A decorative background consisting of a blue bokeh effect with various sized light spots and hexagonal patterns.

Top 5 IP Issues in Corporate, Commercial, and Business Transactions

PATENT VENUE STATUTE

“Any civil action for patent infringement 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)

11399 TITLE 28—JUDICIARY AND JUDICIAL PROCEDURE Page 368

EFFECTIVE DATE OF 1992 AMENDMENT
Amendment by Pub. L. 102-572 effective Oct. 29, 1992, see section 211 of Pub. L. 102-572, set out as a note under section 171 of this title.

EFFECTIVE DATE OF 1982 AMENDMENT
Amendment by Pub. L. 97-164 effective Oct. 1, 1982, see section 492 of Pub. L. 97-164, set out as a note under section 171 of this title.

EFFECTIVE DATE OF 1975 AMENDMENT
Amendment by Pub. L. 93-584 not applicable to actions commenced on or before last day of first month beginning after Jan. 2, 1975, and actions to enjoin or suspend orders of Interstate Commerce Commission which are pending when this amendment becomes effective shall not be affected thereby, but shall proceed to final disposition under the law existing on the date they were commenced, see section 19 of Pub. L. 93-584, set out as a note under section 2321 of this title.

ABOLITION OF INTERSTATE COMMERCE COMMISSION AND TRANSFER OF FUNCTIONS

Interstate Commerce Commission abolished and functions of Commission transferred, except as otherwise provided in Pub. L. 104-88, to Surface Transportation Board effective Jan. 1, 1996, by section 1302 of Title 49, Transportation, and section 101 of Pub. L. 104-88, set out as a note under section 1301 of Title 49. References to Interstate Commerce Commission deemed to refer to Surface Transportation Board, a member or employee of the Board, or Secretary of Transportation, as appropriate, see section 206 of Pub. L. 104-88, set out as a note under section 1301 of Title 49.

11399. Partition action involving United States

Any civil action by any tenant in common or joint tenant for the partition of lands, where the United States is one of the tenants in common or joint tenants, may be brought only in the judicial district where such lands are located or, if located in different districts in the same State, in any of such districts.
(June 25, 1948, ch. 646, 62 Stat. 936.)

HISTORICAL AND REVISION NOTES

Based on title 28, U.S.C. 1949 ed., §4125 (Mar. 3, 1911, ch. 231, §24, par. 25, 36 Stat. 1094).

Provisions of section 4125 of title 28, U.S.C. 1949 ed., relating to jurisdiction are the basis of section 1307 of this title.

Words “civil action” were substituted for “suits in equity,” in view of Rule 2 of the Federal Rules of Civil Procedure.

Provision with respect to property in different districts was added to conform with section 1302 of this title.

Changes were made in phraseology.

§1400. Patents and copyrights, mask works, and designs

(a) Civil actions, suits, or proceedings arising under any Act of Congress relating to copyrights or exclusive rights in mask works or designs may be instituted in the district in which the defendant or his agent resides or may be found.
(b) Any civil action for patent infringement 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.

(June 25, 1948, ch. 646, 62 Stat. 936; Pub. L. 100-702, title X, §1020(a)(5), Nov. 19, 1988, 102 Stat.

4671; Pub. L. 105-304, title V, §509(c)(1), (2), Oct. 28, 1998, 112 Stat. 2917; Pub. L. 106-44, §2(a), Aug. 5, 1996, 110 Stat. 225.)

HISTORICAL AND REVISION NOTES

Based on title 28, U.S.C. 1949 ed., §109, and section 35 of title 17, U.S.C. 1940 ed., Copyrights (Mar. 4, 1909, ch. 320, §35, 35 Stat. 1094; Mar. 3, 1911, ch. 231, §43, 36 Stat. 1100).

Section consolidates section 35 of title 17, U.S.C. 1949 ed., with part of section 109 of title 28, U.S.C. 1949 ed., with necessary changes in phraseology.

