Choosing Your Turf: A Brief Overview of Venue in Patent Cases

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Patent infringement cases are filed all over the country and yet, invariably, parties seek to have cases transferred to other districts for a variety of reasons. The principle statute under which transfer is typically sought in patent cases is 28 U.S.C. §1404(a). Section 1404(a) allows a district court to transfer a case to any other district where the lawsuit could initially have been brought for the convenience of the parties and witnesses.

Once it is established that the proposed transferee forum is one in which the action could originally have been brought, courts consider numerous private and public interest factors in deciding a transfer motion, including: (1) the convenience of the parties and the witnesses; (2) the location where the alleged events took place (*i.e.*, the "center of gravity" of the case); (3) the relative ease of access to the sources of proof; (4) the plaintiff's choice of forum; (5) the pendency of related litigation in the transferee forum; (6) the relative congestion in the two courts; (7) the public interest in the local adjudication of local controversies; and (8) the relative familiarity of the courts with the applicable law.[1] This article briefly examines these factors and how some courts have treated them.

The Convenience of the Parties and Witnesses. Courts have expressed various opinions on the nature and weight of this factor. For example, while the convenience of the parties and witnesses remains a significant factor in §1404(a) analysis, some courts have observed that it is the convenience of non-party witnesses (such as inventors, former employees and prosecuting attorneys) that predominates the analysis.[2] Indeed, because the attendance at trial of party witnesses may often be compelled, some courts have accorded lesser consideration to the convenience of party witnesses.[3] Similarly, when the inconveniences of alternative venues are comparable, or when transfer would simply shift the inconvenience from one party to the other, some courts will not disturb the plaintiff's choice of forum.[4] Still other courts have held that parties may not rest on bare allegations of inconvenience but require parties to specifically identify key witnesses for whom litigation in the chosen forum would be inconvenient and to outline the substance of their anticipated testimony.[5] This task may be complicated when the movant cannot show that the testimony of former employees (who may not be subject to compulsory process) would not be cumulative of current employees' testimony.[6] Along the same lines, the supposed convenience of the parties may not necessarily favor transfer when the movant will be required to travel whether the action is transferred or not.[7]

In addition, courts may be less persuaded by the argument that transfer would be more convenient for witnesses whose testimony may be presented by videotaped deposition.[8] On the other hand, other courts (recognizing the preference for live testimony at trial), view the availability of compulsory process over key witnesses as a factor more important than the alleged inconvenience of the chosen forum for other witnesses.[9] Finally, while some courts consider the relative convenience of counsel for the parties, other courts deem such considerations irrelevant in ruling on a motion to transfer venue.[10]

The Location of Alleged Events. Several courts have observed that a patent infringement action should proceed where the case has its "center of gravity."[11] This involves consideration of both where the conception and reduction to practice of the patented inventions took place and where the majority of infringing activities is occurring.[12] Indeed, some courts have observed that the preferred center of gravity is where the locus of accused activity is located and that a plaintiff's choice of forum is entitled to lesser weight when the operative facts giving rise to the lawsuit occurred outside that forum.[13] Other courts, however, have questioned the vitality of the "center of gravity" concept in patent infringement cases, observing that "the material events of a patent infringement case do not revolve around any particular situs."[14]

The Location of Relevant Documents. Parties may also argue that transfer may be more or less appropriate depending upon the location of relevant documents and other sources of proof. Some courts, however, have observed that the accessibility and location of the sources of proof are antiquated factors of lesser significance nowadays due to the ease of storage, communication, copying and transportation of documents and information.[15] On the other hand, as noted above, the availability of compulsory process over key witnesses continues to be an important factor that might weigh against transfer.[16]

The Plaintiff's Choice of Forum. Different courts have viewed the plaintiff's choice of forum differently. On the one hand, some courts hold that a plaintiff's choice of forum is entitled to substantial deference and should not be lightly disturbed.[17] Other courts have found that a plaintiff's choice of forum has even more weight when the plaintiff files suit in its "home forum."[18] Other courts, however, have observed that the plaintiff's choice of forum is no longer a dominant factor and has diminished in significance since the enactment of §1404(a).[19] Still other courts have noted that a plaintiff's choice of forum may be entitled to lesser weight when it is the result of forum-shopping, or when the majority of allegedly infringing conduct occurred outside the chosen forum.[20] Thus, consideration of this factor is often intertwined with the "center of gravity" factor.

