

**Modern Forum Shopping:  
Does *Holmes v. Vornado* Give Shopping New Appeal?**

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**I. Introduction**

Although once a mighty plaintiff's weapon, the great art of patent forum shopping was rendered virtually extinct as a result of the creation of the Federal Circuit in 1982.<sup>1</sup> Because of significant ideological differences among several of the Federal circuit courts, and in order to strengthen confidence in the patent system, the new Federal Circuit was assigned appellate jurisdiction in all patent cases. Since this single appellate body eliminated conflicts among circuits, few patent cases were subsequently heard by the Supreme Court and the influence and jurisdictional lock on patent appeals by the Federal Circuit grew with each passing year.

In 2002, however, *Holmes v. Vornado*<sup>2</sup> cracked the stranglehold of the Federal Circuit on patent appeals by denying Federal Circuit jurisdiction in patent questions where the patent issue was raised as a counterclaim and not present in the original complaint. In the two years since this decision, we have begun to see the effects of *Holmes* on forum shopping. Some cases have been transferred, and the Federal Circuit and district courts have become more careful about their jurisdictional bases in patent lawsuits. This paper looks at forum shopping in the aftermath of *Holmes* and addresses some basic forum shopping tactics in light of this important decision.

**II. Forum Shopping Civil Procedure**

Before looking at the *Holmes* decision and its effects on modern-day forum shopping, it is useful to review the basic components of civil procedure as they relate to Federal patent cases. The three basic elements of forum shopping civil procedure include subject matter jurisdiction, personal jurisdiction and venue. Each of these elements is uniquely shaped when applied to litigation involving patents.

**Subject Matter Jurisdiction**

The jurisdiction of Federal courts is limited by the Constitution to certain subjects and instances.<sup>3</sup> One instance of subject matter jurisdiction, the Federal question, is for "actions arising under the Constitution, laws or treaties of the United States."<sup>4</sup> Some subcategories of Federal question jurisdiction are specific instances where Congress has legislated to reserve all jurisdiction on a particular matter to the Federal courts, e.g. patent and copyright cases.<sup>5</sup> For patents in particular, original jurisdiction is reserved to the

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<sup>1</sup> The Federal Circuit Court of Appeals was created by the Federal Courts Improvement Act (Act of April 2, 1982, Pub. L. 97-164). See also S. Rep. No. 275, 97<sup>th</sup> Cong., 2<sup>nd</sup> Sess. (1982, reprinted in U.S. Code Cong. & Admin. News, p. 17 (Apr. 1982)).

<sup>2</sup> *The Holmes Group, Inc. v. Vornado Air Circulation Systems Inc.*, 535 U.S. 826, 122 S. Ct. 1889, 62 U.S.P.Q.2d 1801 (2002).

<sup>3</sup> U.S. Const. Art. 3 § 2.

<sup>4</sup> U.S. Const. Art. 3 § 2, 28 USC § 1331.

<sup>5</sup> 28 U.S.C. § 1338.

Federal district courts, and appellate jurisdiction generally is reserved to the Federal Circuit.<sup>6</sup>

The Rules of Civil Procedure apply the Constitution and Federal statutes to limit subject matter jurisdiction; "a pleading which sets forth a claim for relief shall contain a short and plain statement of the grounds upon which the court's jurisdiction depends."<sup>7</sup> Subject matter jurisdiction may be questioned at any time.<sup>8</sup>

Lower Federal courts may not hear every case brought before them, as they are courts of limited jurisdiction; therefore, the lower Federal courts apply an initial presumption that they lack subject matter jurisdiction.<sup>9</sup> The parties in the case cannot agree to confer or waive subject matter jurisdiction.<sup>10</sup>

There is a "well-pleaded complaint rule" that Federal question jurisdiction exists only when a Federal question is presented on the face of the plaintiff's complaint.<sup>11</sup> The corollary to the "well-pleaded complaint rule" is the "artful-pleading doctrine," that plaintiffs may not frame actions solely under state law and omit Federal claims that are essential to recovery.<sup>12</sup> Courts may find that the plaintiff's claims arise under Federal law even though the plaintiff did not specify that the cause of action was Federal.<sup>13</sup>

### **Personal Jurisdiction**

In order to have jurisdiction over a case, a Federal court must have not only jurisdiction over the subject matter, but also jurisdiction over the persons (or the property of these persons) who are parties in the case.<sup>14</sup> A Federal court may have personal jurisdiction over a party by application of a state's personal jurisdiction statute in a diversity of citizenship case.<sup>15</sup>

However, personal jurisdiction can be somewhat more complicated in a Federal question case. Following the Supreme Court, Federal district courts have held that Fifth Amendment due process is to be followed, and Fourteenth Amendment due process limitations are not applicable in Federal question cases.<sup>16</sup> In order for a Federal court to have jurisdiction over a defendant, the defendant must either consent, or have notice and contacts or presence within the forum state; this is derived from the Due Process Clauses

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<sup>6</sup> 28 U.S.C. §§ 1338(a), 1295(a)(1); *but see Christianson v. Colt Industries Operating Corp.*, 486 U.S. 800, 108 S. Ct. 2166, 7 U.S.P.Q.2d 1109 (1988).

<sup>7</sup> Fed. R. Civ. Proc. 8(a).

<sup>8</sup> Fed. R. Civ. Proc. 12(h)(3).

<sup>9</sup> *Kokonnen v. Guardian Life Ins. Co. of America*, 511 U.S. 375, 377, 114 S. Ct. 1673, 1675 (1994).

<sup>10</sup> *Simon v. Wal-Mart Stores*, 193 F.3d 848, 850 (5<sup>th</sup> Cir. 1999); *Laughlin v. Kmart Corp.*, 50 F.3d 871, 873 (10<sup>th</sup> Cir. 1995), *cert. denied* 516 U.S. 863 (1995).

<sup>11</sup> *See Rivet v. Regions Bank*, 522 U.S. 470, 475, 118 S. Ct. 921, 925 (1998); *Caterpillar, Inc. v. Williams*, 482 U.S. 386, 398-399, 107 S. Ct. 2425, 2433 (1987); *Franchise Tax Board v. Construction Laborers Vacation Trust*, 463 U.S. 1, 10, 103 S. Ct. 2841, 2846 (1983).

<sup>12</sup> *Franchise Tax*, 463 U.S. at 22.

<sup>13</sup> *Burda v. M. Ecker Co.*, 954 F.2d 434, 438 (7<sup>th</sup> Cir. 1992).

<sup>14</sup> 28 U.S.C. §§ 1332-1364, 1367-1368.

<sup>15</sup> Fed. R. Civ. Proc. 4(k)(1).

<sup>16</sup> *Insurance Corp. of Ireland, Ltd. v. Compaigne des Bauxites de Guinee*, 456 U.S. 694, 102 S. Ct. 2099, 2104-2105 (1982); *GRM v. Equine Inv. & Management Group*, 596 F. Supp. 307 (S.D. Tex. 1984); *Handley v. Indiana & Mich. Elec. Co.*, 732 F.2d 1265 (6<sup>th</sup> Cir. 1984).

of the Constitution (the Fifth Amendment for Federal questions, as opposed to the Fourteenth Amendment for diversity jurisdiction).<sup>17</sup>

The Federal Rules of Civil Procedure also address personal jurisdiction as a requirement; it must be raised as a defense in the first response to the plaintiff, or else this defense is lost.<sup>18</sup> The burden is on the defendant to prove that no personal jurisdiction exists.<sup>19</sup> If the parties do not conduct discovery on the personal jurisdiction issue, the plaintiff only has to “make a *prima facie* showing that the defendant[] is subject to personal jurisdiction.”<sup>20</sup> The long-arm statute of the state is applicable for service of complaint on a defendant.<sup>21</sup>

In order for a court to have jurisdiction over a case, it must have personal jurisdiction over the defendant(s) in the case.<sup>22</sup> Case law on personal jurisdiction is well-developed and has a long history.<sup>23</sup> Defendants need to either reside within the forum state or have minimum contacts with the forum state before a court can assert jurisdiction over them.<sup>24</sup>

The classic “minimum contacts” test for personal jurisdiction is that there are “certain minimum contacts with [the forum] such that the maintenance of the suit does not offend ‘traditional notions of fair play and substantial justice.’”<sup>25</sup> Contact with the forum state may be only enough to create specific jurisdiction (on a particular case) or may be enough to create general jurisdiction.<sup>26</sup> For corporations, jurisdiction may be based upon the principal place of business or the state of incorporation.<sup>27</sup> Courts recognize general jurisdiction in cases where a corporate defendant has engaged in continuous activity in the forum state, and specific jurisdiction in cases where a corporate defendant’s activity in the forum state is sporadic; the cause of action comes from the sporadic activity.<sup>28</sup> For specific jurisdiction, there must be contacts related to the case, purposeful availment, and reasonableness.<sup>29</sup>

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<sup>17</sup> U.S. Const., Amend. V, XIV § 1.

