

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF DELAWARE

VLSI TECHNOLOGY LLC,

Plaintiff,

v.

INTEL CORPORATION,

Defendant.

C.A. No. 18-966-CFC-CJB

MEMORANDUM ORDER

In two oral orders issued on July 11, 2022, I directed both parties to provide certifications that they had complied with my April 18, 2022 Standing Order Regarding Third-Party Litigation Funding Arrangements (the Litigation Funding Order) and April 18, 2022 Standing Order Regarding Disclosure Statements Required by Federal Rule of Civil Procedure 7.1 (the Rule 7.1 Disclosure Order).

In response to these oral orders, Plaintiff VLSI Technology LLC (VLSI) filed under seal a declaration of Michael Stolarski. D.I. 972. It then filed a redacted version of the declaration for public viewing. D.I. 974.

The Rule 7.1 Disclosure Order requires any party that is a nongovernmental joint venture, limited liability corporation (LLC), partnership, or limited liability partnership to disclose “the name of every owner, member, and partner of the party, proceeding up the chain of ownership until the name of every individual and

corporation with a direct or indirect interest in the party has been identified.” Mr. Stolarski states in his declaration that VLSI is a “subsidiary” of CF VLSI Holdings LLC (VLSI Holdings); and he identifies seven LLCs and three limited partnerships that, he says, “own” VLSI Holdings. D.I. 972 ¶¶ 3–4. Mr. Stolarski says that he “[is] informed” that one of the seven LLCs “is wholly owned by a closed end investment fund family comprised of six individual funds,” but he does not identify those six funds or say that the funds are corporations. D.I. 972 ¶ 5. Mr. Stolarski says that the remaining six LLCs and three partnerships “are investment funds,” but he does not identify the funds or their legal status. D.I. 972 ¶ 5. These disclosures are clearly inadequate to meet the requirements of the Rule 7.1 Disclosure Order, and that failure raises questions about whether VLSI has complied with the Litigation Funding Order.

I am troubled as well by VLSI’s initial filing of Mr. Stolarski’s declaration under seal and the redactions it has made to its proposed public version of the declaration. VLSI has redacted from the declaration Mr. Stolarski’s representation that the six funds that allegedly own one of the LLC owners of VLSI have “combined total net assets of approximately \$1.8 billion as of June 30, 2022”; that “the ultimate owners of [that LLC] are composed of pension and retirement funds, sovereign wealth funds, foundations, high net worth individuals, endowments and other institutional investors”; and that the other nine owners of VLSI are managed

“on behalf of outside institutional investors.” D.I. 972 ¶ 5; D.I. 974 ¶ 5. VLSI identifies, and I can think of, no reason that would justify hiding from the public this information.

NOW THEREFORE, at Wilmington on this First day of August in 2022, it is HEREBY ORDERED that the Declaration of Michael Stolarski (D.I. 972) is UNSEALED, the redacted version of that declaration (D.I. 974) is STRUCK, and the case is STAYED until VLSI complies with the Court’s April 18, 2022 Standing Order Regarding Disclosure Statements Required by Federal Rule of Civil Procedure 7.1.


CHIEF JUDGE