

# The FTC Rambus Matter

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Standard Setting Conf.  
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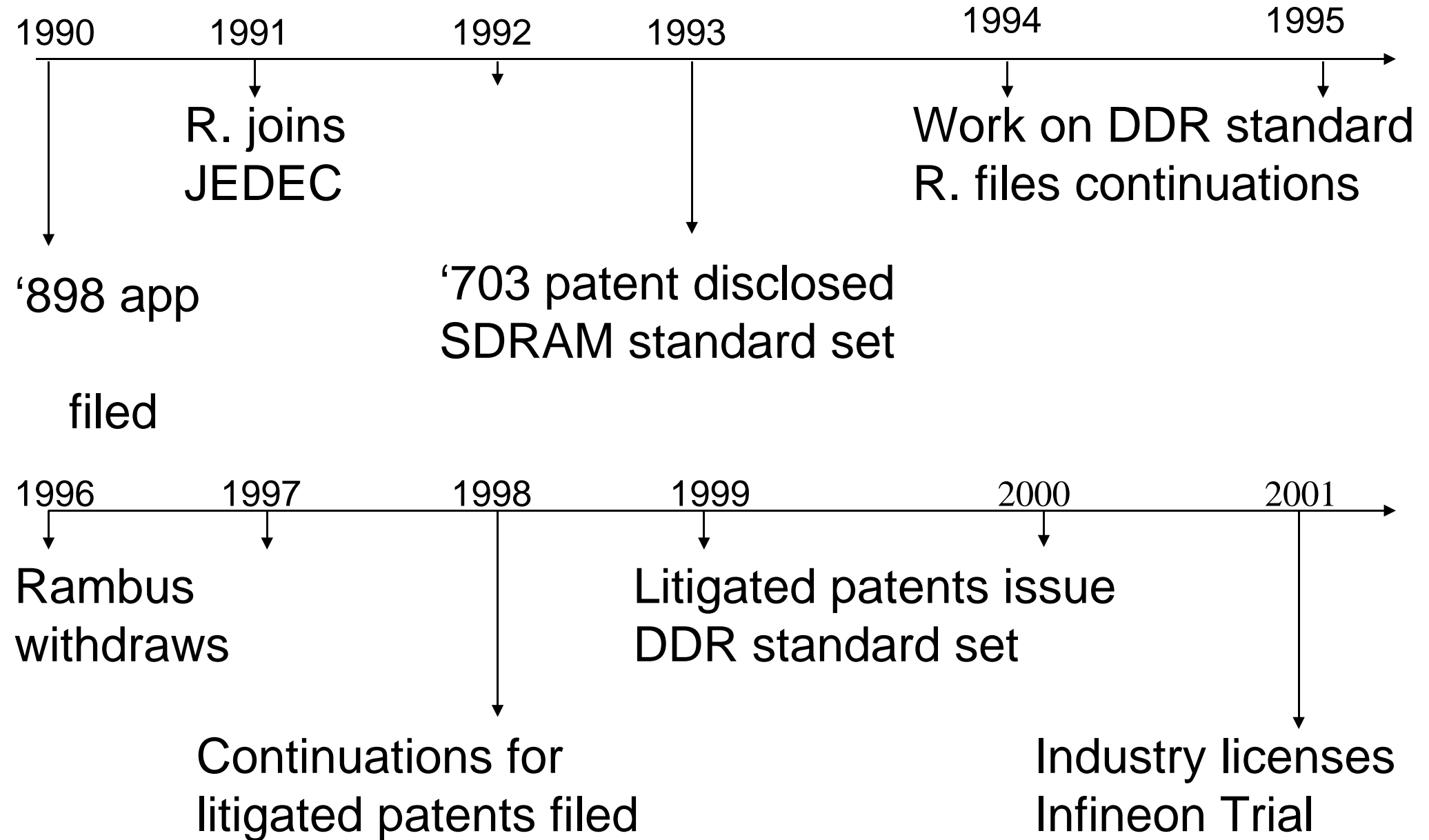
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# Standard Setting

