

**23rd Annual Berkeley-Stanford
ADVANCED PATENT LAW INSTITUTE
December 8-9, 2022**

Panel Discussion:

***“Jurisdiction and Venue Newest Developments for Selecting,
Preserving, and Challenging a Court.”***

Supplemental Materials Prepared by:

Michael Smith,
Scheef & Stone, LLP
Marshall, Texas

Michael.Smith@solidcounsel.com

Becca Skupin,
Scheef & Stone, LLP
Sherman, Texas

Becca.Skupin@solidcounsel.com



*Michael & Becca at the 2022 EDTX Bench Bar Planning Committee Meeting
Fort Worth, Texas*



SCHEEF & STONE
SOLID COUNSEL

The following are some supplemental materials in support of the panel discussion on the topic of “Jurisdiction and Venue: Newest Developments for Selecting, Preserving, and Challenging a Court.”¹

I. SELECTING THE COURT

The initial decision of which court to select for a patent infringement case should requires a litigant to evaluate questions of jurisdiction, and preferred courts within the permissible jurisdictions.

Jurisdiction

- Subject Matter Jurisdiction
- Personal jurisdiction

While the court must have both subject matter and personal jurisdiction, these are typically not substantial issues in a patent case, since district courts have subject matter jurisdiction over patent cases. The exception is where the plaintiff selects the wrong defendant and sues a party which is not conducting the activity which is alleged to be infringing. In that case, personal jurisdiction issues can arise since there would likely be no specific jurisdiction over the named defendant. But as noted below this situation also gives rises to other more substantive motions.

Factors In Selecting A Court

There are several factors that are commonly considered when selecting a court for a specific case.

- *Case Management Approaches*

Courts are often selected because of their case management approach, which in most cases refers to their experience with managing complex patent litigation. While all courts do things at least slightly different, many courts have local patent rules which in broad contour often derive from those

¹ Some of the analysis in these materials was previously published in the form of posts on the Eastern District & Texas IP Law Blog maintained by the undersigned at www.EDTexweblog.com.

adopted by the Northern District of California in the late 1990s which provide the necessary framework for a patent infringement case

- *Jury Pool*

While commentators often focus on the supposedly characteristics of the relevant jury pool, in the authors' experience jury pools are not predisposed to favor one side or the other in patent infringement cases the way they might be in personal injury cases where the public debate over tort reform may predispose them to favor defendants.

However, jury pools can react differently to different themes, so practitioners need to take into consideration the likely jury pool (education, business experience, etc.) when considering what themes to use at trial. There is a dramatic difference between, for example Marshall Division and Sherman Division jury panels in the Eastern District of Texas and the Waco Division of the Western District of Texas, and while none are more or less predisposed to one side or the other in patent cases, cases should definitely be presented differently in the different forums.

- *Time To Trial*

Time to trial is often an important consideration in patent cases, since a defendant may value the benefit from a delay in reaching trial more than the decrease in defense costs attributable to a quicker trial setting.

- *Relative Cost*

The relative cost of different forums can also be a consideration – hotel rooms are far more expensive in downtown San Francisco than in Marshall, for example. This factor was recently given increased emphasis by the Fifth Circuit, as discussed below.

- *Dispositive Motion Approaches*

One of the most important factors to be considered when determining where to place a patent infringement case is the approach different trial court judges take to dispositive motions. Some judges assign great weight to the jury's role in determining disputed facts and accordingly are reluctant to grant summary judgment motions wherever a material disputed fact issue is

present. Other courts are more willing to consider issues to not raise factual disputes which are material enough to require the attention of the jury.

What Are Current Popular Options?

Historically, districts come and go as popular places to file patent cases. But especially following the Supreme Court's decision in *TC Heartland* limiting where patent cases can be filed, there are only a few that are currently popular either with plaintiffs doing the filing, or defendant seeking transfers.

- California courts
 - NDCA
 - CDCA
- Texas courts
 - WDTX – but questions following the reassignment of new patent filings in the Waco Division to all judges in the district
 - EDTX
- Delaware – but questions following Judge Connolly's recent emphasis on disclosure of litigation financing.

II. PRESERVING THE COURT

The plaintiff's choice of forum in patent cases often triggers a fight, which manifests itself in three ways. First, is the named defendant doing the infringing? Second, is venue proper?

