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UNITED STATES DISTRICT COURT

NORTHERN DISTRICT OF CALIFORNIA

SAN JOSE DIVISION

FEDERAL TRADE COMMISSION, Plaintiff, vs. QUALCOMM INCORPORATED, a Delaware corporation, Defendant.	Case No. 5:17-cv-00220-LHK **DEFENDANT QUALCOMM INCORPORATED'S STATUS REPORT REGARDING NON-PARTY CONTRACT MANUFACTURERS' SEARCH TERMS AND CUSTODIANS**; ORDER Courtroom: 7, 4th Floor Judge: Hon. Nathanael M. Cousins
IN RE: QUALCOMM ANTITRUST LITIGATION	Case No. 5:17-MD-02773-LHK-NMC

Pursuant to the Court's December 6, 2017 Order (ECF No. 372), Defendant Qualcomm Incorporated ("Qualcomm") submits the following status report regarding the production of documents responsive to Qualcomm's subpoena—specifically, search terms and custodians—by non-parties Compal Electronics, Inc., FIH Mobile Ltd., Hon Hai Precision Industry Co., Ltd., Pegatron Corporation, and Wistron Corporation (collectively, the "CMs").

Since Qualcomm's initial status report to the Court dated December 4, 2017 (ECF No. 370), Qualcomm has continued to attempt to reach a compromise with the CMs.

Qualcomm's Revised Custodian Proposal: On December 6, 2017, Qualcomm sent a letter to the CMs proposing 36 additional CM custodians for both the N.D. Cal. and S.D. Cal. actions in order to fill major chronological and subject-matter gaps in the CMs' custodian proposals. The total number of custodians proposed by the CMs and Qualcomm for the N.D. Cal. and S.D. Cal. actions is now 63: 17 for Compal, 18 for Foxconn, 14 for Pegatron, and 14 for Wistron. Qualcomm created this revised proposal based on further review of Qualcomm's, Apple's, and the CMs' document productions to date; internal investigation; and the additional custodian information the CMs provided on December 4.

In the letter, Qualcomm explained in detail why the custodians it proposed are necessary for the N.D. Cal. and S.D. Cal. actions, respectively. For both the N.D. Cal. and S.D. Cal. actions, Qualcomm proposed 19 custodians likely to have information relevant to SULA negotiations and chip procurement: 6 for Compal, 5 for Foxconn, 4 for Pegatron, and 4 for Wistron. For the S.D. Cal. action only, Qualcomm proposed an additional 17 custodians likely to have information relevant to that action, including information related to audits, each CM's relationship with Apple, and communications with competition agencies. Qualcomm asked the CMs to prioritize document production from those custodians who have information relevant to both the N.D. Cal. and S.D. Cal.

actions.

In the spirit of compromise, Qualcomm offered to withdraw 15 of the custodians it requested in its prior proposal if, in exchange, the CMs agree to add specific custodians whom Qualcomm identified in its December 6 letter.

Qualcomm's Revised Search Terms Proposal: As indicated in our previous status report, both parties believe that their proposal is the better starting point for further negotiation. Nevertheless, in the spirit of compromise, and to facilitate the CMs' completion of document production by January 5, 2018, Qualcomm provided revisions to the CMs' October 31 search term proposal on December 7, 2017. Informed by metrics provided by the CMs on December 4, 2017, Qualcomm revised the syntax and language in the CMs' search terms proposal to ensure that the terms are sufficiently likely to return documents relevant to Qualcomm's subpoena requests. Qualcomm also provided a redline to the CMs indicating the revisions Qualcomm made. Additionally, Qualcomm is currently working to translate specific relevant terms into traditional and simplified Chinese characters to supplement the CMs' search of their Chinese-language documents.

December 7 Meet and Confer: On December 7, 2017, the parties met and conferred by telephone.

Custodians: During the meet and confer, Qualcomm and the CMs discussed Qualcomm's revised custodian proposal. The CMs agreed to discuss the proposal with their clients tonight, December 7, 2017 (the morning of December 8, Taiwan time), but did not take a position on any of Qualcomm's proposed custodians.

Search Terms: During the meet and confer, Qualcomm and the CMs also discussed Qualcomm's revised search term proposal. The CMs agreed to discuss the proposal with their clients, and stated that they would begin running metrics on the revised search terms today, December 7, 2017. The CMs explained that they would try to provide Qualcomm with metrics on its revised search term proposal before the weekend,

but, if they were unable to do so, likely would not be able to provide metrics until Monday, December 11, 2017, due to a systems upgrade of counsel's network scheduled to take place over the weekend.

The parties scheduled a follow-up meet and confer for Tuesday, December 12, 2017, at 10 a.m. PST.

Qualcomm respectfully requests permission to file another status update with the Court on Tuesday, December 12, 2017, following this meet and confer.

Dated: December 7, 2017 Respectfully submitted,

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Further discovery status report due from Qualcomm by December 12 at 5:00 p.m.

Dated: December 11, 2017