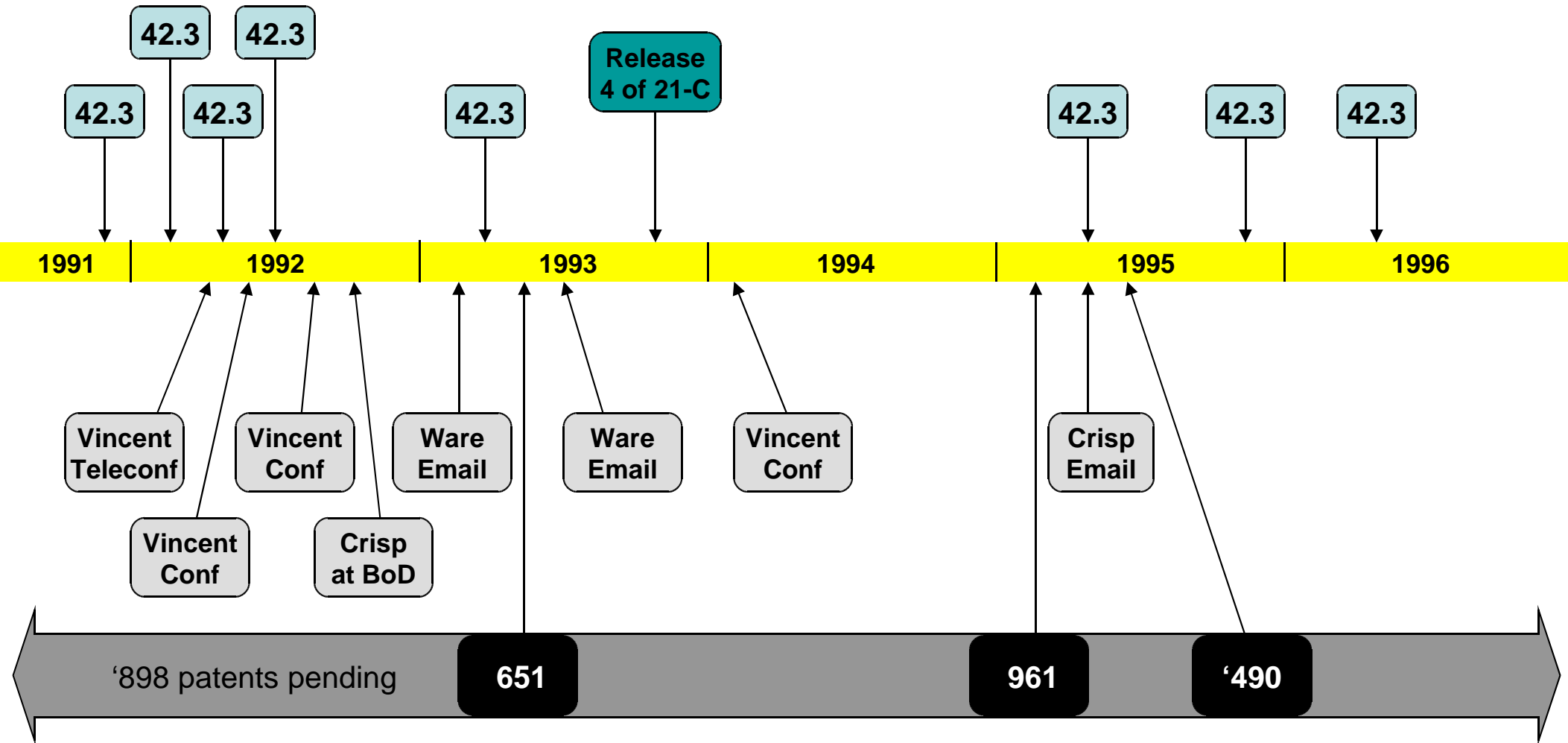
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- Can be *de facto* (MS Windows)
  
- Or set by SSOs
  - Provides compatibility
  - Increases consumer choice and competition
  
- SSOs worry about patent “hold up”
  - Generally require disclosure of relevant patents

# Rambus Timeline



# Rambus's Failure to Disclose: Programmable CAS Latency and Programmable Burst Length



# Rambus Program

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- Vincent notes 1992: “Richard Crisp wants to add claims to original application...to control latency”
- Vincent notes 1993: “What to include in divisional applications:...so cause problem w/ synch DRAM.”
- Ware email 1993: “[Additional claims covering] programmable CAS latency...This is directed against SDRAMs.”

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Secondly, to gain awareness in 1992 that the 18Mbit RDRAM will have a die size equal to the 18Mbit Sync DRAM; and get Toshiba and NEC to quote pricing broadly in the 10% per bit range compared to commodity parts.

Our third strategy is to gain momentum rapidly in non-main-memory markets where Sync DRAMs are NOT an issue. So while main-memory customers remain confused and in a wait-and-see mode over the next year; we remove the price negative and risk negative associated with Rambus, show that we have the most actual volume sources shipping, and show that the volume is already ramping from other market segments.

Finally, we believe that Sync DRAMs infringe on some claims in our filed patents; and that there are additional claims we can file for our patents that cover features of Sync DRAMs. Then we will be in position to request patent licensing (fees and royalties) from any manufacturer of Sync DRAMs. Our action plan is to determine the exact claims and file the

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Rambus has concentrated primarily on desktop computers to date. A large portion of our company comes from computer companies; including several experts on microprocessors and graphics.

#### 2.3.5.1 Desktop Computer graphics/video subsystem

Development of graphical user interface operating systems has caused a rapid growth in the demand for high resolution, high color, high performance graphics subsystems. Developments like Quicktime are just starting the demand for high resolution, high performance digital video to be integrated into the graphics subsystem.

# FTC Rambus Decision

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- JEDEC's policies required the good faith disclosure of patents and patent applications that might be applicable to JEDEC's work
  - Written policy
  - Announcements at most meetings
  - Understanding and actions of members
  - Understanding of Rambus

# FTC Rambus Decision

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- Rambus's conduct was deceptive
- Rambus misled JEDEC members by remaining silent in the face of a duty to disclose

# Rambus Defenses

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- Rambus had no claims pending while a JEDEC member that covered the standard. Therefore, Rambus had no duty to disclose
- FTC held that Rambus's pursuit of its program meant that it had to disclose

# Rambus Defenses

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- FTC rejected argument that published patent application and '703 patent provided notice that it might obtain claims covering the standard
  - Description and claims related to RDRAM
  - JEDEC members acted as though, and testified that, they did not know of Rambus's plans
  - Rambus did not expect members to figure it out at the time