

Patent Infringement Liability for Extraterritorial Acts

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What this presentation is about:

This presentation, these slides and the accompanying paper is to promote dialogue among professionals on different sides of the legal issues herein.

I give no legal advice nor any legal opinions.

And these academic ideas do not reflect the opinions of Fish & Richardson or its clients.

This presentation does not offer any analysis or opinion on cases where Fish & Richardson represents a party, including but not limited to, *WesternGeco LLC v. ION Geophysical Corp.* on remand from the Supreme Court, and *Power Integrations, Inc. v. Fairchild Semiconductor International, Inc.* in the District of Delaware and the Federal Circuit.

Background: *WesternGeco v. ION*

- FR June 22, 2018 US SCT rules that upon proof of a domestic act of infringement, there is no territorial limit on recovery of damages proximately caused by the infringement.
- FR SCT held proximate cause would limit such damages but did not provide guidance on the proximate cause analysis or how proximate cause should be applied to damages based on acts abroad.
- FR Case is on remand to Federal Circuit where issues not reached by original panel decision, and arising from later events, are being considered.

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2

PRESUMPTION AGAINST EXTRATERRITORIALITY

There is a presumption against extraterritorial application of United States law. *RJR Nabisco, Inc. v. European Community*, 136 S. Ct. 2090, 2106 (2016).

“The presumption that United States law governs domestically but does not rule the world applies with particular force in patent law.” *Microsoft Corp. v. AT&T Corp.*, 550 U.S. 437, 454-455 (2007).

Does *WesternGeco* limit this presumption to liability?

Can there be liability for extraterritorial acts under U.S. patent law?

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2

§ 271(a) Liability

35 U.S.C. § 271(a):

(a) Except as otherwise provided in this title, whoever without authority makes, uses, offer to sell, or sells any patented invention, *within the United States* or *imports into the United States* any patented invention during the term of the patent therefor, infringes the patent.

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2

§ 271(a) Liability

By its language, the statute is limited to activity within the United States.

But Federal Circuit case law has made “**within the United States**” a **term of art** whose meaning varies with the cause of action asserted and the alleged facts...

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2

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"Extraterritoriality: When Acts Overseas Create Liability under U.S. Patent Law"