

Global Patents: Limits of Transnational Enforcement

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6 November 2013

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- II. The Absence of a Global Patent
- III. Protection of Inventions in Multiple Countries
- IV. Protection of Inventions outside the Protecting Country
- V. Empirical Findings
- VI. Conclusions

I. Introduction

- ⦿ **The intersection of intellectual property law (patent law) and private international law (conflict of laws)**
- ⦿ **Public v. private international law dichotomy**
- ⦿ **Globalized economy**
- ⦿ **Informational globalization**

I. Introduction

⊙ Example I

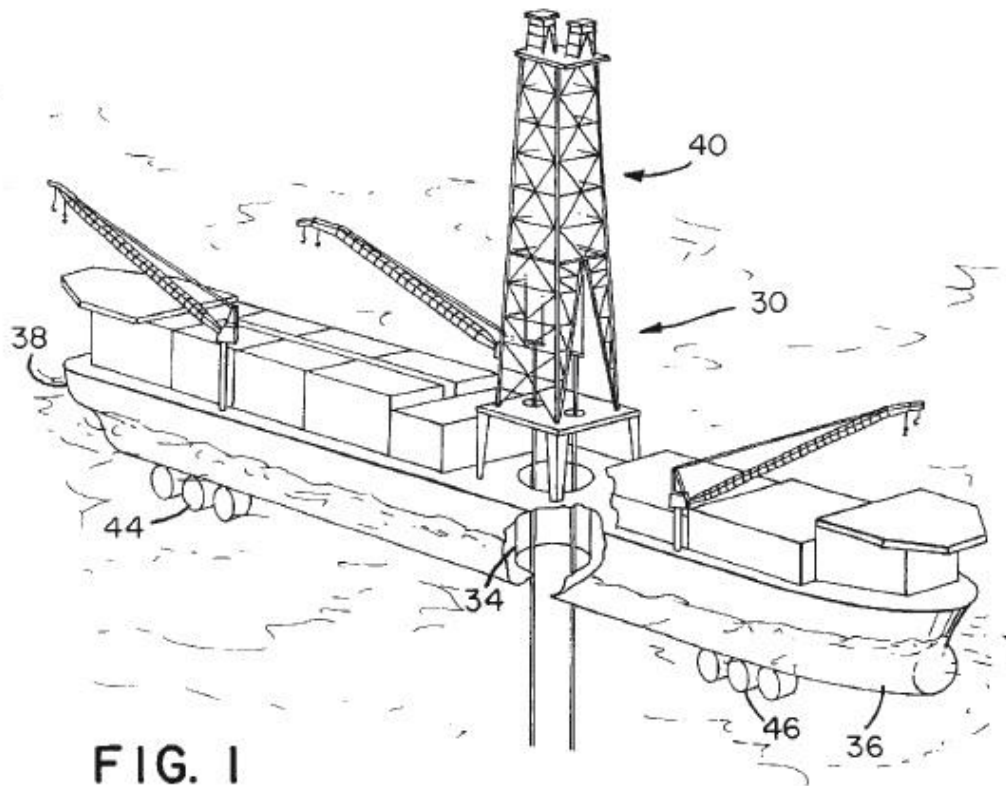
<http://www.litecube.com/litecubes.htm>, last visited Oct. 29, 2013

Litecubes, LLC v.
Northern Light
Products, Inc., 523 F.3d
1353, 1369 (Fed.Cir.
2008); cert. denied on
Nov. 10, 2008



I. Introduction

● Example II



Transocean Offshore Deepwater Drilling, Inc. v. Maersk Contractors USA, Inc., 617 F.3d 1296 (Fed. Cir. 2010) (cert. pending)

II. The Absence of a Global Patent

◉ A “World Patent”

- Country-per-country patenting
- Invention protected by the patent only in the “protecting country”
- A. du Bois-Reymond, *Das Weltpatent*

