No. 21-1043

IN THE
Supreme Court of the United States

ABITRON AUSTRIA GMBH, ET AL.,
Petitioners,

v.

HETRONIC INTERNATIONAL, INC.,
Respondent.

On Petition for a Writ of Certiorari to the United States Court of Appeals for the Tenth Circuit

SUPPLEMENTAL BRIEF FOR PETITIONERS

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CORPORATE DISCLOSURE STATEMENT

Pursuant to this Court's Rule 29.6, petitioners state that the corporate disclosure statement included in the petition for a writ of certiorari remains accurate.

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The United States correctly concludes that "the petition for a writ of certiorari should be granted." U.S. Br. 1. As the government recognizes, the decision below is not merely "squarely in conflict" with the Fourth Circuit; it is "symptomatic of widespread confusion in the lower courts" about the Lanham Act's territorial scope. *Id.* at 20-21. "In the seven decades since" this Court's decision in *Steele* v. *Bulova Watch Co.*, 344 U.S. 280 (1952), the courts of appeals have announced an "array" of tests that are "unmoored from a 'textual' analysis, 'complex in formulation[,] and unpredictable in application.'" U.S. Br. 21 (quoting *Morrison* v. *National Australia Bank Ltd.*, 561 U.S. 247, 256, 258 (2010)). That deep, mature, and multifarious circuit conflict confirms "the need for this Court's review to provide greater clarity." *Ibid.*

The courts of appeals, moreover, assume that the Lanham Act *does* apply extraterritorially and then impose tests to determine "the *limits* of the Lanham Act's extraterritorial reach." Pet. App. 23a (emphasis added). As the government explains, however, the Lanham Act should have *no* extraterritorial application: The "relevant Lanham Act provisions do not rebut the presumption against extraterritoriality because they contain no 'clear, affirmative indication that [the statute] applies extraterritorially.'" U.S. Br. 11 (quoting *RJR Nabisco, Inc.* v. *European Community*, 579 U.S. 325, 337 (2016)); see Pet. 33-34. By applying the Lanham Act abroad nonetheless, the decision below "risks globalizing U.S. trademark law" and "undermin[ing] th[e] system of international trademark protection" to which the United States is a party. U.S. Br. 19-20.

While agreeing that review is warranted, the United States suggests reformulating the question presented to ensure that parties and amici "focus the[ir] presentations" on the Lanham Act's territorial scope. U.S. Br. 22. Petitioners agree that merits briefing should be so focused. The question presented in the petition, however, has that focus: It asks "[w]hether the court of appeals erred in applying the Lanham Act extraterritorially to petitioners' foreign sales, including purely foreign sales that never reached the United States or confused U.S. consumers." Pet. i; see Pet. 2 ("This case involves extraterritorial application of the Lanham Act, which provides civil remedies for infringement of U.S. trademarks."); Pet. 13-35. The government expresses concern that the petition briefly identifies other "aspects of the proceedings" (concerning the preclusive effect of a EUIPO decision and exclusion of petitioners' damages expert) that were affected by the lower courts' erroneous extension of the Lanham Act to foreign sales. U.S. Br. 22 (citing Pet. 7-9, 31-32). But those

are merely examples that illustrate the consequences of the "Tenth Circuit's departure from territoriality principles." Pet. 31. They are not identified as separate issues for this Court's review, and at most would be open for consideration on remand following this Court's resolution of the actual question presented.

If the question presented is to be reformulated, the government's proposal may inadvertently understate the proper scope of review. For example, the government's suggested wording refers to "[ ]registered" U.S. trademarks. U.S. Br. 22. But the government recognizes that § 43(a)(1)(A) of the Lanham Act also applies to—and this case also involves—*unregistered* U.S. trademarks. See U.S. Br. 2, 5. The government recognizes that, because the relevant statutory language is materially identical, the extraterritoriality analysis applies identically to § 32(1)(A) (which covers registered trademarks) and § 43(a)(1)(A) (which also covers unregistered trademarks). See U.S. Br. 11; 15 U.S.C. §§ 1114(1)(a), 1125(a)(1). And the government recognizes that the Court should address the territorial scope of both provisions. See U.S. Br. at I, 22.

The government's proposed question presented also refers to the availability of "damages" for foreign uses of a U.S. mark. U.S. Br. 22. As the government recognizes, however, the Lanham Act provides for (and this case involves) both damages and injunctive relief as remedies for "violation[s]" of Lanham Act §§ 32(1)(a) and 43(a)(1)(A). 15 U.S.C. §§ 1116(a), 1117(a); see U.S. Br. 2; *id.* at 19 n.* (noting that the decision below extended "injunctive relief" to "any countries in which respondent currently markets or sells its products"); Pet. 35. The propriety of any form of relief—whether damages, an injunction, or otherwise—depends on whether the Lanham Act applies in foreign countries. See U.S. Br. 19 n.*. While this Court

may leave the precise contours of injunctive or other relief for "the lower courts [to] consider on remand," *ibid.*, the Court's resolution of the Lanham Act's territorial scope is not likely to be limited to the particular remedy of damages. Rather, as all agree, the issue is whether or to what extent the Lanham Act applies to uses of U.S. trademarks outside the United States. That question is "important and recurring," has caused "widespread confusion in the lower courts," and warrants "this Court's review." U.S. Br. 9, 21.

CONCLUSION

The petition should be granted.

Respectfully submitted.

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