UNITED STATES INTERNATIONAL TRADE COMMISSION
WASHINGTON, D.C.

In the Matter of	)	
	)	
CERTAIN POLYIMIDE FILMS, PRODUCTS CONTAINING SAME, AND RELATED METHODS	)	**Investigation No. 337-TA-___**
	)	
	)	
	)	

COMPLAINT UNDER SECTION 337
OF THE TARIFF ACT OF 1930, AS AMENDED

COMPLAINANT	**RESPONDENTS**
Kaneka Corporation 3-2-4 Nakanoshima, Kita-ku Osaka 530-8288 Japan	SKC Kolon PI, Inc. 9th Fl. Daego Building, 1591-10 Gwangyang-dong, Dongan-gu, Anyang-si, Gyeonggi-do, 431-060 South Korea
	SKC Corporation 1 SKC Drive Covington, GA 30014 USA
COUNSEL FOR COMPLAINANT	
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Index of Exhibits

Exhibit Number	Item
1	Certified copy of U.S. Patent No. 6,264,866
2	Certified copy of U.S. Patent No. 6,746,639
3	Certified copy of U.S. Patent No. 7,018,704
4	Certified copy of U.S. Patent No. 7,691,961
5	Certified Assignment Documents for U.S. Patent No. 6,264,866
6	Certified Assignment Documents for U.S. Patent No. 6,746,639
7	Certified Assignment Documents for U.S. Patent No. 7,018,704
8	Certified Assignment Documents for U.S. Patent No. 7,691,961
9	Selections from Kaneka's 2010 Annual Report
10	Selections from the SKPI website
11	Selections from the SKC website
12	Declaration of SKC Submitted in Related Litigation
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14	CONFIDENTIAL Declaration of [CONFIDENTIAL]
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I. INTRODUCTION

1. Complainant Kaneka Corporation ("Kaneka") requests that the United States International Trade Commission ("the Commission") institute an investigation into violations of Section 337 of the Tariff Act of 1930, as amended, 19 U.S.C. § 1337.

2. This Complaint is based on Respondents' unfair methods of competition and unfair acts in the unlawful and unauthorized importation into the United States, sale for importation, and/or sale within the United States after importation of certain polyimide film products, related methods, and products using the same (collectively "Accused Products"). The Accused Products are made by or for, and/or sold by or for, the Respondents SKC Kolon PI, Inc. and SKC Corporation (collectively "Respondents"). The Accused Products infringe one or more claims of U.S. Patent No. 6,264,866 ("the '866 Patent"), U.S. Patent No. 6,746,639 ("the '639 Patent"), U.S. Patent No. 7,018,704 ("the '704 Patent") and U.S. Patent No. 7,691,961 ("the '961 Patent") (collectively "the Kaneka Patents"). (*See* Exhibits 1-4, respectively). The Kaneka Patents are valid and enforceable United States Patents, the entire right, title, and interest in and to which Kaneka owns by assignment. (*See* Exhibits 5-9.)

3. The Respondents' activities with respect to the importation into the United States, sale for importation, and/or sale within the United States after importation of certain polyimide film products, described more fully, *infra*, are unlawful under 19 U.S.C. § 1337(a)(1)(B)(i) and (ii), in that they constitute infringement of the valid and enforceable Kaneka Patents. The Accused Products infringe product claims and/or method claims of the Kaneka Patents, as described below.

4. Kaneka seeks relief from the Commission in the form of an investigation into the violations by Respondents, a public hearing, and a permanent exclusion order barring from entry into the United States Respondents' polyimide films, a permanent cease and desist order

prohibiting the importation, sale, sale for importation, offer for sale, advertising, or soliciting the of sale in the United States of the Accused Products that infringe the Kaneka Patents, and other such relief as the Commission deems proper.

II. COMPLAINANT

5. Complainant Kaneka is a corporation organized and existing under the laws of Japan, with its principal place of business at 3-2-4, Nakanoshima, Kita-ku, Osaka 530-8288, Japan. Prior to September 1, 1991, Kaneka was known as Kanegafuchi Chemical Industry Co., Ltd. Kaneka is engaged in seven business segments and produces products that are sold and used worldwide, generating more than $4 billion dollars of revenue in 2010, of which approximately $263 million was from U.S. sales. The present action relates to polyimide films within the Electronic Products segment, which offers heat resistant polyimide (PI) films, liquid crystal products, composite magnetic materials and solar batteries. Kaneka is a leading worldwide provider of polyimide films used in the electronics industry. Selected pages from Kaneka's 2010 Annual Report are attached hereto. (*See* Exhibit 9).