<sup>18</sup> Fed. R. Civ. Proc. 12(b)(2), 12(h)(1).

<sup>19</sup> See, e.g. *Akro Corp. v. Luker*, 45 F.3d 1541, 33 U.S.P.Q.2d 1505 (Fed. Cir. 1995), *cert. denied* 515 U.S. 1122, 115 S. Ct. 2277 (1995).

<sup>20</sup> *Silent Drive, Inc. v. Strong Industries, Inc.*, 326 F.3d 1194, 1201, 66 U.S.P.Q.2d 1602 (Fed. Cir. 2003); see also *Graphic Controls Corp. v. Utah Med. Products Inc.*, 149 F.3d 1382, 47 U.S.P.Q.2d 1622, 1623 n. 1 (Fed. Cir. 1998).

<sup>21</sup> *Omni Capital Intern., Ltd. v. Rudolf Wolff & Co., Ltd.*, 484 U.S. 97, 105, 108 S. Ct. 404 (1987); *Akro Corp.* at 1507; Fed. R. Civ. Proc. 4(e)(1) & 4(k).

<sup>22</sup> *Omni Capital Int’l*, 484 U.S. at 104, 108 S. Ct. at 409 (1987); *Caterpillar Inc. v. Lewis*, 519 U.S. 61, 76-77, 117 S. Ct. 467, 477 (1996).

<sup>23</sup> See *Pennoyer v. Neff*, 95 U.S. 714 (1877); *International Shoe Co. v. State of Wash., Office of Unemployment Compensation and Placement*, 326 U.S. 310, 66 S. Ct. 154 (1945).

<sup>24</sup> *Int’l Shoe*, 326 U.S. at 316.

<sup>25</sup> *Int’l Shoe*, 326 U.S. at 316, 66 S. Ct. at 158.

<sup>26</sup> See *Int’l Shoe*, 326 U.S. at 318, 66 S. Ct. at 159.

<sup>27</sup> See *Int’l Shoe*, 326 U.S. at 317, 66 S. Ct. at 159; see also *Shaffer v. Heitner*, 433 U.S. 186, 97 S. Ct. 2569 (1977).

<sup>28</sup> *Helicopteros Nacionales de Colombia, S.A. v. Hall*, 466 U.S. 408, 104 S. Ct. 1868 (1984).

<sup>29</sup> *World-Wide Volkswagen Corp. v. Woodson*, 444 U.S. 286, 100 S. Ct. 559 (1980); *Asahi Metal Indus. Co., Ltd. v. Superior Court of California, Solano County*, 480 U.S. 102, 107 S. Ct. 1026 (1987); *Burger King Corp. v. Rudzewicz*, 471 U.S. 462, 105 S. Ct. 2174 (1985).

The Supreme Court later addressed the question of "how much contact rises to a minimum level?"<sup>30</sup> In order to establish personal jurisdiction, "foreseeability" that a defendant may be sued in the forum state is not enough to cause jurisdiction to attach.<sup>31</sup> Financial benefits without minimal contact do not give rise to personal jurisdiction.<sup>32</sup> It is not fair to put the burden of a state's law upon a defendant unless the defendant sought benefits from or in the state's legal system. Courts must test for unreasonableness in exercising personal jurisdiction over a defendant.<sup>33</sup> The test includes four factors: 1) the burden on the defendant; 2) the interest of the forum state; 3) the plaintiff's interest in obtaining relief; and 4) the inconvenience to the defendant.<sup>34</sup>

Because personal jurisdiction in Federal question cases is derived from the Fifth Amendment, not the Fourteenth, slightly different standards and tests are used.<sup>35</sup> The same factors as the "minimum contacts" test of *International Shoe* are often used, but with more flexibility in their application.<sup>36</sup> Patent cases fall under Federal question jurisdiction, and so personal jurisdiction must be analyzed under Federal question standards.<sup>37</sup> Patent infringement cases require minimum contacts with the forum state.<sup>38</sup> The statute authorizing Federal jurisdiction over patent cases does not authorize nationwide service, so national contacts (contacts with the United States, as opposed to minimum contacts with the forum state) cannot be used to determine whether jurisdiction exists.<sup>39</sup>

The Federal Circuit has examined personal jurisdiction many times, developing a test in *Akro Corp. v. Luker*, and applying the *Akro* test in other cases.<sup>40</sup> In the Federal Circuit, the current law is that personal jurisdiction is intimately related to substantive patent law, and therefore Federal Circuit precedent governs the determination of personal jurisdiction.<sup>41</sup> The previous rule was that regional circuit law was applied to determine personal jurisdiction.<sup>42</sup> The Federal Circuit applies a three-prong test to determine if personal jurisdiction exists: "(1) whether the defendant purposefully directed its activities at the residents of the forum; (2) whether the claim arises out of or is related to those activities; (3) whether assertion of personal jurisdiction is reasonable and fair."<sup>43</sup>

The courts also apply a stream-of-commerce theory to determine whether personal jurisdiction can foreseeably attach to a defendant who releases its products into

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<sup>30</sup> *World-Wide Volkswagen Corp. v. Woodson*, 444 U.S. 286 (1980).

<sup>31</sup> *Id.*

<sup>32</sup> *Id.*

<sup>33</sup> *Burger King Corp. v. Rudzewicz*, 471 U.S. 462, 477 (1985).

<sup>34</sup> *Id.*; see also *World Wide Volkswagen Corp. v. Woodson*, 444 U.S. 286.

<sup>35</sup> *Omni Capital Int'l*, 484 U.S. 97, 108 S. Ct. 404 (1987).

<sup>36</sup> *Willingway Hosp., Inc. v. Blue Cross & Blue Shield of Ohio*, 870 F. Supp. 1102 (S.D. Ga. 1994).

<sup>37</sup> *Horne v. Adolph Coors Co.*, 684 F.2d 255, 259, 217 U.S.P.Q. 15, 19 (3<sup>rd</sup> Cir. 1982).

<sup>38</sup> *Patent Incentives, Inc. v. Seiko Epson Corp.*, 1988 WL 92460 (D.N.J. 1988), *aff'd without opinion*, 878 F.2d 1446, 11 U.S.P.Q.2d 1889 (Fed. Cir. 1989).

<sup>39</sup> *Glaxo Inc. v. Genpharm Pharmaceutical*, 796 F. Supp. 872 (E.D.N.C. 1992).

<sup>40</sup> See, e.g. *Genetic Implant Systems Inc. v. Core-Vent Corp.*, 123 F.3d 1455, 43 U.S.P.Q.2d 1786 (Fed. Cir. 1997); *Viam Corp. v. Iowa Export-Import Trading Co.*, 84 F.3d 424, 38 U.S.P.Q.2d 1833 (Fed. Cir. 1996).

