PROMEGA CORP. v. LIFE TECH. CORP., Appeal Nos. 2013-1011, -1029, -1376 (Fed. Cir. December 15, 2014). Before Prost, Mayer, and Chen. Appealed from W.D. Wis. (Chief Judge Crabb).

Background:

Promega is the exclusive licensee of a patent with a kit claim for detecting polymorphism in DNA samples. LifeTech manufactures genetic testing kits that include all five of the components required by the kit claim. However, LifeTech manufactures only one of those components in the United States, which it ships overseas to a LifeTech manufacturing facility in the United Kingdom. This offshore facility assembles and sells the kits worldwide.

On summary judgment, the district court held that the kits infringe. During the damages phase, the jury found that LifeTech's sales of the kits outside the United States were infringing acts under the active inducement provision of 35 U.S.C. §271(f)(1). LifeTech moved for JMOL, which the district court granted, finding that §271(f)(1) requires the involvement of another, unrelated party (not the same party) to "actively induce the combination of components" and that no other party was involved in LifeTech's assembly of the accused kits, and (2) a "substantial portion of the components" requires at least two components to be supplied from the United States and that LifeTech supplied only a single component.

Issue/Holding:

Did the district court err in its interpretation of 35 U.S.C. §271(f)(1)? Yes, reversed and remanded.

Discussion:

Infringement under 35 U.S.C. §271(f)(1) occurs when a party "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."

Citing to dictionary definitions of the term "induce" and to legislative history, the majority held that "to actively induce the combination" merely requires the specific intent to cause the combination of the components of a patented invention outside the United States—no third party is required. The majority also 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. The majority concluded that substantial evidence supported the jury's verdict that LifeTech was liable for infringement under §271(f)(1) for shipping the single component of its accused genetic testing kits to its United Kingdom facility.

Chief Judge Prost, in her dissent, citing to "unambiguous Supreme Court precedent" and to the legislative history, stated that active inducement under §271(f)(1) necessarily means inducement of another.

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