

The State Of Intradistrict Venue Transfer In West Texas

By **Clarence Rowland** (May 18, 2022)

After the appointment of U.S. District Judge Alan D. Albright to the U.S. District Court for the Western District of Texas in 2018, he became the most popular patent judge in the United States — he received over 23% of district court patent cases in 2021, and roughly the same percentage in the first quarter of 2022.[1]



Clarence Rowland

But in many of these cases there are no relevant witnesses or evidence in his judicial division, the Waco Division, leading parties to file convenience transfer motions pursuant to Title 28 of the U.S. Code, Section 1404(a).

That statute provides: "For the convenience of parties and witnesses, in the interest of justice, a district court may transfer any civil action to any other district or division." Of note, it allows transfer to any other district (termed an interdistrict transfer) or division (termed an intradistrict transfer).

Under the U.S. Court of Appeals for the Fifth Circuit's 2013 guidance in *In re: Radmax Ltd.*, both types of transfer require the moving party to demonstrate that the destination venue would be "clearly more convenient" based on eight transfer factors.[2] The *Radmax* decision explains that the factors "apply as much to transfers between divisions of the same district as to transfers from one district to another." [3] Even if the transferee court is nearby (i.e., less than 100 miles away), transfer is still required if the transfer factors are satisfied.[4]

Intradistrict transfer motions can be meritorious where relevant witnesses or evidence are located in the Western District of Texas, but not in the Waco Division. In such cases, parties may seek transfer to other divisions, such as the Austin or San Antonio Divisions. The Austin Division has become a frequent transfer destination due to its rise as a hub for technology companies, which are often defendants in patent cases.[5]

The law and practices surrounding intradistrict transfer have evolved significantly in the past several years. In 2019 and 2020, the Waco Division granted dozens of opposed and unopposed motions to transfer to the Austin Division, stating that all such cases would remain on the docket of the originally presiding judge in the Waco Division.[6]

The practice of keeping cases on the docket of the original judge appears to be enabled by the case assignment rules in the Western District of Texas. Those rules provide that all cases in a multijudge division — such as Austin — shall be randomly assigned to a judge in that division.[7] However, the rules allow judges in the division to consent to an alternative arrangement, such as allowing a judge in a different division (i.e., Waco) to preside over the case.[8]

In January 2021, Judge Albright for the first time denied a transfer request to the Austin Division, explaining in *ParkerVision Inc. v. Intel Corp.* that "the Waco Division has already set a clear schedule for the case." [9] The Waco Division began issuing orders denying motions to transfer to Austin "without prejudice" and instructing parties to refile the motion "as trial approaches so the Court can evaluate if transfer is proper under §1404 and whether the Austin Courthouse will be open in time for this trial," as seen in *Innovative Foundry Technologies LLC v. Semiconductor Manufacturing International Corp.* in March.[10]

The Waco Division also began transferring cases back from the Austin Division to the Waco Division.[11] These transfers appeared to be driven at least in part by trial delays caused by the closure of the Austin courthouse due to the COVID-19 pandemic.[12] However, on Oct. 1, 2021, the U.S. Court of Appeals for the Federal Circuit reversed one of the return transfers, in *In re: Apple Inc.*, explaining the Austin courthouse was open for trials, and district courts do not have authority to retransfer without demonstrating the transfer factors are satisfied.[13]

The Waco Division returned to its original approach to intradistrict transfer motions on Oct. 18, 2021, when it ordered a case, *Future Link Systems LLC v. Advanced Micro Devices Inc.*, transferred to the Austin Division.[14] Consistent with dozens of prior orders, the court directed that the case would remain on the docket of the original judge.[15] After a month in limbo, the case was reassigned, without explanation, to U.S. District Judge Robert Pitman in the Austin Division on Nov. 22, 2021.[16]

The Waco Division no longer directs all cases to remain on its docket after intradistrict transfer.[17] After a transfer from the Waco Division, the current practice in the Austin Division appears to be that, for cases at a relatively early stage of proceedings (i.e., engaged in fact discovery after claim construction), the Austin Division will randomly reassign the case.[18] In cases at an advanced stage of proceedings, the Austin Division has allowed the Waco Division court to keep at least some of those cases on its docket.[19]

Since Oct. 19, 2021, the Waco Division has granted four motions to transfer to the Austin Division, deferred ruling on one, and denied none. Three of the four granted motions were reassigned to new judges[20] — *Sonrai Memory Ltd. v. Oracle Corp.*, *Identity Security LLC v. Apple Inc.* and *Neo Wireless LLC v. Dell Technologies Inc.* — and the fourth, *Corrino Holdings LLC v. Expedia Inc.*, remains in limbo, having not yet been transferred or assigned a new case number in the Austin Division.[21]

In the deferred ruling, the defendant filed a motion to transfer to the U.S. District Court for the Northern District of California or, in the alternative, to the Austin Division.[22] In January 2022, the Waco Division denied the interdistrict transfer request in *Kajeet Inc. v. Trend Micro Inc.*, and stated that it "reserves its decision on the alternative motion to transfer to the Austin Division for a later time." [23]

For rulings on intradistrict transfer motions that are deferred until shortly before trial, it is unclear whether they will be reassigned upon arrival to the Austin Division.