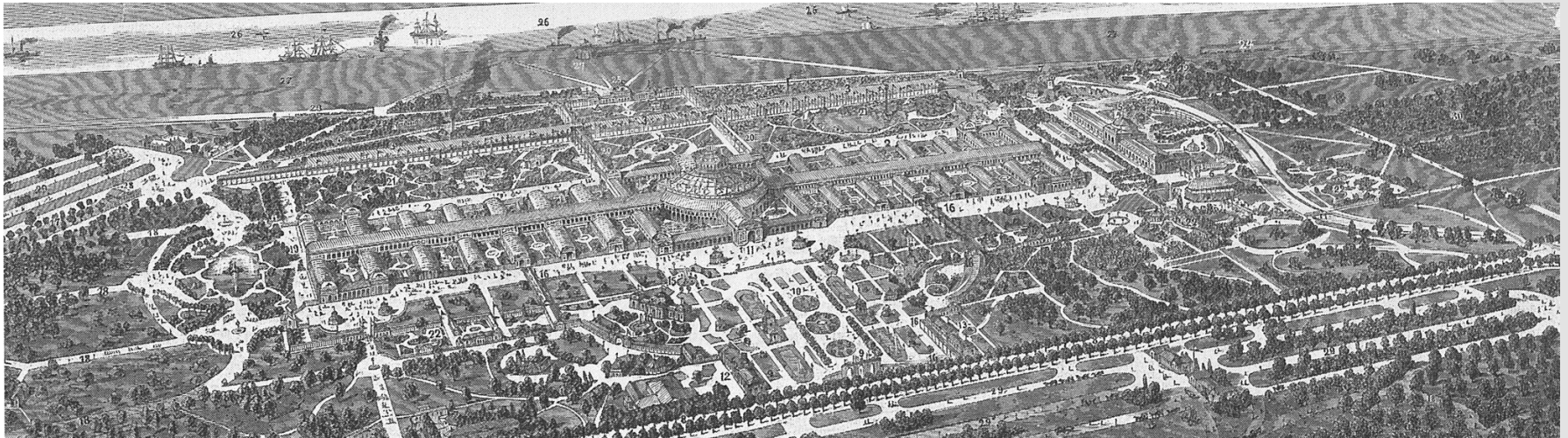
“In the development of the economic value that is to be extracted from an invention, the exploitation of foreign markets has an important position.”

A. du Bois-Reymond, *Das Weltpatent*, in STUDIEN ZUR FÖRDERUNG
DES GEWERBLICHEN RECHTSSCHUTZES 465, 468 (1909)

III. Protection of Inventions in Multiple Countries

◎ Parallel Patents

- A novel idea in the 1870s



Vienna Exposition, 1873

III. Protection of Inventions in Multiple Countries

◉ Parallel Patents

- A novel idea in the 1870s
- Obstacle 1: obtaining a patent abroad
 - Inventor as a “teacher of the nation”
 - Discrimination against foreign applicants
 - A working requirement under penalty of forfeiture
 - Limitation of the duration of patent protection if first patented abroad
 - Paris Convention, TRIPS
- Obstacle 2: obtaining parallel patents in multiple countries
 - A 1916 proposal for an international patent register and a unified patent examination
 - PCT, EPC, Eurasian Patent Convention, AIPO, ARIPO, Gulf Cooperation Council Patent Office
 - Patent Prosecution Highway

III. Protection of Inventions in Multiple Countries

◉ Obstacles to Obtaining Parallel Patents Today

- **Costly**

- “[U]nless a patentee is seeking patent protection in approximately fifteen or more countries, he will pay more in fees when using the PCT application than when he files in each country individually”
- According to PCT statistics for 2009, only “around 10% of all patent families include filings at four or more patent offices.”

- **Difficult to ascertain *ex ante* where patents should be obtained**

- **Once disclosed, an invention is disclosed everywhere in the world**

III. Protection of Inventions in Multiple Countries

◉ Enforcing Parallel Patents

- **Need for uniformity in enforcement**
- **Uniformity in enforcement contributes to *de facto* harmonization**
- **Impossible to have parallel patents adjudicated in one court**
 - Issues of jurisdiction, choice of applicable law
 - State sovereignty / “act of state” doctrine
- **Proposals to solve through private international law**
 - American Law Institute, Conflict of Laws in IP (Max Planck), International Law Association, etc.
- **New EU patent court system**

IV. Protecting an Invention outside the Protecting Country

◉ Means of Protecting an Invention outside the Protecting Country (1)