The Pendency of Related Litigation. The pendency of related litigation in another district is a factor that can weigh in favor of transfer.[21] The weight of this factor typically depends upon the similarity between the two actions in terms of the claims, parties, and technology involved.[22] When the degree of similarity in technology and claims is high, for example, some courts have reasoned that transfer would conserve judicial resources because then only one judge has to "be educated on the technology in general and the particular patents-in-suit."[23]

The Public Interest Factors. The so-called public interest factors involve a variety of considerations. For example, some courts acknowledge that a district court has a strong interest in adjudicating actions between litigants incorporated within that district.[24] Other courts may consider the feasibility or desirability of consolidation of the transferred action with another action as part of its transfer analysis.[25] Further, all federal courts are presumed to be equally familiar with patent law, so a court's familiarity with patent law may not appear to be a factor that would affect transfer analysis.[26] Nevertheless, some courts may have more experience with patent infringement actions than other courts, which has affected the transfer analysis.[27] In addition, the relative congestion in the two courts may be considered. For instance, some courts may be less congested than other courts and, as a result, cases may reach trial more quickly in some courts than others, which can be a factor supporting transfer to that district.

In sum, the balance of private and public interest factors is fact-specific and involves the consideration of many, interrelated factors. While their outcome may be difficult to predict, motions to transfer venue continue to play a part in patent infringement actions.

