

BID FAREWELL TO TEXAS...

Intellectual Property Litigation Alert
May 22, 2017

On May 22, 2017, the Supreme Court significantly narrowed where a patent infringement lawsuit may be brought against a United States corporation. In *TC Heartland LLC v. Kraft Foods Group Brands LLC*, the Supreme Court agreed that Delaware was not a proper venue for a case against a business that was not registered to conduct business in Delaware and had no meaningful local presence there. The Supreme Court rejected prior Federal Circuit precedent which had essentially held that an alleged infringer could be sued anywhere it does business and opened rampant forum shopping in venues like the Eastern District of Texas (where close to half of all recent patent cases have been filed). In short, the Supreme Court held that a domestic corporation's "residence" under the patent venue statute is its state of incorporation. That does not mean that venue fights are over because venue is also proper where the defendant has a meaningful local presence. But it does mean that courts like the Eastern District of Texas will quiet significantly because few businesses have a meaningful local presence in Marshall, TX.

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