

Voda v. Cordis Corp.: No Supplemental Jurisdiction over Foreign Patent Infringement Claims . . . for Now

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I. INTRODUCTION

The existence of supplemental jurisdiction over foreign patent infringement claims is a controversial subject that has divided both legal scholars and U.S. circuit courts. The noted case is an interlocutory appeal regarding a decision of the United States District Court for the Western District of Oklahoma to assume supplemental subject-matter jurisdiction pursuant to 28 U.S.C. § 1367 over foreign patent infringement claims.¹ The plaintiff-appellee, Jan K. Voda, M.D., is a physician, resident of Oklahoma, and holder of numerous American and international patents.² The defendant-appellant, Cordis Corporation, is a U.S.-based entity incorporated in Florida.³ Initially, Voda only alleged

1. *Voda v. Cordis Corp.*, 476 F.3d 887, 889 (Fed. Cir. 2007); 28 U.S.C. § 1367 (2000).
 2. *Voda*, 476 F.3d at 889-90.
 3. *Id.* at 890.

infringement of his three U.S. patents, and the district court assumed jurisdiction over those claims pursuant to 28 U.S.C. § 1338.⁴ However, Voda decided to allege infringement of his foreign patents as well, and thus, requested leave to amend his complaint and attach the foreign patent infringement claims pursuant to the supplemental jurisdiction statute, 28 U.S.C. § 1367.⁵

Voda was granted leave and amended his complaint, alleging specifically that Cordis infringed on his foreign patents outside of the United States.⁶ Even though both the allegations of infringement and the issuance of the patents occurred outside of the United States, the district court assumed supplemental jurisdiction over Voda's five foreign patent infringement claims pursuant to 28 U.S.C. § 1367.⁷ The district court determined that it possessed supplemental jurisdiction over Voda's foreign patent infringement claims by comparing the facts of the noted case to the facts of two other cases.⁸ The district court reasoned that because the facts in the noted case were more akin to those in a case decided by the United States Court of Appeals for the Seventh Circuit, rather than one decided by the United States Court of Appeals for the Federal Circuit, it could exercise supplemental jurisdiction over Voda's foreign patent infringement claims.⁹ Cordis then filed a petition for an interlocutory appeal to determine whether the district court possessed supplemental jurisdiction over Voda's five foreign patents.¹⁰ The Federal Circuit issued two holdings in its decision. This Case Note will focus on the second and more contentious one.¹¹ The Federal Circuit *held* that "considerations of comity, judicial economy, convenience, fairness and other exceptional circumstances constitute compelling reasons to decline jurisdiction" over Voda's foreign patent infringement claims. *Voda v. Cordis Corp.*, 476 F.3d 887, 898 (Fed. Cir. 2007).

4. *Id.* at 889; 28 U.S.C. § 1338.

5. *Voda*, 476 F.3d at 889; 28 U.S.C. § 1367.

6. *Voda*, 476 F.3d at 889.

7. *Id.*

8. *Id.* at 891; One case, *Ortman v. Stanray Corp.*, a Seventh Circuit Court of Appeals case, authorized supplemental jurisdiction. 371 F.2d 154, 158 (7th Cir. 1967). The other, *Mars, Inc. v. Kabushiki-Kaisha Nippon Conlux*, the Federal Circuit's first and only case addressing supplemental jurisdiction over foreign patent infringement claims prior to the noted case, prohibited an exercise of such jurisdiction. 24 F.3d 1368, 1375 (Fed. Cir. 1994).

9. *Voda*, 476 F.3d at 891.

10. *See id.* at 890-91.

11. *Id.* at 891-92, 898.

II. BACKGROUND

A. *Supplemental Jurisdiction in General*

A federal court must have subject-matter jurisdiction over each claim to hear and decide a case.¹² There are two main types of subject-matter jurisdiction: federal question jurisdiction and diversity jurisdiction.¹³ Generally, each claim must have either federal question jurisdiction or diversity jurisdiction.¹⁴ Nevertheless, under certain circumstances, the plaintiff or defendant may also be able to bring other, supplemental claims or counter claims into the lawsuit.¹⁵ Supplemental claims are those claims over which a court did not have original jurisdiction.¹⁶ However, courts will only permit supplemental claims if they fulfill the specific supplemental jurisdiction requirements codified in 28 U.S.C. § 1367.¹⁷

Section 1367 has five subsections, two of which are relevant to the noted case.¹⁸ Subsection 1367(a) is a permissive subsection that lays out the requirements that a claim must fulfill to be brought via supplemental jurisdiction.¹⁹ It states that a supplemental claim must be “so related to claims in the action within such original jurisdiction that [the supplemental claim and the claim to which it is appended] form part of the same case or controversy.”²⁰

In *United Mine Workers of America v. Gibbs*, the United States Supreme Court first announced the requirements for a plaintiff to bring a supplemental claim.²¹ In *Gibbs*, an employee brought an action in federal court for violations of federal law governing unfair labor practices and claims for various violations of state law, alleging unlawful conspiracy and unlawful boycott.²² The Court held that the employee could bring both his federal and state court claims because they derived from “a common nucleus of operative fact.”²³ The Court further stated that the claims possess a “common nucleus of operative fact” such that the

12. ERWIN CHEMERINSKY, FEDERAL JURISDICTION § 5.1, at 217 (Richard A. Epstein et al. eds., 1989).

13. 28 U.S.C. §§ 1331-1332 (2000).