Is The Named Defendant Doing The Infringing?

Following *TC Heartland's* recognition of a far narrower standard for patent venue against domestic corporations, some plaintiffs have attempted to recast their cases against foreign corporations to take advantage of broader venue. This raises a threshold issue in some cases.

The court may have personal jurisdiction against the foreign entity, venue may be proper, and that entity may be related, either as a parent or sibling, to a domestic corporation which is engaged in activity alleged to be infringing. But since the activities even of related corporations may not be imputed to each other,

assuming corporate formalities are observed, claims against foreign defendants who are not engaged in the alleged infringing activity may be susceptible to a motion to dismiss.

Is Venue Proper As To The Defendants?

The second question is whether venue is proper. 28 U.S.C. 1400(b) provides two options for venue in a patent infringement case.

- *Where the Defendant Resides*

The first option is where the defendant resides, which has been interpreted as meaning the place of incorporation. In most cases, this will be Delaware.

- *Committed Acts of Infringement & Has a Regular & Established Place of Business*

The second option is where the defendant has committed acts of infringement and has a regular and established place of business.

- *Regular & Established Place of Business*

Most of the case law following TC Heartland’s restriction of “resides” to state of incorporation, as opposed to wherever a corporate defendant is subject to personal jurisdiction has been devoted to determining whether the defendant has a “regular and established place of business” in the plaintiff’s chosen forum. The Federal Circuit has held that such locations must be physical, and “of the defendant” such that in some cases franchises or separately owned dealerships do not count. *See In re Cray*, 871 F.3d 1355 (Fed. Cir. 2017).

Recent decisions in this area have also addressed more novel related issues such as under what circumstances a defendant has sufficiently ratified a place of business to make it its own, including what effect remote workers have. *See In re Monolithic Power Systems, Inc.*, No. 2022-153 (Fed. Cir. Sept. 30, 2022). In *In re Monolithic*, a divided panel indicated that such questions might not rise to the level of warranting mandamus relief – although as discussed below, panels with a different makeup might hold differently.



In re Monolithic.pdf

- *Committed Acts of Infringement*

Overlooked for the first several years after *TC Heartland*, the first requirement of the second option is now being tested by some defendant with a new venue strategy which challenges at the beginning of the case whether the infringing acts occurred in the plaintiff's venue.

The order in *AML* case addresses a defense that the court noted is asserted in a "growing number" of motions challenging venue under § 1400(b). (Many are filed by the same law firm). The defendant admits that the defendant has a regular and established place of business in the Western District of Texas (a retail store in Waco), but disputes that it has committed acts of infringement there.

Judge Albright concluded that the plaintiff's case was saved on improper venue by the requirement that he resolve all reasonable disputes in the nonmovant's favor. As a result, since the complaint asserted that the defendant commits one method step in the district, the plaintiff met its burden. But the Court went further:

Penney OpCo's Motion is one of a growing number challenging venue under § 1400(b)'s traditionally less contentious "acts of infringement" prong. This Motion is distinct from two recent decisions dismissing a defendant under this prong. In *EMA Electromechanics, Inc. v. Siemens Corp.*, the Court dismissed a co-defendant, Siemens Corporation, that controverted allegations it committed acts of infringement in this District by submitting a declaration stating the following: (a) its subsidiary, Siemens Industry, performed all the accused conduct; and (b) it did not commit *any* of the accused conduct, in this District or elsewhere. No. 6:21-cv-1001-ADA, 2022 U.S. Dist. LEXIS 76297, at *15 (W.D. Tex. Feb. 4, 2022). Likewise, in *Sightline Payments, LLC v. Everi Holdings Inc.*, the Court dismissed one co-defendant, Everi Games, that controverted allegations it committed acts of infringement in this District where: (a) its affiliate co-defendant, Everi Payments, submitted an affidavit attesting that Everi Payments was the only entity selling the accused product; and (b) the plaintiff eventually conceded that Everi Games only committed acts of infringement in this District under an alter-ego theory. No. 6:21-CV-01015-ADA, 2022 U.S. Dist. LEXIS 103059, *23 & n.6 (W.D. Tex. June 1, 2022). This case diverges from *EMA* and *Sightline* in that Defendant has not proffered a declaration completely disclaiming responsibility for the accused conduct and attributing it to

another. The Chakrabarty Declaration certainly does not represent that Defendant does not offer jcpenny.com to residents of this District. Rather, it merely indicates where relevant servers sit. *See* ECF No. 17-1 ¶¶ 7–10. In that way, it attempts to support Penney OpCo’s theory that the location of the servers is the location of infringement. The Court is not averse to such a theory but, as explained above, finds it too poor a fit to excuse Penney OpCo from having to defend suit here.