Subsection (b) is based on section 109 of title 28, U.S.C. 1949 ed., with the following change:

Words “civil action” were substituted for “suits,” and words “in law or in equity,” after “shall have jurisdiction” were deleted, in view of Rule 2 of the Federal Rules of Civil Procedure.

Words in subsection (b) “where the defendant resides” were substituted for “of which the defendant is an inhabitant.” A corresponding change was made in subsection (a). Words “inhabitant” and “resident,” as respects venue, are synonymous. (See reviser’s note under section 1361 of this title.)

Words “whether a person, partnership, or corporation” before “has committed” were omitted as surplusage.

The provisions of section 109 of title 28, U.S.C. 1949 ed., relating to process are incorporated in section 1604 of this title.

Jurisdiction and venue of patent suits against residents of foreign countries or persons residing in plurality of districts, see section 72a of title 35, U.S.C. 1949 ed., Patents.

SENATE REVISION AMENDMENT

Title 17 of the United States Code was enacted into positive law by act July 30, 1947, ch. 391, 61 Stat. 652, and, in such enactment, section 35 of the prior title became section 111 of the new title, and all acts from which sections of the prior title had been derived, were repealed. Therefore, this paragraph should read: “Based on Title 28, U.S.C. 1949 ed., §109 (Mar. 3, 1911, ch. 231, §43, 36 Stat. 1100), and section 111 of Title 17, U.S.C. 1946 ed., Copyrights.” By Senate amendment, section 111 of Title 17 U.S.C. is included in the schedule of repeals. See 90th Congress Senate Report No. 1539.

AMENDMENTS

1999—Pub. L. 106-44 amended section catchline generally so as to read “Patents and copyrights, mask works, and designs”.

1996—Pub. L. 105-304, §509(c)(2), amended section catchline generally, substituting “Patents and copyrights, mask works, and designs” for “Patents and copyrights”.

Subsec. (a), Pub. L. 105-304, §509(c)(1), inserted “or designs” after “mask works”.

1988—Subsec. (a), Pub. L. 100-702 inserted “or exclusive rights in mask works” after “copyrights”.

§1401. Stockholder’s derivative action

Any civil action by a stockholder on behalf of his corporation may be prosecuted in any judicial district where the corporation might have sued the same defendants.

(June 25, 1948, ch. 646, 62 Stat. 936.)

HISTORICAL AND REVISION NOTES

Based on title 28, U.S.C. 1949 ed., §112 (part) (Mar. 3, 1911, ch. 231, §51, 36 Stat. 1101; Sept. 19, 1922, ch. 945, 42 Stat. 549; Mar. 4, 1925, ch. 528, 41, 43 Stat. 1261; Apr. 16, 1936, ch. 230, 49 Stat. 1213).

For disposition of other provisions of section 112 of title 28, U.S.C. 1949 ed., see reviser’s note under section 1301 of this title.

Words “civil action” were substituted for “suits,” in view of Rule 2 of the Federal Rules of Civil Procedure.

“WHERE THE DEFENDANT RESIDES”

(Slip Opinion) OCTOBER TERM, 2016 1

Syllabus

NOTE: Where it is feasible, a syllabus (headnote) will be released, as is being done in connection with this case, at the time the opinion is issued. The syllabus constitutes no part of the opinion of the Court but has been prepared by the Reporter of Decisions for the convenience of the reader. See *United States v. Detroit Timber & Lumber Co.*, 200 U. S. 321, 337.

SUPREME COURT OF THE UNITED STATES

Syllabus

TC HEARTLAND LLC v. KRAFT FOODS GROUP BRANDS LLC

CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT

No. 16–341. Argued March 27, 2017—Decided May 22, 2017

The patent venue statute, 28 U. S. C. §1400(b), provides that “[a]ny civil action for patent infringement 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.” In *Fourco Glass Co. v. Transmirra Products Corp.*, 353 U. S. 222, 226, this Court concluded that for purposes of §1400(b) a domestic corporation “resides” only in its State of incorporation, rejecting the argument that §1400(b) incorporates the broader definition of corporate “residence” contained in the general venue statute, 28 U. S. C. §1391(c). Congress has not amended §1400(b) since *Fourco*, but it has twice amended §1391, which now provides that, “[e]xcept as otherwise provided by law” and “[f]or all venue purposes,” a corporation “shall be deemed to reside, if a defendant, in any judicial district in which such defendant is subject to the court’s personal jurisdiction with respect to the civil action in question.” §§1391(a), (c).