<sup>41</sup> *Graphic Controls Corp. v. Utah Medical Prods. Inc.*, 149 F.3d 1382, 47 U.S.P.Q.2d 1622 (Fed. Cir. 1998).

<sup>42</sup> *Beverly Hills Fan Co. v. Royal Sovereign Corp.*, 21 F.3d 1558, 30 U.S.P.Q.2d 1001 (Fed. Cir. 1994), *cert. dismissed* 512 U.S. 1273, 115 S. Ct. 18. (1994) (stating the previous rule and overturning it).

<sup>43</sup> *HollyAnne Corp. v. TFT Inc.*, 199 F.3d 1304, 53 U.S.P.Q.2d 1201, 1204 (Fed. Cir. 1999), *citing Akro Corp. v. Luker*, 45 F.3d at 1545-46, 33 U.S.P.Q.2d at 1508-1509.

the stream of commerce.<sup>44</sup> Merely releasing articles into the stream of commerce may not be enough to cause jurisdiction to attach; a defendant is not “subject to nationwide jurisdiction if it decides to do business with a company that does business nationwide.”<sup>45</sup> However, in patent cases a court may hold that defendants releasing infringing articles into the stream of commerce should have foreseen the infringement, and the court may hold that it has personal jurisdiction over such defendants; this is a fact-specific analysis, with attention to whether the defendant “knowingly and intentionally exploited” the forum state as a market.<sup>46</sup> If the defendant places the accused product into the stream of commerce, knows the likely destination of the product, and has conduct and connections with the forum state such that it can reasonably anticipate being brought into court in the forum state, the courts will find personal jurisdiction exists.<sup>47</sup>

### Venue

Venue is a strictly statutory doctrine and requires that a case must be brought within the proper district within a state (if more than one district exists).<sup>48</sup> Patent infringement cases fall under a specific venue statute, and venue is proper wherever “the defendant has committed acts of infringement and has a regular and established place of business.”<sup>49</sup>

Patent infringement actions are controlled by 28 U.S.C. §1400;<sup>50</sup> 28 U.S.C. 1400 is strictly construed.<sup>51</sup> Corporate defendants may be subject to suit in *any* judicial district in which they are subject to personal jurisdiction, as venue can be proper.<sup>52</sup> A somewhat higher standard is required for patent infringement venue, however, as the requirement for patent cases is “the regular and established place of business” versus “doing business” under the general venue statute.<sup>53</sup>

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<sup>44</sup> *World-Wide Volkswagen*, 444 U.S. at 299; *Red Wing Shoe Co. v. Hockerson-Halberstadt, Inc.*, 148 F.3d 1355, 47 U.S.P.Q.2d 1192 (Fed. Cir. 1998); *Viam Corp.*, 38 U.S.P.Q.2d at 1836.

<sup>45</sup> *Red Wing Shoe Co.*, 47 U.S.P.Q.2d at 1197.

<sup>46</sup> *Viam Corp.*, 38 U.S.P.Q.2d at 1836. *See also Red Wing Shoe Co.*, 47 U.S.P.Q.2d at 1197 (no personal jurisdiction over defendant); *Horne*, 217 U.S.P.Q. at 19 (finding personal jurisdiction over defendant); *Beverly Hills Fan Co. v. Royal Sovereign Corp.*, 30 U.S.P.Q.2d at 1008.

<sup>47</sup> *Beverly Hills Fan Co.*, 30 U.S.P.Q.2d at 1008.

<sup>48</sup> *See* 28 U.S.C. §§ 1391, 1404, 1406; Fed. R. Civ. Proc. 12(b)(3), 12(h)(1).

<sup>49</sup> 28 U.S.C. §§ 1400(b), 1391(c).

<sup>50</sup> *Stonite Prods. Co. v. Melvin Lloyd Co.*, 315 U.S. 561, 563, 62 S. Ct. 780, 781, 52 U.S.P.Q. 507 (1942); *Fourco Glass Co. v. Transmirra Prods. Corp.*, 353 U.S. 222, 229, 77 S. Ct. 787, 792, 113 U.S.P.Q. 234 (1957); *but see VE Holding Corp. v. Johnson Gas Appliance Co.*, 917 F.2d 1574, 1584, 16 U.S.P.Q.2d 1614 (Fed. Cir. 1990) (venue in a patent infringement case includes any district where there would be personal jurisdiction over the corporate defendant at the time the action is commenced under 28 U.S.C. 1391(c)).

<sup>51</sup> *Schnell v. Peter Eckrich & Sons, Inc.*, 365 U.S. 260, 264, 81 S. Ct. 557, 560-561, 128 U.S.P.Q. 305 (1961).

<sup>52</sup> *Saint Gobain Calmar, Inc. v. Nat'l Products Corp.*, 230 F. Supp. 2d 655, 657 (E.D. Pa. 2002), *citing VE Holdings*.

<sup>53</sup> 28 U.S.C. 1400(b); 28 U.S.C. 1391(c); *OMI Int'l Corp. v. MacDermid Inc.*, 648 F. Supp. 1012, 1015, 231 U.S.P.Q. 232 (M.D.N.C. 1986); *PKWare, Inc. v. Meade*, 79 F. Supp. 2d 1007, 1018 (E.D. Wis. 2000); *Norkol/Fibercore, Inc. v. Gubb*, 279 F. Supp. 2d 993, 999 (E.D. Wis. 2003).

### III. Forum Shopping

There are many good reasons why choosing among different available forums is desirable. One reason is the home-court advantage. Potential plaintiffs should consider their own convenience, e.g. “proximity to the selected court,” counsel’s office location, “the availability of permanently located facilities that could become important in the case...and the availability of witnesses.”<sup>54</sup> A local party may also gain some advantage in jury trials.<sup>55</sup>

Another factor to consider is the speed of disposition; certain courts may be less busy than others and may resolve cases more quickly.<sup>56</sup> Certain courts, through procedural expediciencies and a history of speedy dispositions, have earned reputations as “rocket dockets,” e.g. the Eastern District of Virginia.<sup>57</sup> Plaintiffs usually are more interested in speedy trials, but in certain situations, plaintiffs may wish to take a go-slow approach to litigation “by an extended period of pendency.”<sup>58</sup>

Another factor to consider is whether there is an institutional bias on the part of the court, as certain courts may have a reputation for favoring either the patent owner or the defendant. For instance, the Federal Circuit had a reputation as being pro-patent, in cases where the plaintiff brought an antitrust case and the defendant brought a patent counterclaim.<sup>59</sup> Under *Holmes*, these types of cases will now go back to the regional circuit courts.<sup>60</sup> In contrast, the Eighth Circuit Court of Appeals in particular, pre-1982, had a reputation for never upholding a patent.<sup>61</sup>

For patent cases in particular, forum selection involves additional factors. The judge and the potential jury are important in regular civil trials.<sup>62</sup> In patent cases, the knowledge, background and experience of the judges, especially the judges' previous experience with technology or patent matters, is important.<sup>63</sup> The characteristics, predispositions and biases of local jurors with respect to technology are also important; defendants in high-tech fields may wish to have more sophisticated juries, e.g. the Northern District of California where potential jury members reside in Silicon Valley and may be overall more technically knowledgeable, whereas defendants in, for example, the agricultural equipment field, may wish to have a jury trial in a district where jurors will be more familiar with agricultural equipment.<sup>64</sup>

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<sup>54</sup> Ethan Horwitz, Lester Horwitz, *Patent Litigation: Procedures & Tactics*, § 1.02[3][a](1) (Matthew Bender 1995); see also Kimberly A. Moore, "Forum Shopping in Patent Cases: Does Geographic Choice Affect Innovation?" 79 N.C.L. Rev. 889, 899-900 (2001).

<sup>55</sup> See Horwitz, § 1.02[3][a](4).

<sup>56</sup> Kimberly A. Moore, "Forum Shopping in Patent Cases: Does Geographic Choice Affect Innovation?" 79 N.C.L. Rev. 889, 899-900 (2001).