6. Kaneka is the owner of record of the Kaneka Patents.

III. RESPONDENTS

7. On information and belief, the Proposed Respondent SKC Kolon PI, Inc. ("SKPI") is organized under the laws of South Korea with its principal place of business at 9th Fl. Daego Building, Gwangyang-dong, Dongan-gu, Anyang-si, Gyeonggi-do, 431-060, South Korea. On information and belief, SKPI is engaged in the design, manufacture, importation into the United States, sale for importation, and/or sale after importation of the Accused Products.

8. According to SKPI's website, http://www.skckolonpi.com/eng/sub01/sub1_1.html, SKPI's primary focus is the development of polyimide films. SKPI manufactures polyimide

product types designated as IF, IN, LN, LS, LV, GL, and GP. Selected pages from SKPI's website are attached as Exhibit 10. (*See* Exhibit 10).

9. On information and belief, Proposed Respondent SKC Incorporated ("SKC") is organized under the laws of the State of Georgia in the United States with its principal place of business at 1 SKC Drive, Covington, Georgia 30014 where its facilities occupy 389 acres. SKC is a subsidiary of SK Group, a global manufacturer of specialty & PET film sold under the Skyrol, Skywel, Skynex, and SKC PI film brands based in Korea. SKC produces a wide range of films used in packaging, industrial, imaging, electrical, bio-compostable and solar applications. On information and belief, SKC is engaged in the design, manufacture, importation into the United States, sale for importation, and/or sale after importation of the Accused Products. Selected pages from SKC's website are attached as Exhibit 11. (*See* Exhibit 11).

10. The "About Us" portion of SKC's website (http://www.skcfilms.com/about/about.jsp?target=%5Btype+Function%5D&NumOfBall=8&i=9&mc=%5Flevel0%2Einstance14%2E8) states:

> SKC Co., Ltd. (Seoul, South Korea) is the parent company of SKC, Inc. (Covington, Georgia, USA). SKC Co., Ltd. began commercial production of polyester films in 1978. The company grew from its 1976 founding to become a global supplier of polyester films. In 1986, SKC established a sales and service branch in Mt. Olive, New Jersey, USA to further accommodate the American market. Recognizing the numerous benefits customers receive through local sourcing, SKC embarked on an ambitious plan to provide those benefits by building a state-of-the-art facility in Covington, Georgia, USA. The multi-year project created a new organization (SKC, Inc.), a new headquarters and a new plant.
>
> SKC, Inc. began production of film in May 1999. The Covington plant currently manufactures a variety of Skyrol® brand polyester films on three production lines. Future plans reveal initiatives to expand the plant to ten lines. SKC has a global production capacity of 300 million pounds of films per year, the most productive and advanced plant in the industry (Covington, Georgia, USA) and the highest volume film plant in the world (Suwon, South Korea). SKC is truly a world leader in polyester films.

> Skyrol® polyester films are initially produced in large master rolls and then slit down to smaller rolls according to customer specifications. Skyrol® films are sold to its customers who utilize the films in their processes and end products

(*See* Exhibit 11.)

11. SKC's website (at http://www.skcfilms.com/products/pi/overview.jsp) states the following about its PI Film:

> SKC supplies Polyimide film in the name of "SKC PI film" with its accumulated and advanced technology. SKC has vastly invested in the PI film R&D for 5 years. We provide fast and proper technical supports satisfying customer.
> SKC will invest continuously in PI film business. With SKC PI film, you've got the best quality of products and services. Your best choice is SKC.
> SKC Poyimid Film possesses and excellent balance of physical, thermal, electrical, and chemical properties over a wide range of temperature (-270°C [-452°F] to +400°C [+752°F]).
>
> Applications for SKC Polyimide Film include flexible printed circuits, tape automated bonding, motor generator insulation and bar code label.

Id.

12. On information and belief, Respondent SKC is a distributor of SKPI's polyimide films in the United States, including the Accused Products, since at least June of 2008. (*See* Exhibit 12, Declaration of SKC submitted in support of its Motion to Dismiss for Lack of Personal Jurisdiction in the related litigation discussed *infra*). SKC purchases polyimide film manufactured by SKPI and distributes them under a distributorship agreement with SKPI. The polyimide films that SKC purchases from SKPI primarily enter the United States through ports in Los Angeles, California, which serves SKC's customers in the Western United States. SKC has sold polyimide film products to customers in at least California, Minnesota, Maryland, Pennsylvania, New Jersey, Massachusetts, New Hampshire, New York, Illinois, Wisconsin, and Ohio. On information and belief, Respondent SKPI and SKC collaborate to manufacture, sell for importation and/or import the Accused Products.

