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Supreme Court Limits Overseas Contributory Liability

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The U.S. Supreme Court today issued its decision in *Life Technologies Corp. v. Promega Corp*. In a substantially unanimous (7-0) ruling, the Court held that supplying a single component of a multicomponent invention for manufacture or assembly overseas did not give rise liability for patent infringement under 35 USC §271(f)(1). The ruling limits the Federal Circuit's more expansive interpretation of Section 271(f)(1) of the Patent Act, which imposed patent infringement liability for supplying a single component of a multicomponent invention.

Promega Corporation owns a license to a U.S. patent with claims covering a toolkit for genetic testing. Promega sublicensed rights under the patent to Life Technologies Corporation and its subsidiaries for the manufacture and sale of the kits for use in certain licensed law enforcement fields worldwide. Life Technologies manufactured an enzyme (*Taq* polymerase), one of the kit's five components, in the United States, and shipped the enzyme to the United Kingdom where it was combined with four other components to complete the kit. Promega sued Life Technologies after Life Technologies began selling the kits outside the licensed fields of use, arguing that Life Technologies was liable for patent infringement under §271(f)(1).

At the District Court, the jury returned a verdict in favor of Promega. However, the District Court granted Life Technologies' motion for judgment as a matter of law, holding that Section 271(f)(1)'s requirement of "all or a substantial portion" was not met, as only a single component was shipped from the United States. On appeal, the Federal Circuit reversed the District Court and reinstated the jury verdict, determining that a single important component could constitute a "substantial portion of the components" of an invention, and finding that the *Taq* polymerase was such a component.

The Supreme Court reversed and held that a single component cannot constitute a "substantial portion" for purposes of Section 271(f)(1) liability. The Court relied upon the statutory language as well as its history, which "consistently refers to the 'plural components', indicating that multiple components make up the substantial portion." It further observed that Section 271(f)(2) expressly created liability for supplying "any component of a patented invention that is especially made or especially adapted for use in the invention and not a staple article or commodity of commerce suitable for substantial noninfringing use," and would be undermined by construing Section 271(f)(1) to cover a single component.

In a concurrence, Justices Alito and Thomas noted that the opinion establishes that more than one component is necessary, but does not address how much more is required. Thus, merely having two components of several shipped from the U.S. does not necessarily meet the "substantial portion" requirements of Section 271(f)(1).

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