TRAVEL SENTRY, INC. v. TROPP, Appeal Nos. 2016-2386, 2016-2387, 2016-2714, 2017-1025 (Fed. Cir. December 19, 2017). Before Lourie, O'Malley, and Taranto. Appealed from E.D.N.Y. (Judge Vitaliano).

Background:

Tropp sued Travel Sentry for patent infringement. The claims are directed to methods of improving airline luggage inspection through the use of dual-access locks, in which the third claim step requires having an identification structure that signals to a luggage screener that the lock may be opened by a master key, and the fourth step requires having the luggage screener look for the identification structure and use the master key to open the lock. Travel Sentry also administers a lock system that enables a traveler to lock a checked bag while allowing the TSA to open the lock. Travel Sentry entered into a MOU with the TSA stating that Travel Sentry will supply the TSA with passkeys to open checked baggage secured with its certified locks.

The district court granted summary judgment of noninfringement because there was no evidence that Travel Sentry had any influence on the third and fourth steps of the method carried out by the TSA in view of *Akamai's* two-pronged joint infringement test, which states that joint infringement may arise when an alleged infringer (i) conditions participation in an activity or receipt of a benefit upon performance of a step or steps of a patented method and (ii) establishes the manner or timing of that performance. Tropp appealed.

Issue/Holding:

Did the district court err in granting summary judgment of noninfringement in favor of Travel Sentry? Yes, vacated and remanded.

Discussion:

The Federal Circuit found that a reasonable jury could conclude that the TSA's performance of the final two claim steps is attributable to Travel Sentry such that Travel Sentry is liable for direct infringement under §271(a). In view of *Akamai*'s first prong, the Federal Circuit found that it is clear from the MOU that the activity in which the TSA sought to participate is screening luggage that the TSA knows can be opened with the passkeys provided by Travel Sentry and that the district court misidentified the relevant activity at issue by broadly defining it as the luggage screening mandated by Congress. The Federal Circuit stated that the district court's mischaracterization of the relevant activity tainted its analysis of the benefits the TSA obtained by its performance of the two claim steps and instead found that reasonable jurors could conclude that the TSA receives a benefit from being able to identify and open Travel Sentry-marked luggage using passkeys that Travel Sentry provided, obviating the need to break open that lock. The Federal Circuit further found that a reasonable jury could conclude that Travel Sentry conditions the TSA's participation in the activity or receipt of benefits on the TSA's performance of the final two claim steps as the relevant activity is coextensive with the two claim steps and the benefits can only be realized if the TSA performs the two claim steps.

With respect to *Akamai*'s second prong, the Federal Circuit concluded that a reasonable jury could find that Travel Sentry has established the manner or timing of the TSA's performance because the record suggests that in order for the TSA to receive the benefits that flow from inspecting luggage with Travel Sentry's locks, it must use the passkeys that Travel Sentry distributed and open those locks.