In sum, with the abatement of the COVID-19 pandemic, parties litigating in the Waco Division again have the option of requesting transfer for convenience to other divisions in the Western District of Texas. If transfer is granted, the case will likely be reassigned, provided it has not advanced to a late stage.

Clarence Rowland is counsel at O'Melveny & Myers LLP.

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[1] Statistics calculated from Docket Navigator database (www.docketnavigator.com). Docket Navigator indicates that in 2021, Judge Albright received 932 patent cases out of 3,996 filed nationwide in 2021 (23.3%). And, from January 1, 2022 through March 31, 2022, he received 217 patent cases out of 909 filed nationwide (23.8%).

[2] *In re Radmax, Ltd.*, 720 F.3d 285, 288 (5th Cir. 2013) (considering "(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; (4) all other practical problems that make trial of a case easy, expeditious and inexpensive; (5) the administrative difficulties flowing from court congestion; (6) the local interest in having localized interests decided at home; (7) the familiarity of the forum with the law that will govern the case; and (8) the avoidance of unnecessary problems of conflict of laws or in the application of foreign law") (quotations and citations omitted).

[3] *Id.*

[4] *Id.* at 289, 292 n.3 (requiring transfer to a venue that is "well less than 100 miles" away and explaining that nothing in prior precedent "even remotely hints that our evaluation of the [facts relevant to transfer is] limited to inter-district transfers or to situations in which the venues were more than 100 miles apart.").

[5] Manny Fernandez, *With Tech Expansion, Austin is Still Weird. Its Just More Wired Now, Too*, *The New York Times* (Dec. 25, 2018), available online at <https://www.nytimes.com/2018/12/25/us/austin-apple-hub-silicon-hills.html> (last accessed Mar. 30, 2022).

[6] See, e.g., *Freshub, Inc. v. Amazon.com Inc.*, No. 19-00388 (W.D. Tex. Sept. 9, 2019) (ECF No. 29).

[7] Amended Plan for Random and Direct Assignment of Cases in Multi-Judge Divisions at Part III, United States District Court, Western District of Texas (May 28, 2003), available online at <https://www.txwd.uscourts.gov/judges-information/standing-orders/> (last accessed Mar. 30, 2022).

[8] *Id.* at Part V.A–B.

[9] See *Parkervision, Inc. v. Intel Corp.*, No. 20-00108 (W.D. Tex. Jan. 26, 2021) (ECF No. 73).

[10] See, e.g., *Innovative Foundry Techs. LLC v. Semiconductor Mfg. Int. Corp.*, No. 19-00719 (W.D. Tex. Mar. 30, 2021) (Text Order).

[11] See, e.g., *Ancora Techs., Inc. v. LG Electronics, Inc.*, No. 20-00034 (W.D. Tex. June 2, 2021) (ECF No. 272); *Freshub, Inc. v. Amazon.com Inc.*, No. 19-00885 (W.D. Tex. May 19, 2021).

[12] *Id.*

[13] *In re Apple Inc.*, No. 2021-187, 2021 U.S. App. LEXIS 29659 (Fed. Cir. Oct. 1, 2021) ("Because the district court cites no statutory authority for its re-transfer and because Austin remains the more convenient forum, we grant the petition and direct the district court to vacate its order.").

[14] Future Link Systems, LLC v. Advanced Micro Devices, Inc., No. 20-01176 (W.D. Tex. Oct. 12, 2021) (ECF No. 54).

[15] Id. at 18.

[16] Future Link Systems, LLC v. Advanced Micro Devices, Inc., No. 20-01176 (W.D. Tex. Nov. 22, 2021) (Text Order reassigning case to Judge Pitman).

[17] See, e.g., Netlist, Inc. v. Micron Tech., Inc., No. 21-00430 (W.D. Tex. Feb. 14, 2022) ("The Court's Clerk is instructed that the above captioned cases will not remain on the docket of the undersigned.").

[18] See, e.g., Future Link Systems, LLC v. Advanced Micro Devices, Inc., No. 20-01176 (W.D. Tex. Nov. 22, 2021).

[19] See, e.g., Fintiv, Inc. v. Apple Inc., 21-00926 (W.D. Tex. Oct. 4, 2021); Fintiv, Inc. v. Apple Inc., No. 21-00896 (W.D. Tex.).

[20] Sonrai Memory Ltd. v. Oracle Corp., No. 21-00116, Dkt. 48 (W.D. Tex. Feb. 2, 2022) (case transferred and reopened under Judge Yeakel as Case No. 22-00094); Identity Security LLC v. Apple, Inc., 21-00460, Dkt. 55 (W.D. Tex. Jan. 20, 2022) (case transferred and reopened under Judge Yeakel as Case No. 22-00058); Neo Wireless, LLC v. Dell Techs. Inc., No. 21-00024, Dkt. 60 (W.D. Tex. Jan. 20, 2022) (case transferred and reopened under Judge Pitman as Case No. 22-00060; subsequently reassigned to Judge Ezra).

[21] Corrino Holdings LLC v. Expedia, Inc., No. 20-00309, Dkt. 72 (W.D. Tex. Apr. 12, 2022) (order granting transfer; this transfer has not yet occurred).

[22] Kajeet, Inc. v. Trend Micro, Inc., No. 21-00389 (W.D. Tex. Jan. 12, 2022) (ECF No. 43 at 17).

[23] Id.