<sup>57</sup> Moore at 900.

<sup>58</sup> Horwitz, *Patent Litigation* at § 1.02[3][a](2).

<sup>59</sup> Joseph J. O'Malley & Bruce M. Wexler, "Forum Shopping More Likely as a Result of Narrowing of Federal Circuit Jurisdiction in *Vornado*," *Intellectual Property Today* p. 39 (March 2003); see also *CSU, Inc. v. Xerox Corp.*, 203 F.3d 1322, 53 U.S.P.Q.2d 1852, (Fed. Cir. 2000), cert. denied 531 U.S. 1143, 121 S. Ct. 1077 (2001); Ronald S. Katz and Adam J. Safer, "The Federal Circuit and Antitrust: Should One Patent Court be Making Antitrust Law for the Whole Country?" 69 *Antitrust L.J.* 687 (2002).

<sup>60</sup> O'Malley; *Holmes*, 535 U.S. at 832.

<sup>61</sup> Joseph N. Hosteny, "Litigators' Corner: What's Going on Out There?" *Intellectual Property Today*, 36, September 2002.

<sup>62</sup> See Horwitz § 1.02[3][a].

<sup>63</sup> Moore at 900, Horwitz at §1.02[3][a](3).

<sup>64</sup> Moore at 900-901; Horwitz at §1.02[3][a](4).

Other factors to consider are the local rules of the district court; the Northern District of California and the Eastern District of Texas, for example, have specific local rules in patent cases.<sup>65</sup> Additional factors to consider in forum selection for patent cases include the practices of the judges in *Markman* hearings, when in the trial process the claims will be construed, and the type of evidence considered in claim construction.<sup>66</sup>

In patent cases, plaintiff should also consider the circuit law for pendent claims and counterclaims, and the familiarity of the district court with state law on non-patent issues (e.g. antitrust, trade secret), as the district court will consider whether it has pendent jurisdiction over the state law issues.<sup>67</sup> Plaintiffs should also be warned that blatant forum shopping may backfire, and their cases may be dismissed or transferred to a venue more convenient for the defendant.<sup>68</sup>

### **Forum Shopping Pre-1982**

Pre-1982, forum shopping was extremely important, and many of the battles in patent litigation centered on where the litigation war would be waged.<sup>69</sup> Some courts roundly condemned forum shopping.<sup>70</sup> Other courts tolerated it, and some courts were resigned to the situation.<sup>71</sup> The state of the law pre-1982 was that “patent law is an area in which the application of the law to the facts of a case often produces different outcomes in different courtrooms in substantially similar cases.”<sup>72</sup>

### **Reorganization of the Federal Courts**

Patent holders brought the bias issues and circuit splits in patent litigation to Congress, which reorganized Federal appellate jurisdiction so that one court would receive all the patent appeals from the Federal district courts.<sup>73</sup> This reorganization took effect in 1982, with the creation of the Court of Appeals for the Federal Circuit.<sup>74</sup> The newly created Court of Appeals for the Federal Circuit took its precedents from the Court of International Trade, Patents and Trademarks and the Court of Claims (both abolished by the Federal Courts Improvement Act), and not from the regional circuit courts.<sup>75</sup> Part

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<sup>65</sup> Moore at 900; Northern District of California Local Patent Rules, available on the court website, <http://www.cand.uscourts.gov/>; Eastern District of Texas Local Patent Rules, available at [http://www.txed.uscourts.gov/patent/patent\\_rules.pdf](http://www.txed.uscourts.gov/patent/patent_rules.pdf).

<sup>66</sup> Moore at 899-900.

<sup>67</sup> See *Al-Site Corp. v. Opti-Ray Inc.*, 28 U.S.P.Q.2d 1058 (E.D.N.Y. 1993); *Hunter Douglas, Inc. v. Harmonic Design, Inc.*, 153 F.3d 1318, 47 U.S.P.Q.2d 1769 (Fed. Cir. 1998), cert. denied 525 U.S. 1143, 119 S. Ct. 1037 (1999), overruled on other grounds, *Midwest Industries Inc. v. Karavan Trailers Inc.*, 175 F.3d 1356, 50 U.S.P.Q.2d 1672 (Fed. Cir. 1999); *Miller Pipeline Corp. v. British Gas plc*, 901 F. Supp. 1416, 38 U.S.P.Q.2d 1010 (S.D. Ind. 1995).

<sup>68</sup> 28 U.S.C. §§ 1404(a), 1406(a); Horwitz at §4.02[2]; 12-5 Mealey’s Litig. Rep. Intell. Prop 10 (2003).

<sup>69</sup> Horwitz, §4.02[1].

<sup>70</sup> *Rayco Mfg. Co. v. Chicopee Mfg. Corp.*, 148 F. Supp. 588, 112 U.S.P.Q. 230 (S.D.N.Y. 1957).

<sup>71</sup> *AMP, Inc. v. N. American Specialties Corp.*, 166 U.S.P.Q. 393 (E.D.N.Y. 1970); *General Tire & Rubber Co. v. Watkins*, 373 F.2d 361, 152 U.S.P.Q. 457 (4<sup>th</sup> Cir. 1967).

<sup>72</sup> H.R. Rep. No 97-312, at 201-21 (1981), reprinted in 1982 U.S.C.C.A.N. 11, 30-31.

<sup>73</sup> The Federal Circuit Court of Appeals was created by the Federal Courts Improvement Act (Act of April 2, 1982, Pub. L. 97-164). See also S. Rep. No. 275, 97<sup>th</sup> Cong., 2<sup>nd</sup> Sess. (1982, reprinted in U.S. Code Cong. & Admin. News, p. 17 (Apr. 1982)).

<sup>74</sup> *Id.*

<sup>75</sup> *South Corp. v. U.S.*, 690 F.2d 1368, 1369, 215 U.S.P.Q. 657, 657-658 (Fed. Cir. 1982); *Simmons Fastener Corp. v. Ill. Tool Works, Inc.*, 560 F. Supp. 1277, 218 U.S.P.Q. 547 (N.D.N.Y. 1983), rev. on

of the purpose of the Federal Circuit was to form “uniformity in the patent field and to prevent forum shopping.”<sup>76</sup>

### **Holmes v. Vornado**

In *The Holmes Group, Inc. v. Vornado Air Circulation Syst. Inc.*, 535 U.S. 826, 122 S. Ct. 1889, 62 U.S.P.Q.2d 1801 (2002), Justice Scalia authored the opinion of the majority, vacating and remanding the holding of the Federal Circuit that it had jurisdiction over a case where patent infringement was pleaded as a compulsory counterclaim, not in the complaint. Justice Stevens provided a separate opinion, concurring in part and concurring in the judgment. Justices Ginsburg and O’Connor filed a separate opinion concurring in the judgment. After twenty years of exclusive appellate jurisdiction over all cases involving patents, the Supreme Court held that the Federal Circuit’s appellate jurisdiction was limited to cases where the “plaintiff’s well pleaded complaint establish[es] either that Federal patent law creat[ed] the cause of action or that the plaintiff’s right to relief necessarily depends on the resolution of a substantial question of Federal patent law.”<sup>77</sup>

Procedurally, the case had an interesting history. Vornado initially lodged a complaint with the U.S International Trade Commission against the Holmes Group alleging that Holmes’ fans and heaters using a spiral grill design infringed upon Vornado’s patents and trade dress.<sup>78</sup> The Holmes Group subsequently filed a declaratory action in the U.S. District Court of Kansas, but only for the trade dress issue, as the Tenth Circuit Court of Appeals had previously ruled that Vornado’s spiral grill design did not have any protectable trade-dress rights.<sup>79</sup> In Vornado’s answer to the declaratory action filing, Vornado included a mandatory counterclaim alleging that the Holmes Group was infringing Vornado’s patents.<sup>80</sup>

The U.S. District Court of Kansas granted Holmes’ declaratory action because of collateral estoppel from the Duracraft case, and Vornado appealed the decision to the Federal Circuit.<sup>81</sup> The Federal Circuit vacated the lower court’s decision and remanded it for consideration of whether the “change in the law” exception to collateral estoppel applied in light of *TrafFix Devices, Inc. v. Marketing Displays, Inc.* 532 U.S. 23, 121 S. Ct. 1255, 58 U.S.P.Q.2d 1001 (2001).<sup>82</sup> The Holmes Group then appealed the Federal Circuit’s decision to the U.S. Supreme Court.

