

Legal Use Boundary of Licensed Patented Products under the Exhaustion Doctrine: Focusing upon Assembling and Repairing of Patented Products

Chung-Lun Shen *

Abstract

As technologies are advancing, industry specialization and facility sophistication are inevitable. Patent system is serving as impetus to promote technology development. On the one hand, granting of patent ensure the inventors' incentives to do further research and development by rewarding them in return of their high costs involved in invention. On the other hand, the disclosure of invention information under patent system is conducive to improvement or aggregative advance of invention. Under "non-discrimination" jurisprudence of patent law, the invention, with novelty, non-obviousness, utility and enablement, is qualified for patent granting, regardless of what technologies used to make it. As a consequence, multiple patents usually contribute to a manufacture process in the technological industries. In view of , industry specialization, an emerging legal issue is whether the down-stream manufacturers would infringe upon patents owned by the up-stream industries through assembling, even though the former have purchased patented components from the latter? This issue is significant to the industries of computer assembly and semi-conductor foundry. Fortunately, the U.S. Supreme Court has made a benchmark decision about the above-mentioned issue in *Quanta Computer, Inc. v. LG Electronics, Inc.*, 128 S. Ct.2109 (2008). This decision will provide us with reference for taking advantage of the exhaustion doctrine under Taiwanese patent law to solve the issue in Taiwan. Additionally,

* S.J.D., School of Law, Indiana University-Bloomington; Assistant Professor of Law, College of Law, National Chengchi University.
Email: felcls@ccu.edu.tw