



NEWS IN BRIEF

FCC Extends waiver for FCC Form 740

On June 2, 2017, the Federal Communications Commission (FCC) issued an extension to its suspension for filing the FCC Form 740 and the information required in it for Radio Frequency (RF) devices imported into the United States.

The original suspension of filing the Form 740 information was to expire on June 30, 2017, but the FCC issued its order to extend the suspension for filing until September 30, 2017.

House Bill on Dodd-Frank Act Includes action on Conflict Minerals Reporting

The House of Representatives has passed a bill on the Dodd-Frank Act that would remove the language which repeals requirements for companies to report on conflict minerals content. Specifically, H.R. 10 would no longer require companies to report to the Securities and Exchange Commission the conflict minerals content in their products to the Securities and Exchange Commission.

A copy of H.R. 10 can be found at: <https://www.congress.gov/115/bills/hr/10/BILLS-115hr10rh.pdf>.

Supreme Court Decision Reaffirms Certain Gray Market Goods Import Practices

In a Supreme Court decision, the Court ruled that patented goods may be freely resold after their first authorized sale. It reaffirms that the importing of used goods of copyrighted, trademarked and/or patented goods for resale in the United States (commonly known as gray market goods) is legal. This case, Impression Products v. Lexmark International, Inc., involve the practice of companies known as remanufacturers acquiring empty Lexmark toner cartridges—including Return Program cartridges—from purchasers in the United States, refilling them with toner, and then reselling them.

Impression Products does the same with Lexmark cartridges that they acquire from purchasers overseas and import into the United States. Lexmark sued a number of these remanufacturers, including petitioner Impression Products, Inc., for patent infringement with respect to two groups of cartridges. The first group consists of Return Program cartridges that Lexmark had sold within the United States. Lexmark argued that, because it expressly prohibited reuse and resale of these cartridges, Impression Products infringed the Lexmark patents when it refurbished and resold them. The second group consists of all toner cartridges that Lexmark had sold abroad and that Impression Products imported into the country. Lexmark claimed that it never gave anyone authority to import these cartridges, so Impression Products infringed its patent rights by doing just that.

Impression Products moved to dismiss on the grounds that Lexmark's sales, both in the United States and abroad, exhausted its patent rights in the cartridges, so Impression Products was free to refurbish and resell them, and to import them if acquired overseas. The case confirmed that a patentee's decision to sell a product exhausts all of its patent rights in that item, regardless of any restrictions the patentee purports to impose.

As a result, even if the restrictions in Lexmark's contracts with its customers were clear and enforceable under contract law, they do not entitle Lexmark to retain patent rights in an item that it has elected to sell. The IPR owner may control the resale of its protected products under contract law, but not under IPR laws.

This decision can be found on the Supreme Court's website under recent decisions at: <https://www.supremecourt.gov/>.

ITC Sends Its Preliminary MTB Report to Congress

In early June, the International Trade Commission (ITC) submitted its preliminary report on the Miscellaneous Trade Bill (MTB) for the petitions of duty relief allowed under the MTB. The report goes to both the Senate Finance Committee and the House Ways and Means Committee. In the report, the ITC classifies petitions according those meeting the statutory requirements; petitions that do not contain information required by the statute or were not filed by a likely beneficiary; and those petitions that the ITC does not recommend for inclusion to the MTB list. Again, this is a preliminary list with the final list to be submitted in August.

The ITC press release can be found at: https://www.usitc.gov/press_room/news_release/2017/er060911787.htm and the actual list and be found at: <https://www.usitc.gov/documents/mtbps/petitionlist.csv>.

By **Todd Boice**, President