- **Inventions in the means of transportation**

- Caldwell v. Van Vlissingen, 1851 (Eng.), reported by Francis Fisher, Esq., 16 Jurist o.s. 115 (1853)
- John Brown v. Duchesne, 4 Am. L. Reg. 152 (C.C. Mass. 1855); Brown v. Duchesne, 60 U.S. 183 (S. Ct. 1856)
- 1925 Revision Conference of the Paris Convention, Article 5ter

- **Inventions in transit and border measures**

- “transit in a strict sense” vs. “transit in a broader sense”

IV. Protecting an Invention outside the Protecting Country

◉ Means of Protecting an Invention outside the Protecting Country (2)

- **Offers to sell**

- **German Patent Act since 1877, U.S. Patent Act since 1994**
- **Definition of a patent infringing “offer”**
- *Rotec Indus., Inc. v. Mitsubishi Corp.*, 215 F.3d 1246 (Fed. Cir. 2000)
- **Localization of the infringing act**
- *Transocean Offshore Deepwater Drilling, Inc. v. Maersk Contractors USA, Inc.*, 617 F.3d 1296 (Fed. Cir. 2010)

IV. Protecting an Invention outside the Protecting Country

◉ Means of Protecting an Invention outside the Protecting Country (3)

- **Inventions assembled abroad from components from a protecting country**
 - **German court decisions as early as 1888**
 - **U.S. legislation prompted by** *Deepsouth Packing Co. v. Laitram Corp.*, 406 U.S. 518 (S. Ct. 1972)
- **Acts contributing to infringements in the protecting country**
 - **Doctrines of participating, aiding, and abetting a tortious activity**
 - **U.S. Patent Act in 1952: inducement and contributory infringement**
 - **German Patent Act in 1980: indirect infringement within Germany**
 - **Possibilities for reaching infringing conduct abroad**

IV. Protecting an Invention outside the Protecting Country

◉ Means of Protecting an Invention outside the Protecting Country (4)

- Acts in multiple locations

- Localization of infringing acts
- E.g., the Internet, shipments “free on board”
- “Divided” infringements - individual components of the system or steps in the process are used in different countries
- NTP v. Research in Motion, 418 F.3d 1282 (Fed. Cir. 2005), cert. denied

V. Empirical Findings

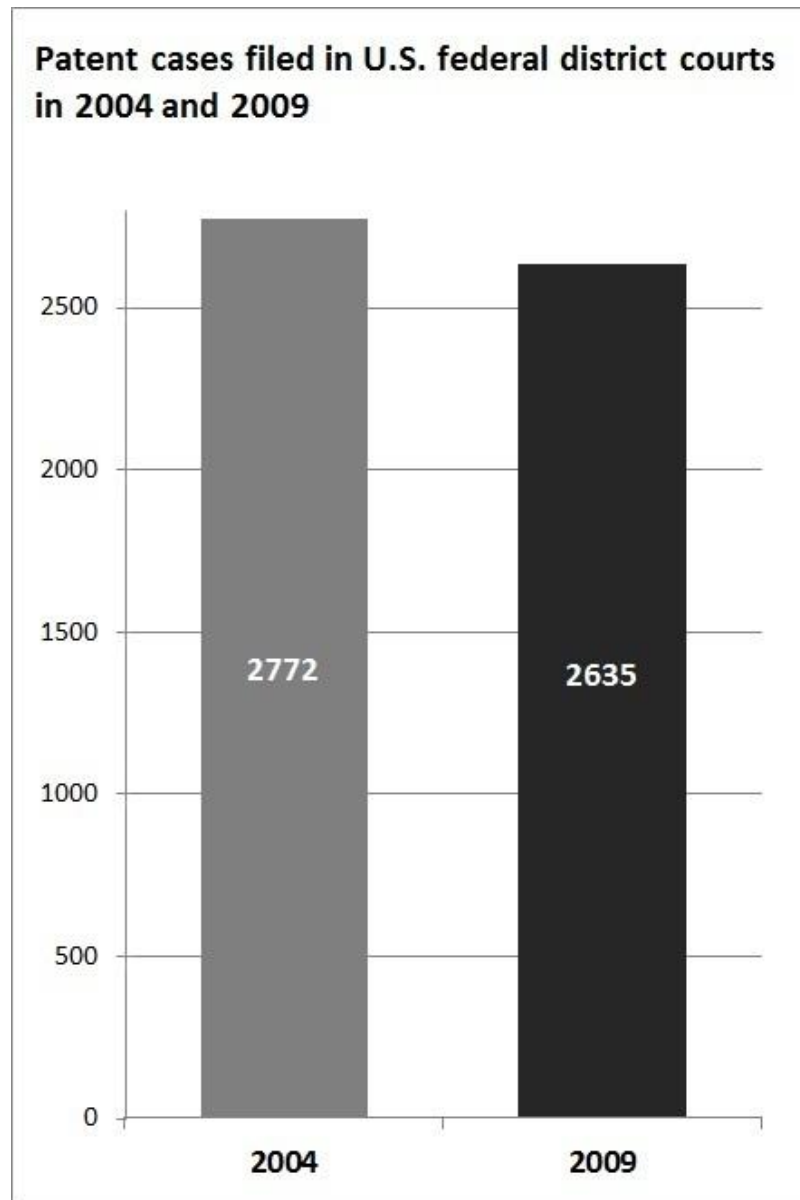
◉ Empirical Survey A:

