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Patent Co. Says Deal With Honda Ends Infotainment Probe

By Matthew Guarnaccia

Law360, New York (August 29, 2016, 2:35 PM ET) -- The patent portfolio company that helped launch a U.S. International Trade Commission investigation into major foreign automakers' importation of vehicles with infotainment systems that allegedly infringed several patents has asked the agency to no longer investigate Honda Motor Co., effectively seeking to end the entire probe.

Advanced Silicon Technologies LLC on Aug. 25 entered into a confidential agreement with Honda and its American subsidiaries regarding the automaker's alleged infringement of four patents, prompting the company to ask for the ITC's termination of the investigation. Honda is the last automaker to receive a termination request from Advanced Silicon in relation to the investigation.

"In view of the agreements, there no longer exists a basis upon which to continue this investigation as to the Honda respondents," Advanced Silicon said. "Further, termination of this investigation as to the Honda respondents at this stage of the proceedings poses no threat to the public interest."

The ITC **launched its investigation** in February against automakers Honda, Volkswagen AG, Toyota Motor Corp. and BMW AG, as well as electronics companies, including Texas Instruments Inc. and Nvidia Corp., that served as suppliers for the automakers.

The investigation stemmed from a December complaint to the ITC by Advanced Silicon alleging the infringement of four patents covering automotive infotainment systems and parts, navigation systems, graphics processors and other electronic devices, according to Advanced Silicon.

The complaint came on the heels of **several suits** launched by Advanced Silicon in December, accusing the same automakers and suppliers of infringing the same patents asserted in the ITC complaint.

In the past month, Advanced Silicon agreed to terminate BMW, Volkswagen **and Toyota** from the investigation, and all three motions to drop the automakers from the probe are pending before the administrative law judge, according to ITC documents. Volkswagen's dismissal coincided with a confidential agreement with Advanced Silicon regarding the claims, but the patent portfolio company simply released BMW and Toyota without a deal.

In another filing on Aug. 25, Advanced Silicon asked the ITC to drop Renesas Electronics Corp. from the investigation on the basis of a confidential agreement. Renesas is the final electronics company to be the subject of a motion to terminate in this case.

The ITC either granted termination, or is currently presiding over a motion to terminate, with respect to all companies under investigation.

In its motions to terminate, Advanced Silicon said that the termination of Honda and Renesas from the case is in the best interest of the parties and will help preserve judicial resources. The company also contended that the termination will not affect the competitive environment in the U.S.

In a statement to Law360 on Monday, Advanced Silicon CEO Thomas Loureiro said that he was pleased with the result of the case, which yielded "significant" revenue for the company.

"The quality of our patents, combined with the skillful diligence of our execution team at Mintz Levin, made it possible for us to achieve one of the top patent licensing results for the year from a sector — the automobile industry — that has traditionally been reluctant to license patents," Loureiro said.

Counsel for Honda and representatives for Renesas declined to comment on Monday.

The patents-in-suit are U.S. Patent Numbers 6,339,428; 6,546,439; 6,630,935; and 8,933,945.

Advanced Silicon is represented by Michael T. Renaud, James M. Wodarski, Andrew H. DeVoogd, Aarti Shah, and Adam A. Rizk of Mintz Levin Cohn Ferris Glovsky & Popeo PC.

Honda is represented by Vincent J. Belusko, Ryan J. Malloy, G. Brian Busey, Hector G. Gallegos, Lynn Levine, Aaron D. Rauh, Takahiro Miura, Akira Irie and Yuka Teraguchi of Morrison & Foerster LLP

Renesas is represented by Pavan K. Agarwal, Liane M. Peterson, Andrew R. Cheslock, Eoin P. Connolly, Justin M. Sobaje and Kevin J. Malaney of Foley & Lardner LLP.

The case is In the Matter of Certain Computing or Graphics Systems, Components Thereof and Vehicles Containing Same, investigation number 337-TA-984, before the U.S. International Trade Commission.

--Editing by Stephen Berg.

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