Miscellaneous Docket No. 20-104

IN THE

United States Court of Appeals for the Federal Circuit

IN RE APPLE INC.,

Petitioner.

On Petition for Writ of Mandamus to the
United States District Court for the
Western District of Texas
No. 6:18-cv-00372-ADA, Hon. Alan D. Albright

APPLE INC.'S PETITION FOR REHEARING EN BANC

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FORM 9. Certificate of Interest **Form 9**
Rev. 10/17

UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT

In re Apple Inc. **v.** _____

Case No. 20-104

CERTIFICATE OF INTEREST

Counsel for the:
■ (petitioner) ☐ (appellant) ☐ (respondent) ☐ (appellee) ☐ (amicus) ☐ (name of party)

Apple Inc.

certifies the following (use "None" if applicable; use extra sheets if necessary):

1. Full Name of Party Represented by me	2. Name of Real Party in interest (Please only include any real party in interest NOT identified in Question 3) represented by me is:	3. Parent corporations and publicly held companies that own 10% or more of stock in the party
Apple Inc.	Apple Inc.	None

4. The names of all law firms and the partners or associates that appeared for the party or amicus now represented by me in the trial court or agency or are expected to appear in this court **(and who have not or will not enter an appearance in this case)** are:

Orrick, Herrington & Sutcliffe LLP: Tyler S. Miller
Kelly Hart & Hallman LLP: John R. Johnson, J. Stephen Ravel

FORM 9. Certificate of Interest **Form 9**
Rev. 10/17

5. The title and number of any case known to counsel to be pending in this or any other court or agency that will directly affect or be directly affected by this court's decision in the pending appeal. *See* Fed. Cir. R. 47. 4(a)(5) and 47.5(b). (The parties should attach continuation pages as necessary).

None

1/21/2020
Date

/s/ Melanie L. Bostwick
Signature of counsel

Please Note: All questions must be answered

Melanie L. Bostwick
Printed name of counsel

cc: _____

Reset Fields

TABLE OF CONTENTS

Page

TABLE OF AUTHORITIES

Page(s)

Cases

Statutes

Other Authorities

STATEMENT OF COUNSEL

Based on my professional judgment, I believe this appeal requires an answer to at least the following precedent-setting question of exceptional importance: whether a district court, in considering a motion to transfer venue under 28 U.S.C. § 1404(a), may resolve factual conflicts in favor of the non-moving party, even when doing so elevates unsupported allegations and attorney argument over sworn fact witness testimony.

/s/Melanie L. Bostwick
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Counsel for Petitioner

INTRODUCTION

This case presents a question that could shut down the availability of § 1404(a) venue transfer—especially in the newly popular patent venue, the Western District of Texas's Waco Division. The question is whether a plaintiff can defeat a transfer motion by doing nothing more than alleging that there may be likely witnesses in, or other connections to, the plaintiff's chosen forum. The district court here accepted such bare allegations with no analysis, even though they contradicted detailed sworn testimony provided by Apple and by its third-party chip supplier. The district court instead resorted to a legal "rule," inapplicable in this context, that treats a non-moving party's mere allegations as requiring absolute deference. The district court denied transfer on this basis, and a panel of this Court denied mandamus in an order that provided no justification for the district court's unlawful approach.

This Court's en banc review is necessary not only to correct the clear error in this case but to prevent this district court and others from applying the same flawed rule in the future. Allowing the panel's order to stand threatens to make § 1404(a) transfer nothing more than an

illusory remedy. Apple is a repeat target for patent-infringement suits that are commonly brought in venues with no connection to the litigation. As such, Apple is deeply concerned about the creation of new and unfounded legal obstacles that make it virtually impossible to secure § 1404(a) transfer to an appropriate venue.

The Court should grant rehearing.

BACKGROUND

Fintiv brought this case in a forum that it admits has no connection to the parties or their patent-infringement dispute: the Waco Division of the Western District of Texas. Appx45.

Fintiv's complaint targets Apple Wallet, an application that is part of Apple's iOS (for iPhones) and WatchOS (for Apple Watch) operating systems. Appx103; Appx83; Pet. 5-6.[1] The Wallet application for both the iOS and WatchOS platforms was designed and developed in Apple's headquarters in Cupertino, California; it is marketed and managed from Cupertino; and the source code for the application is maintained there. The server engineering teams for Apple Pay, which

[1] "Pet." refers to Apple's mandamus petition, Dkt. No. 3; "Opp." refers to Fintiv's opposition, Dkt. No. 18; and "Reply" refers to Dkt. No. 20.

drives certain Wallet functionality, are likewise concentrated in Cupertino (with the remaining four team members outside the United States). Pet. 6-7. Non-party NXP supplies a chip used to provide the accused "secure element" functionality within the Wallet application; the NXP chip separately provides near-field communication ("NFC") capability, but that distinct functionality is not captured by Fintiv's infringement contentions. Pet. 5-6. All NXP employees involved with the chip are in Northern California or outside the country. Pet. 7-8. There is no relevant connection between the accused technology and the state of Texas. Nor does Fintiv have any connection to Waco, the division in which it filed its complaint; it claims a headquarters at a co-working space in Austin, a separate division. Pet. 3. And only two Austin-based Fintiv employees are even alleged to have relevant information. *Id.*

Because of the strong connections between this litigation and the Northern District of California, and the absence of meaningful connections to Texas, Apple sought transfer under 28 U.S.C. § 1404(a). Appx69-80. Apple showed through sworn testimony—from its own senior manager and an executive from NXP—that virtually all

potentially relevant documents and party witnesses and all third-party witnesses for whom compulsory process might be necessary are in the Northern District of California. *See* Pet. 8-10.