IV. THE TECHNOLOGY AND PRODUCTS AT ISSUE

13. The technologies at issue relate generally to polyimide films and methods of their production and application. Among plastic materials, polyimides have excellent properties in heat-resistance, insulation, chemical-resistance, low temperature resistance, mechanical strength, and are commonly used as a material in electrical and electronic parts. Polyimide films are used in flexible printed circuits ("FPCs"), base films in tape automated bonding ("TAB") carrier tape, cable coatings in aircraft, base films in magnetic recording tape, and coating materials for superconducting coil wire, among many others. In particular, polyimide films, including the Domestic Industry Products, are combined with a copper layer to form flexible copper-clad laminates ("FCCL") that are used in the FPCs found in many consumer electronics products such as cell phones, hard disk drives, laptop computers, digital cameras, and video game systems. (*See* Exhibit 13). For example, the Domestic Industry Products can be found in cell phones made by [CONFIDENTIAL], hard disks made by [CONFIDENTIAL], [CONFIDENTIAL], digital cameras made by [CONFIDENTIAL], and video game systems made by [CONFIDENTIAL]. (*See* Confidential Declaration of [CONFIDENTIAL], Exhibit 14). Depending on the application, it is desirable to engineer polyimide films that exhibit particular properties such as uniformity of thickness, low levels of bubble inclusion, thermal dimensional stability, mechanical strength and flexural endurance. The Kaneka Patents provide novel systems and methods for improving these properties.

14. The Accused Products are polyimide films that are made, sold, and imported by the Respondents. The Accused Products include, but are not necessarily limited to, product types designated by Respondents as IN, IF, LV and LN polyimide films. (*See* Exhibit 10.)

15. Upon information and belief, the tariff classification which may cover importation of the Accused Products is No. 3920.99.0005 and/or No. 3920.99.22 of the Harmonized Tariff Schedule ("HTS") of the United States. These HTS numbers are intended for illustration only and are not intended to be restrictive of the products accused.

V. THE PATENTS AT ISSUE

A. Overview

16. As set forth previously and below, Kaneka owns by assignment the entire right, title, and interest in and to each of the Kaneka Patents.

17. Pursuant to Commission Rule 210.12(a) and (c), this Complaint is accompanied by certified copies of the Kaneka Patents (Exhibits 1 through 4), and certified copies of the assignment of ownership of these patents (Exhibits 5 through 8). Additionally, Appendices A through D contain certified copies and three (3) additional copies of the prosecution histories of the Kaneka Patents, respectively. Four (4) copies of the references cited in the prosecution history of each of the Kaneka Patents are also included in Appendices E through H, respectively.

B. The '866 Patent

18. U.S. Patent No. 6,264,866 Patent entitled "Method for Producing Polyimide Film" issued to Kanegafuchi Kagaku Kogyo Kabushiki Kaisha (as assignee of the named inventors Hirofumi Yamada, Manabu Fukudome, Naoki Egawa, Yuzuru Kondo, and Haruhiko Maki) on July 24, 2001. The '866 Patent was filed on June 10, 1998 and given Application No. 09/095,129. The '866 Patent was assigned to Kaneka on June 10, 1998. The '866 Patent claims priority to Japanese patent application No. 9-153587 filed on June 11, 1997. The '866 Patent remains in full force and effect and Kaneka continues to own all right, title, and interest in the patent.

19. The '866 Patent has 14 claims, including independent Claims 1-3 and 8-10. Claims 1-14 are infringed by the Accused Products.

20. Non-Technical Description: The '866 Patent generally relates to a method for producing a polyimide film wherein the imidization ratio and/or the amount of volatile constituents are controlled to improve the adhesive strength of the polyimide film. The method may also comprise controlling the highest temperature of the pre-film heating to improve the adhesive strength of the polyimide film.

C. The '639 Patent

21. U.S. Patent No. 6,746,639 entitled "Process for Preparing Polyimide Film" issued to Kaneka Corporation (as assignee of the named inventors Katsunori Yabuta and Kiyokazu Akahori) on June 8, 2004. The '639 Patent was filed on September 11, 2001 and given Application No. 09/953,077. The '639 Patent was assigned to Kaneka on February 28, 2002. The '639 Patent remains in full force and effect and Kaneka continues to own all right, title, and interest in the patent. The '639 Patent claims priority to Japanese patent application No. 274515 filed on September 11, 2000.

22. The '639 Patent has 6 claims, including independent Claim 1. Claims 1-6 are infringed by the Accused Products.

23. Non-Technical Description: The '639 Patent generally relates to a method for producing a polyimide film that exhibits increased thickness uniformity and reduced bubble inclusion while maintaining the mechanical strength of the film. The production method involves extruding, casting, and forming into a film a composition of resin solution obtained by adding a dehydrating agent and a chemically-imidizing catalyst to a low viscosity varnish.

