DRI, Massaron file brief to U.S. Supreme Court in Lexmark patent case

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The President of DRI: The Voice of the Defense Bar, Mary Massaron, recently co-authored and filed an amicus brief on merits with the U.S. Supreme Court in a patent infringement case.

Lexmark International Inc. v. Static Control Components Inc. arises out of a long-running lawsuit.

Lexmark manufactures laser printers and the toner cartridges required for its printers to operate. An aftermarket has developed in such cartridges.

Entities known as “remanufacturers” acquire used cartridges from Lexmark’s customers, refill them, and sell them to owners of Lexmark printers.

Remanufacturers, in turn, obtain components needed to repair cartridges from still other companies.

Static Control is an example of that third type of entity. It does not remanufacture or sell cartridges, but it makes components needed to remanufacture Lexmark cartridges.

Lexmark holds patents to several components in its cartridges.

Believing that Static Control was infringing those patents, Lexmark sued Static Control on patent and copyright theories.

Static Control counterclaimed, arguing that Lexmark engaged in false advertising under the Lanham Act when it allegedly told remanufacturers that using Static Control’s products would cause the remanufacturers to infringe Lexmark’s patents.

A federal district court dismissed Static Control’s Lanham Act claim on prudential standing grounds, holding that the company could not assert a claim because it was not a competitor of Lexmark and Static Control’s injuries were too remote.

The U.S. Court of Appeals for the Sixth Circuit reversed, asking only whether Static Control has "a reasonable interest to be protected against the alleged false advertising."

In its 21-page brief, DRI takes issue with the Sixth Circuit's approach because it allowed standing beyond direct competitors contrary to the purpose of the Lanham Act.

DRI argues that no clear definition of what constitutes a "reasonable interest" exists, thus leaving the courts little guidance.

It urges the Supreme Court to adopt the categorical test employed by the Seventh, Ninth, and Tenth Circuits, permitting suits only by an actual competitor.

"The intent of the Lanham Act was to protect a litigant against unfair competition," said Massaron, Plunkett Cooney's Appellate Law Practice Group Leader. "It is logical then that standing should only be given to direct competitors."

"By adopting that standard, the amount and length of litigation could be diminished and that is what we urged the court to do."