14. CHEMERINSKY, *supra* note 12, § 5.2.1, at 221, § 5.3.1, at 241.

15. *Id.* § 5.4.1, at 277.

16. *Id.*; *see also* 28 U.S.C. § 1367.

17. 28 U.S.C. § 1367.

18. *Id.*

19. *See id.*

20. *Id.*

21. *United Mine Workers of Am. v. Gibbs*, 383 U.S. 715, 725 (1966).

22. *Id.* at 720.

23. *Id.* at 725.

relationship between both claims “permits the conclusion that the entire action before the court comprises but one constitutional ‘case.’”²⁴ Therefore, claims that would not have been permitted by original jurisdiction will only be allowed if they fit into the same “case” as the original claims.²⁵

In contrast to subsection (a), 28 U.S.C. § 1367(c) is a prohibitive subsection as it lists four situations in which a federal court may decline to exercise supplemental jurisdiction over a claim.²⁶ It states that federal courts may decline to exercise supplemental jurisdiction if:

- (1) the claim raises a novel or complex issue of State law,
- (2) the claim substantially predominates over the claim or claims over which the district court has original jurisdiction,
- (3) the district court has dismissed all claims over which it has original jurisdiction, or
- (4) in exceptional circumstances, there are other compelling reasons for declining jurisdiction.²⁷

Because courts must decide whether one of the circumstances in § 1367(c) is present, and particularly whether exceptional circumstances pursuant to subsection (c)(4) exist, courts are said to have “discretion” in determining whether to exercise supplemental jurisdiction over claims.²⁸

Yet, the scope of a court’s discretion is not entirely clear, particularly because § 1367(c)(4) is so broad.²⁹ Thus, in addition to clarifying the meaning of § 1367(a) in *Gibbs*, the Supreme Court also proceeded to develop a list of factors that a federal court should consider and weigh when determining whether a compelling reason exists for declining jurisdiction under § 1367(c).³⁰ Known as the *Gibbs* factors, these are the values of judicial economy, convenience, fairness, and comity.³¹

B. Supplemental Jurisdiction over Foreign Patent Infringement Claims

Although U.S. courts routinely permit the exercise of supplemental jurisdiction over foreign commercial, immigration, copyright, trademark, and other types of claims, a split exists within the circuit courts as to

24. *Id.*

25. *Id.*

26. 28 U.S.C. § 1367 (2000).

27. *Id.*

28. *Gibbs*, 383 U.S. at 726; *see also* *Voda v. Cordis Corp.*, 476 F.3d 887, 897-98 (Fed. Cir. 2007); *Mars, Inc. v. Kabushiki-Kaisha Nippon Conlux*, 24 F.3d 1368, 1374 (Fed. Cir. 1994); *City of Chicago v. Int’l Coll. of Surgeons*, 522 U.S. 156, 172 (1997).

29. *See* 28 U.S.C. § 1367.

30. *Gibbs*, 383 U.S. at 726; *see also* *City of Chicago*, 525 U.S. at 172-73.

31. *Gibbs*, 383 U.S. at 726; *see also* *City of Chicago*, 525 U.S. at 172-73.

whether such jurisdiction should exist over patent claims.³² This divide exists for two reasons. First, there are two ways to analyze § 1367(a).³³ One view is that § 1367(a) implies that supplemental jurisdiction may be exercised over foreign claims in general as long as those claims are so related to the claims brought under original jurisdiction.³⁴ Another view of the statute is that a lack of explicit statutory authorization for U.S. district courts to exercise supplemental jurisdiction over foreign claims suggests that such jurisdiction may not be desirable, or even permissible.³⁵

Second, courts disagree as to whether international intellectual property treaties prohibit supplemental jurisdiction over foreign patent infringement claims.³⁶ There are three international treaties relevant to *Voda* to which the United States is a party: the Paris Convention for the Protection of Industrial Property, the Patent Cooperation Treaty, and the Agreement on Trade-Related Aspects of Intellectual Property Rights.³⁷ However, none of these treaties clearly explains whether a subscribing party may adjudicate claims regarding the foreign patents of another subscribing party.³⁸

Because neither U.S. laws nor international laws explicitly specify whether U.S. courts may preside over foreign patent infringement claims, federal circuit court cases split into two groups.³⁹ The first group of cases aligns with the Seventh Circuit. It found that jurisdiction did exist over foreign patent infringement claims in *Ortman v. Stanray*, wherein a patent holder filed a complaint alleging infringement of both U.S. and foreign patents.⁴⁰ The circuit court affirmed the district court's finding of supplemental jurisdiction over the claims, concluding, "All of the actions

32. *Voda*, 476 F.3d at 906 (Newman, J., dissenting). Compare *Ortman v. Stanray Corp.*, 371 F.2d 154, 158 (7th Cir. 1967) (holding that the district court may apply supplemental jurisdiction to foreign patent infringement claims in the particular case), with *Mars*, 24 F.3d at 1375 (holding that the district court does not have supplemental jurisdiction over the patent infringement claims in the particular case).