D. The '704 Patent

24. U.S. Patent No. 7,018,704 entitled "Polyimide Film for Flexible Printed Board and Flexible Printed Board Using the Same" issued to Kaneka Corporation (as assignee of the named inventors Hisayasu Kaneshiro and Kiyokazu Akahori) on March 28, 2006. The '704 Patent was filed on September 27, 2002 and given Application No. 10/471,047. The '704 Patent was assigned to Kaneka on September 4, 2003. The '704 Patent remains in full force and effect and Kaneka continues to own all right, title, and interest in the patent. The '704 Patent claims priority to Japanese patent application No. 303219 filed on September 28, 2001.

25. The '704 Patent has 5 claims, including independent Claim 1. Claims 1-5 are infringed by the Accused Products.

26. Non-Technical Description: The '704 Patent generally relates to a polyimide film with increased dimensional stability and flexural endurance. The patent also relates to a flexible printed circuit that utilizes such a polyimide film that exhibits exceptional flexural endurance and is more resistance to temperature-induced curl, torsion and warpage.

E. The '961 Patent

27. U.S. Patent No. 7,691,961 entitled "Polyimide Film and Use Thereof" issued to Kaneka Corporation (as assignee of the named inventors Kan Fujihara, Kazuhiro Ono, and Takaaki Matsuwaki) on April 6, 2010. The '961 Patent was filed on August 31, 2006 and given Application No. 11/513,353. The '961 Patent was assigned to Kaneka on November 6, 2006. The '961 Patent remains in full force and effect and Kaneka continues to own all right, title, and interest in the patent. The '961 Patent is a Continuation-in-Part of application No. PCT/JP2005/004282 filed on March 11, 2005 and claims priority to Japanese patent application

No. 073558 filed on March 15, 2004 and Japanese application No. 094901 filed on March 29, 2004.

28. The '961 Patent has 20 claims, including independent Claims 1 and 9. Claims 1-20 are infringed by the Accused Products.

29. Non-Technical Description: The '961 Patent generally relates to a polyimide film in which the dimensional stability (rate of dimensional change) in reduced when it undergoes a step of laminating a metal foil under heating or by etching the metal layer to form wiring. The polyimide film is suitable for use in FPCs, tapes for TAB, substrates for electrical and electronic devices such as solar-cell substrates, high-density recording media, and magnetic recording media.

F. Licenses

30. The Kaneka Patents are currently being licensed to Kaneka Texas Corporation ("KTC"). (*See* Kaneka-KTC License Agreement attached as Exhibit 15.) KTC is currently developing, making, marketing and selling polyimide film products in the U.S. under this license that are covered by the Kaneka Patents, including the manufacture of Apical Type AV Film Types (50AV, 75AV, 100AV, 200AV, 300AV, 500AV, 100AVY) and Apical Type AF Film Types (120AF616, 130AF616B, 130EF616B, 150AF019, 150AF019B, 150AFY019B, 200AF919, 200AF011, 120AFY616, 250AF029, 300AF021, 300AF929, 500AF131, J11A7, P50A10, P77A10, T55N10, T55N20, T10A10, T10N10, T11A7, T11N7, T11N10) and sales of Apical Type NP Type Films (50NP, 100NP, 200NP, 300NP, and 500NP). (*See* Confidential Exhibit 14.) KTC is a wholly owned subsidiary of Kaneka Corporation, Japan that was founded in 2006 and is located southeast of Houston at 6161 Underwood Road, Pasadena, TX, 77507. (*See* Exhibit 16.)

G. Foreign Counterparts

31. The foreign counterparts corresponding to the '866 patent are issued patent (JP 4006779) and a withdrawn patent application (JP 2007-009676). Kaneka is aware of no other foreign counterparts or foreign counterpart applications corresponding to the '866 patent that have been issued, denied, abandoned, or which remain pending.

32. A foreign counterparts corresponding to the '639 patent is pending patent application JP 2001-275638. Kaneka is aware of no other foreign counterparts or foreign counterpart applications corresponding to the '639 patent that have been issued, denied, abandoned, or which remain pending.

33. The foreign counterparts corresponding to the '961 patent are issued patents (JP 4597737 and CN ZL200580008363.9) and pending patent applications (JP 2005-074095, TW 94107878, and KR 20067017661). Kaneka is aware of no other foreign counterparts or foreign counterpart applications corresponding to the '961 patent that have been issued, denied, abandoned, or which remain pending.

34. The foreign counterparts corresponding to the '704 patent are issued patents (CN ZL 02808446.2 and TW I304079), abandoned patent application (KR 20037011885) and rejected patent application (JP 2003-533653). Kaneka is aware of no other foreign counterparts or foreign counterpart applications corresponding to the '704 patent that have been issued, denied, abandoned, or which remain pending.

VI. UNLAWFUL AND UNFAIR ACTS OF THE RESPONDENTS

35. On information and belief, the Respondents unlawfully sell for importation, import, or sell after importation into the United States polyimide films, including without limitation, product types identified by Respondents as IN, IF, LV and LN polyimide films.

