

UNITED STATES INTERNATIONAL TRADE COMMISSION

Washington, D.C.

In the Matter of

CERTAIN LOCATION-SHARING
SYSTEMS, RELATED SOFTWARE,
COMPONENTS THEREOF, AND
PRODUCTS CONTAINING SAME

Inv. No. 337-TA-1347

ORDER NO. 11: GRANTING GOOGLE LLC'S MOTION FOR LEAVE TO AMEND ITS RESPONSE TO THE COMPLAINT OF AGIS SOFTWARE DEVELOPMENT LLC AND ADVANCED GROUND INFORMATION SYSTEMS, INC. AND NOTICE OF INVESTIGATION

(April 27, 2023)

I. INTRODUCTION

On April 10, 2023, Respondent Google LLC ("Google") moved (1347-003) to amend its Response to the Complaint and Notice of Investigation. EDIS Doc. No. 794093 ("Mot."). Complainants AGIS Software Development LLC and Advanced Ground Information Systems, Inc. (collectively, "AGIS") oppose this motion. EDIS Doc. No. 794681 ("AGIS Resp."). The Commission Investigative Staff supports this motion. EDIS Doc. No. 794693 ("Staff Resp."). Google represents that Respondents ASUSTeK Computer Inc., ASUS Computer International, BLU Product, Inc., HMD America, Inc., HMD Global, HMD Global Oy, Kyocera Corporation, Lenovo Group Ltd., Lenovo (United States), Inc., Motorola Mobility LLC, OnePlus Technology (Shenzen) Co., Ltd., Panasonic Holdings Corporation, Panasonic Corporation of North America, Samsung Electronics America, Inc., Samsung Electronics Co., Ltd., Sony Corporation, TCL Communication Technology Holdings Limited, TCL Electronics Holdings Limited, TCL Technology Group Corporation, TCT Mobile (US) Inc., Xiaomi Corporation, Xiaomi H.K. Ltd., Xiaomi Communications Co., Ltd., and Xiaomi Inc. do not oppose this motion. Motion at cover.

II. BACKGROUND

AGIS filed its Complaint on November 16, 2022. The Commission instituted this Investigation on December 22, 2022, and the Notice of Investigation was published in the Federal Register on December 30, 2022. 87 Fed. Reg. 80,568 (Dec. 30, 2022). On January 3, 2023, I granted an unopposed motion extending the time to respond to the Complaint and Notice of Investigation to February 6, 2023. Order No. 4 (Jan. 3, 2023). Google filed its response to the Complaint and Notice of Investigation on February 6, 2023. EDIS Doc. No. 789577. Under the current Procedural Schedule, fact discovery closes on June 30, 2023. Order No. 6 at 2 (Feb. 2, 2023).

The disputed portion of Google’s proposed amendment to the Response to the Complaint and Notice of Investigation adds a defense of inequitable conduct for one of the five patents-in-suit, U.S. Patent No. 8,213,970 (“the ’970 patent”).¹ *See generally* Mot. Ex. 2 (redline showing proposed additional defense). The ’970 patent was the subject of *ex parte* reexamination proceedings. Mot. at 3. Google argues as it was reviewing the file history of the reexamination proceeding for claim construction proceedings, it discovered evidence of inequitable conduct committed by AGIS’s counsel during the reexamination. *Id.* at 2. Google further explains that it promptly filed its motion to amend shortly after uncovering the relevant facts. *Id.*

III. LEGAL STANDARDS

Commission Rule 210.14(b)(2) governs amendments to the pleadings, including a Response to the Complaint and Notice of Investigation. It reads:

If disposition of the issues in an investigation on the merits will be facilitated, or for other good cause shown, the presiding administrative law judge may allow appropriate amendments to pleadings other than complaints upon such conditions

¹ The amended response also removes two affirmative defenses that Google agreed to withdraw, which does not appear to be disputed by any party. Motion at 1 n.1.

as are necessary to avoid prejudicing the public interest and the rights of the parties to the investigation.

19 C.F.R. § 210.14(b)(2).

Commission Rule 210.13(b) requires that “[a]ffirmative defenses shall be pleaded with as much specificity as possible in the response.” 19 C.F.R. § 210.13(b). If a defense of unenforceability is raised, a respondent “is encouraged to make the following showing when appropriate: . . . the basis for such assertion, including, when prior art is relied on, a showing of how the prior art renders each claim invalid or unenforceable and a copy of such prior art.” 19 C.F.R. § 210.13(b)(3).

