

Data: Ups and downs of west Texas transfer motions

Rani Mehta February 09, 2023



The Federal Circuit is overruling Judge Albright less often, but appeal courts continue to give vital guidance on the rules for motions to transfer

- Data graphic on Federal Circuit mandamus grants in the Western District of Texas
- Analysis of precedential decisions on motions to transfer
- Commentary on implications of Fifth Circuit ruling for transfer motions

Plaintiffs have flocked to the District Court for the Western District of Texas since Judge Alan Albright started hearing cases, but they haven't always had an easy time staying there.

Defendants have frequently filed motions to transfer out of the Western District. When Albright has denied these motions, defendants have often filed petitions for writs of mandamus, requesting that the Court of Appeals for the Federal Circuit overrule Albright.

In 2021, the appellate court granted just under half (48%) of the 33 mandamus petitions related to motions to transfer.

A lot has changed since then, however.

The Federal Circuit, for one thing, isn't overruling Albright as much. It granted just 42% of 14 mandamus petitions from the Western District of Texas in 2022.

But Albright's grants of motions to transfer at the district court level and certain recent Federal Circuit rulings continue to make it difficult for plaintiffs to stay in west Texas when defendants file motions to transfer, say sources.

More agreement

The decrease in the number of times that the Federal Circuit has overruled Albright might seem like good news for plaintiffs that want to stay in west Texas.

Transfer petitions at the Federal Circuit from the Western District of Texas (from 2021 to now)



Number	Date	Company	Order Type	Granted?
1	Feb 1 2023	Google	Transfer	Yes
2	Jan 23 2023	General Motors	Transfer	No
3	Jan 9 2023	Amazon	Transfer	No
4	Dec 15 2022	Amazon	Transfer	Yes
5	Nov 18 2022	Cloudflare	Transfer	No
6	Nov 8 2022	Apple	Stay pending resolution	Yes
7	Nov 8 2022	Apple	Stay pending resolution	Yes
8	Nov 8 2022	Apple	Stay pending resolution	Yes
9	Sep 30 2022	Monolithic Power Systems	Transfer	No
10	Sep 23 2022	Wenger	Transfer	No

Source: Federal Circuit website • [Get the data](#) • Created with [Datawranner](#)

But one reason the Federal Circuit is overruling Albright less often is because he's simply implementing the appellate court's guidance and rationales to grant motions to transfer.

Parties that filed motions to transfer prevailed on 58% of these motions in Waco – the division of the Western District of Texas in which Albright is based – in 2022 compared to 35% the previous year.

Jose Villarreal, partner at Baker Botts in Austin, notes that the Federal Circuit has provided significant guidance over the last year.

“The analysis for transfer motions is intensely fact-specific and now there’s more legal precedent as to how to apply these facts,” he says.

And Albright is still getting overruled, which means the Federal Circuit is providing more reasons for defendants to get out of the Western District.

Google guidance

Earlier this month, on February 1, for example, the Federal Circuit overruled Albright and **granted Google’s motion to transfer** to the Northern District of California.

One factor courts consider when reviewing motions to transfer is the administrative difficulties flowing from court congestion. The Western District of Texas had found that this factor weighed slightly against transfer because it could hold trials faster than the Northern District of California.

But the Federal Circuit stated that this factor shouldn’t have had any weight on the basis that the plaintiff, Jawbone, wasn’t engaged in any product competition in the marketplace and wasn’t threatened in the market in a way that might add urgency to resolving the case.

Syed Fareed, partner at McDermott Will & Emery in Austin, says this ruling could mean that cases filed by non-practising entities (NPEs) will get transferred more often when defendants file transfer motions, given that such companies don’t engage in product competition.

That would be particularly relevant as most plaintiffs in the Western District of Texas are NPEs.

According to data from **Unified Patents**, 60% of all US patent litigation in 2022 stemmed from NPEs and such companies filed 691 cases in the Western District of Texas last year.

Apple and more

The Federal Circuit also provided useful guidance when it **granted Apple’s motion to transfer** to the District Court for the Northern District of California in April 2022.