Order at. P. 13 (emphasis added). As the Court points out, the difference between this motion and the prior motions is that they sought dismissal of a codefendant which was, as discussed in the previous section, the wrong defendant to sue for the asserted conduct. These motions assert that the admittedly proper defendant whose conduct is asserted to infringe the plaintiff’s patent is not doing so in the district of suit – but in the court’s view only offered evidence that some of the relevant facts did not occur in the district of suit – not that none of them did.



AML - venue -
WDTX-6-21-cv-00522.

III. CHALLENGING THE COURT

Assuming jurisdiction and that venue is proper, the next question is whether the defendant will file a motion challenging the venue as unfairly inconvenient under 28 U.S.C. 1404(a).

Whether to File a Motion to Transfer Venue Asserting Inconvenience

The defendant will consider the same factors as selecting a forum, but from the defendant’s perspective.

- *Case Management Approaches*
- *Jury Pool*
- *Time To Trial*
- *Relative Cost*
- *Dispositive Motion Approaches*

Motions to Transfer Venue

While few courts have specific deadlines for motions transfer venue, some do, attempting to align venue briefing so that the decision can be made before the claim construction hearing in line with recent Federal Circuit case law.

Venue Discovery on Litigation Funders

In *Mullen*, the court quashed the deposition notices to the extent they sought information regarding litigation funders and/or litigation investors.



Mullen - discovery -
WDTX-6-22-cv-00145

Of possible interest, although at a later stage, Judge Gilstrap also recently found that the litigation funder documents were protected under the work product doctrine, which had not been waived. The court concluded that the plaintiffs did not waive the work product protection by disclosing the documents possible or actual third-party funders. “As this District has noted, “Litigation funders have an inherent interest in maintaining the confidentiality of potential clients’ information, therefore, [Plaintiffs] had an expectation that the information disclosed to the litigation funders would be treated as confidential.” *United States v. Ocwen Loan Servicing, LLC*, No. 4:12-CV-543, 2016 WL 1031157, at *3 (E.D. Tex. Mar. 15, 2016).”



Hardin - litigation
funders discovery - EI

As noted above, the opposite is true in Delaware, where Chief Judge Connelly requires disclosure of information regarding third party financing of patent infringement cases.

Venue Factors

While an exhaustive discussion of venue factors is beyond the scope of the supplemental materials, three recent developments are worth noting.

- *The convenience of witnesses factor is the most important*

First, the venue analysis is heavily fact – intensive. A party can win or lose motion based on how well it can document who the potential witnesses are, and

where they are located. In *VoIP* the court denied transfer, concluding that “[i]n total, there are twenty witnesses in or around the NDCA that favor transfer, and fifty-three witnesses in or around the WDTX that favor retention.” The opinion makes clear that the plaintiff did a better job building a lengthy list of potential witnesses than the defendant.

Especially since the Fifth Circuit’s recent opinion in *In re Planned Parenthood* does not address witnesses, future motions should emphasize the importance of this factor. It does not matter – as it once did – that this “battle of the numbers” is typically



VoIP - venue -
WDTX-6-20-cv-00272.