33. See 28 U.S.C. § 1367.

34. See *Mars*, 24 F.3d at 1375.

35. See *Voda*, 476 F.3d at 893-98.

36. *Id.* at 898, 900.

37. Agreement on the Trade-Related Aspects of Intellectual Property Rights, Jan. 1, 1995, 1867 U.N.T.S. 154; Paris Convention for the Protection of Industrial Property, Sept. 5, 1970, 21 U.S.T. 1583, 828 U.N.T.S. 107; Patent Cooperation Treaty, Jan. 24, 1978, 28 U.S.T. 7645, T.I.A.S. 8733.

38. *Voda*, 476 F.3d at 898-900.

39. Compare *Ortman v. Stanray Corp.*, 371 F.2d 154, 158 (7th Cir. 1967) (holding that the district court may apply supplemental jurisdiction to foreign patent infringement claims in the particular case), with *Mars*, 24 F.3d at 1375 (holding that the district court does not have supplemental jurisdiction over the patent infringement claims in the particular case).

40. 371 F.2d at 158.

of defendant of which complaint is made are the result of defendant doing similar acts both in and out of the United States."⁴¹

In contrast, the Federal Circuit found in *Mars, Inc. v. Kabushiki-Kaisha Nippon Conlux* that supplemental jurisdiction did not exist in regard to a plaintiff's foreign patent infringement claims.⁴² Because *Mars* was the court's first decision on whether supplemental jurisdiction under § 1367(a) applied to foreign patent infringement claims, the court identified four factors that it would weigh in future cases to determine whether a common nucleus of fact existed between a U.S. patent infringement claim and a foreign patent infringement claim.⁴³ These factors are: (1) the similarity of the patents, (2) the similarity of the devices, (3) the similarity of the alleged acts, and (4) the similarity of the governing laws.⁴⁴ The Federal Circuit found that the factors did not weigh in favor of granting supplemental jurisdiction over the plaintiff's foreign patent infringement claims, stating that the patents, devices, alleged acts, and laws were so different that the court would essentially be conducting two separate trials at once.⁴⁵

III. THE COURT'S DECISION

In the noted case, the Federal Circuit relied heavily on its *Mars* decision, where the court refused to extend supplemental jurisdiction to foreign patent infringement claims because "considerations of comity, judicial economy, convenience, fairness, and other exceptional circumstances constitute compelling reasons" under § 1367(c)(4) to decline supplemental jurisdiction over a patent holder's foreign patent infringement claims.⁴⁶ The *Voda* court determined that granting supplemental jurisdiction would be inconsistent with the international principle of comity because exercising such jurisdiction would interfere unreasonably with the authority of other sovereign states.⁴⁷ Additionally, the court averred that permitting such jurisdiction would not promote judicial economy because the court's lack of knowledge regarding foreign patent regimes would lead it to consume more judicial resources than a foreign court.⁴⁸ Third, the court asserted that granting supplemental jurisdiction would not be convenient because obtaining and

41. *Id.*

42. *Mars*, 24 F.3d at 1375.

43. *Voda*, 476 F.3d at 894-95.

44. *Mars*, 24 F.3d at 1375.

45. *Id.*

46. *Voda*, 476 F.3d at 894-96, 898, 904-05; 28 U.S.C. § 1367 (2000).

47. *Voda*, 476 F.3d at 903.

48. *Id.*

translating evidence, as well as hiring experts in foreign patent law to testify, would be extremely costly for the parties.⁴⁹ Finally, the *Voda* court stated that allowing supplemental jurisdiction would not promote the value of fairness because, to decide the case, U.S. courts must assume that *Voda*'s foreign patents were valid pursuant to the act of state doctrine.⁵⁰ The court explained that such an assumption would be fundamentally unfair to *Cordis* if the patents were actually invalid.⁵¹

The court's first analytical step in arriving at its holding was to clarify the precise issue in dispute.⁵² The court explained that while Article VI of the United States Constitution might authorize federal courts to hear foreign patent infringement claims, the dispute in the noted case considered whether a statutory basis for jurisdiction existed over foreign patent infringement claims pursuant to § 1367.⁵³ After clarifying the issue, the court proceeded to point out the aspects of the statute that it must examine in order to decide the issue at hand.⁵⁴ The court explained that it first had to determine whether § 1367(a) authorized supplemental jurisdiction over foreign patent infringement claims.⁵⁵ Second, it had to decide whether the district court's exercise of its supplemental jurisdiction discretion was within the required § 1367(c) limits.⁵⁶

A. *Authorization for Supplemental Jurisdiction Under § 1367(a)*

The Federal Circuit began its analysis by exploring the supplemental jurisdiction authorization requirement in § 1367(a).⁵⁷ It explained that, generally, § 1367(a) permits district courts to exercise supplemental jurisdiction over various claims that lie outside of a court's original jurisdiction.⁵⁸ However, the court noted that § 1367(a) is limited in four ways.⁵⁹

First, the court explained that an exercise of supplemental jurisdiction over a claim pursuant to § 1367(a) will not be permitted when another federal statute prohibits an exercise of such supplemental jurisdiction.⁶⁰ The court stated that none of the parties in *Voda* had cited

49. *Id.* at 903-04.