Albright had found that Apple’s seven witnesses in the Northern District of California were counterbalanced by its two employees in Austin that the plaintiff claimed had relevant information.

The Federal Circuit noted that it was far from clear that these employees had relevant or material information, however.

Villarreal at Baker Botts says a party seeking to transfer can't just argue that somebody has some knowledge of a patent or product.

“You really have to explain what the knowledge is and why it's important to the specific case. The Federal Circuit wants to understand whether witnesses know about a specific feature of a product that's being accused of infringing,” he says.

Given all these grants of motions to transfer, plaintiffs have to work hard if they want to keep their cases in west Texas.

Tim Dewberry, partner at Folio Law Group in Austin, says plaintiffs really have to dig into the facts and find information that weighs against transfer.

The Federal Circuit has upheld denials of motions to transfer when plaintiffs have developed a significant factual record, such as in the [In re Cloudflare](#) case in November 2022, and the [In re General Motors](#) ruling in January 2023, according to Dewberry.

Planned Parenthood

Plaintiffs may have recently received another tool in their arsenal for fighting motions to transfer too.

In October 2022, the Court of Appeals for the Fifth Circuit ruled in the case [In re Planned Parenthood](#) – in which a plaintiff alleged that Planned Parenthood filed Medicaid claims while falsely certifying its compliance with applicable Medicaid regulations – that district courts had broad discretion when deciding motions to transfer.

It also stated that the judge's familiarity with the relevant law weighed in favour of upholding the denial of the motion to transfer. This analysis intrigued patent lawyers because Albright and Rodney Gilstrap, chief judge in the District Court for the Eastern District of Texas, are both familiar with patent law.

The Federal Circuit follows regional circuit standards, which means plaintiffs could use this ruling to their advantage when trying to stay in the Western District of Texas or Eastern District of Texas – which are covered by the Fifth Circuit.

Joseph Abraham, partner at Folio Law Group in Austin, says he expects this ruling to have a great deal of effect on motions to transfer.

Plaintiffs have even already started citing it.

In *Virtru v Microsoft*, the plaintiff Virtru argued that the Fifth Circuit decision overruled the Federal Circuit precedent that required courts to consider the location of those who had custody of relevant documents when evaluating how easy it was to access sources of proof – one of the factors in motions to transfer.

Albright, in an order denying the motion to transfer on January 18 2023, agreed that the Fifth Circuit's decision indicated a shift in the analysis of this factor. But he stated that he would still consider the location of those who had custody of electronic documents.

It's unclear how the Federal Circuit will incorporate this ruling, however.

A partner at a law firm in the US argues that the Federal Circuit likely won't follow this ruling as it indicated that it didn't think that the Fifth Circuit's decision undercut its approach.

On the wane?

Another factor that has changed since Albright first started hearing cases is the fact that he's no longer the de facto patent judge in Waco.

Patent cases in the court's Waco division are now randomly assigned to 11 judges in west Texas – complicating the calculation of whether plaintiffs and defendants want to be in or out of the district.

Still, the court has remained highly popular among plaintiffs.

About 25% of patent cases were filed in the Western District of Texas before cases were randomised on July 25 2022, and the court still saw around 20% of all US patent litigation in the second half of the year.

Defendants may continue to file motions to transfer for a few reasons, say sources.

For one thing, a couple of the Western District's judges have adopted substantially similar policies to Albright on scheduling cases quickly.

Judge David Counts **issued a standing order** in August to govern the scheduling of patent proceedings, and Judge Kathleen Cardone **did the same** in September.

Villarreal at Baker Botts says defendants may file motions to transfer if they don't like these rules.

Other defendants might prefer to be out of west Texas regardless of who's ruling.

Fareed at McDermott Will & Emery says some defendants would like to be in their home courts, which could contribute to their decisions to file motions to transfer.

It may be a little too early to tell how this will all play out, however.

Villarreal notes that the randomisation order was issued more than six months ago and some of the cases are just beginning, so it's still unclear whether there will be a lot of transfer motions.

If there are, it will be important for both plaintiffs and defendants to keep track of precedential decisions, especially as the patent-related ramifications of the *Apple*, *Google* and *Planned Parenthood* rulings become clearer.

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