- *Importance of credible analysis of convenience by defendant’s declarant*

Second, the need for a credible analysis of convenience by a defendant declarant is paramount. Although its decision to move forward with merits discovery was subsequently vacated by the Federal Circuit, this order in *Jambone* makes clear the need to have a credible declarant on venue facts. Noting that his experience handling many motions to transfer places him in a good position to assess the comparative credibility of parties and witnesses, Judge Albright compared the discovery and evidence produced by comparable high-tech defendants to show how forthcoming they appear:

- **Meta (formerly Facebook)** - got good marks from the court, which noted that it “has demonstrated exceptional candor before this court.” The court specifically found its declarations by Mr. Nicholas Wong to be “credible and convincing” and explains why.
- **Google** – the court found Google’s regular venue declarant Mr. Rope to present acceptable declarations, although they are limited to certain products and types of employees
- **Apple** – “Apple has a history of evading its discovery obligations,” Judge Albright writes. “When compared to forthcoming defendants like Meta, the Court is left to wonder why Apple is hiding such basic, relevant information [as details regarding its servers].” He noted that he explained his concerns with Apple’s repeated use of Mr. Rollins as an unreliable venue declarant in

the *Scramoge* case. *Scramoge Tech. Ltd. v. Apple Inc.*, No. 6:21-CV-00579-ADA, 2022 WL 1667561, at *2–4 (W.D. Tex. May 25, 2022).

“To summarize the problems with Mr. Rollins, he appears to do little investigation into the facts as a 30(b)(6) witness and instead serves as a mouthpiece for attorney argument. He works as a full-time finance manager for Apple but somehow investigates more patent cases than full-time experts. *Id.* at *2–3 (collecting just a fraction of Mr. Rollins’s declarations to show the unreasonable quantity). He explains complex technologies despite not being qualified as an expert. *Id.* He only vaguely describes what he does to prepare as a 30(b)(6) witness, leaving the Court to assume that he merely reviews attorney-fed information instead of conducting a reasonable investigation. *Id.* The Court has noticed the pattern of Mr. Rollins plainly declaring unqualified facts that support transfer, but when he gives facts about topics that might weigh against transfer, his statements suddenly become limited to his personal knowledge, suggesting that Mr. Rollins does not do an equally confident investigation into facts that weigh against transfer. *E.g., id.* at *3–4; *see also* Scramoge Case, ECF No. 81 at 6.

Order at p. 10.

In addition, the court’s exasperation is palpable when he writes that “Mr. Rollins’s declaration again employs his usual crafty and qualifying language, such as “*To my knowledge*, Apple does not have any *unique* working files or documents *relevant* to this case located in WDTX.” ECF No. 38-1 ¶ 7 (emphasis added). This type of language suggests that Mr. Rollins knows about redundant evidence in the WDTX or that such evidence may exist but is not known to Mr. Rollins because he failed to investigate it. Also embedded in this statement is Mr. Rollins’s determination of what is “relevant to this case.” *Id.* Mr. Rollins is wholly unqualified to be making determinations of technological relevance in a patent case where the claims cover a receiver, acoustic microphones, sensor, and processor configured to process acoustic signals in a very particular way.”

“By failing to identify *any* relevant people in Texas,” Judge Albright continues, noting that Apple has a campus with about 7,000 employees in Austin, “Mr. Rollins perpetuates the Court’s concern that Apple is somehow crafting an overly narrow definitions of relevant technology or otherwise avoiding its discovery obligations. The Court has no concern if an investigation finds no one in Texas in

an individual case—the concern arises only when companies with a large presence in Texas repeatedly tell the Court that its employees don’t work on entire Lines of products without ever explaining what those employees work on. For comparison, comparable tech companies like Meta and Google will, upon thoroughly investigating a major product, routinely find *some* people or evidence in Texas. *See, e.g.* Meta Case at ECF No. 40-11 (sealed interrogatory response identifying employees in Texas, California, and elsewhere). Even if the bulk of a team works at a company’s headquarters in California, it is exceedingly likely in the modern, post-COVID era that some employee works remotely from Texas or in its neighboring states, especially in cases involving big tech companies. By diligent investigation, Meta and Google routinely find these individuals and identify them during discovery. Mr. Rollins rarely does.” (Emphasis added) “In case after case, Apple argues that no one in Austin works on whatever Apple product happens to be accused, ultimately giving the Court the cumulative, puzzling, and unbelievable impression that there are no Apple products left for these 7,000 employees to work on.”

As previously noted, the Federal Circuit reversed Judge Albright’s decision in the order to go forward with merits discovery the same time as additional venue discovery and defer the venue determination until later. But the credibility issues identified in the motion are worth careful study.



Jawbone - venue
discovery - WDTX-6-

- *Fifth Circuit Venue Law*

The role of Fifth Circuit transfer law in patent cases has come up recently in two contexts.