Respondent filed a patent infringement suit in the District Court for the District of Delaware against petitioner, a competitor that is organized under Indiana law and headquartered in Indiana but ships the allegedly infringing products into Delaware. Petitioner moved to transfer venue to a District Court in Indiana, claiming that venue was improper in Delaware. Citing *Fourco*, petitioner argued that it did not “resid[e]” in Delaware and had no “regular and established place of business” in Delaware under §1400(b). The District Court rejected these arguments. The Federal Circuit denied a petition for a writ of mandamus, concluding that §1391(c) supplies the definition of “resides” in §1400(b). The Federal Circuit reasoned that because pe-

“We therefore hold that a domestic corporation “resides” only in its State of incorporation for purposes of the patent venue statute.”

TC Heartland LLC v. Kraft Foods Group Brands LLC
137 S. Ct. 1514 (2017)

“OR WHERE THE DEFENDANT HAS COMMITTED ACTS OF INFRINGEMENT”

“Any civil action for patent infringement 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)

Seems clear enough . . .

§1399 TITLE 28—JUDICIARY AND JUDICIAL PROCEDURE Page 368

EFFECTIVE DATE OF 1992 AMENDMENT
Amendment by Pub. L. 102-572 effective Oct. 29, 1992, see section 911 of Pub. L. 102-572, set out as a note under section 171 of this title.

EFFECTIVE DATE OF 1982 AMENDMENT
Amendment by Pub. L. 97-164 effective Oct. 1, 1982, see section 402 of Pub. L. 97-164, set out as a note under section 171 of this title.

EFFECTIVE DATE OF 1975 AMENDMENT
Amendment by Pub. L. 93-584 not applicable to actions commenced on or before last day of first month beginning after Jan. 2, 1975, and actions to enjoin or suspend orders of Interstate Commerce Commission which are pending when this amendment becomes effective shall not be affected thereby, but shall proceed to final disposition under the law existing on the date they were commenced, see section 10 of Pub. L. 93-584, set out as a note under section 232 of this title.

ABOLITION OF INTERSTATE COMMERCE COMMISSION AND TRANSFER OF FUNCTIONS
Interstate Commerce Commission abolished and functions of Commission transferred, except as otherwise provided in Pub. L. 104-88, to Surface Transportation Board effective Jan. 1, 1996, by section 1302 of Title 49, Transportation, and section 101 of Pub. L. 104-88, set out as a note under section 1301 of Title 49. References to Interstate Commerce Commission deemed to refer to Surface Transportation Board, a member or employee of the Board, or Secretary of Transportation, as appropriate, see section 205 of Pub. L. 104-88, set out as a note under section 1301 of Title 49.

§1399. Partition action involving United States
Any civil action by any tenant in common or joint tenant for the partition of lands, where the United States is one of the tenants in common or joint tenants, may be brought only in the judicial district where such lands are located or, if located in different districts in the same State, in any of such districts.
(June 25, 1948, ch. 646, 62 Stat. 936.)

HISTORICAL AND REVISION NOTES
Based on title 28, U.S.C. 1940 ed., §41(25) (Mar. 3, 1911, ch. 231, §24, par. 25, 36 Stat. 1094).
Provisions of section 41(25) of title 28, U.S.C. 1940 ed., relating to jurisdiction are the basis of section 1397 of this title.
Words “civil action” were substituted for “suit in equity,” in view of Rule 2 of the Federal Rules of Civil Procedure.
Provision with respect to property in different districts was added to conform with section 1392 of this title.
Changes were made in phraseology.