50. *Id.* at 904.

51. *Id.*

52. *See id.* at 892.

53. *Id.* at 892-93; U.S. CONST. art. VI.

54. *Voda*, 476 F.3d at 893.

55. *Id.*

56. *Id.*

57. *Id.*

58. *Id.*

59. *Id.*

60. *Id.*; *see also* 28 U.S.C § 1367 (2000).

a statute that expressly prohibited supplemental jurisdiction over claims arising under foreign patents or foreign laws.⁶¹ Thus, the court implied that this first limitation on § 1367(a) was not relevant to the alleged claims because no statute could be found that stripped federal courts of supplemental jurisdiction in this case.⁶²

Next, the Federal Circuit stated that § 1367(b) acts as an exception to subsection (a).⁶³ The court noted that subsection (b) refers only to situations in which jurisdiction over the original claims is premised on diversity jurisdiction.⁶⁴ The court later implied that this exception was not relevant, asserting, “[I]t is undisputed that the district court has original federal question jurisdiction over Voda’s U.S. patent infringement claims.”⁶⁵ Thus, because Voda’s claims were brought pursuant to federal question jurisdiction, rather than diversity jurisdiction, § 1367(b) cannot apply to them, because § 1367(b) only refers to claims brought via diversity jurisdiction.

Third, the court declared that § 1367(c) acts as an exception to subsection (a) because subsection (c) specifically cites situations in which district courts may decline to exercise supplemental jurisdiction.⁶⁶ At this point in its analysis, the Federal Circuit did not delve into whether subsection (c) was relevant to the case at hand.⁶⁷ However, the court noted that subsection (c) is where the district court erred, and therefore the court would return to subsection (c) later in the case.⁶⁸

Fourth, the court returned to subsection (a), stating that this subsection acted as a limitation simply by authorizing supplemental jurisdiction only over claims that are “so related to claims in the action within such original jurisdiction that they form part of the same case or controversy under Article III of the United States Constitution.”⁶⁹ Thus, U.S. courts may not exercise supplemental jurisdiction over foreign patent infringement claims if they are, by nature, not “so related” to the original claims in the action.⁷⁰

61. *Voda*, 476 F.3d at 893.

62. *Id.*

63. *Id.*

64. *Id.* at 893-94; *see also* 28 U.S.C. § 1367; 28 U.S.C. § 1332.

65. *Voda*, 476 F.3d at 894.

66. *Id.*; 28 U.S.C. § 1367.

67. *Voda*, 476 F.3d at 894.

68. *Id.* at 891, 894.

69. *Id.* at 894 (quoting 28 U.S.C. § 1367).

70. 28 U.S.C. § 1367.

1. “Common Nucleus of Fact”

The Federal Circuit began its analysis of the relationship between U.S. and foreign patent infringement claims by examining § 1367(a)'s fourth limitation.⁷¹ It started by clarifying the meaning of “so related” in § 1367(a).⁷² The court explained that the Supreme Court defined “so related” in *Gibbs* to mean “a common nucleus of fact.”⁷³ However, because *Gibbs* did not specify the precise factors necessary to fulfill the common nucleus of fact requirement, the court in the noted case looked to *Mars*.⁷⁴

The Federal Circuit then applied the *Mars* factors to the noted case.⁷⁵ The court began its analysis by stating that the first *Mars* factor—whether the patents were different—was the only factor that appeared to be in dispute between the parties in the noted case.⁷⁶ It explained that while Cordis asserted that the patents differ materially, Voda asserted that the patents were only slightly different.⁷⁷ The court, however, did not make a determination as to whether the patents were different, and therefore, it did not decide whether a common nucleus of fact existed among the claims.⁷⁸

The Federal Circuit then proceeded to examine the second factor—whether the devices in question were different.⁷⁹ It explained that while the U.S. and foreign patents disputed in *Mars* involved different devices, the patented device in *Voda* was the same for both the U.S. and foreign patents.⁸⁰ With regard to the third factor, the court asserted that the type of infringement alleged was the same in both Voda's U.S. and foreign patent claims.⁸¹

Next, the court stated that it was not capable of deciding the fourth factor—whether U.S. and foreign patent laws were sufficiently different for it to refuse to exercise supplemental jurisdiction over the foreign patent infringement claims.⁸² The court stated that it did not have authorization to take expert testimony to determine the differences in

71. *Voda*, 476 F.3d at 894.

72. *Id.*

73. *Id.*; see also *United Mine Workers of Am. v. Gibbs*, 383 U.S. 715, 725 (1966).

74. *Voda*, 476 F.3d at 894.

75. *Id.* at 895.

76. *Id.*

77. *Id.*

78. *Id.* at 896.

79. *Id.* at 895.

80. *Id.*

81. *Id.*

82. *Id.* at 896.