- *Application of Unpublished Federal Circuit Cases*

First, Judge Albright’s decision in the *Motion Offense* case turned on whether he “should apply traditional Fifth Circuit transfer law or apply the Federal Circuit’s [unpublished] interpretations of Fifth Circuit transfer law.”

The plaintiff challenged the Federal Circuit's application of Fifth Circuit transfer law, asserting that the court should not rely on unpublished Federal Circuit cases which it argued contradict Fifth Circuit precedent. This Judge Albright said he could not do. "Although the Federal Circuit issues unpublished, nonprecedential transfer opinions, the Federal Circuit frequently cites these opinions as though they precedentially interpret Fifth Circuit law. The Fifth [probably should be "Federal"] Circuit repeatedly cites *Volkswagen I* and *Volkswagen II* as the authority being followed. Motion Offense has explicitly made its arguments, but the arguments are more appropriately reserved for a higher court."

But he did go through in the opinion the aspects of transfer law that the plaintiff challenged, but which the court found it must follow even where inconsistent with Fifth Circuit case law on motions to transfer - making clear where the Federal Circuit has required an outcome that is different from what would have been required under Fifth Circuit law. But he noted the net effect.

For example, "Under only Fifth Circuit law, this Court would have weighed the compulsory process factor in favor of transfer and given it little or no weight because Google has not carried its burden to show that the third-party prior art witnesses are unwilling to testify at trial to defend their titles as the earlier inventor. However, the Federal Circuit recently reversed this Court when this Court "erroneously discounted those third parties when [this Court] faulted [the movant] for not identifying any specific employees" of third-party companies such that the movant could not show that any specific employees were unwilling to testify. *In re Apple Inc.*, No. 2021-181, 2021 WL 5291804, at *3 (Fed. Cir. Nov. 15, 2021). The Federal Circuit has repeatedly presumed third-party unwillingness and weighed this factor heavily in favor of transfer after the Fifth Circuit issued its *Indusoft* decision." (Emphasis added).

Similarly, the relative ease of access to sources of proof weighs one way under Fifth Circuit law - another under the Federal Circuit's opinions. Same on convenience of witnesses. Same on judicial efficiency. Same on local connection. Similar on court congestion (current docket conditions mean that it weighs against transfer under both courts' rules, but the Federal Circuit requires district courts to assign it only limited weight - if any weight at all).

But, again, the Court found it had to follow even unpublished Federal Circuit caselaw. And when following the Federal Circuit cases," Judge Albright concludes. "this Court finds of that the private interest factors, one weighs heavily in favor of transfer, one weighs strongly in favor of transfer, one weighs in favor of transfer, and one weighs against transfer. Overall, the private interest factors clearly favor transfer. The public interest factors are neutral overall because one public interest factor favoring transfer cancels out a public interest factor weighing against transfer. Transferring the case will make trial clearly more convenient."



WDTX-6-21-cv-00514
-75.pdf

- *In re Planned Parenthood*

The 5th Circuit has been largely silent on venue since *In re Volkswagen* in 2008. But in *In re Planned Parenthood*, 52 F.3d 625 (5th Cir. 2002) it delivered an unpleasant Halloween present to defendants seeking transfers.

In an order denying Planned Parenthood's petition for mandamus directing transfer from the Amarillo Division of the Northern District of Texas to the Austin Division of the Western District of Texas, the circuit reaffirmed district courts' broad discretion when considering motions to transfer, and rejected the Federal Circuit's caselaw on venue issues on several points:

Electronic evidence accessible in either forum doesn't bear strongly on the transfer analysis.

The panel wrote that "[t]he district court ... found that the vast majority of the evidence was electronic, and therefore equally accessible in either forum. The location of evidence bears much more strongly on the transfer analysis when, as in *Volkswagen*, the evidence is physical in nature. See *In re Volkswagen*, 545 F.3d at 316-17." (Emphasis added).

The Federal Circuit has long held that "the bulk of the relevant evidence will likely be in its possession as the accused infringer, *In re Genentech, Inc.*, 566 F.3d 1338, 1345 (Fed. Cir. 2009). But it also recently similarly found that the availability of documents in both forums means that their location in Texas does not matter, and thus does not weigh against transfer. See *In re Netflix*, 20212-110 (Fed. Cir.

