# Seventh Circuit Constricts Extraterritorial Reach of U.S. Antitrust Law

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On March 27, 2014, in *Motorola Mobility LLC* v. *AU Optronics Corp.*, the U.S. Court of Appeals for the Seventh Circuit ruled that U.S. antitrust laws could not be invoked to reach foreign price-fixing that had only an indirect effect in the United States. The decision, authored by Judge Posner, held that the domestic effects test of the Foreign Trade Antitrust Improvements Act of 1982 ("FTAIA") was not met where allegedly price-fixed component parts were sold and combined into completed products abroad before being sold to consumers in the United States.