

Infringement & the International Reach of U.S. Patent Law

Cameron Hutchison and Moin A. Yahya*

Introduction

This paper addresses the conflicting jurisprudence that has emerged from U.S. case law concerning the territorial scope of patent law. We suggest that courts should adhere to the traditional notion whereby patents are protected in the geographic *situs* where they were granted. This, we argue, is good policy under the existing case law and under international agreements such as the *Agreement on Trade-Related Aspects of Intellectual Property* (TRIPS).

States typically prescribe patent laws that are theoretically territorial in scope.¹ This means that liability for patent infringement, under the laws of a state, will only arise if the offending act occurs within the territory of that state. The globalization of technology systems and inter-state trade, however, pose enormous challenges to the territoriality concept underlying patent law's jurisdictional reach. Transnational telecommunications patents, regarding the Internet or wireless networks, may involve components located in multiple jurisdictions operating simultaneously in connection with an infringing act. Additionally, under an increasingly open regime of global trade, component parts—themselves unpatented—may be exported abroad for assembly of products which *are* patented in the place of export. U.S. patent law has not responded well to these challenges in two respects. First, courts have unsatisfactorily interpreted § 271(a) of the Patent Act² in connection with transnational telecommunications patents. The *control and beneficial use* test adopted by the United States Court of Appeals for the Federal Circuit (Federal Circuit) in

* Assistant Professors at the Faculty of Law, University of Alberta, Edmonton, AB, Canada T6G 2H5. We are grateful to the Institute for U.S. Policy Studies at the University of Alberta for generous financial support. We would like to thank Remus Valsan and Wasila Semaine for their excellent research assistance. We would also like to thank participants at conferences sponsored by the Michigan State University Faculty of Law (the 4th Annual Intellectual Property Law Scholars Roundtable), McGeorge School of Law (ICANN Symposium), the University of Alberta Department of Economics, and the University of Alberta Institute for United States Policy Studies for their helpful comments on earlier versions of this work. All errors are ours.

¹ See 67 AM. JUR. 2D *Patents* § 4 (2007); Gillian E. Metzger, *Congress, Article IV, and Interstate Relations*, 120 HARV. L. REV. 1468, 1520–21.

² 35 U.S.C. § 271(a) (2000).