Jan. 19, 2022) (“the district court also recited the availability of certain contracts in the Eastern District of Texas, but it did not find, and we have not been shown, that such contracts were not also available at Netflix headquarters in the transferee venue”). *Planned Parenthood’s* holding that the effect of documents being electronic, and thus equally available, means that district courts have discretion to assign the factor less weight.

Movants must show that witnesses are unwilling to testify – CAFC had held the opposite.

“As to the availability of compulsory process,” the panel wrote, “the district court found that this factor did not weigh in favor of transfer because the Petitioners failed to identify any witnesses who would be unwilling to testify. Indeed, the availability of compulsory process “receives less weight when it has not been alleged or shown that any witness would be unwilling to testify.” *Hefferan v. Ethicon Endo-Surgery Inc.*, 828 F.3d at 488, 499 (6th Cir. 2016); *see also Curtis v. Galakatos*, 19 F.4th 41, 53 (1st Cir. 2021).” (Emphasis added).

This is significant, because as Judge Albright noted above in *Motion Offense*, the Federal Circuit recently reversed him because he “erroneously discounted those third parties when [this Court] faulted [the movant] for not identifying any specific employees” of third-party companies such that the movant could not show that any specific employees were unwilling to testify. *In re Apple Inc.*, No. 2021-181, 2021 WL 5291804, at *3 (Fed. Cir. Nov. 15, 2021). The Federal Circuit has repeatedly presumed third-party unwillingness and weighed this factor heavily in favor of transfer” he wrote. The Fifth Circuit has now rejected such a presumption.

District court can consider cheaper costs in rural Texas courts

“The district court acknowledged these arguments, finding that there are more flights into Austin, but that others costs in Amarillo are less—such as hotels and restaurants. It is not altogether clear in which direction these various costs weigh. Nonetheless, we cannot say that this analysis is based on incorrect legal principles or erroneous factual findings such that it would constitute an abuse of discretion.” (Emphasis added).

The transfer analysis can consider the district, not just the division

In response to a complaint that the district court was considering parts of the districts other than the transferor and proposed transferee divisions, the panel concluded that it didn't see it that way, but even to the extent the complaint was factually correct, "we have never framed the transfer analysis as focusing exclusively on either the destination *district* or destination *division*."

The significance of this language in patent cases is that it indicates courts can consider nearby documents or facilities, even if they are not within the relevant division. So a judge in Waco could consider the availability of flights or documents in nearby Austin - and possibly - given that the distances are similar - in Dallas. The panel clearly would not handcuff Judge Kacsmaryk to facts specific to the Amarillo Division - allowing a rural division judge leeway on what to consider. This in contrast to the Federal Circuit's repeated holding that "[t]he comparison between the transferor and transferee forums is not altered by the presence of other witnesses and documents in places outside both forums." *In re Toyota Motor Corp.*, 747 F.3d 1338, 1340 (Fed. Cir. 2014). According to the Fifth Circuit, it can be.

Docket congestion / time to trial is not "speculative" "where docket efficiency can be reliably estimated"

Here the panel noted the Federal Circuit's holding explicitly. "To be sure, some courts have held that this factor is "speculative." *In re Genetech, Inc.*, 566 F.3d 1338, 1347 (Fed. Cir. 2009). But to the extent docket efficiency can be reliably estimated, the district court is better placed to do so than this court. Moreover, this case appears to be timely proceeding to trial before the Amarillo Division." (Emphasis added).

Here the panel specifically recognizes that the Federal Circuit has expressed an opinion on this point - and declined to follow it. Instead, it held that where a court can make a reliable estimate of time to trial, its determination is favored over the district court. And while venue determinations in patent cases are likely to occur earlier than it did here since the motion was late and followed substantial activity in the case, the panel was clear that the progress of the case itself can support that determination - another departure from Federal Circuit caselaw.

