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*TC Heartland LLC v. Kraft Food Brands Group LLC*, No. 16-341

The patent venue statute, 28 U.S.C. § 1400(b), permits a patent infringement action to 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.” Although the Supreme Court held in 1957 that § 1400(b) was exclusive and that a corporate defendant “resides,” for these purposes, only where it is incorporated, the Federal Circuit held in 1990 that amendments to the general venue statute, 28 U.S.C. § 1391, had changed the venue calculus in patent cases. The Federal Circuit’s approach provided plaintiffs with far greater flexibility in selecting a venue, which resulted in a disproportionate share of patent infringement actions being filed in judicial districts (like the U.S. District Court for the Eastern District of Texas) believed to favor the interests of patent holders. Today, in an 8-0 decision authored by Justice Thomas, the Supreme Court rejected the Federal Circuit’s approach and held that a domestic corporation can be sued for patent infringement based on its residence only in its state of incorporation. This decision is likely to shift a substantial amount of patent litigation from Texas to federal courts in states like Delaware and California.