from collateral estoppel. *See* Section B(4).

collateral estoppel applies: (1) the issue is identical to one decided in the first action; (2) the issue was actually litigated in the first action; (3) resolution of the issue was essential to a final judgment in the first action; and (4) the plaintiff had a full and fair opportunity to litigate the issue in the first action. *Certain Semiconductor Integrated Circuits Using Tungsten Metallization and Products Containing Same*, Inv. No. 337-TA-648, Comm’n Op. at 2-3 (Feb. 18, 2009)) (“*Semiconductor Integrated Circuits*”). Collateral estoppel is a discretionary doctrine which may be applied to give preclusive effect to an *issue* decided in prior litigation. *See id.*; *see also Certain Equipment for Telecommunications or Data Communications Networks, Including Routers, Switches, and Hubs, and Components Thereof*, Inv. No. 337-TA-574, Order No. 11, 2006 WL 4756463 at \*4 (Oct. 30, 2006) (“*Data Communications*”) (considering the elements of collateral estoppel and finding that previous determination has no preclusive effect).

The CALJ erred in applying this standard. First, the parties did not actually litigate the meaning of the term “following” nor the necessity of a temporal limitation. Second, Judge Breyer did not rely on any temporal requirement to decide the issue of infringement such that this construction issue was not necessary to any final judgment. Therefore, there is no “identical issue” presented in the two proceedings.

Because the CALJ incorrectly applied the requirements of doctrine of collateral estoppel, particularly in defining the “issue” in determining that Elan is precluded from offering constructions for claims 1 and 18, Order No. 16 should be reviewed and vacated.

**1. The “Issue” in Question is Not Identical to that Litigated in the Synaptics Court**

In Order No. 16, the CALJ found that the “issue” in question is generally the claim construction of the max/min/max claim elements in claims 1 and 18 of the ’352 patent, and not whether said claims require a temporal sequence. *See* Order No. 16 at 4. Because the CALJ’s

oversimplified definition of the “issue” for the purposes of collateral estoppel, the Commission should review and vacate Order No. 16.

The Commission has made clear that “[t]he Federal Circuit has exclusive appellate jurisdiction for cases appealed from the Commission, therefore, Federal Circuit law on issue preclusion controls here.” *Semiconductor Integrated Circuits*, Comm’n Op. at 2. Under Commission and Federal Circuit law, for collateral estoppel to apply, the previously litigated issue must be “identical” to the issue currently being adjudicated. *See id.*

The federal courts, including the Federal Circuit, have held that the claim constructions of the *terms in a patent that were not at issue* in a previous litigation have no preclusive effect. *See, e.g., Lectrolarm Custom Servs. v. Vicon Indus.*, 2005 U.S. Dist. LEXIS 32752 at \*10 (W.D. Tenn. Sept. 2, 2005) (finding the previous claim construction has no preclusive effect and that “[e]ven if the [earlier] decision were binding on this court, the court would have a responsibility to construe terms in the patent that were not at issue in [the earlier case]”); *see also, Phonometrics, Inc. v. N. Telecom*, 133 F.3d 1459, 1464 (Fed. Cir. 1998) (other than the limitation that was at issue in the previous case, “[a]ny construction of other limitations in claim 1, including any construction of those limitations at issue here, that [the Federal Circuit] or the district court made in the earlier case *was merely dictum*, and therefore has no issue preclusive effect for this appeal”) (emphasis added).

The key point here is that claim constructions in prior and subsequent proceedings may not have presented identical issues, even if both proceedings addressed the construction of the same patent claims. The reason for this is that claim construction is usually analyzed based on disputed patent elements or limitations. Therefore, the same patent claim could have different limitations at issue at different proceedings, as is the case here. Further, the terms are not

construed in a vacuum and often hinge on the specific product accused of infringing. *See* Order 16, at 10 n.2 (“it may well be necessary to consider the accused devices to provide ‘a proper context for claim construction’”); *see also, e.g., Lava Trading, Inc. v. Sonic Trading Mgmt., LLC*, 445 F.3d 1348, 1350 (Fed. Cir. 2006) (stating that “[w]ithout knowledge of the accused products, the court cannot assess the accuracy of the infringement judgment under review and lacks a proper context for an accurate claim construction”); *Certain Mobile Telephone Handsets, Wireless Communication Devices, and Components Thereof*, Inv. No. 337-TA-578, Initial Determination, 2007 WL 4872686 at \*14-\*15 (Dec. 12, 2007) (unreviewed) (“*Mobile Telephone Handsets*”) (holding that ALJ was not bound by prior claim construction because it may be necessary to consider the accused device in dispute).

