

U.S. Supreme Court Limits Choices for Patent Infringement Suits

PUBLISHED ON
May 24, 2017

A U.S. patent owner is now limited in where they can sue an accused patent infringer after the U.S. Supreme Court on Monday reversed a previous federal appeals court decision.

Instead of having the freedom to sue an infringer in any district court based on personal jurisdiction, a patent owner is now limited to filing either in a state's federal court where the infringer is incorporated or in a federal district where there has been an act of infringement, and the infringer has a regular and established place of business. It has been a case Barley Snyder attorneys have been tracking.

Why is it important?

This case limits the patent owner's ability to sue an infringer in any district court where the infringer is subject to personal jurisdiction. Supporters of the Supreme Court's decision have long questioned the appropriateness of allowing venue in any district court, resulting in a disproportionate number of cases being filed in patent-friendly courts. The remote Eastern District of Texas, a quite patent-friendly example, has seen 35 percent of all patent-infringement cases filed in the country. Abusive litigants, especially non-practicing entities that typically file in the Eastern District of Texas, have attracted critics and Congress which have advocated for legislative change to stem the abuse.

What is the effect?

Instead of patent-friendly courts like the Eastern District of Texas, patent plaintiffs are limited to either districts where there has been an act of infringement and the defendant has a regular and established place of business, or a state where the defendant is incorporated. From the patent owner's perspective, neither of the options may include a court with any significant degree of experience in hearing patent infringement cases nor specialized local rules which are tailored to patent infringement cases. Defendants now will have litigation migrate to their home state or one where an accused infringement act occurred. If you have any questions about this latest court ruling, feel free to reach out to me or anyone in our Intellectual Property Practice Group.

.

:



Salvatore Anastasi

Partner

Tel: (610) 722-3899

Email: sanastasi@barley.com