all patent cases

filed in U.S. federal district courts

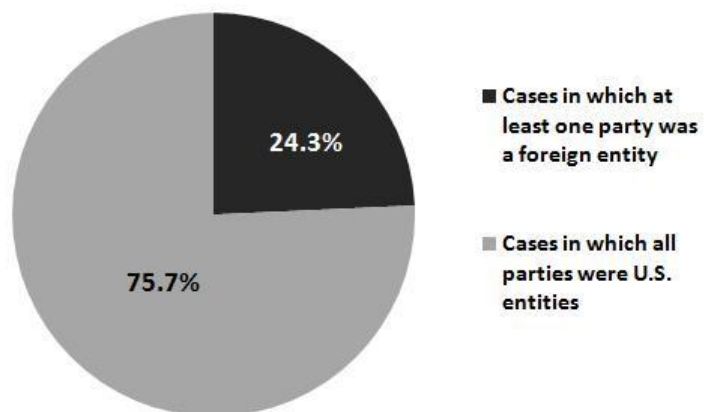
in 2004 and 2009

V. Empirical Findings

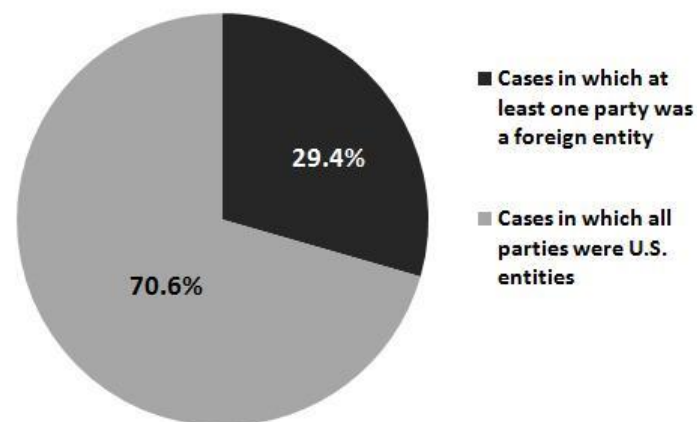


