IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF TEXAS
AUSTIN DIVISION

UNILOC USA, INC. AND UNILOC LUXEMBOURG, S.A., PLAINTIFFS,	§	
V.	§	CAUSE NO. A-18-CV-992-LY
APPLE INC., DEFENDANT.	§	

ORDER TRANSFERRING VENUE TO NORTHERN DISTRICT OF CALIFORNIA

Before the court in the above-styled and numbered patent-infringement action are Defendant Apple Inc.'s Motion to Transfer Venue Pursuant to 28 U.S.C. § 1404(a) filed December 21, 2018 (Clerk's Document No. 23), and Apple's Reply In Support of Its Combined Motions to Transfer filed March 1, 2019 (Clerk's Document No. 30). Apple requests that the court transfer this action to the United States District Court for the Northern District of California, arguing that in the interest of justice California is a more convenient forum for the parties and witnesses involved in the case. Having considered the motion, response, reply, and applicable law, the court will grant the motion and transfer the case to the Northern District of California.

Background

Uniloc Luxembourg, S.A. is a Luxembourg entity with its principal place of business in Luxembourg. Uniloc U.S.A., Inc., maintains its principal business office in Newport Beach, California, has headquarters in Irvine, California, and has maintained offices in Plano, Texas, since 2007, and in Tyler, Texas, since 2009. Apple is a California corporation, with its principal place of business in Cupertino, California, which is within the Northern District of California. Apple also maintains places of business in Austin, Texas–a 1.1 million square-foot campus and a separate

216,000 square-foot campus. Apple employs more that 6,000 employees at these Austin facilities.

Uniloc alleges that Apple infringes Uniloc's rights to United States Patent No. 8,539,552, titled "System and Method for Network Based Policy Enforcement of Intelligent Client Features" issued September 17, 2013. Uniloc accuses certain of Apple's iPhones, iPads, iPods, and MacBooks. Apple argues that the United States District Court for the Northern District of California is clearly the more convenient venue to litigate and try this case primarily because the disputes here lack any connection to Apple's Austin facilities, and all but one relevant witness is located within the Northern District of California.

The law

Transferring venue of an action is appropriate "[f]or the convenience of the parties and witnesses, in the interest of justice" to any district "where [the lawsuit] might have been brought." 28 U.S.C. § 1404(a) ("Section 1404(a)"). A patent-infringement action "may be brought in the judicial district where the defendant resides, or where the defendant has committed acts of infringement and has a regular and established place of business." 28 U.S.C. § 1400(b) ("Section 1400(b)"). The threshold question for transfer under Section 1404(a) is whether this case "might have been brought" in the venue sought by Apple–Northern District of California. *See In re Genetech*, 566 F.3d 1338, 1345 (Fed. Cir. 2009) (applying *In re Volkswagen of Am., Inc.* ("*Volkswagen II*"), 545 F.3d 304, 312 (5th Cir. 2008) (en banc)).[1]

---

[1] Federal Circuit law determines whether venue is proper under Section 1400(b). *See In re ZTE (USA) Inc.*, 890 F.3d 1008, 1012 (Fed. Cir. 2018). Fifth Circuit law determines whether a transfer is proper under Section 1404(a). See *Winner Int'l Royalty Corp. v. Wang*, 202 F.3d 1340, 1352 (Fed. Cir. 2000) (Section 1404(a) is "governed by the law of the regional circuit in which it sits.") The Federal Circuit's application of Fifth Circuit law to patent-specific transfers is persuasive when applied to the facts of this case.

Under the first clause of Section 1400(b), venue is proper in the district where the defendant "resides," which the Supreme Court interpreted to mean "only [in] the State of incorporation." *See TC Heartland LLC v. Kraft Foods Grp. Brands LLC*, ___ U.S. ___, 137 S.Ct. 1514, 1521 (2017); *In re BigCommerce, Inc.*, 890 F.3d 978, 982-83 (Fed. Cir. 2018). Venue may also be proper under the second clause of Section 1400(b) where the defendant has committed acts of infringement and has a regular and established place of business. *See In re Cray Inc.*, 871 F.3d 1355, 1360 (Fed. Cir. 2017).

Once that threshold is met, courts analyze both private and public interest factors relating to the convenience of parties and witnesses, as well as the interests of the different venues in hearing the case. *See Humble Oil & Ref. Co. v. Bell Marine Serv., Inc.*, 321 F.2d 53, 56 (5th Cir. 1963); *In re Nintendo Co., Ltd.*, 589 F.3d 1194, 1197 (Fed. Cir. 2009). The private-interest factors are:

> (1) the relative ease of access to sources of proof; (2) the availability of compulsory process to secure the attendance of witnesses; (3) the cost of attendance for willing witnesses; and (4) all other practical problems that make a trial of a case easy, expeditious, and inexpensive.