U.S. and foreign patent laws, which would be necessary to determine whether Voda's U.S. and foreign claims shared a common nucleus.⁸³ Thus, because it did not analyze the fourth factor, the court neglected to decide whether Voda's U.S. and foreign claims shared a common nucleus of operative fact.⁸⁴

2. "Ordinarily Be Expected To Try Them All in One Judicial Proceeding"

Before the Federal Circuit discussed whether the district court utilized its discretion appropriately, it addressed the lack of clarity in *Gibbs* and the potential effects on the noted case.⁸⁵ The court noted that the Supreme Court's test in *Gibbs* for determining whether supplemental jurisdiction exists is not precisely clear.⁸⁶ The court explained that while it is clear that *Gibbs* established the "common nucleus of operative fact" requirement, it is not clear whether the claims also should be ordinarily expected to be tried all in one judicial proceeding.⁸⁷ The *Voda* court then stated that "the phrases could represent two separate and necessary tests," or the "ordinarily be expected" phrase could merely inform the "common nucleus" analysis.⁸⁸ Thus, the court asserted that if the "ordinarily be expected" phrase were a separate requirement, then it would affect the disposition of the case.⁸⁹ For example, "district courts may be unable to exercise supplemental jurisdiction over claims based on foreign patents if the norm is that patent claims are adjudicated by the courts within the jurisdiction where such patents are created."⁹⁰ However, the Federal Circuit averred that because neither it nor the Supreme Court has addressed the issue, it would not apply the "ordinarily be expected" test to the facts of the noted case.⁹¹ Thus, the Federal Circuit declined to decide whether the first requirement of authorization had been fulfilled for supplemental jurisdiction to exist in the noted case under § 1367(a).⁹²

83. *Id.*

84. *Id.*

85. *Id.*

86. *Id.*

87. *Id.* at 897 (quoting *United Mine Workers of Am. v. Gibbs*, 383 U.S. 715, 725 (1966)).

88. *Id.*

89. *Id.*

90. *Id.*

91. *Id.*

92. *Id.*

B. Appropriate Exercise of Discretion Under § 1367(c)

After refusing to determine whether § 1367(a) authorized the district court to decide whether supplemental jurisdiction existed over Voda's foreign patent infringement claims, the Federal Circuit then proceeded to determine whether the district court properly utilized its discretionary power under § 1367(c).⁹³ The court began by restating the premise that an exercise of supplemental jurisdiction is discretionary.⁹⁴ It explained that as a discretionary doctrine, courts can decline to exercise such jurisdiction "for a number of valid reasons."⁹⁵

The court next cited the four statutory reasons why a district court may decline to exercise supplemental jurisdiction, codified in § 1367(c).⁹⁶ Because subsection (c)(4) leaves open other options for denying supplemental jurisdiction, the Supreme Court in *City of Chicago v. International College of Surgeons* developed a list of other reasons why a court may decline to grant supplemental jurisdiction.⁹⁷ The Supreme Court stated that when deciding whether to exercise supplemental jurisdiction, a federal court should weigh "the values of judicial economy, convenience, fairness, and comity."⁹⁸

1. International Treaties as the "Law of the Land"

Before it examined the *Gibbs* factors, the *Voda* court began its analysis of the § 1367(c) exceptions by examining international treaties to determine whether any of them explicitly prohibited the exercise of such supplemental jurisdiction.⁹⁹ If they did, the court suggested that such a prohibition might constitute a compelling reason for declining jurisdiction under § 1367(c)(4).¹⁰⁰ Additionally, the court explained that international treaties to which the United States is a party are important to examine, because they are the "supreme Law of the Land" under the Constitution.¹⁰¹ The court analyzed three treaties—the Paris Convention for the Protection of Industrial Property (Paris Convention), the Patent

93. *Id.*

94. *Id.*

95. *Id.* (citing *City of Chicago v. Int'l Coll. of Surgeons*, 522 U.S. 156, 172 (1997)).

96. *Id.* at 898.

97. *Id.*

98. *City of Chicago*, 522 U.S. at 173.

99. *Voda*, 476 F.3d at 900.

100. *Id.*

101. *Id.* at 898; U.S. CONST. art. VI.

Cooperation Treaty, and the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPs Agreement).¹⁰²

The court first looked at the Paris Convention.¹⁰³ It quoted two sections to demonstrate that the treaty intends for each country's patent system and patent adjudication system to remain independent from other countries' systems.¹⁰⁴ For example, the court quoted article 4 *bis* stating that U.S. patents "shall be independent of patents obtained for the same invention in other countries."¹⁰⁵ Likewise, the court quoted article 2(3) of the Paris Convention stating, "[P]rovisions of the laws of each of the countries of the Union relating to judicial and administrative procedure and to jurisdiction, . . . which may be required by the laws on industrial property are expressly reserved."¹⁰⁶ It further stated that nothing in the Paris Convention permits or suggests that one country may adjudicate the patents of another.¹⁰⁷ The court concluded that because the Paris Convention contains no express provision authorizing jurisdiction over foreign patent infringement claims, countries may only adjudicate infringement claims on patents registered domestically.¹⁰⁸

Next, the Federal Circuit examined the Patent Cooperation Treaty to determine whether it explicitly prohibited jurisdiction over foreign patent infringement claims.¹⁰⁹ The court quoted article 27(5) of the treaty, stating, "Nothing in this Treaty and the Regulations is intended to be construed as prescribing anything that would limit the freedom of each Contracting State to prescribe such substantive conditions of patentability as it desires."¹¹⁰ The court concluded that article 27(5) suggests that the Patent Cooperation Treaty also appears to uphold the premise that countries should have independent patent protection and adjudication regimes.¹¹¹

102. Paris Convention for the Protection of Industrial Property, *supra* note 37; Patent Cooperation Treaty, *supra* note 37; Agreement on the Trade Related Aspects of Intellectual Property Rights, *supra* note 37.

