

No. 18-600

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IN THE

**Supreme Court of the United States**

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TEXAS ADVANCED OPTOELECTRONIC  
SOLUTIONS, INC.,  
*Petitioner,*

—v.—

RENESAS ELECTRONICS AMERICA, INC.  
FKA INTERSIL CORPORATION,  
*Respondent.*

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

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**BRIEF *AMICI CURIAE* OF INTELLECTUAL  
PROPERTY PROFESSORS IN SUPPORT OF  
PETITIONER**

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**INTEREST OF THE *AMICI CURIAE***

Amici are law professors who specialize in patent law. They have particular interest in the extraterritorial application of U.S. patent law. Amici have no personal stake in the outcome of this case but has an interest in seeing that the patent laws develop in a way that promotes rather than impedes innovation.

**SUMMARY OF THE ARGUMENT**

To comply with the obligations of the Uruguay Round Agreements, particularly the Agreement on the Trade Related Aspects of Intellectual Property (TRIPS), Congress amended 35 U.S.C. § 271(a) to make it an act of infringement to “offer to sell” a patented invention within the United States. See Uruguay Round Agreements Act, Pub. L. No. 103-465, §§ 531-533, 108 Stat. 4809 (1994). The Federal Circuit has interpreted this provision in a manner

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<sup>1</sup> Pursuant to Supreme Court Rule 37.6, *amici curiae* affirms that no counsel for a party authored this brief in whole or in part, that no counsel or a party made a monetary contribution intended to the preparation or submission of this brief and no person other than *amici curiae*, their members, or their counsels made a monetary contribution to its preparation or submission.

Pursuant to Supreme Court Rule 37.2, amici provided notice to both parties of the intent to file this brief more than ten days prior to the due date for filing this brief. Both parties consented to the filing of this brief.



contrary to the presumption against the extraterritorial reach of United States laws. The Federal Circuit has held that location of the ultimate sale contemplated in the offer controls the locus of the act of infringement, not the location of the offer. *Transocean Offshore Deepwater Drilling, Inc. v. Maersk Contractors USA, Inc.*, 617 F.3d 1296, 1309 (Fed. Cir. 2010) (holding that “the location of the contemplated sale controls whether there is an offer to sell within the United States.”). The Federal Circuit further clarified that an offer made in the United States to sell the invention abroad is *not* infringing. *Halo Elecs., Inc. v. Pulse Elecs., Inc.*, 831 F.3d 1369, 1380 (Fed. Cir. 2016).

As a result, the court has created an odd dichotomy: activity entirely outside of the United States can trigger liability for infringement of a United States patent, whereas activity within the United States does not. Such an approach is inconsistent with the presumption against extraterritoriality, particularly the two-step framework of *RJR Nabisco, Inc. v. European Community*, 136 S. Ct. 2090, 2101 (2016). This issue is of considerable importance, and this case is an excellent vehicle for assessing the appropriate territorial scope of § 271(a).

## ARGUMENT

Congress amended 35 U.S.C. § 271(a) to make it an act of infringement to “offer to sell” a patented invention within the United States to satisfy our obligations under TRIPS. *See Uruguay Round Agreements Act*, Pub. L. No. 103-465, §§ 531-533, 108 Stat. 4809 (1994). Congress provided little guidance as to the meaning of this new form of infringement, however. *See Rotec Indus., Inc. v. Mitsubishi Corp.*, 215 F.3d 1246, 1250 (Fed. Cir. 2000) (“Unfortunately, other than stating that an ‘offer to sell’ includes only those offers ‘in which the sale will occur before the expiration of the term of the patent,’ Congress offered no other guidance as to the meaning of the phrase.”). Commentators quickly identified potential extraterritorial consequences for this provision. *See, e.g.,* Donald S. Chisum, *Normative and Empirical Territoriality in Intellectual Property: Lessons from Patent Law*, 37 VA. J. INT’L L. 603, 608 (1997) (“Adding ‘offering for sale’ may have interesting implications for the territorial scope of a U.S. patent, depending on how the phrase is interpreted.... Is an offer by a person in another country to a customer in the United States an offer in the United States even though the sale will be consummated or the product delivered outside the United States?”).