V. Empirical Findings

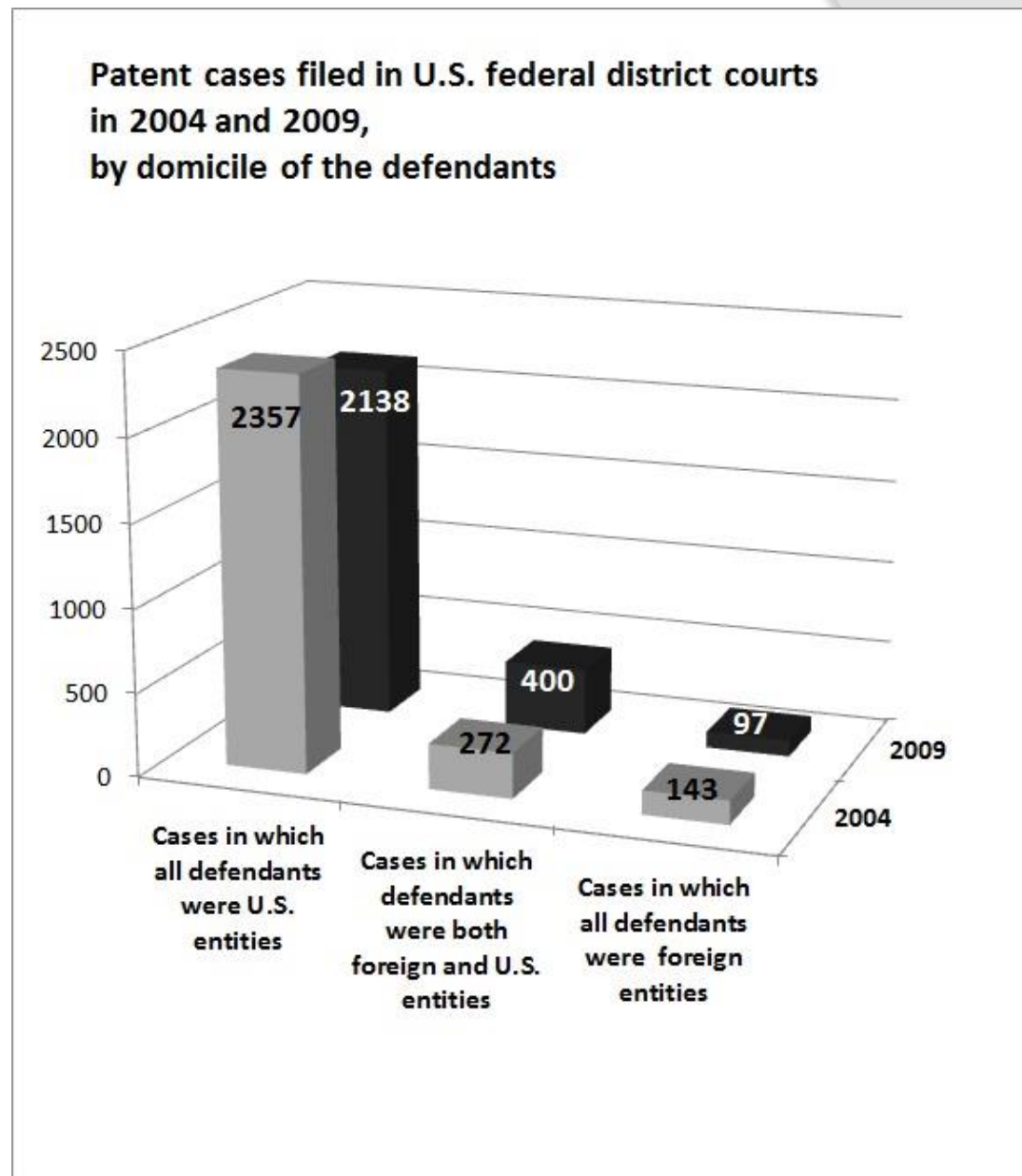
Patent cases filed in U.S. federal district courts in 2004,
by domicile of the parties