Photographs of exemplary Accused Products are submitted with this Complaint as Exhibit 17. (*See* Exhibit 17). The following infringement claim charts are provided:

- A claim chart that applies independent Claims 1-3 and 8-10 of the '866 Patent to representative accused products (SKPI polyimide film models IF70, LV50, and LN50) is attached as Exhibit 18. This claim chart is supported by the confidential declaration of [CONFIDENTIAL] pursuant to 19 C.F.R. § 210.12(a)(9)(viii). (*See* Confidential Exhibit 22.)
- A claim chart that applies independent Claim 1 of the '639 Patent to representative accused products (SKPI polyimide film models IF70, LV50, and LN50) is attached as Exhibit 19. This claim chart is supported by the confidential declaration of [CONFIDENTIAL] pursuant to 19 C.F.R. § 210.12(a)(9)(viii). (*See* Confidential Exhibit 22.)
- A claim chart that applies independent Claim 1 of the '704 Patent to representative accused products (SKPI polyimide film models IF70 and LN100) is attached as Exhibit 20. This claim chart is supported by the confidential declaration of [CONFIDENTIAL] pursuant to 19 C.F.R. § 210.12(a)(9)(viii). (*See* Confidential Exhibit 23.)
- A claim chart that applies independent Claims 1 & 9 of the '961 Patent to representative accused products (SKPI polyimide film models IF70, LN50, LV100, and IN70) is attached as Exhibit 21. This claim chart is supported by the confidential declaration of [CONFIDENTIAL] pursuant to 19 C.F.R. § 210.12(a)(9)(viii). (*See* Confidential Exhibit 23.)

36. The claim charts in Exhibits 18 through 21 show infringement of exemplary claims by representative Accused Products. Further discovery may reveal that additional claims of the Kaneka Patents are infringed by the Accused Products, or that additional products infringe the Kaneka Patents.

37. On information and belief, and as described in further detail below, the Respondents have sold and will continue to sell for importation, import, or sell after importation into the United States the Accused Products. (*See* Exhibit 14.) Further investigation may reveal that other of Respondents' products infringe claims of the Kaneka Patents.

VII. SPECIFIC INSTANCES OF IMPORTATION AND SALE

38. On information and belief, the Respondents import into the United States, sell for importation into the United States, and/or sell after importation into the United States the Accused Products. The specific instances of importation and sale of the Accused Products set forth below are merely a representative example of the unlawful importation of infringing polyimide products.

39. Upon information and belief, SKPI (Korea) makes the Accused Products abroad and sells them for importation to the U.S. market, and SKC (Georgia, USA) imports the Accused Products into the U.S. market and sells them domestically after importation. Attached as Exhibit 24 are selected Bills of Lading that show importation of thousands of kilograms of Polyimide Film from the foreign port of Busan, South Korea to the U.S. port of Newark, New Jersey. (See Exhibit 24). These Bills of Lading demonstrate that SKPI and SKC collaborate to sell for importation, and import, the Accused Products into the U.S. market.

40. As described further in Confidential Exhibit 14, Kaneka obtained exemplary samples of the Accused Products, which were purchased in the United States from SKC by one

of Kaneka's customers. Photos of a few of these Accused Products are attached as Exhibit 17. (*See* Exhibit 17). On information and belief, the polyimide film products shown in Exhibit 17 were manufactured by SKPI in South Korea, sold by SKPI to SKC for importation into the United States, and imported into the United States by SKC for sale to a United States customer.

41. The continuing sale for importation, importation, and/or sale after importation of the Accused Products is further demonstrated by the listing of the Accused Products on the websites of SKPI and SKC. (*See* Exhibits 10 and 11, respectively.) As indicated on SKPI's website, its polyimide manufacturing plants and R & D operations are located in Korea.

42. SKPI has admitted that its manufacturing, research, and development relating to polyimide films is conducted in Korea and that its polyimide film products are imported into the United States, including California, Minnesota, Massachusetts, New Hampshire, New Jersey, and New York. Attached as Exhibit 25 is a Declaration submitted by SKPI in support of its Motion to Dismiss for Lack of Personal Jurisdiction in the related litigation discussed below. (*See* Exhibit 25).

43. SKC has admitted that it has a distribution agreement with SKPI whereby SKC has been selling SKPI's Korean-made polyimide film in the United States since June of 2008. (*See* Exhibit 12). According to SKC, the polyimide films that SKC purchases from SKPI primarily enter the United States through ports in Los Angeles, California, which serves SKC's customers in the Western United States. (*See* Exhibit 12). SKC has admitted that it is has sold SKPI's polyimide film products to customers in at least California, Minnesota, Maryland, Pennsylvania, New Jersey, Massachusetts, New Hampshire, New York, Illinois, Wisconsin, and Ohio. (*See* Exhibit 12).