In accordance with Commission Rule 210.13(b), some Administrative Law Judges have required respondents asserting inequitable conduct to meet the pleading requirements of Federal Rule of Civil Procedure 9(b), as required in district court under the Federal Circuit’s holding in *Exergen Corp. v. Wal-Mart Stores, Inc.*, 575 F.3d 1312 (Fed. Cir. 2009). *E.g.*, *Certain Replacement Automotive Lamps II*, Inv. No. 337-TA-1292, Order No. 23 at 2–3 (June 28, 2022); *Certain Light-Based Physiological Measurement Devices & Components Thereof*, Inv. No. 337-TA-1276, Order No. 9 at 6–9 (Dec. 20, 2021). As *Exergen* explains, Rule 9(b) requires “identification of the specific who, what, when, where, and how of the material misrepresentation or omission committed before the PTO.” 575 F.3d at 1327. It also requires “sufficient allegations of underlying facts from which a court may reasonably infer that a specific individual (1) knew of the withheld material information or of the falsity of the material misrepresentation, and (2) withheld or misrepresented this information with a specific intent to deceive the PTO.” *Id.* at 1328–29.

Other Administrative Law Judges have declined to impose the heightened pleading standard of Rule 9(b) for inequitable conduct. *E.g.*, *Certain Elec. Devices with Optical Filters &*

Optical Sensor Systems & Components Thereof, Inv. No. 337-TA-1187, Order No. 14 at 2 (Apr. 15, 2020); *Certain Magnetic Tape Cartridges & Components Thereof*, Inv. No. 337-TA-1058, Order No. 23 at 9–10 (Feb. 8, 2018).

IV. DISCUSSION

A. Google’s Amended Response is Justified Under Commission Rule 210.14(b)(2)

Under these circumstances, disposition of the issues in this investigation on the merits will be facilitated by allowing Google to amend its response, and therefore good cause exists to allow Google to amend its response to add a defense of inequitable conduct. Further, there will be no prejudice to either the public interest or the kind of prejudice Commission Rule 210.14(b)(2) is concerned about to the rights of AGIS by permitting an amendment.

Google has timely moved to amend the Response under the circumstances. Google argues that it reviewed the file history for the reexamination of the ’970 patent in preparing for claim construction proceedings in this investigation. Mot. at 2. As Google explains, the file history for the reexamination was not provided with the Complaint² nor has it been produced in discovery in this Investigation. Mot. at 4; *see also* Staff Resp. at 10 (explaining that the Staff does not know of any document production would have prompted Google to formulate this defense earlier). Although the ’970 patent was at issue in prior litigation, AGIS and Google stipulated in dismissing that litigation that the reexamined claims were not at issue there. Mot. Ex. 3 at 1 n.1. Thus, despite AGIS’s argument otherwise, I find Google’s explanation that it reviewed this reexamination file history during claim construction preparations and that it sought leave to amend “as soon as

² Although the parties dispute whether AGIS complied with Commission Rule 210.12(c)(1) by not including the file history for the reexamination with the Complaint, Mot. at 9; AGIS Resp. at 8–10, that is irrelevant to this motion.

practicable” after it became aware of the importance of this reexamination file history to be persuasive. Mot. at 11. It is telling that AGIS does not dispute that it has failed to produce the reexamination file history in this investigation. Instead, AGIS argues that Google should have been aware it from other proceedings in which the file history was produced. Even if the reexamination was produced in prior litigation between the parties, *see* AGIS Resp. Ex. 1, that does not mean Google should have reviewed it and been aware of its relevance to the reexamined claims which were not at issue in that litigation. I therefore find Google’s explanation to be reasonable and persuasive.

Google also filed this motion in the early stages of this investigation. Google’s motion was filed on April 10, 2023, over two and a half months before the close of fact discovery. *See* Order No. 9. There is ample time for both parties to obtain discovery about this defense and provide their contentions. Other Administrative Law Judges have permitted inequitable conduct claims to be pled during fact discovery even where the facts were known to the respondent months earlier because of a lack of prejudice. *E.g.*, *Certain Elec. Devices with Optical Filters & Optical Sensor Systems & Components Thereof*, Inv. No. 337-TA-1187, Order No. 14 at 3–4 (Apr. 15, 2020). Thus, even if AGIS were correct that Google should have been aware of these facts earlier, this motion is nevertheless timely. Further, as explained below, AGIS has not established that it will suffer prejudice from this motion.

AGIS will not be prejudiced by allowing Google’s amendment. AGIS argues that it will be prejudiced because it will be required to provide discovery about this defense. AGIS Resp. at 12–13.³ Nevertheless, merely needing to provide discovery is not the prejudice contemplated under

³ AGIS’s arguments about alleged discovery deficiencies by Google are irrelevant to this dispute. *See* AGIS Resp. at 12–13. If AGIS believes Google has not complied with its discovery obligations, it can seek appropriate relief.

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