

CONEXANT SYSTEMS INC  
Form 8-K  
February 07, 2006

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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of Earliest Event Reported):

February 6, 2006

**Conexant Systems, Inc.**

(Exact name of registrant as specified in its charter)

Delaware

000-24923

25-1799439

(State or other jurisdiction  
of incorporation)

(Commission  
File Number)

(I.R.S. Employer  
Identification No.)

4000 MacArthur Boulevard, Newport Beach,  
California

92660

(Address of principal executive offices)

(Zip Code)

Registrant's telephone number, including area code:

949-483-4600

Not Applicable

Former name or former address, if changed since last report

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))



**Top of the Form**

**Item 8.01 Other Events.**

As described in Part I, Item 3. Legal Proceedings in the Annual Report on Form 10-K of Conexant Systems, Inc. (the "Company") for the fiscal year ended September 30, 2005 and in Part II, Item 1. Legal Proceedings in the Quarterly Report on Form 10-Q of the Company for the quarter ended December 31, 2005, the Company's Conexant, Inc. subsidiary has been involved in a dispute with Texas Instruments, Inc., Stanford University and its Board of Trustees, and Stanford University OTL, LLC (collectively, the Defendants) over a group of patents (and related foreign patents) that Texas Instruments alleges are essential to certain industry standards for implementing ADSL technology. On June 12, 2003, Conexant, Inc. filed a complaint against the Defendants in the U.S. District Court for the District of New Jersey. The complaint asserts, among other things, that the Defendants have violated the antitrust laws by creating an illegal patent pool, by manipulating the patent process and by abusing the process for setting industry standards related to ADSL technology. The complaint also asserts that the Defendants' patents relating to ADSL are unenforceable, invalid and/or not infringed by Conexant, Inc. products. Conexant, Inc. is seeking, among other things, (i) a finding that the Defendants have violated the federal antitrust laws and treble damages based upon such a finding, (ii) an injunction prohibiting the Defendants from engaging in anticompetitive practices, (iii) a declaratory judgment that the claims of the Defendants' ADSL patents are invalid, unenforceable, void, and/or not infringed by Conexant, Inc. and (iv) an injunction prohibiting the Defendants from pursuing patent litigation against Conexant, Inc. and its customers. On August 11, 2003 and September 9, 2003, the Defendants answered the complaint, denied Conexant, Inc.'s claims and filed counterclaims alleging that Conexant, Inc. has infringed certain of their ADSL patents. In addition to other relief, the Defendants are seeking to collect damages for alleged past infringement and to enjoin Conexant, Inc. from continuing to use the Defendants' ADSL patents. The case has been bifurcated into a patent phase and an antitrust phase, with the patent phase being tried first. Trial on the patent phase commenced on January 4, 2006.

On February 6, 2006, the Company announced that a jury in the U.S. District Court for the District of New Jersey had reached a verdict on the patent infringement counterclaims filed by the Defendants. A copy of the Company's press release dated February 6, 2006 reporting on the verdict is filed herewith as Exhibit 99.1 and is incorporated herein by reference.

**Item 9.01 Financial Statements and Exhibits.**

(c) Exhibits

99.1 Press Release of the Company dated February 6, 2006

**Top of the Form**

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Conexant Systems, Inc.

*February 6, 2006*

*By: J. Scott Blouin*

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*Name: J. Scott Blouin*

*Title: Senior Vice President and Chief Financial Officer*

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**Top of the Form**

Exhibit Index

| <b><u>Exhibit No.</u></b> | <b><u>Description</u></b>                           |
|---------------------------|---|
| 99.1                      | Press Release of the Company dated February 6, 2006 |