



Roundup: U.S. orders import ban on Samsung mobile devices

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The U.S. International Trade Commission (ITC) on Friday ordered a ban on the import and sale of some Samsung Electronics mobile devices after finding they infringed on two Apple Inc.'s patents.

The ITC found Samsung guilty of infringing on two patents: one that covers touch-screen technology and one dealing with headphone jacks.

The trade panel, an independent and bipartisan body of U.S. federal government, said Samsung can continue to import and sell its infringing devices during a 60-day review period in which the Obama administration can veto the order.

The ruling delivers a blow to Samsung, whose devices run on Google's Android operating system since the company launched a global patent war against its major rival Apple in 2010 for the rapidly growing billion-dollar mobile market.

Both Apple and Samsung own only a proportion of the patents necessary to build a wireless device whose production is highly technology-intensive, involving hundreds of patents. But either party strives hard to obtain more leverage over the other in each individual market through patent lawsuits.

"The smart-phone patent war is the byproduct of an international patent system in which products are global but patents are national," said William Watson, a trade policy analyst at the U.S. think tank Cato Institute.

"Each country issues its own patents under its own rules, and any infringement determination must be made at the national level," he added.

The two tech giants have received inconsistent rulings in different countries. Apple had better results in Germany, Australia and the United States, while Samsung gained more support in South Korea, Japan and Britain.

In a separate case brought to the ITC by Samsung, the Committee ruled in June that Apple infringed upon some Samsung patents.

Following the ruling, the ITC also issued an exclusion order that prohibited unlicensed importing of Apple's infringing devices. Besides, the commission also issued a cease and desist order to prevent sales of certain Apple products in the United States.

However, U.S. President Barack Obama vetoed the ban on Aug. 3, a rare move that has not been seen since 1987. Samsung could not appeal against the veto, but it could continue to pursue its patent rights through the courts, said U.S. Trade Representative Michael Froman.

"Unlike every other country in the world, the United States allows patent holders to seek relief from allegedly infringing competitors in both a court of law and an administrative agency," said Watson.

Also on Friday, Apple asked the U.S. Court of Appeals for the Federal Circuit in Washington to block sales of certain Samsung products for patent infringement.

Last year, a federal court in California ruled that Samsung should pay Apple one billion dollars in damages for infringing on non-essential Apple patents. But the judge refused to impose an import ban on Samsung phones and later struck 450 million dollars from the verdict.

Industry waters said Apple's appeal reveals its ambition of kicking Samsung out of the U.S. market.

However, the U.S. parallel patent enforcement mechanism raises the possibility of redundancy and conflicting judgments. If the appeal court decides to issue a ban, the ITC proceeding is a complete waste of time. If the court finds that Samsung did not infringe Apple's patents, the whole thing is a complete mess.

Actually, the ITC's authority on patent cases "serves no legitimate purpose and poses substantial risk to the effectiveness of the patent system, the ability of the United States to participate in the international trading system, and the rights of American consumers to pick their own winners and losers in a globalized economy," said Watson.