103. *Voda*, 476 F.3d at 898 (citing Paris Convention for the Protection of Industrial Property, *supra* note 37).

104. *Id.* at 898-99 (citing Paris Convention for the Protection of Industrial Property, *supra* note 37).

105. *Id.* at 898-99; Paris Convention for the Protection of Industrial Property, *supra* note 37.

106. *Voda*, 476 F.3d at 898-99 (citing Paris Convention for the Protection of Industrial Property, *supra* note 37).

107. *Id.* at 899.

108. *Id.*

109. *Id.*

110. *Id.*; Patent Cooperation Treaty, *supra* note 37.

111. *Voda*, 476 F.3d at 899; Patent Cooperation Treaty, *supra* note 37.

The Federal Circuit then proceeded to examine the TRIPs Agreement.¹¹² The court cited article 41 and sections 1, 4, and 5 as sections that regard the enforcement of patents.¹¹³ It noted, however, that none of the cited sections contemplate or allow one country to adjudicate the patents of another.¹¹⁴ For example, the court quoted section 4, which states, “Parties to a proceeding shall have an opportunity for review by a judicial authority of final administrative decisions and, subject to jurisdictional provisions in a Member’s law concerning the importance of a case.”¹¹⁵

Subsequently, the Federal Circuit raised an argument proffered by Voda and an amicus curiae that stated that the international treaties show a trend in harmonizing international patent law, and exercising supplemental jurisdiction over Voda’s claim will further such harmonization.¹¹⁶ The court responded that even if there is a trend of harmonization, the U.S. judiciary should not unilaterally decide that U.S. courts will become an adjudicating body for foreign patent infringement claims.¹¹⁷

Additionally, the court suggested that deciding whether foreign patent infringement has occurred could undermine U.S. obligations under its international treaties, if such treaties are to be construed as requiring countries to adjudicate only their own patent claims.¹¹⁸ The court explained that violating international treaty obligations would constitute an exceptional circumstance under § 1367(c)(4), and would therefore be an additional reason for the United States to prohibit supplemental jurisdiction over foreign patent infringement claims.¹¹⁹ Yet, the court did not adopt this perspective and proceeded to examine the four *Gibbs* factors to determine whether any of them would reveal a compelling reason why the district court should decline to exercise supplemental jurisdiction over the foreign patent infringement claims in the noted case.

112. *Voda*, 476 F.3d at 899.

113. *Id.*

114. *Id.*

115. *Id.* (citing Agreement on the Trade-Related Aspects of Intellectual Property Rights, *supra* note 37).

116. *Id.* at 899-900.

117. *Id.* at 900.

118. *Id.*

119. *Id.*

2. Comity and Relations Between Sovereigns

After it examined the relevant international treaties, the Federal Circuit proceeded to apply the four *Gibbs* factors to the facts of the noted case.¹²⁰ The court began with comity, defining it as “the recognition which one nation allows within its territory to the legislative, executive or judicial acts of another nation, having due regard both to *international duty* and *convenience*, and to the *rights of its own citizens* or of other persons who are under the protection of its laws.”¹²¹ The court stated that “considerations of comity do not support the district court’s exercise of supplemental jurisdiction over Voda’s foreign patent infringement claims” for five reasons.¹²²

First, the court stated that comity considerations do not support the district court’s exercise of supplemental jurisdiction because the court failed to find any international duty, and Voda had not identified one that would require the U.S. judicial system to adjudicate foreign patent infringement claims.¹²³ Specifically, the court asserted that nothing in the Paris Convention, the Patent Cooperation Treaty, or the TRIPs Agreement “contemplates or allows one jurisdiction to adjudicate the patents of another.”¹²⁴ Second, the court averred that comity considerations do not support an exercise of supplemental jurisdiction because “Voda has not shown that it would be more convenient” for U.S. courts to assume supplemental jurisdiction.¹²⁵ Third, the court asserted that considerations of comity do not support an exercise of supplemental jurisdiction because “Voda has not shown that foreign courts will inadequately protect his foreign patent rights.”¹²⁶

Fourth, the court noted that assuming supplemental jurisdiction over Voda’s foreign patent infringement claims might prejudice the rights of foreign governments, as those governments may not be willing to have U.S. courts exercise jurisdiction over infringement claims based on patents registered in those countries.¹²⁷ The court alleged that the local action doctrine is particularly illustrative to show that the United States should not exercise jurisdiction over the patents of other countries.¹²⁸ Although the local action doctrine is derived from real property case law,

120. *Id.* at 900-04.

121. *Id.* at 900.