The Supreme Court in *Holmes* applied the well-pleaded complaint principle (that Federal question jurisdiction exists only when a Federal question is presented on the face of the plaintiff’s complaint) to patent cases.<sup>83</sup> Defenses that raise Federal questions,

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*other grounds* 739 F.2d 1573, 222 U.S.P.Q. 744 (Fed. Cir. 1984), *cert. denied*. 105 S. Ct. 2138, 471 U.S. 1065.

<sup>76</sup> *C.R. Bard, Inc. v. Schwartz*, 716 F.2d 874, 878, 219 U.S.P.Q. 197 (Fed. Cir. 1983).

<sup>77</sup> *Holmes*, 535 U.S. at 830 (internal quotes omitted).

<sup>78</sup> *Id.* at 828.

<sup>79</sup> *Holmes*, 535 U.S. at 828, citing *Vornado Air Circulation Syst., Inc. v. Duracraft Corp.*, 58 F.3d 1498 (10<sup>th</sup> Cir. 1995).

<sup>80</sup> *Id.*

<sup>81</sup> *Id.*

<sup>82</sup> *Id.* at 829.

<sup>83</sup> See *Rivet v. Regions Bank*, 522 U.S. 470, 475, 118 S. Ct. 921, 925 (1998); *Caterpillar, Inc. v. Williams*, 482 U.S. 386, 398-399, 107 S. Ct. 2425, 2433 (1987); *Franchise Tax Bd. v. Construction Laborers*

without Federal questions in the original complaints, do not give courts Federal question jurisdiction.<sup>84</sup> The Court held in *Holmes* that “arising under” in 28 U.S.C. 1338(a) (the patent jurisdiction statute) was equivalent to “arising under” in 28 U.S.C. 1331 (the general Federal question statute).<sup>85</sup>

Therefore, if a plaintiff’s cause of action does not contain a patent law claim, even if the defendant asserts a patent law claim in a counterclaim, Federal jurisdiction under 28 U.S.C. §§ 1295 and 1400 will not attach.<sup>86</sup> This overrules the Federal Circuit’s holding that the jurisdiction of the district court can be based on a patent counterclaim, and therefore the Federal Circuit would have jurisdiction over appealed cases with a patent counterclaim.<sup>87</sup>

The jurisdictional question is whether the case “arises under” Federal law, so retaining jurisdiction based on a counterclaim, once a case has already been decided by the Federal courts, may be different.<sup>88</sup> Justice Ginsburg’s concurrence states that the Federal Circuit should get jurisdictions if the district court adjudicated the merits of the compulsory counterclaim arising under Federal patent law.<sup>89</sup> Justice Stevens’ concurrence states that the Federal Circuit’s jurisdiction is not fixed until the notice of appeal is filed, but that the regional appellate courts may have jurisdiction over cases raising patent issues (citing *Christianson*). Justice Stevens points out that conflicts between the Federal Circuit and the regional circuits may be useful in identifying questions of law, and allowing regional circuits to make patent decisions will correct for institutional bias by the Federal Circuit.<sup>90</sup>

The true rationale for the Court’s decision in *Holmes* decision was probably to set down a bright-line test and to make patent law fall in line with other Supreme Court holdings. Justice Scalia in the majority opinion was quite pejorative of the petitioner’s argument that the “arising under” language in 28 U.S.C. 1338(a) was not equivalent to the jurisdiction under 28 U.S.C. 1295(a)(1).<sup>91</sup>

#### **IV. Forum Shopping post-*Holmes***

The Federal Circuit has begun to examine its appellate jurisdiction more closely, especially in cases where all the patent issues were dismissed and only the non-patent issues were appealed.<sup>92</sup> In some instances, this may be merely a mention that jurisdiction

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*Vacation Trust*, 463 U.S. 1, 10, 103 S. Ct. 2840, 2846 (1983), *Holmes v. Vornado*, 535 U.S. 826, 122 S. Ct. 1889, 62 U.S.P.Q.2d 1801 (2002).

<sup>84</sup> *Rivet* at 478; *Caterpillar* at 398-99; *Franchise Tax* at 13-14; *MSR Expl., Ltd. v. Meridian Oil, Inc.*, 74 F.3d 910, 912 (9<sup>th</sup> Cir. 1996).

<sup>85</sup> *Holmes*, 535 U.S. at 830-831, 122 S. Ct. at 1893.

<sup>86</sup> *Holmes*, 535 U.S. at 831, 122 S. Ct. at 1893-1894.

<sup>87</sup> *Aerojet-General Corpv. Machine Tools Works, Oerlinko-Buehrle Ltd.*, 895 F.2d 736, 13 U.S.P.Q.2d 1670 (Fed. Cir. 1990).

<sup>88</sup> *Holmes*, 535 U.S. at 834 n. 4, 122 S. Ct. 1889, cited at *Wells Fargo Bank Northwest v. TACA Int’l Airlines S.A.*, 314 F. Supp. 2d 195, 198-199 (S.D.N.Y. 2003).

<sup>89</sup> *Holmes*, 535 U.S. at 839-840.

<sup>90</sup> *Holmes*, 535 U.S. at 835, 838-839.

<sup>91</sup> *Holmes*, 535 U.S. at 833-834.

<sup>92</sup> *Chamberlain Group v. Skylink Tech., Inc.*, 381 F.3d 1178, 1188, 72 U.S.P.Q.2d 1225 (Fed. Cir. 2004). *Golan v. Pingel Enterprise Inc.*, 310 F.3d 1360, 1366, 64 U.S.P.Q.2d 1911, 1914-1915 (Fed. Cir. 2002).

exists under section 1338 and *Holmes*.<sup>93</sup>

The Federal Circuit transferred a case to the Eleventh Circuit because it lacked jurisdiction where the defendant filed a counterclaim for patent infringement.<sup>94</sup> An appellate court specifically pointed out that the Federal Circuit did not have jurisdiction in a case where the validity of the patent was brought in the counterclaim, not in a complaint.<sup>95</sup>

A Federal district court dismissed a case in which the plaintiff could prevail on all counts in her complaint without needing to resolve a substantial question of Federal patent law on any part of the complaint, even when the defendant's answer would rely on patent law.<sup>96</sup> Of course, a state court may hold that the causes of action the plaintiff brings arise out of Federal patent law even if not so stated on the face of the complaint, and hold that jurisdiction lies with the Federal courts.<sup>97</sup>

Courts have also extended *Holmes* to areas outside patent law. Federal district courts now question their jurisdiction under *Holmes* as well, even in cases that raise Federal questions that are not related in any way to patent law.<sup>98</sup> One court held that a third party complaint does not create Federal question jurisdiction even where the third party claims may be preempted by the Federal Depositors Insurance Act.<sup>99</sup> The Indiana Supreme Court held that it had jurisdiction over a case with a copyright counterclaim, because the copyright and patent jurisdictions were identical at the district court level.<sup>100</sup>

### Strategies

Prior to looking at specific strategies for modern-day forum shopping, it is useful to first look at some of the differences between the various Federal districts. In a comprehensive analysis of all *filed* patent cases between the 1995 and 1999, Professor Kimberly Moore provided a very helpful overview of the Federal court activity on a district-by-district basis.<sup>101</sup> In an effort to find trends in the years since Professor Moore's seminal work, we reviewed and summarized all *reported* patent cases from October 1999 through February 2003 (U.S.P.Q.2d, vol. 60-66). Our summary is attached.<sup>102</sup>

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<sup>93</sup> *Phillips v. AWH Corp.*, 363 F.3d 1207, 1211, 70 U.S.P.Q.2d 1417 (Fed. Cir. 2004), *rehearing en banc granted, judgment vacated on other grounds*, 376 F.3d 1382, 71 U.S.P.Q.2d 1765 (jurisdiction consideration under 28 U.S.C. 1295(a) (1) now includes consideration of *Holmes*); *Apotex, Inc. v. Thompson*, 347 F.3d 1335, 1342, 68 U.S.P.Q.2d 1725 (Fed. Cir. 2003).