In re Volkswagen AG ("*Volkswagen I*"), 371 F.3d 201, 203 (5th Cir. 2004). The public-interest factors are:

> (1) the administrative difficulties flowing from court congestion; (2) the local interest in having localized interests decided at home; (3) the familiarity of the forum with the law that will govern the case; and (4) the avoidance of unnecessary problems of conflict of laws of the application of foreign law.

Id. These factors are reviewed based on "the situation which existed when suit was instituted." *Hoffman v. Blaski*, 363 U.S. 335, 343 (1960). Though the private and public factors apply to most

transfer cases, "they are not necessarily exhaustive or exclusive," and no single factor is dispositive. *Volkswagen II*, 545 F.3d at 314-15.

In the Fifth Circuit, plaintiff's choice of venue is not considered a separate factor in the venue determination. *Id.* However, "[t]he Court must [] give some weight to the plaintiffs' choice of forum." *Atlantic Marine Const. Co. v. United States Dist. Ct. for W. Dist. of Tex.*, 134 S.Ct. 568, 581 n.6 (2013) (citing *Norwood v. Kirkpatrick*, 349 U.S. 29, 32 (1955)).

Analysis

Where the suit could have been brought

The parties do not dispute that Uniloc could have commenced this action in the Northern District of California. The court finds that the threshold requirement for transferring this action for the convenience of the parties and witnesses is satisfied.

Private- and public-interest factors

The court reviews the parties' arguments with regard to each applicable factor.

Private-interest factor–ease of access to proof

"In patent infringement cases, the bulk of the relevant evidence usually comes from the accused infringer." *In re Genentech, Inc.*, 566 F.3d at 1345. All of the documents relating to the design and development of the accused technology were generated around Cupertino, California and are stored there. Additionally, the primary research, design, development, facilities, and engineers for the alleged infringing products are located near Cupertino. Also, all of Apple's relevant financial and marketing documents are located near Cupertino. Apple argues the overwhelming majority of the sources of proof regarding the alleged infringing products and technology are in the Northern District of California. Also, Apple has identified third parties who are located in the Northern

District of California. Apple argues that these third parties likely maintain relevant documents in California.

Uniloc responds that in patent litigation today most of the relevant information in this case is likely maintained in electronic form, which would be easily accessible from Apple's substantial Austin facilities. Therefore, Uniloc argues, the location of the actual relevant paper documents is of little consequence to the convenience of the parties.

Having considered the parties' arguments, whether the relevant evidence is in electronic form or not, access to the relevant proof tends to favor venue of this action in the Northern District of California.

Private-interest factor–availability of compulsory process

Transfer is favored if a transferee forum has absolute subpoena power over a greater number of third-party witnesses. *In re Hoffman-La Roche, Inc.*, 587 F.3d 1333, 1337-38 (Fed. Cir. 2009); *Genetech*, 566 F.3d at 1345. A court may subpoena a witness to attend trial only: (1) "within 100 miles of where the person resides, is employed, or regularly transacts business in person;" or (2) "within the state where the person resides, is employed, or regularly transacts business in person." Fed. R. Civ. P. 45(c)(1).

Apple argues that the Northern District of California would have absolute subpoena power over several relevant third-party witnesses as well as some Uniloc witnesses who reside in California. Apple is unaware of any third-party witnesses within the Western District of Texas.

The court agrees. There is no showing that any relevant third-party witness is within the applicable compulsory-process range of this court. The court finds that this factor weighs in favor of transferring venue to the Northern District of California.

DOCKET ALARM

Explore Litigation Insights

Docket Alarm provides insights to develop a more informed litigation strategy and the peace of mind of knowing you're on top of things.

Real-Time Litigation Alerts

Keep your litigation team up-to-date with **real-time alerts** and advanced team management tools built for the enterprise, all while greatly reducing PACER spend.

Our comprehensive service means we can handle Federal, State, and Administrative courts across the country.

Advanced Docket Research

With over 230 million records, Docket Alarm's cloud-native docket research platform finds what other services can't. Coverage includes Federal, State, plus PTAB, TTAB, ITC and NLRB decisions, all in one place.

Identify arguments that have been successful in the past with full text, pinpoint searching. Link to case law cited within any court document via Fastcase.

Analytics At Your Fingertips

Learn what happened the last time a particular judge, opposing counsel or company faced cases similar to yours.

Advanced out-of-the-box PTAB and TTAB analytics are always at your fingertips.

API

Docket Alarm offers a powerful API (application programming interface) to developers that want to integrate case filings into their apps.

LAW FIRMS
Build custom dashboards for your attorneys and clients with live data direct from the court.

Automate many repetitive legal tasks like conflict checks, document management, and marketing.

FINANCIAL INSTITUTIONS
Litigation and bankruptcy checks for companies and debtors.

E-DISCOVERY AND LEGAL VENDORS
Sync your system to PACER to automate legal marketing.