Appellate Practice Group
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On Appeal Alert

Federal Circuit Grants Mandamus on Motion to Transfer Venue

The Federal Circuit's May 22, 2009 decision in *In re Genentech, Inc.*, 2009 WL 1425474 (Fed. Cir. 2009) — issuing a writ of mandamus overturning the denial of a motion to transfer — has important implications for where patent cases can be brought and tried. The decision also has important implications outside the patent context, for the use of mandamus to obtain appellate review of rulings on transfer motions.

The *Genentech* case was filed in the U.S. District Court for the Eastern District of Texas — a district that *The American Lawyer* has described as "the prime venue for patent trials nationally." The district achieved this distinction because of what *The American Lawyer* described as "starkly one-sided" results, with juries ruling for the plaintiff in nearly 90% of patent trials and awarding huge damages in the process. Those results — combined with what *The American Lawyer* referred to as "the disinclination of Eastern District judges to grant summary judgment" and a rocket docket (which has slowed in recent years) — have made the district a Mecca for patent cases.

In addition to attracting patent cases, the district was reluctant to transfer them, even if the connection between the district and the case was slight. Absent other compelling circumstances, the mere fact that the allegedly infringing product was sold nationally — in the district and elsewhere — often was enough to defeat a transfer motion.

The *Genentech* case involved typical facts. None of the parties was a Texas resident. The plaintiff was a German company and both defendants were headquartered in California. Several witnesses lived in California; others were scattered in Europe, the east coast and the midwest. No witnesses lived in Texas. Despite the slender connection between Texas and the case, the district court denied a motion to transfer. The defendants then petitioned for a writ of mandamus.

The Federal Circuit issued the writ. Addressing the availability of mandamus relief, the Court held that mandamus is available where the lower court decision was a "clear abuse of discretion" and the petitioner "has no other means of obtaining the relief desired." 2009 WL 1425474, at *2. The Federal Circuit also relied on the Fifth Circuit's recent decision in *In re Volkswagen of America, Inc.*, 545 F.3d 304 (5th Cir. 2008) (*en banc*), which applied these principles in holding that mandamus is available to correct a manifestly erroneous denial of transfer. Turning to the merits, the *Genentech* court concluded that the Northern District of California was a "clearly more convenient venue" and that the district court "clearly abused its discretion" in holding otherwise. 2009 WL 1425474, at *9.

Genentech should reduce the ability of patent plaintiffs to forum-shop by bringing suit in a district whose only connection to the case involves the sale of a nationally marketed product. *Genentech* also has broader significance, outside the patent context. Along with recent decisions by two regional circuits, it may signal an increased receptivity by appellate courts to using mandamus as "an appropriate means to challenge [a] transfer order." *In re LimitNone, LLC*, 551 F.3d 572, 576 (7th Cir. 2008) (denying mandamus relief); see also *Volkswagen*, 545 F.3d 304 (granting mandamus relief).

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