<sup>94</sup> *Telcomm Technical Services Inc. v. Siemens Rolm Communications Inc.*, 295 F.3d 1249, 1251, 63 U.S.P.Q.2d 1606, 1607-1608. (Fed. Cir. 2002).

<sup>95</sup> *XCO Int'l Inc. v. Pacific Scientific Co.*, 369 F.3d 998, 1006 (7<sup>th</sup> Cir. 2004).

<sup>96</sup> *Conroy*, 325 F. Supp. 2d at 1055 (N.D. Cal. 2004).

<sup>97</sup> *Holiday Matinee, Inc. v. Rambus, Inc.*, 118 Cal.App.4<sup>th</sup> 1413, 1422-1427, 13 Cal. Rptr. 3d 766 (Cal App. 6<sup>th</sup> Dist. 2004).

<sup>98</sup> *In re Tamoxifen Citrate Antitrust Litigation*, 222 F. Supp. 2d 326, 330 (E.D.N.Y. 2002); *Cross Country Bank v. McGraw*, 321 F. Supp. 2d 816, 819 (S.D. W.Va. 2004); *Conroy v. Fresh Del Monte Produce, Inc.*, 325 F. Supp. 2d 1049, 1055 (N.D. Cal. 2004); *Spagnuolo v. Port Authority of New York & New Jersey*, 245 F. Supp. 2d 518, 520 (S.D.N.Y. 2002).

<sup>99</sup> *Cross Country Bank v. McGraw*, 321 F. Supp. 2d at 819 (S.D. W.Va. 2004).

<sup>100</sup> *Green v. Hendrickson Publishers, Inc.*, 770 N.E.2d. 784, 787, 63 U.S.P.Q.2d 1852, 1858 (Ind., 2002).

<sup>101</sup> Kimberly A. Moore, "Forum Shopping in Patent Cases: Does Geographic Choice Affect Innovation?" 79 N.C.L. Rev. 889 (2001).

<sup>102</sup> See Table 1, this work.

In the period from 1995-1999, definite patterns could be seen in regard to where patent cases were brought. Almost 44% of all patent cases in that period were brought in only ten jurisdictions. The skew is not due solely to differences in docket size between district courts or concentrations of high-tech industry. The busiest patent dockets during this period included the Central District of California, the Northern District of California, the Northern District of Illinois, the Southern District of New York, the District of Massachusetts, the District of Delaware, the Southern District of Florida, the Eastern District of Virginia, the District of New Jersey, and the District of Minnesota.<sup>103</sup>

From our look at reported cases from the period from Oct. 1999 to Feb. 2003, we note that the Southern District of New York and the District of Delaware were among the busiest reporting districts, and the Southern District of Florida and the District of Minnesota, in Moore's top ten, during our review period each reported only one decision.<sup>104</sup>

Speedy case resolution is often presumed to favor patentees, given the complexity of the patents being litigated and the brevity of time available in a fast-moving docket for accused infringers to find invalidating prior art. The district courts that were quickest to resolve patent cases from 1995-1999 were those in the Eastern District of Virginia, the Western District of Wisconsin, the Eastern District of Louisiana, the Eastern District of Pennsylvania, and the Western District of Washington.<sup>105</sup> There were ten district courts (the top ten forums) that handled 44% of all patent cases in this time frame, but the Eastern District of Virginia was the only court of those ten to be among the quickest to resolve patent cases.<sup>106</sup>

This apparently has changed slightly since Moore's article in 1999. The Eastern District of Texas now has a reputation as a "rocket docket," and the Eastern District of Virginia is starting to slip. "There are three reasons plaintiffs lawyers like to file in Marshall, [Texas]" says Otis Carroll, of Tyler-based Ireland, Carroll & Kelley. "They are familiar and comfortable with the patent rules, Judge Ward does not tolerate jacking around with discovery - he's stern that everyone cough up what needs to be coughed up - and he holds everyone to a prompt trial date." Carroll, who works as co-counsel with out-of-town firms, says the juries also give plaintiffs an edge. Marshall is "a populist area, an old railroad town with good Democratic voters," he says. "Juries aren't afraid to write down big numbers."<sup>107</sup> Discovery rules may play a part in the rush to Texas as well: "[D]isclosure in the U.S. District Court for the Eastern District of Texas, Texarkana division, is mandatory. Both sides are forced to share evidence, wiping out the fishing expeditions that go back and forth for months before a case gets to trial."<sup>108</sup> Judges in the Eastern District T. John Ward and David Folsom also have reputations for running strict dockets.<sup>109</sup>

Meanwhile, the Eastern District of Virginia has fallen out of favor as a "rocket docket" due to changes in the way cases are distributed among the District's divisions.<sup>110</sup>

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<sup>103</sup> *Id.* at 903-906.

<sup>104</sup> See Table 1, this work.

<sup>105</sup> Moore at 908.

<sup>106</sup> *Id.* at 903, Table 1.

<sup>107</sup> Brenda Sandburg, "The Marshall Plan," *Texas Lawyer* July 21, 2001.

<sup>108</sup> Sandra Rubin, "High Noon for Bre-X," *The Financial Post*, March 28, 1998.

<sup>109</sup> *Id.*

<sup>110</sup> Jenna Greene, "ITC: The Little Agency That Could," *Legal Times*, June 22, 2001.

“Inundated with patent cases from around the country, the Eastern District moved to relieve the burden by randomly assigning patent cases filed in Alexandria to all three divisions [Norfolk and Richmond as the other two divisions]. In addition, lawyers report that Alexandria judges have grown more likely to move patent cases to another court altogether.”<sup>111</sup>

The district courts that were the slowest in resolving patent cases from 1995-1999 were those in the Western District of New York, the Western District of Pennsylvania, the Northern District of New York, Connecticut, and the Southern District of Indiana.<sup>112</sup> None of these district courts were in the top ten forums for that time period, indicating that speed of disposition may be one factor influencing forum shopping. Our own findings show the slowest district courts were the Eastern District of New York (11 years to resolve one case), the Southern District of Florida (8 years to resolve one case), and the Northern District of Ohio (4 years to resolve one case).<sup>113</sup>

Previous research has shown that patentees win 58% of all patent suits overall.<sup>114</sup> However, skews from this 58% rate are seen in individual judicial districts.<sup>115</sup> The patentee won more often than the average in the Northern District of California, the District of Minnesota, the Central District of California, the Southern District of New York, the Southern District of Florida, and the District of New Jersey.<sup>116</sup> The Eastern District of Virginia was at the average.<sup>117</sup> Of the top ten patent forums, the accused infringer won more often in the Northern District of Illinois, the District of Delaware, and the District of Massachusetts.<sup>118</sup>

Our updated data (U.S.P.Q.2d vol. 60-66) shows an overall win rate for the *infringer* in 58% of the cases from our top nine districts, with 11% of the reported cases being wins for neither side, but 31% of the reported cases were wins for the patent holder.<sup>119</sup> The reported cases show the patent holder winning more often than the average in the Central District of California and Delaware.<sup>120</sup> The accused infringer won more often than the average in the Northern District of Illinois, the Eastern District of Virginia, and the Northern District of California.<sup>121</sup> The District of Arizona, the Southern District of New York, the District of Massachusetts, and the District of New Jersey had win rates for the patent holder ranging from 25% to 33%.<sup>122</sup>

The top districts reporting in our review of cases from 1999 through 2003 show interesting results when examining which party won its motion. The reported results have the plaintiff winning on its motions more often in the district courts in Arizona, New Jersey, the Central District of California, and Delaware.<sup>123</sup> The defendant won more often in the Northern District of Illinois, the Eastern District of Virginia, the Northern

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<sup>111</sup> *Id.*

<sup>112</sup> Moore at 909.

