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Supreme Court case could change the game for automotive patent lawsuits



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The case, which involves two food makers, could limit venue shopping, bringing more patent cases into automotive companies' own backyard.

By [Dustin Walsh](#)

The result of a Supreme Court case heard today between two food companies may benefit Southeast Michigan's automotive industry and the attorneys that represent them.

The patent case, *TC Heartland LLC v. Kraft Foods Group Brands*, centers on where plaintiffs in an intellectual property or patent infringement dispute can file a lawsuit. Under current U.S. law, a plaintiff may file a patent infringement suit essentially in any district where the defendant does business.

The result? The rise of the Eastern District of Texas federal court. The court is nicknamed the "Rocket Docket" because it's become home to a vast majority of patent infringement lawsuits, marketed by quick proceedings — roughly 18 months compared with more than three years at other courts — and a plaintiff-friendly jury thanks to its small-town sensibilities in rural Texas.

Only 15 percent of cases heard in the court "involved a patent invented in the district or an accused infringer operating an office in the district," according to a January study by the *Stanford Technology Law Review*.

However, the Supreme Court is expected to rule against venue shopping, forcing plaintiffs to try cases in the district of the

defendant's headquarters or location of major operations, said Joseph Barber, an IP attorney for Royal Oak-based Howard & Howard Attorneys PLLC.

"The U.S. court system is set up to give the defendant an advantage of being at home, except in these cases," Barber said. "Patent trolls were really able to manipulate the system down in Texas with the use of a quick court that hindered a defendant's prep time and (less sophisticated) rural jurors."

Barber said if the Supreme Court rules in favor of changing jurisdiction, local automakers will immediately save on legal costs, because it's expensive to try cases in rural Texas versus near their Detroit-area headquarters. Also, the Texas court requires the use of a local lawyer in proceedings.

Roughly 10 percent of all patent cases involved automotive companies, Barber said, and the number is expected rise to rise substantially as technology continues to expand.

"Cars are becoming computers on wheels," Barber said. "Moving these cases to Detroit (Eastern District of Michigan) would provide automotive a more knowledgeable bench of judges and stable of jurors, many of which are engineers understanding the complex nature of these cases."

The Eastern District of Michigan court could see as many as three dozen more patent cases annually if the Supreme Court rules in favor of changing the rule, Barber said.

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