§1400. Patents and copyrights, mask works, and designs
(a) Civil actions, suits, or proceedings arising under any Act of Congress relating to copyrights or exclusive rights in mask works or designs may be instituted in the district in which the defendant or his agent resides or may be found.
(b) Any civil action for patent infringement 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.
(June 25, 1948, ch. 646, 62 Stat. 936; Pub. L. 100-702, title X, §1029(a)(5), Nov. 19, 1988, 102 Stat.

4671; Pub. L. 105-304, title V, §503(c)(1), (2), Oct. 28, 1998, 112 Stat. 2017; Pub. L. 106-44, §2(a), Aug. 5, 1999, 113 Stat. 223.)

HISTORICAL AND REVISION NOTES
Based on title 28, U.S.C. 1940 ed., §100, and section 35 of title 17, U.S.C., 1940 ed., Copyrights (Mar. 4, 1909, ch. 320, §35, 35 Stat. 1084; Mar. 3, 1911, ch. 231, §48, 36 Stat. 1150).

Section consolidates section 35 of title 17, U.S.C. 1940 ed., with part of section 109 of title 28, U.S.C. 1940 ed., with necessary changes in phraseology.
Subsection (b) is based on section 109 of title 28, U.S.C. 1940 ed., with the following changes:
Words “civil action” were substituted for “suit,” and words “in law or in equity,” after “shall have jurisdiction” were deleted, in view of Rule 2 of the Federal Rules of Civil Procedure.

Words in subsection (b) “where the defendant resides” were substituted for “of which the defendant is an inhabitant.” A corresponding change was made in subsection (a). Words “inhabitant” and “resident,” as respects venue, are synonymous. (See reviser’s note under section 1391 of this title.)

Words “whether a person, partnership, or corporation” before “has committed” were omitted as surplusage.

The provisions of section 109 of title 28, U.S.C. 1940 ed., relating to process are incorporated in section 1604 of this title.

Jurisdiction and venue of patent suits against residents of foreign countries or persons residing in plurality of districts, see section 72a of title 35, U.S.C. 1940 ed., Patents.

SENATE REVISION AMENDMENT
Title 17 of the United States Code was enacted into positive law by act July 30, 1947, ch. 201, 61 Stat. 652, and, in such enactment, section 35 of the prior title became section 111 of the new title, and all Acts from which sections of the prior title had been derived, were repealed. Therefore, this paragraph should read: “Based on Title 28, U.S.C. 1940 ed., §100 (Mar. 3, 1911, ch. 231, §48, 36 Stat. 1150), and section 111 of Title 17, U.S.C. 1946 ed., Copyrights.” By Senate amendment, section 111 of Title 17 U.S.C. is included in the schedule of repeals. See 80th Congress Senate Report No. 1559.

AMENDMENTS
1999—Pub. L. 106-44 amended section catchline generally so as to read “Patents and copyrights, mask works, and designs”.
1998—Pub. L. 105-304, §503(c)(2), amended section catchline generally, substituting “Patents and copyrights, mask works, and designs” for “Patents and copyrights”.
Subsec. (a), Pub. L. 105-304, §503(c)(1), inserted “or designs” after “mask works”.
1988—Subsec. (a), Pub. L. 100-702 inserted “or exclusive rights in mask works” after “copyrights”.

§1401. Stockholder’s derivative action
Any civil action by a stockholder on behalf of his corporation may be prosecuted in any judicial district where the corporation might have sued the same defendants.
(June 25, 1948, ch. 646, 62 Stat. 936.)

HISTORICAL AND REVISION NOTES
Based on title 28, U.S.C. 1940 ed., §112 (part) (Mar. 3, 1911, ch. 231, §51, 36 Stat. 1101; Sept. 19, 1922, ch. 345, 42 Stat. 849; Mar. 4, 1925, ch. 526, §1, 43 Stat. 1264; Apr. 16, 1938, ch. 230, 49 Stat. 1213).
For disposition of other provisions of section 112 of title 28, U.S.C., 1940 ed., see reviser’s note under section 1391 of this title.
Words “civil action” were substituted for “suit,” in view of Rule 2 of the Federal Rules of Civil Procedure.