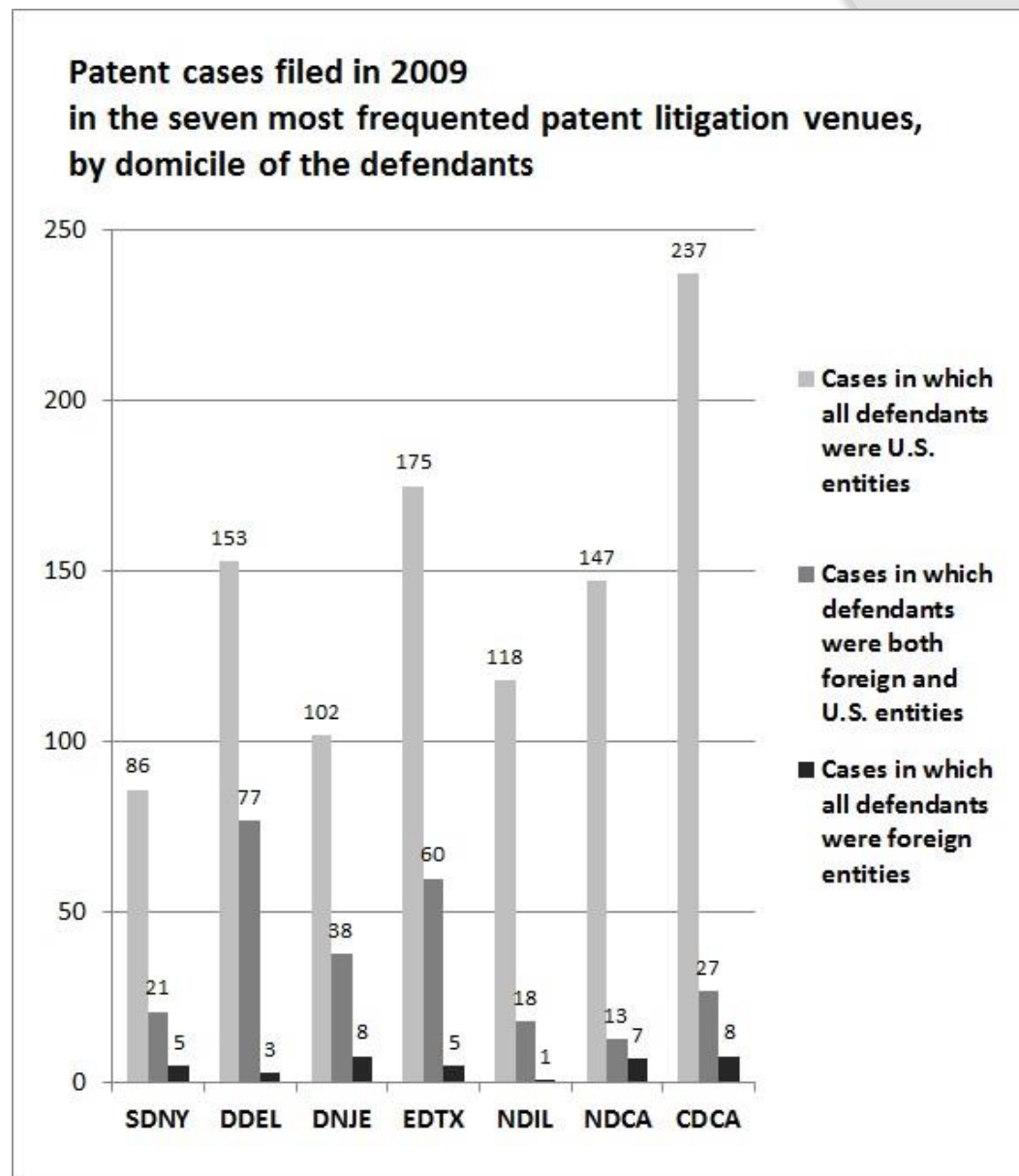
Patent cases filed in U.S. federal district courts in 2009,
by domicile of the parties