The long-term effect on *In re Planned Parenthood* may be significant in patent cases since the Federal Circuit applies regional circuit law in considering mandamus petitions. Thus this opinion doesn't create a circuit split - it effectively

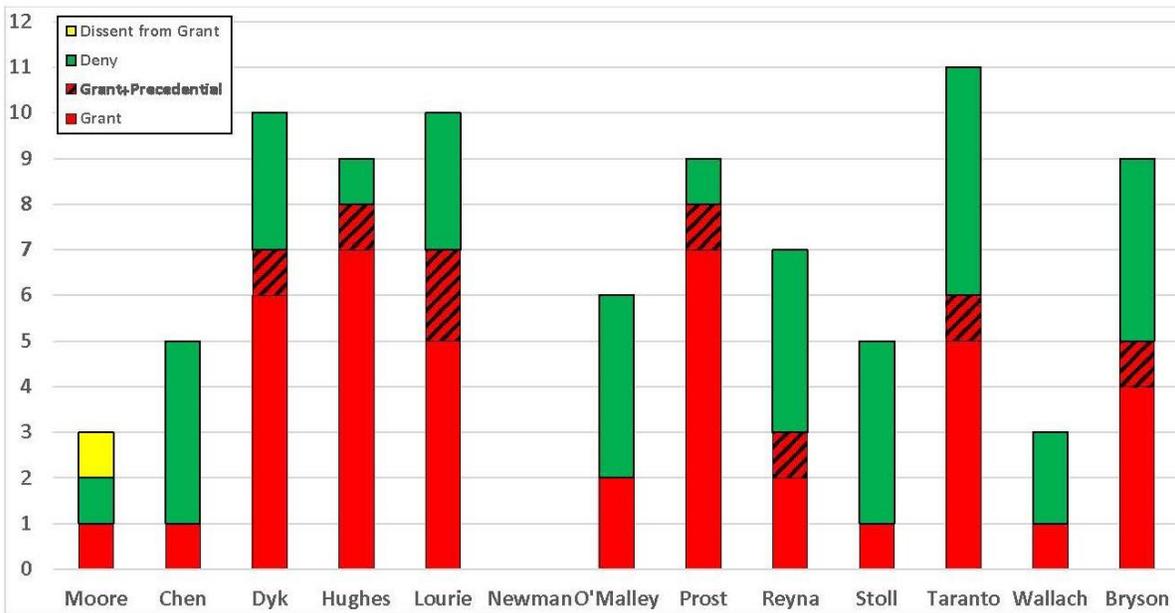
overrules contrary Federal Circuit decisions on a number of significant issues, all of which narrowed the facts available to argue against transfer.

It may, however, paradoxically have less relevance for Fifth Circuit practitioners due to the statement in an opening footnote that “Judge Ho concurs in the denial of the petition for a writ of mandamus based on the considerations of timeliness and delay identified by the district court and noted in Judge Elrod’s opinion.” While this won’t matter to patent practitioners, and does not affect the precedential status of the opinion since the holding was unanimous, Fifth Circuit residents might view it as a statement that some of the judges on the Fifth Circuit might prefer to apply a different standard in a case where the motion to transfer was filed timely (as most are).

Mandamusing a Denial

It is no secret that Federal Circuit panels have been hostile to orders denying transfer. However, a recent study of 2020-2021 Federal Circuit mandamus decisions on ALM \ law.com showed that while 13 Federal Circuit judges are eligible to sit on venue mandamus panels, only five of these judges (Dyk, Hughes, Lourie, Prost, and Taranto) account for an overwhelming number of granted petitions (hereinafter “high-frequency judges”). *See* Smith, Rupp & Robinson, [The Federal Circuit’s 2020-2021 Patent Venue Mandamus Cases – part 1](#)²; Smith, Rupp & Robinson, [The Federal Circuit’s 2020-2021 Patent Venue Mandamus Cases – part 2](#).

² The first article has now been “archived” and is no longer available on ALM | law.com – readers will have to locate it on either Lexis/Nexis or Bloomberg Law. The second article is still available - but oddly the tables and charts cannot be printed as part of it – they can only be viewed online.



The below table shows the statistical probability that zero, one, two, and three high-frequency judges are on a panel and actual fraction of time high-frequency judges are on a panel.

Table 1. Statistical probability that 0, 1, 2, or 3 high-frequency judges are on a panel and actual fraction of time high-frequency judges are on a panel.