“AND HAS A REGULAR AND ESTABLISHED PLACE OF BUSINESS”

United States Court of Appeals
for the Federal Circuit

IN RE: CRAY INC.,
Petitioner

2017-129

On Petition for Writ of Mandamus to the United States District Court for the Eastern District of Texas in No. 2:15-cv-01554-JRG, Judge J. Rodney Gilstrap.

ON PETITION

Before LOURIE, REYNA, and STOLL, *Circuit Judges*.
LOURIE, *Circuit Judge*.

ORDER

Cray Inc. (“Cray”) petitions for a writ of mandamus vacating the order of the United States District Court for the Eastern District of Texas denying its motion to transfer the case to the United States District Court for the Western District of Wisconsin. See *Raytheon Co. v. Cray, Inc.*, No. 2:15-cv-01554-JRG, 2017 WL 2813896 (E.D. Tex. June 29, 2017) (“*Transfer Order*”). Raytheon Company (“Raytheon”) opposes the petition. The district court misinterpreted the scope and effect of our precedent in determining that Cray maintained “a regular and established place of business” in the Eastern District of Texas within the meaning of 28 U.S.C. § 1400(b). Accordingly,

1. There must be a physical place in the district
2. It must be a regular and established place of business
3. It must be the place of the defendant

In re: Cray Inc.
871 F.3d 1355 (Fed. Cir.
2017)

PATENT CASE FILINGS

District	2016	2017	2018 (through Apr. 11, 2018)
E.D. Texas	1662	866	141
D. Delaware	454	777	235
C.D. California	291	329	107
N.D. California	184	216	98
D. New Jersey	188	197	57

ISSUES RESULTING FROM *TC HEARTLAND*

- Do Activities and Locations of Subsidiaries and Affiliates Count in Venue Analysis? No. *Symbology Innovations, LLC v. Lego Sys., Inc.*, 282 F. Supp. 3d 916 (E.D. Va. 2017) v. *Maybe. Maybe: Javelin Pharm., Inc. v. Mylan Labs. Ltd.* 2017 WL 5953296 (D. Del. Dec. 1, 2017)
- Who Bears the Burden on Venue Motion? Plaintiff: *Personal Audio, LLC v. Google, Inc.* 280 F. Supp. 3d 922 (E.D. Tex. 2017). Defendant: *Intellectual Ventures II LLC v. FedEx Corp.* 2017 WL 5630023 (E.D. Tex. Nov. 22, 2017)
- As of When Is Venue Determined? Date suit is filed: *Personal Audio, LLC v. Google, Inc.* 280 F. Supp. 3d 922 (E.D. Tex. 2017) v. Reasonable time after accrual: *ParkerVision, Inc. v. Apple Inc.* No. 15-1477-J-39JRK (M.D. Fla. Jan. 9, 2018) (report and recommendation), adopted by Order, No. 15-1477-J-39JRK (M.D. Fla. Mar. 8, 2018)
- When Should . . . Or Can . . . the Court Rule on Venue?
- Suing foreign defendants to do an end run to *TC Heartland*.



MANAGING GLOBAL BRANDS

MANAGING GLOBAL BRANDS

- Tips for protecting and preserving established portfolios
- Developing new brands in a growing portfolio
- Non-US Parent company considerations

MANAGING GLOBAL BRANDS

Rights are Territorial

- Where and When to File?
- **Paris v. Madrid v. National Filings**
- **Additional Considerations for Foreign Jurisdictions**
 - Local Counsel
 - Finance, Compliance, Ethics Issues