I. THE DEVELOPMENT OF “OFFER TO SELL” INFRINGEMENT DOCTRINE, AND THE FEDERAL CIRCUIT’S ODD TURN IN *TRANSOCEAN*.

To better clarify the dynamics of the territorial constraints on infringing “offers to sell,” the below two-by-two matrix illustrates the possible permutations for infringing offers to sell a patented invention. There are two elements of infringement to consider: (1) the location of the offer; and (2) the location of the contemplated sale. The locations of the offers and sales can also be classified in two broad categories: those occurring within the United States, and those occurring abroad.<sup>2</sup>

	<i>Sale in US</i>	<i>Sale Outside US</i>
<i>Offer in US</i>	Offer and Sale in US	<del>Offer in US, Sale Outside US</del>
<i>Offer Outside US</i>	Offer Outside US, Sale in US	<del>Both Offer and Sale Outside US</del>

<sup>2</sup> This table is a modified version of one that appears in Timothy R. Holbrook, *Territoriality and Tangibility After Transocean*, 61 EMORY L.J. 1087, 1101 (2012).

No court ever has considered the lower right quadrant to constitute infringing activity. Allowing an infringement action in this context – where both the offer and contemplated sale would be outside the United States – would write the language “within the United States” out of the statute and provide limitless extraterritorial reach to U.S. patents.

**A. Early Case Law Interpreting the New “Offer to Sell” Provision Contemplated the Location of the Offer Must Be in the United States.**

As the courts began to confront this new infringement provision, every court generally believed that the offer to sell had to be made in the United States. The only disagreement was whether the contemplated sale could be outside of the United States. In other words, prior to *Transocean*, the district courts were split as to whether only the upper left quadrant could be infringing or whether the upper right quadrant could constitute infringing offers to sell. For example, if a company negotiated an agreement within the United States to sell the patented invention in Hungary, some district courts would have found no infringement because the contemplated sale would happen outside of the United States. *See, e.g., Cybiotronics Ltd., v. Golden Source Electronics, Ltd.*, 130 F. Supp. 2d 1152, 1167-71 (C. D. Cal. 2001). Other courts, however, would have found infringement under those circumstances. *See, e.g., Wesley Jessen Corp., v. Bausch & Lomb Inc.*, 256 F.Supp.2d. 228, 233-234 (D. Del. 2003).

Every district court, however, required the offer to take place in the United States.

The Federal Circuit's own precedent before *Transocean* contemplated that the offer had to take place in the United States. In *Rotec Industries, Inc. v. Mitsubishi Corp.*, the sale contemplated in the negotiations would have taken place in China. 215 F.3d 1246, 1249 (Fed. Cir. 2000). Nevertheless, the court engaged in an extensive analysis of “whether Defendants’ activities in the United States, as would be construed by a reasonable jury, are sufficient to establish an ‘offer for sale,’ as that phrase is used in § 271(a).” *Id.* at 1251. Similarly, in *MEMC Electronic Materials, Inc. v. Mitsubishi Materials Silicon Corp.*, the court concluded there was no infringement by offering to sell the invention in part because “MEMC point[ed] to no evidence of negotiations occurring in the United States between SUMCO and Samsung Austin” even though the completed sale would have been in Japan. 420 F.3d 1369, 1376 (Fed. Cir. 2005).