V. Empirical Findings

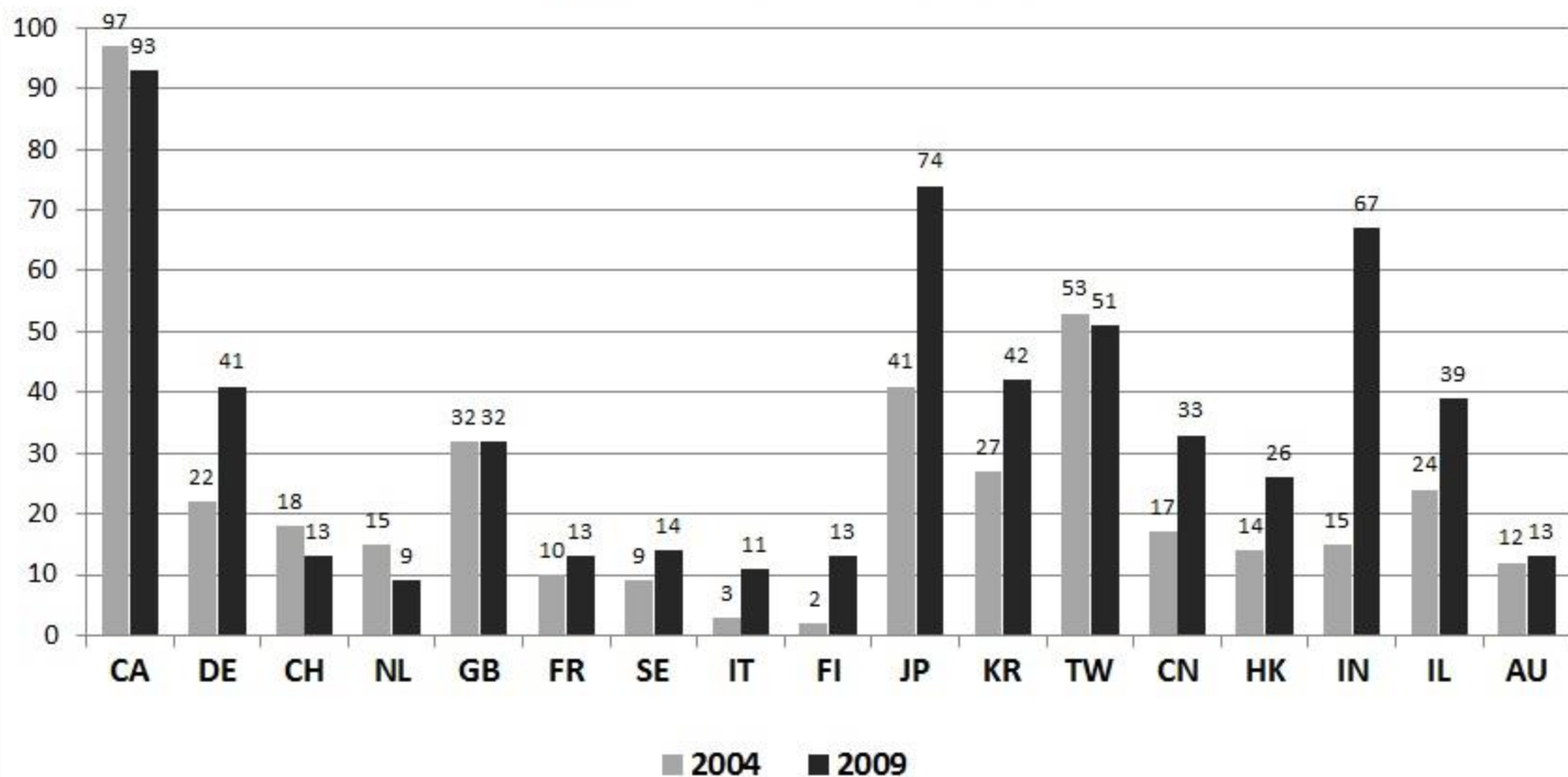


V. Empirical Findings



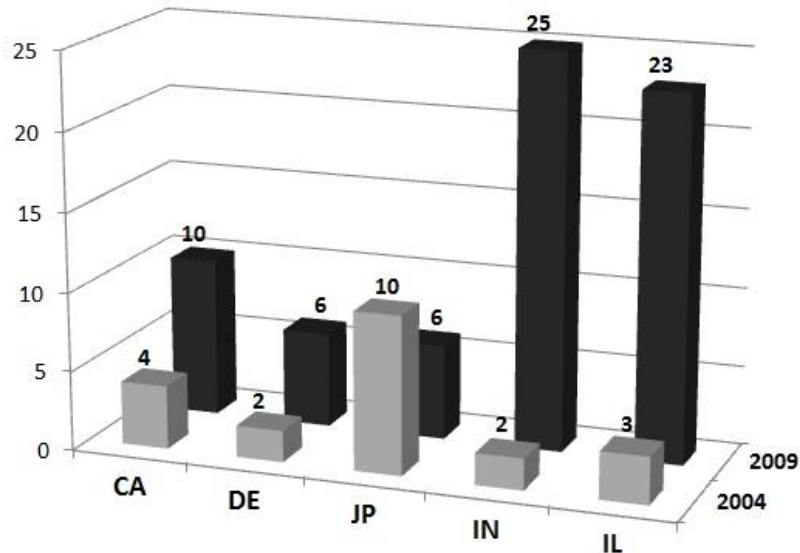
V. Empirical Findings

**Countries represented in the most patent cases
filed in U.S. federal district courts in 2004 and 2009,
by domiciles of the defendants**