Although the Synaptics court adopted Elantech’s constructions for claims 1 and 18 of the ’352 patent, the issue of a “temporal sequence” requirement was not actually litigated nor necessarily decided, and is therefore ineligible for issue preclusion. The “temporal sequence” was not at issue vis-à-vis the accused Synaptics products. The summary judgment issued in the Synaptics case was not based upon the determination of the “temporal sequence.” *See* Apple’s Statement of Undisputed Facts, Ex. P (Mem. and Order at 6-7, Mar. 13, 2008). The order in which the accused Synaptics products identified maxima and minima were not addressed in Elan’s motion. *See* Apple’s Statement of Undisputed Facts, Ex. O (Elantech Devices Corp.’s Notice of Mot. and Mot. for Partial Summ. J. of Infringement at 5-7, Nov. 20, 2007). In contrast, the temporal sequence is very much at issue in this investigation. Accordingly, because the limitation of “temporal sequence” was not actually litigated nor necessary to the previous decision, and the Apple accused products should be considered in order to provide the proper context for construing claims 1 and 18, the “issue” in question here

is not identical to that decided in the Synaptics litigation, and the CALJ erred in finding that the first element of collateral estoppel was satisfied.

**2. The Temporal Sequence Limitation was Not Actually Litigated**

The CALJ found that the second element of collateral estoppel was satisfied because Judge Breyer issued a written opinion which included a claim construction of the max/min/max claim limitations of claims 1 and 18 of the '352 patent, and because Judge Breyer found in favor of Elantech Devices Corp. on summary judgment of infringement. *See* Order No. 16 at 5. As discussed above, this finding fails to recognize that the temporal sequence limitation was not actually litigated or decided in the previous litigation, and accordingly, should be reviewed and vacated.

As Elan and the Staff noted in their post-hearing briefs, neither the court nor the parties in the Synaptics litigation ever expressly addressed whether there should be a temporal order of steps limitation in the method of claim 1. *See* Elan Post Claim Const. Br. at 4; Staff Post Claim Const. Br. at 2-3. As shown above, this limitation was neither debated by the parties nor explicitly addressed by Judge Breyer in his summary judgment ruling.

**3. The Temporal Sequence Limitation was Not Essential to the Final Judgment in the Synaptics Litigation**

The Federal Circuit has stated that for an issue decided in a prior proceeding to have preclusive effect in a later action, the determination of that issue must have been necessary to the final judgment in the prior case. *Masco Corp. v. United States*, 303 F.3d 1316, 1329 (Fed. Cir. 2002) (finding a party is not precluded from re-litigating an issue that was not reached in the previous litigation). The purpose of this requirement is to prevent the incidental or collateral determination of a nonessential issue from precluding reconsideration of that issue in a



subsequent lawsuit. *Phonometrics, Inc. v. N. Telecom Inc.*, 133 F.3d 1459 (Fed. Cir. 1998) (earlier decision construing claim limitations not at issue in the prior action was merely dictum and therefore had no issue preclusive effect). Notwithstanding the Federal Circuit’s admonition that the doctrine of collateral estoppel should be narrowly applied, the CALJ determined that because Judge Breyer construed the *claims at issue*, all *elements* within the claims were necessarily essential to the final judgment in the Synaptics litigation. *See* Order No. 16 at 5-6. Case law suggest that if the appellate court affirms the district court's infringement decision on one ground and passes over others, collateral estoppel does not apply to the grounds omitted from the appellate decision, including certain claim construction issues that were not reviewed. *See Southwestern Bell Tel., L.P. v. Arthur Collins, Inc.*, 2005 U.S. Dist. LEXIS 46874 (N.D. Tex. Oct. 14, 2005) (finding that the Federal Circuit *expressly* passed over all but the one of the lower court's claim construction term, it stands to reason that collateral estoppel would not apply to those claim terms omitted from the decision in this case). Using similar line of reasoning, the Synaptics court’s finding of infringement does not rely on the temporal limitation. Therefore collateral estoppel should not apply to the grounds that were omitted from the Synaptics infringement decision. This finding was in error and should be reviewed.

Apple failed to establish that the specific “order of limitation” construction issue was essential to the final judgment in Synaptics. Further, as set forth in Elan’s pre and post hearing briefing, the very same Synaptics products found to be infringing under this construction would still all infringe claim 1 with or without the “order of steps” limitation. Unsurprisingly, Judge Breyer makes no explicit reliance on this limitation in the Synaptics summary determination. Therefore, the “order of limitation” was not only nonessential to the final judgment – it had no bearing on the outcome whatsoever.

#### **4. Elan’s Positions are Consistent with its Arguments to the Synaptics Court**

While the CALJ relied on the doctrine of collateral estoppel in Order No. 16, he concluded that Elan may not make arguments here that are inconsistent with the prior Synaptics litigation. Order 16 at 10. This reference to different arguments appears to invoke the doctrine of judicial estoppel, rather than collateral estoppel. Judicial estoppel is an entirely different concept than collateral estoppel, and requires a different analysis. *See SanDisk Corp. v. Memorex Prods. Inc.*, 415 F.3d 1278, 1290-91 (Fed. Cir. 2005) (factors for judicial estoppel are: (1) the party’s later position must be “clearly inconsistent” with the earlier position; (2) the party must have succeeded in persuading a court to adopt the earlier position in the earlier proceeding; and (3) the courts consider “whether the party seeking to assert an inconsistent position would derive an unfair advantage or impose an unfair detriment on the opposing party if not estopped). If the three-factor test for judicial estoppel were applied here, however, judicial estoppel is not appropriate in this investigation.