**B. The Federal Circuit, Ignoring This Earlier Case Law, Embraces a Rule in That Dramatically Expands the Extraterritorial Reach of U.S. Patents**

Seemingly in contravention of its earlier precedent in *Rotec* and *MEMC*,<sup>3</sup> the Federal Circuit

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<sup>3</sup> In *Rotec* and *MEMC*, the Federal Circuit extensively examined whether activities taking place in the United States

ultimately resolved the above district court split in a way that dramatically expanded the reach of this infringement provision. While all of the district courts and earlier Federal Circuit decisions contemplated that the offer had to be within the United States, the Federal Circuit held that there could be infringement regardless of where the offer took place, so long as the contemplated sale would be in United States. *Transocean Offshore Deepwater Drilling, Inc. v. Maersk Contractors USA, Inc.*, 617 F.3d 1296, 1309 (Fed. Cir. 2010) (“The focus should not be on the location of the offer, but rather the location of the future sale that would occur pursuant to the offer.”). Subsequent to *Transocean*, the court in held *Halo Electronics, Inc. v. Pulse Electronics, Inc.* that offers made in the United States to sell the invention abroad are *not* infringing. 831 F.3d 1369, 1380 (Fed. Cir. 2016).<sup>4</sup>

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constituted offers to sell the invention, even though the contemplated sales would be outside of the United States. Under the *Transocean/Halo* rule, such analysis would be irrelevant, suggesting that *Transocean* is inconsistent with these earlier cases. See Holbrook, *Territoriality, supra*, at 1102-03.

<sup>4</sup> The Federal Circuit originally made this holding in its original decision in *Halo*. See *Halo Elecs., Inc. v. Pulse Elecs., Inc.*, 769 F.3d 1371, 1381 (Fed. Cir. 2014), *vacated and remanded*, 136 S. Ct. 1923 (2016). The Supreme Court reviewed only the Federal Circuit’s standard for determining assessing enhanced damages under 35 U.S.C. § 284. See *id.* 136 S. Ct. at 1928. On remand, the Federal Circuit, using

After *Transocean*, the two left quadrants (enclosed by the thicker line) are what now constitute infringement. The upper-left quadrant, “Offer & sale in United States,” is undeniably covered by § 271(a). Such activity would not trigger concerns of extraterritorial application of U.S. patent law. Now, however, the lower left quadrant, where an offer to sell the invention anywhere in the world that contemplates a sale within the United States can also constitute an act of infringement, even if that sale is never consummated. As such, there can be liability for infringement of a U.S. patent even when no activity has occurred within the United States.

Indeed, even more perplexing, is that there is no infringement under the scenario in the top right quadrant, when the offer is in fact made within the United States to sell a device overseas. The Federal Circuit closed the door to infringement under those circumstances in *Halo Electronics, Inc. v. Pulse Electronics, Inc.*, 831 F.3d 1369, 1380 (Fed. Cir. 2016) (“We adopt the reasoning of *Transocean* and conclude here that Pulse did not directly infringe the Halo patents under the ‘offer to sell’ provision by offering to sell in the United States the products at issue, because the locations of the contemplated sales were outside the United States.”). Although it would seem appropriate under territoriality

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verbatim language, reinstated its holding with respect to infringing offers to sell. 831 F.3d 1369, 1380 (Fed. Cir. 2016).

principles to regulate activity within the United States, the Federal Circuit's conclusion in *Transocean* and *Halo* now takes such activity outside the scope of a U.S. patent.

In adopting the *Transocean/Halo* approach, the Federal Circuit considerably expanded the extraterritorial reach of § 271(a): there can be infringement of a U.S. patent if negotiations take place anywhere in the world, so long as the potential sale may be in the United States, even if that sale is never consummated. As such, parties can be liable for patent infringement even though no activities arise in the United States so long as they contemplated a sale in the United States in any offers to sell. Moreover, extensive negotiations and other prefatory activity within the United States will be immune from the reach of U.S. patent law so long as the contemplated sale (even if never completed) is outside of the United States.

