US Supreme Court holds that supply of a single component of a multicomponent invention for manufacture abroad is not patent infringement under 35 USC § 271(f)(1)

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Life Technologies Corp. v Promega Corp., No. 14-1538, 2017?US LEXIS 1428, 580?US (2017), US Supreme Court, 22 February 2017

Legal context

The issue before the Supreme Court in *Life Technologies Corp. vPromega Corp.* was 'whether the supply of *a single component* of a multicomponent invention is an infringing act under 35?U.S.C. §271(f)(1)' (ibid, at 4) (emphasis added). Section 271(f)(1) reads as follows:

> Whoever without authority supplies or causes to be supplied in or from the United States *all or a substantial portion of the components of a patented invention*, where such components are uncombined in whole or in part, in such manner as to actively induce the combination of such components outside of the United States in a manner that would infringe the patent if such combination occurred within the United States, shall be liable as an infringer. (emphasis added)

The Federal Circuit had previously interpreted the phrase 'a substantial portion of the components of a patent invention' as encompassing 'a single important component' (see *Promega Corp. vLife Tech. Corp.*, 773 F.3d 1338 (Fed. Cir. 2014)). The Supreme Court rejected the Federal Circuit's interpretation and held that the phrase 'substantial portion' in Section 271(f)(1) 'has a quantitative, not a qualitative, meaning,' and 'does not cover the supply of a single component of a multicomponent invention' (*Promega*, at 11).

Facts

The patent at issue in *Promega* claims a genetic testing toolkit. The kit can be used to take small samples of genetic material and then generate DNA profiles that can be used by law enforcement agencies for forensic identification and by clinical and research institutions for other purposes. Respondent Promega Corporation was the exclusive licensee of the patent and sublicensed the patent to petitioner Life Technologies Corporation for the manufacture and sale of the claimed kits for use in certain licensed law enforcement fields worldwide. After four years, Promega sued Life Technologies on the grounds that Life Technologies infringed the patent by selling the kits to clinical and research institutions that were outside the licensed fields of use.

During the litigation, Promega and Life Technologies agreed that the kit covered by the patent has five components, one of which is an enzyme known as *Taq* polymerase. Life Technologies made *Taq* polymerase in the United States, but made the other four components of the kit in the United Kingdom. Life Technologies then shipped *Taq* polymerase from the United States to its United Kingdom manufacturing facility, where it was combined with the other four components to assemble the kit. Promega alleged that this supply of *Taq* polymerase from the United States triggered infringement liability under 35 USC § 271(f)(1).

At first instance (see *Promega Corp. vLife Tech. Corp.*, District Court of the Western District of Wisconsin, 10-CV-0281 (28 March 2012)), a jury found that Life Technologies had wilfully infringed the patent. However, the District Court reversed the jury's verdict and granted Life Technologies' motion for judgment as a matter of law, agreeing contention that 'there could be no infringement under §271(f)(1) because Promega's evidence at trial showed at most that *one* component of all of the accused products, [the *Taq*] polymerase, was supplied from the United States' (*Promega*, at 4, internal quotation marks and citation omitted). The District Court ruled that 'a substantial portion of the components' referenced in Section 271(f)(1) 'does not embrace the supply of a single component'.

The District Court's decision was reversed by the Federal Circuit, which held that 'there are circumstances in which a party may be liable under §271(f)(1) for supplying or causing to be supplied a single component for combination outside the United States' (ibid, internal quotation marks and citation omitted). Based on its interpretation that 'a single important component can be a "substantial portion of the components" of a patented invention', the Federal Circuit ruled that 'the single *Taq* polymerase component was a substantial component as the term is used in §271(f)(1)' (citations omitted).

The Supreme Court reversed the Federal Circuit's judgment and remanded the case for further proceedings.

Analysis

The Supreme Court began its analysis with the interpretation of 'a substantial portion' of the components of a patented invention required in 35 USC § 271(f)(1). The court concluded that the term 'substantial portion' in the statute refers to a *quantitative* measurement rather than a qualitative measurement.

The Supreme Court then addressed the question of 'whether, as a matter of law, a single component can ever constitute a "substantial portion" so as to trigger liability under §271(f)(1)' (ibid, at 8). After examining the text, context and structure of Section 271(f)(1), the court concluded that Section 271(f)(1) does not cover the supply of a single component of a multicomponent invention.

However, the court provided no guidance as to how many components of a multicomponent invention would be required to constitute 'a substantial portion' to trigger liability under Section 271(f)(1):

> We do not today define how close to 'all' of the components 'a substantial portion' must be. We hold only that one component does not constitute 'all or a substantial portion' of a multicomponent invention under §271(f)(1) (ibid, at 10)

Notably, Justice Alito's concurrence, joined by Justice Thomas, also emphasized this point:

> [W]hile the Court holds that a single component cannot constitute a substantial portion of an invention's components for §271(f)(1) purposes, I do not read the opinion to suggest that *any* number greater than one is sufficient. In other words, today's opinion establishes that more than one component is necessary, but does not address *how much* more. (*Opinion of Alito J*, at 1)

Practical significance

Under *Promega*, the supply of a *single* component of a multicomponent invention for manufacture abroad does not trigger patent infringement liability under 35 USC § 271(f)(1), regardless of the qualitative importance of the single component in the invention.

Beyond this holding, however, the Supreme Court provided little practical guidance. For example, as the court itself acknowledged, *Promega* did not address how many components of a multicomponent invention would be sufficient to trigger liability under 35 USC § 271(f)(1). Moreover, even though the Supreme Court took a *quantitative* approach to interpret Section 271(f)(1)'s requirements, it provided no guidance on how to

quantify ‘components’ in a patented product. Hence, questions such as how to count the total number of components in a product and what constitutes a ‘single component’ in a multicomponent product remain unanswered by the Supreme Court. It remains to be seen how lower courts will interpret and implement to bring further clarity to the scope of liability under 35 USC § 271(f)(1).

Author notes

Mr Macedo is also the author of The Corporate Insider’s Guide to U.S. Patent Practice.