This confusion is likely attributable to Apple’s repeated efforts to blur the distinctions between collateral and judicial estoppel. Throughout this investigation Apple has taken the position that Elan should be estopped from offering claim constructions that Apple believes to be inconsistent from those offered by Elan in the Synaptics litigation based on both doctrines. Apple Opening Br. at 12-23; Apple Rebuttal Br. at 4-7; Apple PH Br. at 3-10; Apple PH Response Br. at 2-10. However, the record clearly shows that Elan’s proffered construction is not “clearly inconsistent” or “different” from Elan’s position in the Synaptics litigation.

Rather, Elan is submitting a more-precise claim construction that better represents the intrinsic record of the ’352 patent in light of the relevant case law or this particular issue. As discussed in Elan’s claim construction briefs, the parties never expressly argued the temporal

sequence in the prior litigation. Rather, in the construction of a related limitation in the Synaptics litigation, Elan clearly stated that the term “following” is merely an explanation of “relevant locations of the maxima and minimum.” It was Synaptics, not Elantech, that argued that the claim language of “following” required there to be “an ordered sequence.” *See* JX-6, Elantech’s Reply Claim Construction Brief dated February 21, 2007 at 11.

3) **The Claim Term of “Following” Merely Indicates Relevant Location of the Two Maxima and One Minimum and Connotes No Sequence of Assigning**

The use of the term “following” according to the plain language itself merely explains the relative locations of the maxima and minimum, as having “a minima *following* the first maxima” and “a second maxima . . . *following* said minima.” ‘352 patent at 16:17-20. Synaptics nevertheless argues that the claim language of “following” requires there to be “an ordered sequence” associated with the claimed “scanning” and therefore “scanning” requires “assigning the measured trace values from the touch sensor to a sequence corresponding to their physical order on the touch sensor.” Synaptics’ Opp at 7. Synaptics provides no intrinsic evidence to support this position but relies solely on its expert declaration. *Id.* In fact, there is no intrinsic evidence to support this argument. In essence, Synaptics is asking the Court not to follow the claim language itself or the intrinsic record but to rewrite the claim so the term “following” is somehow connected to a remotely located term of “scanning.” Synaptics relied on that attenuated connection to transform the term “scanning” into “measuring the traces” and “assigning them to a sequence corresponding to their physical order . . . .” The Court should reject Synaptics’ attempts to rewrite the claims.

Excerpt of Elan’s Reply Claim Construction Brief in the Synaptics case JX-6, at 11.

Accordingly, even following CALJ’s order that Elan is precluded from arguing a different claim construction from the Synaptics litigation, Elan should be able to offer the construction in this investigation that there is no temporal sequence with respect to max/min/max elements.

## CONCLUSION

As explained by Elan and the Staff in post-Markman briefing, the “order of steps” limitation was not construed in the Synaptics litigation. Similarly, the outcome of the Synaptics infringement determination would have been the same whether or not the disputed language was



**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that a true and correct copy of the foregoing  
**COMPLAINANT'S PETITION FOR REVIEW OF INITIAL  
DETERMINATION FINDING COMPLAINANT COLLETERALLY  
ESTOPPED FROM ARGUING CLAIM CONSTRUCTION ISSUES  
(ORDER NO. 16)** was served on the indicated dates by the indicated means to the  
persons at the addresses below:

The Honorable Marilyn R. Abbott Secretary U.S. International Trade Commission 500 E Street, S.W., Room 112-A Washington, D.C. 20436	Via EDIS (October 6, 2010) and Hand Delivery (12 copies on October 7, 2010)
Hon. Paul J. Luckern Chief Administrative Law Judge U.S. INTERNATIONAL TRADE COMMISSION 500 E Street, S.W. Washington, D.C. 20436 robert.hall@usitc.gov	Via Electronic Mail (to Robert Hall on October 6, 2010) and Hand Delivery (2 Copies on October 7, 2010)
Kevin Baer, Esq. Office of Unfair Import Investigations U.S. International Trade Commission 500 E Street S.W., Suite 401-A Washington, D.C. 20436 kevin.baer@usitc.gov	Via Electronic Mail (October 6, 2010)
<i>Counsel for Respondent APPLE, INC.</i>  Mark G. Davis, Esq. Weil, Gotshal & Manges LLP 1300 I Street, N.W. Suite 900 Washington, D.C. 20005 mark.davis@weil.com	Via Electronic Mail (October 6, 2010)

DATED: October 6, 2010

  
\_\_\_\_\_  
Carol Clark