Number of High-Frequency Judges	Statistical Probability	Actual
0	0.1958	0.1724
1	0.4895	0.1034
2	0.2797	0.5172
3	0.0350	0.1724

If the judges for a particular panel were randomly selected, the five high-frequency judges should be a majority of the panel only 31.47% of time, but in actuality, they are a majority of the panel 68.97% of the time. The below chart shows the effect of getting them as a majority:

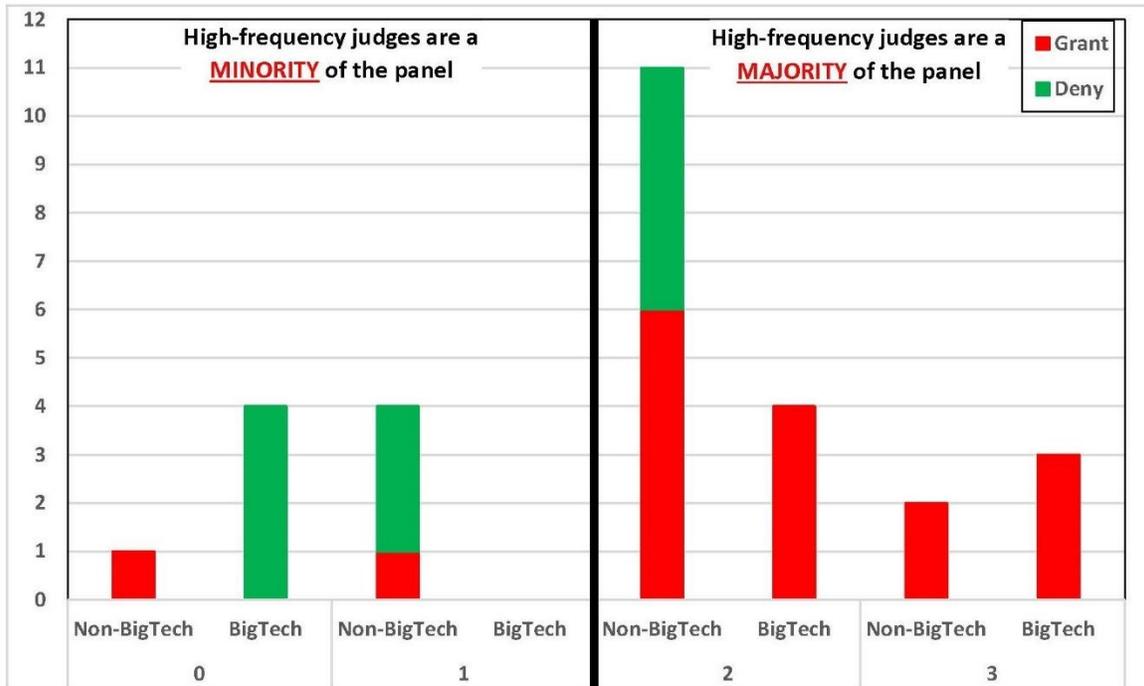


Figure 1. Number of granted and denied petitions, for when 0, 1, 2, and 3 high-frequency judges are on a panel for Non-BigTech and BigTech (Apple, Google, Juniper).

When the five high-frequency judges are a minority of the panel, the grant rate was 22.2%. By contrast, when they are a majority of the panel, the grant rate is 75.0%. It is 100% when all three are.

A review of the Federal Circuit’s motion panel assignment procedures makes clear that a party can time its filing to take advantage of the makeup of a current motion panel or wait for a future panel which has more judges considered favorable on the issue of venue mandamus. These results strongly suggest that companies can predict when a mandamus filing will have at least two of the five high-frequency judges; and when the five high-frequency judges comprise a majority of the panel, those mandamuses will be granted literally 100% of the time.

But this explains why certain judges hear more venue mandamuses, and why the outcomes weigh in favor of mandamus being granted, even though most of the Federal Circuit judges deny most of the patent mandamuses they hear.

CONCLUSION

We hope that the supplemental materials provided above will be helpful to practitioners evaluating recent developments in the field of jurisdiction and venue in patent litigation.

If you have questions or would like to discuss some of the issues identified, please don't hesitate to give Michael or Becca a call at (903)938-8900 (Michael - Marshall) or (430) 262-5660 (Becca - Sherman).

11/30/2022 - MCS