HALO CREATIVE & DESIGN LIMITED v. COMPTOIR DES INDES INC., Appeal No. 2015-1375 (Fed. Cir. March 14, 2016) (Dyk, Mayer and Hughes). Appealed from N.D. Ill. (Judge Leinenweber).

Background:

Halo is a Hong Kong company that manufactures furniture in China and sells the furniture in the United States. Halo owns several design patents, trademarks and copyrights directed to its furniture. Comptoir is a Canadian company that also manufactures furniture in China and sells the furniture in the United States. Halo sued Comptoir in the Northern District of Illinois alleging infringement of Halo's patents, trademarks, and copyrights. Comptoir subsequently filed a motion to dismiss for *forum non conveniens*, and argued that the Federal Court of Canada would be a superior forum to resolve this dispute. The district court agreed and dismissed the case. Halo appealed.

Issue/Holding:

Did the district court err in determining that the Federal Court of Canada would be a superior forum to adjudicate the case? - Yes, reversed.

Discussion:

The Federal Circuit held that the Federal Court of Canada would not be an adequate alternative forum to resolve a dispute under U.S. intellectual property law that occurred entirely in the United States. The Federal Circuit explained that a *forum non conveniens* analysis must determine whether an alternative forum is both available and adequate to hear the case. *See Piper Aircraft Co. v. Reyno*, 454 U.S. 235 (1981). The parties agreed that the Federal Court of Canada was an available forum. However, Halo argued that the Federal Court of Canada is not an adequate forum because the Federal Court of Canada should not adjudicate a case applying U.S. law where the claim arises from alleged infringing activities that entirely occurred in the United States.

The Federal Circuit held that the district court improperly relied on the Berne Convention as requiring the Federal Court of Canada to apply U.S. law. The Federal Circuit held that the Berne Convention merely provides that authors should enjoy the same protection of their copyrighted works in other countries as those countries provide to their own authors. The Federal Circuit held that the Berne Convention does not require the member countries to provide remedies for extraterritorial infringing activity, and would not require a Canadian court to apply U.S. law to alleged infringement that occurred entirely in the United States.

The Federal Circuit also held that the district court improperly reasoned that the United States has recognized the potential of applying the copyright laws of other nations, and thus a Canadian court could also apply foreign copyright law. The Federal Circuit dismissed this reasoning as mere speculation as to how a Canadian court may apply foreign copyright law. The Federal Circuit found that there is no authority to support the assertion that a Canadian court would provide a remedy for U.S. infringement or apply U.S. law where there is no evidence of infringing activity in Canada. Thus, the Federal Circuit held that the district court improperly granted the motion to dismiss because the Federal Court of Canada is not an adequate forum to resolve a U.S. infringement case that occurred entirely within the United States.