VIII. THE DOMESTIC INDUSTRY

44. In accordance with Section 337(a)(2)-(3), an industry in the United States exists for the products and methods relating to the polyimide films protected by the Kaneka Patents. Kaneka has made significant investments in plant and equipment, significant employment of labor and capital relating to the polyimide films at issue, and significant investments in its exploitation of the Kaneka Patents in the United States, including research and development, manufacturing, technical support, and marketing. The exemplary investments set forth here are directly relevant to the Kaneka Patents. Confidential Exhibit 14 is the declaration of [CONFIDENTIAL] regarding Kaneka's domestic industry, detailing Kaneka's significant investments in plant and equipment, significant employment of labor and capital, and significant investments in its exploitation of the Kaneka Patents in the United States. (*See* Confidential Exhibit 14).

Technical Prong:

45. Kaneka's polyimide film products (including Apical 12.5NPI, 25NPI, 50NPI, 75NPI, 125NPI, 12.5AH, 25AH, 50AH, 75AH, 125AH, 175AH, 225AH) and those made by KTC under license including Apical Type AV Film Types (50AV, 75AV, 100AV, 200AV, 300AV, 500AV, 100AVY), Apical Type AF Film Types (120AF616, 130AF616B, 130EF616B, 150AF019, 150AF019B, 150AFY019B, 200AF919, 200AF011, 120AFY616, 250AF029, 300AF021, 300AF929, 500AF131, J11A7, P50A10, P77A10, T55N10, T55N20, T10A10, T10N10, T11A7, T11N7, T11N10) and those sold by KTC under license including Apical Type NP Type Films (50NP, 100NP, 200NP, 300NP, and 500NP), and certain methods for making the same (collectively, "Domestic Industry Products"), which are developed, marketed, sold, and/or

supported in the United States, practice at least one or more claims of the Kaneka Patents, as set forth below:

- Confidential Exhibit 26 is a claim chart demonstrating that representative Domestic Industry Products practice at least one independent claim of the '866 patent.
- Confidential Exhibit 27 is a claim chart demonstrating that representative Domestic Industry Products practice at least one independent claim of the '639 patent.
- Confidential Exhibit 28 is a claim chart demonstrating that representative Domestic Industry Products practice at least one independent claim of the '704 patent.
- Confidential Exhibit 29 is a claim chart demonstrating that that representative Domestic Industry Products practice at least one independent claim of the '961 patent.

The aforementioned claim charts are supported by the confidential declaration of [CONFIDENTIAL] pursuant to 19 C.F.R. § 210.12(a)(9)(ix) and the confidential declaration of [CONFIDENTIAL] pursuant to 19 C.F.R. § 210.12(a)(9)(ix), attached as Confidential Exhibits 30 and 31, respectively. (*See* Confidential Exhibits 30 and 31.) Product specifications for the Domestic Industry Products, attached as Exhibits 32 and 33, provide further evidence that the representative Domestic Industry Products practice at least one claim of the Kaneka Patents. (*See* Exhibits 32 and 33.) Exemplary product labels for the Domestic Industry Products are attached as Exhibit 34. (*See* Exhibit 34).

Economic Prong:

46. Kaneka is a Japanese corporation with its principal place of business in Osaka, Japan. Several examples demonstrate that an industry related to Kaneka's polyimide films and related methods exists in the United States. Additional details regarding Kaneka's U.S.

investments in the Domestic Industry Products and exploitation of the Kaneka Patents are provided in Confidential Exhibit 14. (*See* Confidential Exhibit 14).

47. Kaneka has made significant investments in plant, equipment, labor, research and development in support of the Domestic Industry Products. In 1980 Kaneka began lab-scale development of polyimide films in Japan and in 1984 introduced a well-known, super high performance polyimide film product called APICAL. The APICAL product attracted the interest of U.S.-based Allied Signal, and in 1989 the two companies decided to join forces to form Allied-APICAL to produce high performance polyimide films in Texas. (*See* Exhibits 13 & 32). At that time, Kaneka invested approximately [CONFIDENTIAL] dollars towards plant, equipment, labor, research and marketing for the new Texas venture. In 1990, Allied-APICAL began polyimide production in Texas and by 1997 Kaneka took full ownership of the company and it was re-named as Kaneka High-Tech Materials ("KHM") which, like its predecessor, was focused on the development of high performance polyimide films. (*See* Exhibit 35.) By that point, Kaneka had invested over [CONFIDENTIAL] dollars into its polyimide film operations in Texas. In 2006, KHM became the APICAL Division of Kaneka Texas Corporation ("KTC"), a wholly owned subsidiary of Kaneka Corporation, Japan. Thus, the polyimide film products and methods relevant to the Kaneka Patents have, and continue to be, made and sold in the United States since 1990. APICAL polyimide films are still recognized as among the finest in the industry and are used in many products and industries. (*See* Exhibit 13.)