<sup>113</sup> See Table 1, this work.

<sup>114</sup> Moore at 916.

<sup>115</sup> *Id.* at 917.

<sup>116</sup> *Id.*, Table 8.

<sup>117</sup> *Id.*

<sup>118</sup> *Id.*

<sup>119</sup> See Table 1, this work.

<sup>120</sup> *Id.*

<sup>121</sup> *Id.*

<sup>122</sup> *Id.*

<sup>123</sup> See Table 1, this work.

District of California, and Massachusetts.<sup>124</sup> In the Southern District of New York, the results were equally balanced, with the plaintiff winning on its motions three times out of six.<sup>125</sup>

Therefore, forum shopping seems to be more driven by the results for the patentee and not as highly on the speed of resolution. This is not surprising, since patent owners are usually the plaintiffs in patent infringement actions and select the litigation forums. Choosing on speed alone would rearrange the order of the reporting districts from the U.S.P.Q.2d results; the Eastern District of Virginia, the Eastern District of Michigan, and the District of Arizona would then be ahead of the Southern District of New York and the District of Massachusetts in the number of cases filed and reported.<sup>126</sup> However, the District of Massachusetts and the District of Delaware each have a lower patent holder win rate than the nationwide average and were still in the top 10 forums in the past; these districts may be popular because of the ease in finding personal jurisdiction over defendant infringers.<sup>127</sup> However, from the U.S.P.Q.2d reported cases, the results for the patent holder do not seem to be playing as much part in selection of the forum. Perhaps speed of resolution or ease of obtaining jurisdiction are greater factors, or perhaps the cases that are *reported* are much closer ones (with a greater chance of the accused infringer winning) than the cases that are *filed* and settle before a decision is reported.

Given that there appears to be discrepancies among the various districts, it is also reasonable to assume that some, if not similar, outcome variations will exist among the various circuits in now deciding appeals on patent matters. The difficulty, of course, is that since none of the circuits other than the Federal Circuit have ruled on patent matters for nearly a quarter of a century, it is difficult to forum shop with any real precision.

As for practice tips, the Federal Circuit still seems to be a good bet for patent owners. To preserve Federal Circuit jurisdiction in a case, put at least one patent claim on the face of the complaint.<sup>128</sup> Contest the dismissal of patent claims from the suit.<sup>129</sup> Alternatively, to keep out of the Federal Circuit on appeal, try to formulate alternative theories of recovery for all counts in the complaint. *Holmes* reminds us that “the plaintiff is the master of the complaint,” so try to be the plaintiff, not the defendant. Patent holders should file separate suits, instead of counterclaims, to avoid being caught in the *Holmes* trap.

#### IV. Summary

With the current state of the law after *Holmes v. Vornado*, there may be good reasons to forum-shop in patent cases. It now makes quite a difference for appellate jurisdiction whether patent issues are pleaded as claims by a plaintiff or as counterclaims by a defendant. *Holmes*'s consequences are that it is important to bring suit first if one is the patent holder and wants Federal Circuit review, since the plaintiff, not the counterclaimant, chooses the forum.

Potential parties to patent lawsuits post-*Holmes* should be more alert to the

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<sup>124</sup> *Id.*

<sup>125</sup> *Id.*

<sup>126</sup> *Id.*

<sup>127</sup> See Moore at 971, Table 8.

<sup>128</sup> *Breed v. Hughes Aircraft Co.*, 253 F.3d 1173, 1175 (9<sup>th</sup> Cir. 2001).

<sup>129</sup> *Denbicare USA Inc. v. Toys “R” Us Inc.*, 84 F.3d 1143, 1147, 38 U.S.P.Q.2d 1865 (9<sup>th</sup> Cir. 1996); *Gronholz v. Sears, Roebuck & Co.*, 836 F.2d 515, 518, 5 U.S.P.Q.2d 1269 (Fed. Cir. 1987).

advantages of being the first one to bring suit, be ready to fight over jurisdiction and venue, be very specific about the basis for venue, and be alert to which districts handle most patent litigation and why these districts are favored.

In forum shopping, parties should consider basic matters of civil procedure such as subject matter jurisdiction, personal jurisdiction, and venue. It is important to consider the district court in which to bring suit, as the treatment of cases is different in different district courts. There are general factors to consider for any civil lawsuit such as the home-court advantage, the speed of disposition, and possible institutional bias. Forum shopping in patent cases involves considering these general factors, the specialized knowledge of the judge and potential jurors, patent-specific local rules, *Markman* practice, and timing and evidence in claim construction.

TABLE 1: Cases Reported in the U.S.P.Q.2d, Volumes 60-66

Case name	Dist.	Judge	Years to resolution	Winner (Award amount) [Enhanced damages]	Case cite	Case date
Brown v. 3M	AZ	Rosenblatt	2	Accused	60 U.S.P.Q.2d 1298	Aug-00
Lemelson Medical, Education & Research Foundation LP v. Intel Corp.	AZ	Holland	1	Patentee	64 U.S.P.Q.2d 1172	Jul-02
Lemelson Medical, Education & Research Foundation LP v. Intel Corp.	AZ	Holland	4	Patentee	61 U.S.P.Q.2d 1905	Feb-02
Robinson v. Cannondale Corp.	C. D. Cal.	Taylor	2	Accused	61 U.S.P.Q.2d 1823	Jan-02
Yamaha Hatsudoki Kabushiki Kaisha v. Bombardier Inc.	C. D. Cal.	Carter	1	Patentee	60 U.S.P.Q.2d 1541	Mar-01
Oakley Inc. v. Sunglass Hut Int'l	C. D. Cal.	Stotler		Patentee	61 U.S.P.Q.2d 1658	Dec-01
McNulty v. Taser Int'l Inc.	C. D. Cal.	Carter	1	Patentee	61 U.S.P.Q.2d 1937	Feb-02
Allergan Inc. v. Alcon Laboratories	C. D. Cal.	Carter		Accused	63 U.S.P.Q.2d 1427	May-02
Wesley Jessen Corp. v. Coopervision Inc.	C. D. Cal.	Matz		Patentee	63 U.S.P.Q.2d 1897	Jun-02
McDATA Corp. v. Brocade Communications Systems Inc.	CO	Kane		Accused	65 U.S.P.Q.2d 1515	Dec-02
Sony Corp. of America v. Soundview Corp.	Conn.	Margolis		Accused (plaintiff in this case)	61 U.S.P.Q.2d 1538	Oct-01