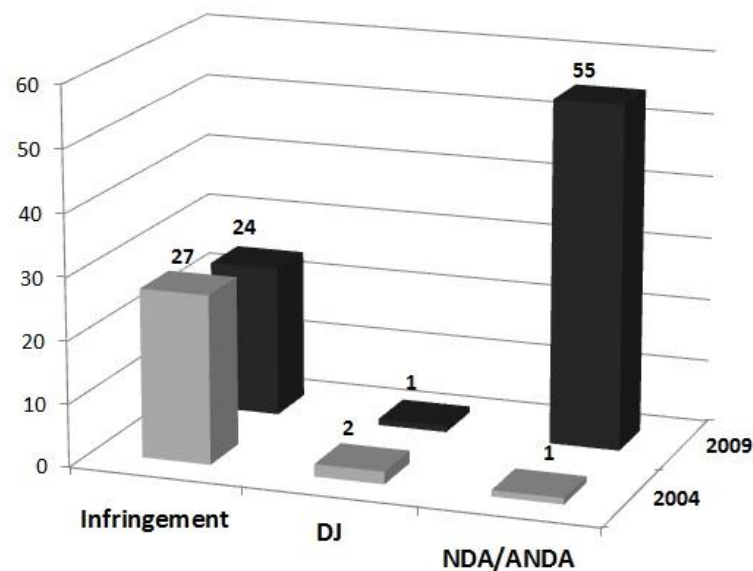


V. Empirical Findings

Patent cases filed in the U.S. District Court
for the District of Delaware in 2004 and 2009
against foreign defendants,
by domiciles of the defendants

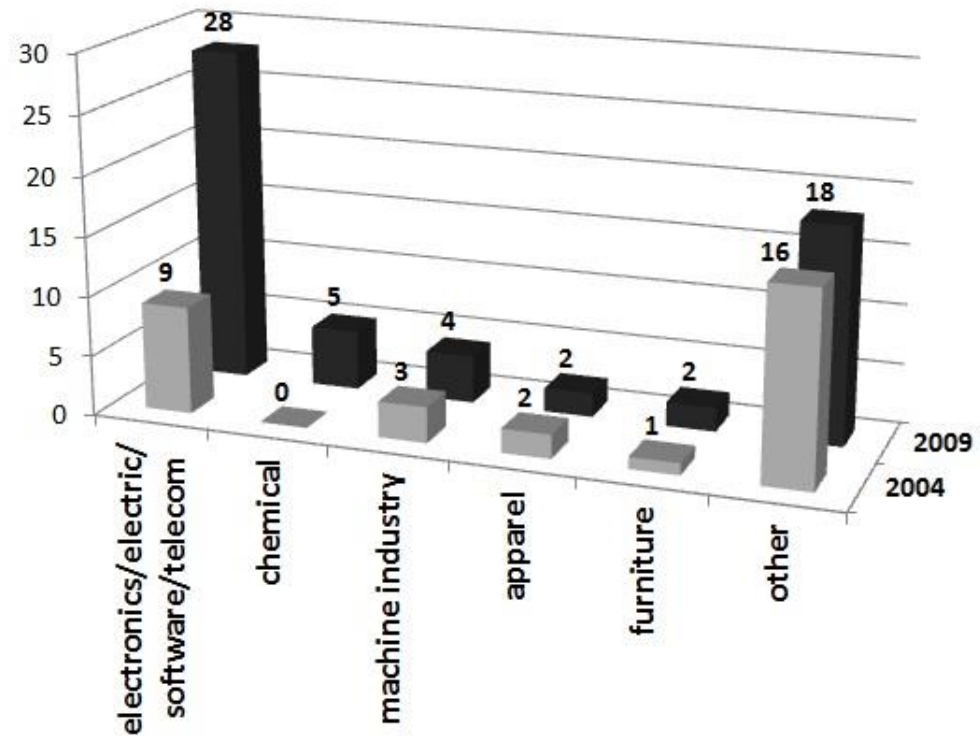


Patent cases filed in the U.S. District Court
for the District of Delaware in 2004 and 2009
against foreign defendants,
by type of claim



V. Empirical Findings

Patent cases filed in U.S. federal district courts
in 2004 and 2009
against defendants from China and Hong Kong,
by subject matter of the patent



V. Conclusions

- ⊙ **No prospect for a “global patent”**
- ⊙ **Some prospect for a “deeper harmonization”**
- ⊙ **The EU “experiment:”**
 - **unified patent and patent enforcement system**
- ⊙ **Extraterritoriality of national patent law**
 - **time for legislators to embrace extraterritoriality and legislate for the extraterritorial reach of national patent laws**
 - **territorial reach of national patent laws should be considered to be a component of national patent policy**

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