48. The KTC plant is located southeast of Houston in the Bayport Industrial District at 6161 Underwood Road, Pasadena, TX, 77507. Marketing offices are located at 2 Northpoint Dr., Suite 200, Houston, TX 77060. KTC started manufacturing operations in 1984 making impact modifiers for the plastics industry. Major additions to this plant occurred in 1987 and

1993, making it one of the largest modifier plants in the world. Since the production of the polyimide film Apical began at this site in 1990, this facility has more than doubled in size, and the plant capacity has also increased significantly. Selected pages of KTC's website relating to the aforementioned facts are attached as Exhibits 13 and 16. (*See* Exhibits 13 and 16.)

49. KTC has approximately [CONFIDENTIAL] regular employees and [CONFIDENTIAL] contract employees. Currently, [CONFIDENTIAL] of the regular employees and [CONFIDENTIAL]of the contract employees are focused on activities relevant to the Kaneka Patents Domestic Industry Products. (*See* Confidential Exhibit 14.) KTC invests substantial resources in administration and sales of the Domestic Industry Products. (*See* Confidential Exhibit 14.)

50. Since April 2005, KTC has made major investments in engineering, research and development for the Domestic Industry Products and has made substantial revenue from U.S. sales of the Domestic Industry Products. (*See* Confidential Exhibit 14). From the period between April 2009 and March 2010, KTC had labor costs of [CONFIDENTIAL] and administrative and selling expenses of [CONFIDENTIAL] for its operations at the Texas facility. Since April 2005, KTC has invested over [CONFIDENTIAL] in engineering, research and development for the Domestic Industry Products at the Texas facility. Since April 2007, KTC has made approximately [CONFIDENTIAL] in revenue from sales of the Domestic Industry Products. KTC's domestic marketing activities for the Domestic Industry Products includes its website at www.kanekatexas.com, product catalogs, and regularly participate in exhibitions such as the CWIEME (http://www.coilwindingexpo.com/) held in Chicago, Berlin, Mumbai and Shenzen. KTC makes regular customer support visits to each of its top 20 polyimide film customers in the U.S.

51. Since the inception of KTC, Kaneka has provided continued technical support and assistance to KTC. Employees from Kaneka are sent to KTC for [CONFIDENTIAL] to provide technical assistance and training in support of the Domestic Industry Products before returning to Kaneka Japan. At any given time, approximately [CONFIDENTIAL] Kaneka employees are stationed at KTC. (*See* Confidential Exhibit 14.)

52. KTC is currently a licensee of the Kaneka Patents and produces and sells polyimide film products in the U.S., and practices methods and processes in the U.S., that are covered by the Kaneka Patents including the manufacture of Apical Type AV Film Types (50AV, 75AV, 100AV, 200AV, 300AV, 500AV, 100AVY) and Apical Type AF Film Types (120AF616, 130AF616B, 130EF616B, 150AF019, 150AF019B, 150AFY019B, 200AF919, 200AF011, 120AFY616, 250AF029, 300AF021, 300AF929, 500AF131, J11A7, P50A10, P77A10, T55N10, T55N20, T10A10, T10N10, T11A7, T11N7, T11N10) and sales of Apical NP Type Films (50NP, 100NP, 200NP, 300NP, and 500NP). (*See* Confidential Exhibits 14 and 15.)

53. Kaneka's polyimide films (Apical NPI and Apical AH) also enter the U.S. market through KTC. KTC imports Apical NPI and Apical AH polyimide film from Kaneka in the form of mother rolls, which KTC processes by slitting and dividing into narrower rolls according to its customers' specifications, and repackages the narrower rolls of polyimide film for resale to its customers respectively as Apical NP and Apical AV polyimide film. KTC also manufactures its own AH-type polyimide film under license from Kaneka, which is also designated as Apical AV.

54. KTC also manufactures another type of polyimide film — Apical AF — which consists of either Apical NPI or an AH-type polyimide film and a fluoro-polymer layer added via a layer dispersion process. Thus, KTC uses Kaneka Apical NPI polyimide film as a starting material in its manufacture of certain grades of Apical AF polyimide film, *i.e.*, those consisting

of Apical NPI and a fluoro-polymer layer. For other grades of Apical AF polyimide film — *i.e.*, those consisting of an AH-type polyimide film and a fluoro-polymer layer — KTC uses either its own Apical AV or Kaneka's Apical AH polyimide films as a starting material, largely depending on whether the demand for those Apical AF polyimide films exceeds KTC's production capacity of Apical AV polyimide films.