122. *Id.* at 901.

123. *Id.*

124. *Id.*

125. *Id.*

126. *Id.*

127. *Id.*

128. *Id.*

the court explained that it may be relevant to intellectual property as well.¹²⁹ The court stated that just as the local action doctrine maintains that an action must be brought within the state in which the land lies, an action for intellectual property infringement must be brought within the territory of the sovereign who granted the patent.¹³⁰ The court then noted that even though the United States Patent Act declares that “patents shall have the attributes of personal property” rather than real property, the local action doctrine is still informative.¹³¹ Likewise, the court also found that not only is the fourth concern—that enacting supplemental jurisdiction might prejudice the rights of foreign governments—supported by the local action doctrine, but it is also supported by a rule of statutory construction—that the Supreme Court “ordinarily construes ambiguous statutes to avoid unreasonable interference with the sovereign authority of other nations.”¹³²

Additionally, the court mentioned that the Supreme Court has also noted the territorial limitations of patent rights, remarking that U.S. patent laws do not operate beyond the limits of the United States nor were they intended to do so.¹³³ The court stated that the principle that the United States should not interfere with the sovereign authority of other nations follows from limitations on U.S. patent laws.¹³⁴ Thus, the court determined that the principle of comity dictates that a district court should decline to exercise supplemental jurisdiction over foreign patent infringement claims, as doing so would risk interfering with the sovereign authority of other nations.¹³⁵

3. Judicial Economy

The Federal Circuit then proceeded to explore judicial economy, the second *Gibbs* factor.¹³⁶ The court determined that authorizing supplemental jurisdiction over foreign patent infringement claims would not be consistent with encouraging judicial economy for three reasons.¹³⁷ First, the court explained that a district court would likely consume more judicial resources in deciding a foreign patent infringement case than the court of the country that granted the foreign patent would because the

129. *Id.*

130. *Id.*

131. *Id.* at 902 (quoting 35 U.S.C. § 261 (2000)).

132. *Id.* (quoting *F. Hoffmann-LaRoche Ltd. v. Empagran S.A.*, 542 U.S. 155, 164 (2004)).

133. *Id.* (quoting *Pellegrini v. Analog Devices, Inc.*, 375 F.3d 1113, 1113 (Fed. Cir. 2004)).

134. *Id.*

135. *Id.* at 903.

136. *Id.*

137. *Id.*

district court lacks knowledge regarding foreign law.¹³⁸ Second, the court asserted that juries might be confused if a court applied different patent law regimes in one trial.¹³⁹ Third, the court suggested that district courts would have to conduct separate trials if patent law regimes differed greatly.¹⁴⁰ Thus, the court concluded that exercising supplemental jurisdiction would not provide Voda any benefit, because Voda would have to endure the same amount of litigation as he would if he had filed his U.S. and foreign patent infringement claims in the courts of each respective sovereign.¹⁴¹

4. Convenience

Next, the court proceeded to investigate convenience, the third *Gibbs* factor.¹⁴² The court stated that the Supreme Court had not defined convenience in the context of supplemental jurisdiction.¹⁴³ However, because the parties in *Voda* had structured their convenience arguments around the doctrine of forum non conveniens, the court treated the *Gibbs* principle of convenience as equivalent to the principle of forum non conveniens for the purpose of deciding this case.¹⁴⁴ Thus, the court suggested that litigating the foreign patent infringement claims in U.S. courts might not be convenient because it would be expensive for the parties to obtain and translate evidence.¹⁴⁵ Additionally, the court concluded that permitting supplemental jurisdiction over foreign patent infringement claims would be inconvenient because experts in foreign patent law would be necessary to try the case, but they would be difficult and costly for the parties to obtain.¹⁴⁶

5. Fairness

Finally, the Federal Circuit examined whether the *Gibbs* factor of fairness would support the exercise of supplemental jurisdiction over foreign patent infringement claims.¹⁴⁷ The court asserted that the act of state doctrine would make the exercise of supplemental jurisdiction over

138. *Id.*

139. *Id.*

140. *Id.*

141. *Id.*

142. *Id.*

143. *Id.* at 904.

144. *Id.*

145. *Id.*

146. *Id.*

147. *Id.*

foreign patent infringement claims unfair.¹⁴⁸ The court supported its assertion by explaining that the act of state doctrine requires that acts of foreign sovereigns done within their jurisdiction be deemed valid.¹⁴⁹ The court stated that if it were to assume that the grant of a patent by a sovereign were an act of state, then the act of state doctrine would prevent a U.S. court from inquiring into the validity of a foreign patent grant.¹⁵⁰ As a result, U.S. courts would have to decide on patent infringement claims without determining whether the foreign patent was valid in the first place.¹⁵¹ The court asserted that exercising such jurisdiction would be unfair to the alleged infringer, if the patent was indeed invalid.¹⁵²

After examining the *Gibbs* factors, the court concluded that the district court should decline to exercise supplemental jurisdiction over foreign patent infringement claims because there were numerous compelling reasons for declining jurisdiction under § 1367(c)(4).¹⁵³ Thus, the court concluded that the district court abused its supplemental jurisdiction discretion under § 1367(c) because it neglected to examine the *Gibbs* factors entirely.¹⁵⁴