ENDNOTES

1. *Decker Coal Co. v. Commonwealth Edison Co.*, 805 F.2d 834, 843 (9th Cir. 1986).
2. *Mohammed v. Mazda Motor Corp.*, 90 F. Supp. 2d 757, 775 (E.D. Tex. 2000); *Robinson Corp. v. Auto-Owners Ins. Co.*, 304 F. Supp. 2d 1232, 1243 (D. Haw. 2003).
3. *See TIGS Ins. Co. v. NAFCO Ins. Co.*, 2001 WL 432369, at *6 (N.D. Tex. Apr. 23, 2001).
4. *In re National Presto Inds.*, 347 F.3d 662, 665 (7th Cir. 2003); *Decker Coal*, 805 F.2d at 843.
5. *Mohammed*, 90 F. Supp. 2d at 775; *Hupp v. Siroflex of Am., Inc.*, 848 F. Supp. 744, 749 (S.D. Tex. 1994).
6. *Pinpoint, Inc. v. Amazon.com*, 2003 WL 22175514, at *3 (N.D. Ill. Sep. 19, 2003).
7. *Dwyer v. General Motors Corp.*, 853 F. Supp. 690, 693 (S.D.N.Y. 1994); *Royal Queentex, Enters. v. Sara Lee Corp.*, 2000 U.S. Dist. LEXIS 10139, at *20-21 (N.D. Mar. 1, 2000).
8. *Pennsylvania Machine Works, Inc. v. North Coast Remanuf. Corp.*, 2004 WL 2600117, at *6 (E.D. Pa. Nov. 16, 2004).
9. *FUL, Inc. v. Unified Sch. Dist. No. 204*, 839 F. Supp. 1307, 1312 (N.D. Ill. 1993).
10. *In re Horseshoe Entertainment*, 337 F.3d 429, 434 (5th Cir. 2003).
11. *Teknekron Software Sys., Inc. v. Cornell Univ.*, 1993 U.S. Dist. LEXIS 21337, at * (N.D. Cal. Jun. 14, 1993); *Levinson v. Regal Ware, Inc.*, 14 U.S.P.Q.2d 1064, 1065 n.3 (D.N.J. 1989); *Pergo, Inc. v. Shaw Inds., Inc.*, 2003 U.S. Dist. LEXIS, at *5 (N.D. Ga. Sep. 16, 2003).
12. *Teknekron*, 1993 U.S. Dist. LEXIS 21337, at *20; *Steelcase Inc. v. Haworth, Inc.*, 1996 U.S. Dist. LEXIS 20674, at *9-10 (C.D. Cal. May 15, 1996). *See also Asymetrix Corp. v. Lex Computer and Mgmt. Corp.*, 1995 U.S. Dist. LEXIS 20388, at *11-12 (W.D. Wash. Jan. 25, 1995) (considering the location of the inventors as well as the allegedly infringing conduct).
13. *Laitram Corp. v. Morehouse*, 31 U.S.P.Q.2d 1697, 1700 (E.D. La. 1994); *AMP Inc. v. Burndy of Midwest, Inc.*, 340 F. Supp. 21, 25 (N.D. Ill. 1971); *Ricoh Co., Ltd. v. Honeywell, Inc.*, 817 F. Supp. 473, 481 (D.N.J. 1993).
14. *MediUSA, L.P. v. Jobst Institute, Inc.*, 791 F. Supp. 208, 210 (N.D. Ill. 1992). *See also Waste Distillation Tech., Inc. v. Toman*, 775 F. Supp. 759, 766-67 (D. Del. 1991) (finding no center of gravity when the relevant acts did not occur solely in one place, and witnesses and documents were located in different states).
15. *Cummins-Allison Corp. v. Glory Ltd.*, 2004 WL 1635534, at *6 (E.D. Tex. May 26, 2004); *Beam Laser Sys., Inc. v. Cox Communications, Inc.*, 117 F. Supp. 2d 515, 518-19 (E.D. Va. 2000); Schnabel v. Ramsey Quantitative Sys., Inc., 322 F. Supp. 2d 505, 518 (S.D.N.Y. 2004) (
16. *Gulf Oil v. Gilbert*, 330 U.S. 501, 511 (1947) ("[c]ertainly to fix the place of trial at a point where litigants cannot compel personal attendance and may be forced to try their cases on deposition, is to create a condition not satisfactory to court, jury or most litigants").
17. *Peteet v. Dow Chemical Co.*, 868 F.2d 1428, 1436 (5th Cir. 1989); *Brayton Purcell, LLP v. Recordon & Recordon*, 361 F. Supp. 2d 1135, 1143 (N.D. Cal. 2005).
18. *Kleinerman v. Luxtron Corp.*, 107 F. Supp. 2d 122, 125 (D. Mass. 2000); *Piper Aircraft Co. v. Reyno*, 454 U.S. 235, 255 (1981).
19. *MediUSA*, 791 F. Supp. at 210.
20. *Italian Colors Restaurant v. American Express Co.*, 2003 U.S. Dist. LEXIS 20338, at *11 (N.D. Cal. Nov. 10, 2003); *Alltrade, Inc. v. Uniweld Products, Inc.*, 946 F.2d 622, 628 (9th Cir. 1991); *Windmere Corp. v. Remington Prods., Inc.*, 617 F. Supp. 8, 10 (S.D. Fla. 1985).
21. *Baird v. Calif. Faculty Assn.*, 2000 WL 516378, at *1 (N.D. Cal. Jun. 26, 2000).
22. *Advanced Semiconductor Materials America Inc. v. Applied Materials Inc.*, 30 U.S.P.Q.2d 1553, 1554 (D. Ariz. 1993); *Mastercard Intl. Inc. v. Lexcel Solutions, Inc.*, 2004 U.S. Dist. LEXIS 10906, at *24 (S.D.N.Y. Jun. 18, 2004).
23. *Capitol Records, Inc. v. Optical Recording Corp.*, 810 F. Supp. 1350, 1354 (S.D.N.Y. 1992).
24. *Datex-Ohmeda, Inc. v. Hill-Rom Servs., Inc.*, 185 F. Supp. 2d 407, 412 (D. Del. 2002).
25. *Chrysler Capital Corp. v. Woehling*, 663 F. Supp. 478, 483 (D. Del. 1987).
26. *Recoton Corp. v. Allsop, Inc.*, 999 F. Supp. 574, 578 (S.D.N.Y. 1998).
27. *Quantel Ltd. v. Adobe Systems, Inc.*, 1996 U.S. Dist. LEXIS 21651, at *4-5 (D. Del. Dec. 12, 1996).