As a result, there can now be liability in circumstances where no activity has ever taken place within the United States, and there will be no liability when extensive activity has occurred within the United States. Such an approach is squarely contrary to the Supreme Court's articulation of a presumption against the extraterritorial application of U.S. law.

This case, therefore, merits the review of this Court to correct the Federal Circuit's extraterritorial expansion of patent law. When Maersk filed a petition for a writ of certiorari, the Supreme Court asked for the Solicitor General's views on the case,



but the case ultimately settled. The petition in *Halo Electronics, Inc. v. Pulse Electronics, Inc.*, presented the question of whether domestic offers to sell an invention outside of the United States should be deemed infringing. Petition for Writ of Certiorari, *Halo Electronics, Inc., v. Pulse Electronics, Inc.*, 136 S.Ct 1923 (2016) (No. 14-1513), 2015 WL 3878398. The Supreme Court, however, declined to grant review as to that question. *See Halo Elecs., Inc. v. Pulse Elecs., Inc.*, 136 S. Ct. 356, 356 (2016) (granting writ of certiorari only as to first question). Consequently, the time is now ripe for review by the Supreme Court.

## II. THE SUPREME COURT HAS EMPHASIZED THE IMPORTANCE OF THE PRESUMPTION AGAINST THE EXTRATERRITORIAL APPLICATION OF UNITED STATES LAW, PARTICULARLY IN THE CONTEXT OF PATENT LAW

Four times in the last eight years alone, the Supreme Court emphasized that there is a strong presumption against the extraterritorial application of U.S. law. *See, e.g., WesternGeco LLC v. ION Geophysical Corp.*, 138 S. Ct. 2129, 2136 (2018) (applying two-step framework to permit patent damages for foreign acts); *RJR Nabisco, Inc. v. European Cmty.*, 136 S. Ct. 2090, 2101, 2106 (2016) (finding presumption rebutted for § 1962 of Racketeer Influenced and Corrupt Organizations Act but not § 1964(c)); *Kiobel v. Royal Dutch Petroleum*

*Co.*, 569 U.S. 108, 124 (2013) (relying on presumption to decline to extend reach of Alien Tort Statute); *Morrison v. Nat'l Australia Bank Ltd.*, 561 U.S. 247, 265 (2010) (relying on presumption to decline application of United States securities law to foreign conduct).

Although Congress undisputedly has the authority to regulate acts outside of the territorial boundaries of the United States, the Court has recognized that “legislation of Congress, unless a contrary intent appears, is meant to apply only within the territorial jurisdiction of the United States.” *Foley Bros. v. Filardo*, 336 U.S. 281, 285 (1949). While falling short of a “clear statement rule,” *see Morrison* 561 U.S. at at 265, the Supreme Court has noted that “the presumption against extraterritorial application would be a craven watchdog indeed if it retreated to its kennel whenever some domestic activity is involved in the case.” *Id.* at 266.

This watchdog has particular bite in the context of patent law. *See Microsoft Corp. v. AT&T Corp.*, 550 U.S. 427, 454-55 (2007) (“The presumption that United States law governs domestically but does not rule the world applies with particular force in patent law.”). As far back as 1856, this Court rejected the extraterritorial reach of a patent: “The power thus granted is domestic in its character, and necessarily confined within the limits of the United States.” *Brown v. Duchesne*, 60 U.S. 183, 195 (1856) (holding U.S. patent rights do not extend to invention on foreign vessel in U.S. port).

More recently, in *Deepsouth Packing Co. v. Laitram Corp.*, the Supreme Court concluded that the manufacture of all components of a patented invention in the United States, that subsequently was assembled abroad, did not constitute infringement of a U.S. patent. 406 U.S. 518, 529 (1972). The Court emphasized that “[o]ur patent system makes no claim to extraterritorial effect.” *Id.* at 531. Although Congress abrogated *Deepsouth* in part by adopting 35 U.S.C. § 271(f) in 1984, the Supreme Court relied on the presumption against extraterritoriality to narrowly construe that provision. *See Microsoft Corp. v. AT&T Corp.*, 550 U.S. 437, 454 (2007) (“Any doubt that Microsoft’s conduct falls outside § 271(f)’s compass would be resolved by the presumption against extraterritoriality.”). *See generally* Timothy R. Holbrook, *Extraterritoriality in U.S. Patent Law*, 49 WM. & MARY L. REV. 2119, 2135-36 (2008) (discussing importance of the use of the presumption in *Microsoft*).