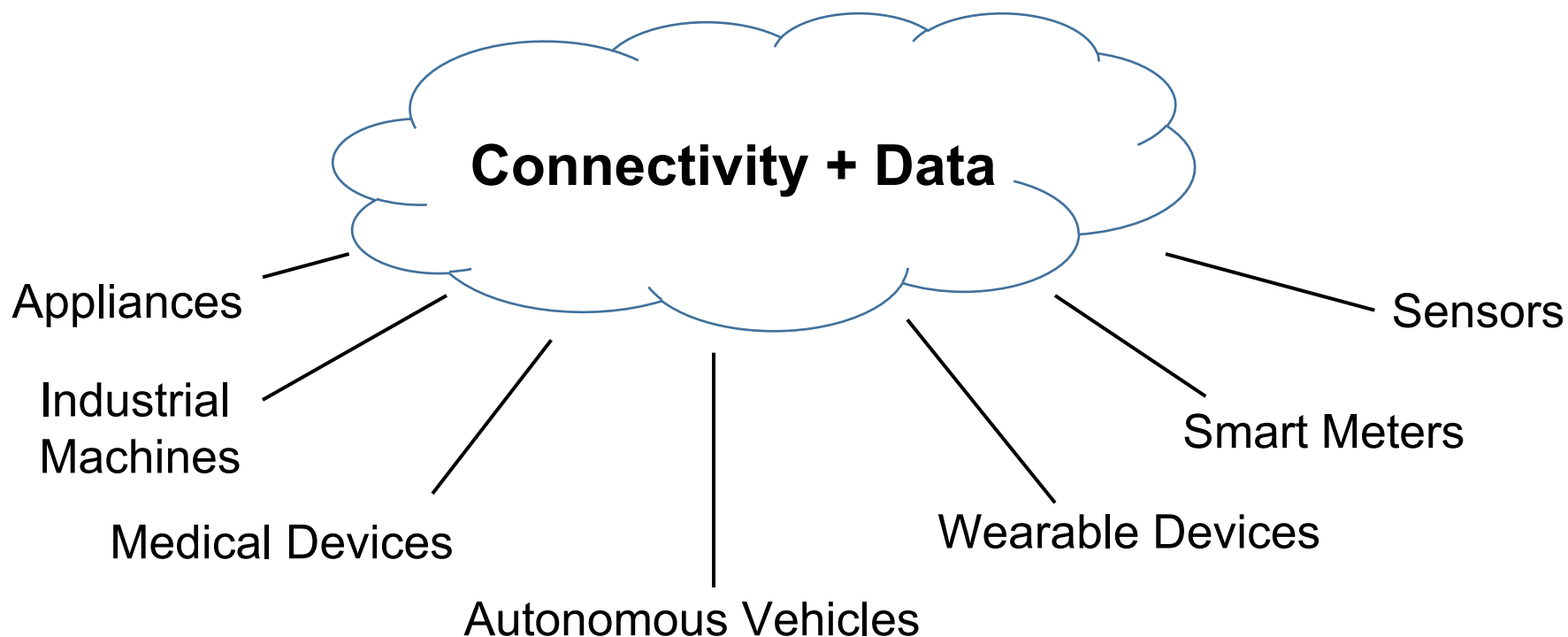
CURRENT LITIGATION/ENFORCEMENT TRENDS

- Impact of recent case law
- Utilizing government agencies to aid in enforcement matters



INTERNET OF THINGS

INTERNET OF THINGS



IOT – REGULATIONS AND STANDARDS

- Regulations for Medical Devices
- NIST
- Standards for Connectivity
 - 5G, Cellular
 - Satellite, Low Power Local Connectivity
- Standards for Security
- Proposed Legislation

IOT - CYBERSECURITY

- Privacy
 - Medical Devices (HIPAA, FDA, FTC)
 - Toys (COPA)
 - Privacy by Design
- Third-Party Vendors
- Security by Design
- After-market support, updates and security patches
- Global uniformity

IOT - PATENTS

- *Alice* issues
 - Depends on what part of IoT you are claiming
 - New connectivity
 - New device
 - New hardware
 - New functionality
 - New software/Analytics
- Standard Essential Patents (SEPs)

IOT – LIABILITY

- IoT Products Liability
 - Reasonable Standard of Care
 - Artificial Intelligence in Devices
 - Black Box Algorithms and Interpretability
- IoT Patent Infringement
 - Likely Targets
 - Likely Forums
- Data Breaches

IOT – LIABILITY STRATEGY

- Indemnification
- Insurance
- Litigation Financing Entities