

Supreme Court Narrows Venue for Corporate Defendants in Patent Infringement Cases

Last month, the Supreme Court decided *TC Heartland LLC v. Kraft Foods Group Brands LLC*, which narrowed the definition of where a corporate defendant "resides" for the purpose of suing it for patent infringement. In doing so, it overturned the 1994 holding of the Federal Circuit of what constitutes proper venue in patent infringement cases.

Federal law allows a Plaintiff to bring a patent infringement suit against a defendant in any district where one of two conditions are met. The plaintiff can choose to go to the district where a corporate defendant resides, or the plaintiff can sue where the defendant infringed the patent and has a regular and established place of business.

In 1994, the Federal Circuit, in *VE Holding Corporation v. Johnson Gas Appliance Co.*, examined changes in the general venue statute to find that Congress also intended to broaden the rules of venue in patent infringement cases, and held that a corporate defendant "resides" anywhere that a court would have personal jurisdiction over it. Since many corporations operate and sell their goods nationwide, this meant a plaintiff could bring patent infringement cases against a corporation almost anywhere in the United States.

The Supreme Court's *TC Heartland* decision abrogated the *VE Holdings* definition of "resides." The Court looked to its own line of cases that held the general venue statute and the patent infringement venue statute operate completely independently of each other, and so changes to one did not affect the meaning of the other.

In the short term, *TC Heartland* may force defendants to transfer cases to other districts due to improper venue; however, it is unclear exactly what may happen in the long term. At a subcommittee hearing of the House Judiciary subcommittee held last week, a number of experts in patent litigation expressed the view that the long term effects of *TC Heartland* are unknown. But one can expect the second part of the patent venue statute will receive increased scrutiny as plaintiffs and defendants litigate what it means to have a "regular and established place of business" within a district such that a party can bring suit in that venue.