The Supreme Court’s elaboration of the presumption culminated in *RJR Nabisco, Inc. v. European Community*, 136 S. Ct. 2090 (2016), where the Court formalized a two-step framework for addressing whether a statute has extraterritorial reach. First, a court must determine whether the statute gives a clear, affirmative indication that it applies extraterritorially, thereby rebutting the presumption against it. *Id.* at 2101. If the statute does not clearly have extraterritorial reach, step two requires a court to look at the location of the conduct relevant to the statute’s focus. *Id.* The statute’s

application is domestic (and therefore within the court's jurisdiction) when the conduct relevant to the statute's focus occurred in the United States, even if other conduct occurred abroad. *Id.* The statute's application is extraterritorial and thus impermissible when conduct relevant to the focus occurred in a foreign country regardless of any other conduct that occurred in the United States. *Id.*

**III. AS DEMONSTRATED BY THIS CASE, THE FEDERAL CIRCUIT HAS FAILED TO GIVE APPROPRIATE WEIGHT TO THE PRESUMPTION AGAINST EXTRATERRITORIALITY IN INTERPRETING THE "OFFER TO SELL" INFRINGEMENT PROVISION.**

Notwithstanding the Supreme Court's clear statement that the presumption against the extraterritorial application of United States law has "particular force" in patent law, *Microsoft*, 550 U.S. at 455, the Federal Circuit's application of the presumption has been, at best, inconsistent. *See generally* Timothy R. Holbrook, *Boundaries, Extraterritoriality, and Patent Infringement Damages*, 92 NOTRE DAME L. REV. 1745, 1760-66 (2017) (reviewing cases and deeming case law "at best a mixed bag"). The Federal Circuit has been willing to afford extraterritorial protection to U.S. patent holders while rarely affording the presumption much weight.

**A. The Federal Circuit’s Application of the Presumption Against Extraterritoriality When Interpreting § 271(a) of the Patent Act Has Inappropriately Afforded Extraterritorial Protection to a Territorially Limited Provision.**

Extending the extraterritorial reach of a patent under 35 U.S.C. § 271(a) is particularly surprising given the strict territorial language in that provision: all infringing acts must be “within the United States” or the invention must be “imported into the United States.” 35 U.S.C. § 271(a) (2010); *see also* Holbrook, *Boundaries, supra* at 1762 (“Even in the face of this strong statutory language, however, the Federal Circuit has afforded extraterritorial scope to this infringement provision.”).

For example, the Federal Circuit has found patent infringement for the use within the United States of systems that straddle national borders. In *NTP, Inc. v. Research in Motion, Ltd.*, 418 F.3d 1282 (Fed. Cir. 2005), the court found infringement of a mobile email system where part of the system – the relay – was located in Canada. *Id.* at 1317. The court concluded that, while part of the system was outside of the United States, the use of the system was within the United States because the users controlled the devices and obtained the benefit of the system – receipt of email – in the United States. *Id.* at 1316-17. At no point did the court mention the

presumption against extraterritoriality in affording this protection.

The rule that controls this case is yet another example of the Federal Circuit's extraterritorial extension of § 271(a). Under *Transocean*, an offer to sell an invention infringes only if the sale contemplated in the offer was to be in the United States, even though all negotiations took place outside of the United States. As a result of this rule, a party can be liable for patent infringement in the United States even when there has been absolutely no activity within the United States. Timothy R. Holbrook, *Territoriality and Tangibility After Transocean*, 61 EMORY L.J. 1087, 1112 (2012). And, under *Halo*, an actor is immune from patent infringement even if extensive activity does take place within the United States. These cases, as well as the present case, reflect a failure by the Federal Circuit to properly consider the presumption against extraterritoriality.