Case name	Dist.	Judge	Years to resolution	Winner (Award amount) [Enhanced damages]	Case cite	Case date
TI Group Automotive Systems (North America) Inc. v. VDO North America LLC	Del.	Sleet	2	Accused	62 U.S.P.Q.2d 1599	Mar-02
France Telecom S.A. v. Novell Inc.	Del.	Sleet	1	Accused	65 U.S.P.Q.2d 1055	Oct-02
Bayer AG v. Housey Pharmaceuticals Inc.	Del.	Robinson		Patentee	61 U.S.P.Q.2d 1051	Oct-01
Datex-Ohmeda Inc. v. Hill-Rom Services Inc.	Del.	Farnan		Patentee	62 U.S.P.Q.2d 1037	Feb-02
Syrrx Inc. v. Oculus Pharmaceuticals Inc.	Del.	Farnan	1	Patentee	64 U.S.P.Q.2d 1222	Aug-02
Novartis Pharmaceuticals Corp. v. Eon Labs Manufacturing Inc.	Del.	Farnan	1	Patentee	65 U.S.P.Q.2d 1216	Mar-02
McNeil-PCP Inc. v. L. Perrigo Co.	E.D. Pa.	Schiller		Accused (attorney's fees)	63 U.S.P.Q.2d 1493	Jun-02
Ronald A. Katz Technology Licensing LP v. Verizon Communications Inc.	E.D. Pa.	Newcomer	1	Accused	66 U.S.P.Q.2d 1045	Dec-02
Rambus Inc. v. Infineon Tech. AG	E.D. Va.	Payne		Accused	60 U.S.P.Q.2d 1385	Jun-01
Digital Privacy Inc. v. RSA Security Inc.	E.D. Va.	Smith		Accused	62 U.S.P.Q.2d 1773	Apr-02
SmithKline Beecham Corp. v. Excel Pharmaceuticals Inc.	E.D. Va.	Smith	1	Accused	64 U.S.P.Q.2d 1132	Aug-02

Case name	Dist.	Judge	Years to resolution	Winner (Award amount) [Enhanced damages]	Case cite	Case date
Urologix Inc. v. Prostalund AB	E.D. Wis.	Adelman		Accused	64 U.S.P.Q.2d 1939	Oct-02
Versatile Plastics Inc. v. Sknowbest! Inc.	E.D. Wis.	Griesbach	1	Patentee (defendant in this case)	66 U.S.P.Q.2d 1377	Feb-03
Rogers v. Desa Int'l. Inc.	E.D. Mich.	Feikens	1	Accused	61 U.S.P.Q.2d 1346	Oct-01
Verve LLC v. Crane Cams Inc.	E.D. Mich	Tarnow	2	Accused	60 U.S.P.Q.2d 1219	May-01
Loral Fairchild Corp. v. Victor Co. of Japan Ltd.	E.D. N.Y.	Rader	3	Patentee	61 U.S.P.Q.2d 1943	Jan-02
Sentinel Products Corp v. Platt	Mass.	O'Toole		Accused	64 U.S.P.Q.2d 1536	Jul-02
Schonbek Worldwide Lighting Inc. v. American Lighting Fixture Corp	Mass.	Woodlock	2	Accused	63 U.S.P.Q.2d 1180	Mar-02
Axcelis Technologies Inc. v. Applied Materials Inc.	Mass.	Woodlock			66 U.S.P.Q.2d 1039	Dec-02
Stein v. United States	Mass.	Young	3	Patentee	64 U.S.P.Q.2d 1017	Apr-01
In re Cruciferous Sprout Patent Litigation	Md.	Nickerson		Accused	60 U.S.P.Q.2d 1758	Aug-01
Dow Chemical Co. v. Mee Industries	M. D. Fla.	Presnell	2	Accused	65 U.S.P.Q.2d 1876	Sep-02
Advanced Respiratory Inc. v. Electromed Inc	Minn esota	Frank		Patentee	65 U.S.P.Q.2d 1048	Oct-02
Reiffin v. Microsoft Corp.	N.D. Cal.	Walker			64 U.S.P.Q.2d 1107	Apr-02
Fresenius USA Inc. v. Transonic Systems Inc.	N.D. Cal.	Alsup		Accused	61 U.S.P.Q.2d 1058	Aug-01

Case name	Dist.	Judge	Years to resolution	Winner (Award amount) [Enhanced damages]	Case cite	Case date
LG Electronics Inc. v. Asustek	N.D. Cal.	Wilken		Accused	65 U.S.P.Q.2d 1589	Aug-02
DataQuill Ltd. V. Handspring Inc.	N.D. Ill.	Kocoras		Accused	60 U.S.P.Q.2d 1920	Oct-01
Tracy v. Jewel Food Stores Inc.	N.D. Ill.	Kocoras	3	Accused	62 U.S.P.Q.2d 1283	Mar-02
Eolas Technologies Inc. v. Microsoft Corp.	N.D. Ill.	Zagel		Accused	65 U.S.P.Q.2d 1090	Oct-02
Shen Wei (USA) Inc. v. Kimberly-Clark Corp	N.D. Ill.	Holderman		Accused	64 U.S.P.Q.2d 1528	Aug-02
Engate Inc. v. Esquire Deposition	N.D. Ill.	Kennelly		Accused	66 U.S.P.Q.2d 1374	Dec-02
Abbott Laboratories v. Hope	N.D. Ill.	Bucklo			64 U.S.P.Q.2d 1638	Sep-02
Benedict v. General Motors Corp.	N.D. Fla.	Hinkle		Accused	61 U.S.P.Q.2d 1953	Jan-02
Sidel v. Uniloy Milacron Inc.	N.D. Ga.	Pannell		Patentee	61 U.S.P.Q.2d 1480	Nov-01
Molten Metal Equipment Innovations Inc. v. Metallics Systems Co.	N.D. Oh.	Aldrich	4	Patentee (\$3,000,000)	61 U.S.P.Q.2d 1032	Jan-01
Datascope Corp. v. Arrow International Inc	N.J.	Debevoise		Accused (plaintiff in this case)	62 U.S.P.Q.2d 1101	Aug-01
Schering Corp. v. Geneva Pharmaceuticals Inc.	N.J.	Bissell		Accused	64 U.S.P.Q.2d 1032	Aug-02
SDS USA Inc. v. Ken Specialities Inc.	N.J.	Walls		Patentee	62 U.S.P.Q.2d 1325	Nov-00
Ben Venue Labs. Inc. v. Novartis Pharm. Corp.	N.J.	Bassler	2		61 U.S.P.Q.2d 1405	May-01

Case name	Dist.	Judge	Years to resolution	Winner (Award amount) [Enhanced damages]	Case cite	Case date
Oregon Health & Science University v. Vertex Pharmaceuticals Inc.	Or.	Haggerty		Patentee (defendant in this case)	66 U.S.P.Q.2d 1318	Nov-02
Al-Site Corp. v. VSI Int'l Inc.	S.D. Fla.	Highsmith	8	Accused	60 U.S.P.Q.2d 1923	Oct-99
Combined Systems Inc. v. Defense Technology Corp of America	S.D.N.Y.	Cote	1	Patentee	66 U.S.P.Q.2d 1148	Nov-02
British Telecommunications PLC v. Prodigy Communications Corp	S.D.N.Y.	McMahon			62 U.S.P.Q.2d 1879	Mar-02
Astra Aktiebolag v. Kremers Urban Development Co.	S.D.N.Y.	Jones	2	Patentee	61 U.S.P.Q.2d 1767	Oct-01
System Management Arts Inc. v. Avesta Technologies Inc.	S.D.N.Y.	Sweet	4	Patentee	64 U.S.P.Q.2d 1091	Apr-01
A K Steel Corp. v. Sollac & Ugine	S. D. Oh.	Dlott			65 U.S.P.Q.2d 1332	Jul-02
Wood Arts Golf Inc. v. Callaway Golf Co.	S.D. Tex.	Hittner		Accused	62 U.S.P.Q.2d 1440	Mar-02
Southern Clay Prods. Inc. v. United Catalysts Inc.	S.D. Tex.	Hoyt	3	Patentee (\$20,900,000) [Triple the jury award]	61 U.S.P.Q.2d 1297	Feb-01
In re Plastics Research Corp. Litigation	WD. Mich.	Cleland	1	Accused	63 U.S.P.Q.2d 1924	Jan-02

Case name	Dist.	Judge	Years to resolution	Winner (Award amount) [Enhanced damages]	Case cite	Case date
Digital Control Inc. v. McLaughlin Manufacturing Co.	W.D. Wash .	Pechman			64 U.S.P.Q.2d 1786	Sep-02
CLI Corp. v. Ludowici USA	W.D. Pa.	Cindrich		Accused	61 U.S.P.Q.2d 1288	Nov-01