C. Dissent

The dissent began by explaining that U.S. courts have always had the authority to decide questions that involve the application of foreign law, a fact admitted by the majority.¹⁵⁵ The dissent was concerned by the majority's holding that U.S. courts cannot decide foreign patent infringement claims.¹⁵⁶ Thus, the dissent found it "inappropriate for the Federal Circuit to create this unique exception to the authority of American courts to resolve controversies that require the application of foreign law."¹⁵⁷ Additionally, the dissent argued that U.S. citizens deserve access to dispute resolution of their foreign patent infringement claims in U.S. courts.¹⁵⁸

148. *Id.*

149. *Id.*

150. *Id.*

151. *Id.*

152. *Id.*

153. *Id.*

154. *Id.*

155. *Id.* at 906.

156. *Id.*

157. *Id.*

158. *Id.*

IV. ANALYSIS

The *Voda* court's examination of international treaties and the manner in which it analyzed the *Gibbs* factors is misleading. When the court examined the relevant intellectual property treaties, it simply quoted a few sections of each relevant treaty, and stated that each section demonstrated that the treaty would not support U.S. courts in exercising supplemental jurisdiction over foreign patents.¹⁵⁹ However, the quotes chosen by the court did not say anything about whether the United States could adjudicate foreign claims. In fact, most of the quotes only stated that countries should have the ability to design their patent application and adjudication regimes in any way they see fit.¹⁶⁰

Perhaps the court thought that if the treaties granted their subscribing parties sole authority to design their own patent regimes, such authority would also mean that the countries would be the only ones that could determine who could litigate their patent infringement claims. However, such analysis seems to be a stretch. If the subscribing parties of the international treaties wanted to include adjudication limitations in the treaties, they would have likely done so and would have been explicit in their explanation of such limitations.

Additionally, the court quickly dismissed the strong argument posited by *Voda* and an amicus curiae that an additional reading of the treaties might suggest that the treaties are attempting to harmonize the patent regimes of the countries that are subscribing parties.¹⁶¹ In fact, the court did not even consider that the existence of the treaties themselves might suggest that the subscribing states intended to harmonize their laws and adjudication procedures with regard to patents. If harmonization is the goal, the treaties would likely encourage, rather than hinder, U.S. litigation of foreign patent infringement claims.

The noted case is also misleading in the manner in which it applies and balances the *Gibbs* factors. As the court itself stated, the *Gibbs* factors for determining whether there is a compelling reason for prohibiting supplemental jurisdiction over foreign patent infringement claims under § 1367(c)(4) do not constitute a per se rule.¹⁶² The factors should be applied to the facts and weighed to determine whether jurisdiction over the particular case is appropriate.¹⁶³ However, rather

159. *Id.* at 898-900.

160. *Id.*

161. *Id.* at 899-900.

162. *Id.* at 905.

163. *Id.* at 898 (quoting *City of Chicago v. Int'l Coll. of Surgeons*, 522 U.S. 156, 173 (1997)).

than looking at both sides of each factor and then balancing all of the factors together, the Federal Circuit took an all-or-nothing approach.

For example, the court stated that exercising supplemental jurisdiction over foreign infringement claims would be inconvenient because the cost of obtaining and translating evidence would be expensive.¹⁶⁴ Then, the court briefly stated that deferring to the plaintiff's choice of forum would be important.¹⁶⁵ However, the court failed to recognize that it would be much more convenient and less costly for the plaintiff, as a U.S. citizen, to litigate his case in the United States, rather than to litigate it in a foreign country.

Another example of the court's all-or-nothing approach is its analysis of the judicial economy factor. The court argued that not allowing supplemental jurisdiction over foreign patent claims would enhance judicial economy.¹⁶⁶ Although this might make litigation more efficient in the United States by decreasing the patent infringement claims that companies face, it might subsequently increase litigation worldwide by forcing transnational corporations to use the courts of other countries or transnational bodies to litigate their foreign claims while simultaneously using U.S. courts to litigate their U.S. patent infringement claims.

The divide between the circuit courts prohibits a determination of the effects of *Voda*. However, if all courts take the view of the Federal Circuit, U.S. citizens and corporations will need to file their foreign patent infringement lawsuits in the countries where their foreign patents are registered. Doing so may make U.S. citizens and corporations less willing to litigate their foreign patent infringement claims because they will have to file lawsuits in foreign courts, which will likely be time consuming and generally unappealing.

V. CONCLUSION

Prohibiting the misuse of intellectual property is important to ensure that individuals continue to engage in creative endeavors. Individuals cannot reap the rewards they deserve if intellectual property is used illegally. To ensure that intellectual property laws are enforced, patent holders should be able to obtain justice conveniently against infringements of their rights. Forcing plaintiffs to go abroad in search of justice is not the answer. U.S. citizens who hold foreign patents,

164. *Id.* at 904.

165. *Id.*

166. *Id.* at 903.

however, can still be hopeful. *Voda* is not the end-all for determining whether supplemental jurisdiction applies to foreign patent infringement claims; eventually, the Supreme Court may be forced to resolve the circuit split.

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