**B. In Adopting Its Territorial Rules for Infringing Offers to Sell, the Federal Circuit Failed to Properly Apply the Presumption Against Extraterritoriality.**

The Federal Circuit in *Transocean* effectively ignored the Supreme Court's consistent and rigorous applications of the presumption against the extraterritorial reach of United States law, and of patent law in particular. The Federal Circuit concluded that the negotiations, taking place in

Norway and Denmark regarding the sale of the patented oil rig, could nevertheless infringe a U.S. patent because ultimately the completed sale would take place within the United States.

Specifically, the Federal Circuit held that “the location of the contemplated sale controls whether there is an offer to sell within the United States.” *Transocean Offshore Deepwater Drilling, Inc. v. Maersk Contractors USA, Inc.*, 617 F.3d 1296, 1311 (Fed. Cir. 2010). This rule opens the door for infringement of a United States patent where no activity has taken place within the United States. The court therefore worked a considerable expansion of the extraterritorial reach of United States patents.

In so doing, the Federal Circuit paid short shrift to the presumption against extraterritoriality. Although the court at that time did not have the benefit of the Supreme Court’s decision in *RJR Nabisco*, the Federal Circuit’s consideration of the presumption was nevertheless brief. The entirety of the Federal Circuit’s discussion of the presumption is as follows:

We are mindful of the presumption against extraterritoriality. *Microsoft Corp. v. AT & T Corp.*, 550 U.S. 437, 441, 127 S.Ct. 1746, 167 L.Ed.2d 737 (2007). “It is the general rule under United States patent law that no infringement occurs when a patented product is made and sold in another country.” *Id.* This presumption has guided other courts to conclude that the contemplated sale would

occur within the United States in order for an offer to sell to constitute infringement. *See, e.g., Semiconductor Energy Lab. Co. v. Chi Mei Optoelectronics Corp.*, 531 F.Supp.2d 1084, 1110-11 (N.D.Cal.2007). We agree that the location of the contemplated sale controls whether there is an offer to sell within the United States.

*Transocean Offshore Deepwater Drilling, Inc.*, 617 F.3d at 1309. That is the entirety of the analysis. Indeed, the Federal Circuit never even cited this Court's decision in *Morrison*, decided more than a year before *Transocean*.

The court in *Halo* then confronted the reverse scenario – the same presented in this case – where an offer was made in the United States to sell the invention outside of the United States. The court in *Halo* reasoned, “An offer to sell, in order to be an infringement, must be an offer contemplating sale in the United States. Otherwise, the presumption against extraterritoriality would be breached. If a sale outside the United States is not an infringement of a U.S. patent, an offer to sell, even if made in the United States, when the sale would occur outside the United States, similarly would not be an infringement of a U.S. patent.” *Halo Electronics, Inc. v. Pulse Electronics, Inc.*, 831 F.3d 1369, 1380 (Fed. Cir. 2016). While the court gestured to the presumption, it failed to even cite, let alone apply, *Morrison* or *RJR Nabisco*, even though the Supreme Court had already decided both cases.



The Federal Circuit compounded these errors in the present case. The court never mentions the presumption, let alone performing an appropriate two-step analysis under *RJR Nabisco*. Instead, the court simply relied upon *Halo* in concluding there could be no infringement under the facts of the present case. See *Texas Advanced Optoelectronic Sols., Inc. v. Renesas Elecs. Am., Inc.*, 895 F.3d 1304, 1330 (Fed. Cir. 2018).