55. Kaneka's Domestic Industry Products enter the U.S. market in three primary ways. First, as mentioned above, KTC makes and sells such products in the U.S. under its license with Kaneka. Second, Kaneka produces such products in Japan and sends them to KTC in Texas, whereby KTC performs final product processing and packaging before selling the products in the U.S. market. Finally, Kaneka sells polyimide films abroad, primarily in Asia, where they are incorporated into semi-manufactured products like FPC's and FCCLs that are used in various consumer electronics devices that are imported into the U.S. market such as described above. The vast majority of electronic devices with moving parts incorporate polyimide films in some manner, including cell phones, photo copiers, hard drives, CD/DVD players, and laptop computers.

IX. RELATED LITIGATION

56. On July 26, 2010 Kaneka filed suit against SKC Kolon PI, Inc. (SKPI) and SKC, Inc. (SKC) in Civil Action No. 1:2010cv00430-RC in the United States District Court for the Eastern District of Texas, asserting infringement of the Kaneka Patents. This case is pending. The Court has scheduled a Markman hearing for August 18, 2011.

57. On September 29, 2010 SKPI and SKC filed a lawsuit in the U.S. District Court for the Central District of California (Civil Action No. 2:10cv7251), seeking a declaratory judgment relating to the asserted Kaneka Patents and asserting claims of tort and Lanham Act

violations. This case is also pending. There has been no other foreign or domestic court or agency litigation relating to the unfair acts alleged herein.

X. PUBLIC INTEREST

58. Exclusion of the Accused Products will have no negative effect on public health and welfare in the United States, on competitive conditions in the United States economy, on the production of like or directly competitive articles in the United States, or on United States consumers.

(a) There are no public health, safety, or welfare concerns in the United States relating to the potential exclusion order against the infringing products or relating to proposed cease and desist orders against Respondents and their distributors.

(b) Kaneka's products are widely available in the United States.

(c) Kaneka is able to meet all current and conceivable demand for its products.

XI. RELIEF

59. The Respondents have infringed and will continue to infringe the Kaneka Patents unless the Commissioner prohibits the importation and sale in the United States of the Accused Products.

60. Kaneka respectfully requests that the United States International Trade Commission:

(a) institute an immediate investigation pursuant to Section 337(b)(1) of the Tariff Act of 1930, as amended, 19 U.S.C. § 1337, into the violations by the Respondents of Section 337 arising from the sale for importation into the United States, importation, and/or sale within the United States after importation of the Respondents polyimide film products, including without limitation type IN, IF, LV and LN polyimide

films, that infringe one or more claims of U.S. Patent Nos. 6,264,866, 6,746,639, 7,018,704, and 7,691,961.

(b) schedule and conduct a hearing, pursuant to Section 337(c), for purposes of receiving evidence and hearing argument concerning whether there has been a violation of Section 337 and, following the hearing, determine that there has been a violation of Section 337.

(c) issue a permanent exclusion order, pursuant to Section 337(d) and (f)(1), excluding from entry into the United States Respondents' polyimide film products including without limitation type IN, IF, LV and LN polyimide films, that infringe one or more claims of U.S. Patent Nos. 6,264,866, 6,746,639, 7,018,704, and 7,691,961.

(d) issue a permanent order, pursuant to Section 337(f), directing the Proposed Respondents to cease and desist from importing, selling, selling for importation, offering for sale, using, demonstrating, promoting, marketing, and/or advertising in the United States the Respondents' polyimide film products including without limitation type IN, IF, LV and LN polyimide films, that infringe one or more claims of U.S. Patent Nos. 6,264,866, 6,746,639, 7,018,704, and 7,691,961.

Dated: March 31, 2011

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VERIFICATION OF COMPLAINT

I, Toshio Nakamura, a Member of the Board, Managing Executive Officer, of Kaneka Corporation, declare, in accordance with C.F.R. §§ 210.4 and 210.12(a), under penalty of perjury, that the following statements are true:

1. I am duly authorized to sign this Complaint on behalf of Kaneka Corporation ("Kaneka");
2. I began working for Kaneka in Sakamoto plant and have been employed by Kaneka fulltime since 1975. I hold a bachelors degree in Law from Kobe University.
3. I have read the foregoing Complaint and am familiar with the allegations and statements contained therein;
4. To the best of my knowledge, information, and belief, based upon reasonable inquiry, the foregoing Complaint is well founded in fact and is warranted by existing law or by a non-frivolous argument for the extension, modification, or reversal of existing law or the establishment of new law;
5. The allegations and other factual contentions have evidentiary support or are likely to have evidentiary support after a reasonable opportunity for further investigation or discovery; and
6. The foregoing Complaint is not being filed for an improper purpose, such as to harass or to cause unnecessary delay or needless increase in the cost of litigation.

Executed this 31 day of March, 2011

T. Nakamura

Toshio Nakamura