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Federal Circuit Friday

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When the US Supreme Court hands down a patent law decision, Federal Circuit Friday temporarily becomes "Supreme Court Friday."

On February 22, the Supreme Court decided *Life Technologies v. Promega*, a case involving patent infringement liability under US patents where the infringing product is made or assembled *overseas* using one or more component parts supplied from the US. Prior to this decision, the Federal Circuit's interpretation of the relevant statute allowed liability to be imposed where a single commodity component -- not covered by any patents -- is supplied from the US and assembled with other components outside the US into a product that *would have* infringed a US patent had it been assembled within the US.

In the *Promega* case Life Technologies supplied from the US a polymerase enzyme, a standard enzyme used in molecular biology that is not itself covered by any patents. The polymerase enzyme was combined outside the US with other components into forensic DNA testing kits that arguably would have infringed a US patent had the kits been assembled inside the US.

The Supreme Court decided that the portion of the infringement statute at issue required that ***more than one component*** be sourced from the US before liability can attach. There were three essential bases for the decision:

- The plain language of the statute (§271(f)(1)) refers to the shipment of plural components from the US (*i.e.,* a "substantial portion of the component**s** of the patented invention")(emphasis added).
- A complementary portion of the statute (§271(f)(2)) deals expressly with the shipment of single components, and requires that such single components be "especially made or especially adapted for use in the invention and not a staple article or commodity of commerce suitable for substantial noninfringing use." (Commodity components like the polymerase enzyme in the *Promega* case do not meet this "specialization" requirement.)
- The history of the enactment of §271(f) bolsters the conclusion that subsection (f)(1) covers the supply of multiple components (requiring supply of a "substantial portion" of the components, regardless of whether they are commodity or specialized) and subsection (f)(2) covers the supply of single components (requiring that it be especially made for the invention and not a commodity).

From a practical standpoint, the *Promega* decision releases industry-standard global sourcing and supply chain management systems from undue risk of US patent infringement from US-sourced commodity goods. Before *Promega*, the supply of so much as a single commodity (unpatented) component from the US infected the overseas manufacture and sale of a finished product with the threat of infringement of US patents – even if the finished product consists of hundreds of other components, including non-commodity specialized components, all manufactured and supplied from outside the US. After *Promega*, the bar for infringement under §271(f) is set as Congress intended, requiring a more significant US connection to trigger liability than merely sourcing a single commodity component from the US.