**IV. THE SUPREME COURT SHOULD GRANT THE WRIT OF CERTIORARI TO PROPERLY LIMIT THE EXTRATERRITORIAL SCOPE OF § 271(A) BY APPLYING THE *RJR NABISCO* TWO-STEP ANALYSIS.**

In both *Transocean* and *Halo*, the Federal Circuit basically ignored Supreme Court precedent on the presumption against extraterritoriality. This case is the perfect vehicle for correcting this expansion of the extraterritorial reach of U.S. patents and to emphasize the importance of properly applying the presumption. Indeed, because numerous statutes include the phrase “offer to sell,” this case has important implications outside of patent law. See Lucas S. Osborn, *The Leaky Common Law: An “Offer to Sell” as a Policy Tool in Patent Law and Beyond*, 53 SANTA CLARA L. REV. 143, 153-68 (2013) (analyzing appearances of the phrase “offer to sell” in the Lanham Act, the Securities Act of 1933, the Endangered Species Act, and various criminal law statutes). Application of

the *RJR Nabisco* framework demonstrates the error in the Federal Circuit’s analysis.

**A. Application of *RJR Nabisco* step one demonstrates the presumption has not been rebutted.**

Step one of the *RJR Nabisco* framework requires a court to ask “whether the presumption against extraterritoriality has been rebutted—that is, whether the statute gives a clear, affirmative indication that it applies extraterritorially.” 136 S. Ct. 2090, 2101 (2016). Section 271(a) specifically limits the acts of infringement to activities “within the United States” or to importations of the patented invention “into the United States.” The clear language of the statute makes clear that the presumption has not been rebutted. Indeed, “[i]t is hard to imagine a starker expression of territorial limits.” Holbrook, *Boundaries, supra*, at 1779. These territorial limits have long been enforced by the courts, with no alteration by Congress, demonstrating that the presumption is not rebutted at step one. *Id.* When Congress wants to extend the extraterritorial reach of the patent laws, it knows how to do so. *See* 35 U.S.C. § 271(f) & (g) (2010) (defining infringement based on acts of exportation of components and importation of products of patented processes respectively).

**B. The Focus Analysis of *RJR Nabisco* Suggests That Some Activity Must be in the United States, Which Minimally Means Rejecting the *Transocean* Rule.**

At step two, a court must assess whether activities that fall within the “focus” of the statute occurred in the United States: “If the conduct relevant to the statute's focus occurred in the United States, then the case involves a permissible domestic application even if other conduct occurred abroad.” 136 S. Ct. at 2101. Under the *Transocean* rule, a party can infringe a U.S. patent even if absolutely no activity takes place within the United States. Such a rule clearly contravenes the focus analysis. *Cf. WesternGeco LLC v. ION Geophysical Corp.*, 138 S. Ct. 2129, 2137 (2018) (concluding that the focus of 35 U.S.C. § 271(f) of the Patent Act is on “supplying” components of a patented invention, thus allowing damages under components of the invention, thus allowing damages under 35 U.S.C. § 284 (2010)).

Because some acts must be within the United States, the Supreme Court should take this case to reject the *Transocean* rule that the location of the contemplated sale governs whether there is an offer to sell in the United States (the lower left quadrant in the above diagram). The secondary issue would be whether both the offer and sale need to be in the United States (the upper left quadrant) or whether the offer alone needs to be in the United States (the upper right quadrant). In other words, the issue would resort back to the split that arose originally in the district courts before *Transocean*. Given the facts of this case, the Supreme Court would need to use the focus analysis to answer that question.

**CONCLUSION**

The Supreme Court has emphasized the importance of the presumption against the application of United States laws extraterritorially, a presumption that the Federal Circuit has failed to consider appropriately in this case and others. This case is an appropriate vehicle for the Supreme Court to emphasize the importance of the presumption, particularly in the area of patent law. In particular, the Court should reject the extraterritorial rule adopted by the Federal Circuit in *Transocean*.

Respectfully submitted,

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