Fintiv's opposition showed no link between this litigation and Waco. It didn't even try. Instead, Fintiv relied heavily on the fact that Apple and NXP both generally have certain business operations in the separate Austin Division, even though those operations have nothing to do with the accused technology in this case. Fintiv also searched LinkedIn profiles and other Internet sources for some link between Apple's and NXP's Austin-based employees and the ancillary, non-accused NFC technology. *See* Pet. 8-10, 28-29. The transfer dispute came down to a contest between, on the one hand, Fintiv's attorney argument and baseless allegations about supposedly knowledgeable witnesses in the Austin Division and, on the other hand, Apple's detailed showing, backed by sworn testimony, that nothing that Fintiv alleged was true.

The district court nonetheless found Fintiv's showing sufficient to defeat transfer. It reached this result by relying on the notion that it had to resolve "factual conflicts" in favor of Fintiv, as the non-moving

party. Appx3 (citing *Weatherford Tech. Holdings, LLC v. Tesco Corp.*, No. 17-cv-456, 2018 WL 4620636 (E.D. Tex. May 22, 2018)). As the panel implicitly acknowledged, this *Weatherford* principle was decisive. *See* Order 2-3. On each critical factor—witness convenience, party convenience, compulsory process, and local interest—the district court found reasons to deny transfer to the Northern District of California only by deferring to Fintiv's unsupportable contentions and ignoring Apple's contrary sworn evidence. *See* Appx7; Appx9-10; Appx13; Appx15-16. This blind deference led the district court to accept Fintiv's assertions about the case's connections to Austin and to grant intradistrict transfer to the Austin Division (albeit retained by the Waco Division judge). Appx17.

In denying Apple's mandamus petition, the panel upheld this approach as within the district court's "considerable discretion." Order 4. The panel noted the deference due to a district court's "evaluation of whether an individual is deserving of consideration" as a potential witness and remarked that "the district court wrestled with the complicated task of determining whether it should consider employees of Apple and NXP" to be potential witnesses. Order 4.

But the panel identified no such factual evaluations or discretionary exercises in the district court's order. On the contrary, the panel seemed to recognize that the district court had relied *not* on any assessment of the competing evidence but instead on the presumption that Fintiv's assertions were true, based on the posture of the parties and without regard to Apple's evidence. *See* Order 2 (district court found relevant Apple witness in Austin "after resolving factual conflicts in Fintiv's favor"); Order 3 (district court "again decided to resolve [a] factual dispute in Fintiv's favor" to address compulsory-process factor). As discussed further below (at 16-17), each of the district court's crucial "findings"—including every one cited in the panel's order—resulted not from grappling with the evidence but from simply assuming, per *Weatherford*, that Fintiv's allegations were true.

In sum, the panel's decision to deny mandamus, like the district court's decision to deny transfer, elevated Fintiv's bare allegations over Apple's actual evidence, based purely on Fintiv's status as non-moving party. As a result, the panel's order endorses the *Weatherford* approach and appears to allow district courts to resolve § 1404(a) transfer

motions by deferring to unsupported allegations and argument from a non-moving party, without regard to clear and contrary sworn evidence.

ARGUMENT

I. The Panel's Order Endorses A Clearly Erroneous Legal Approach To § 1404(a) Venue-Transfer Motions.

The district court's reliance on the *Weatherford* approach to deny transfer to the clearly more convenient forum was a clear abuse of discretion warranting mandamus relief. *See In re Volkswagen of Am., Inc.*, 545 F.3d 304, 310-12 (5th Cir. 2008) (en banc) (mandamus warranted to correct "clear abuse of discretion"); *Koon v. United States*, 518 U.S. 81, 100 (1996) ("A district court by definition abuses its discretion when it makes an error of law.").[2] That approach to the § 1404(a) analysis has no basis in law and is at odds with the very nature of the inquiry. It erects an impossible obstacle for defendants seeking transfer, by allowing plaintiffs to defeat such requests with nothing more than baseless allegations and attorney argument. Under

[2] As Apple explained, mandamus is also warranted based on the district court's patently erroneous analysis of the § 1404(a) factors. *See* Pet. 22-40. Apple's rehearing petition focuses on the legal error because, as stated above (at 1), it presents a sufficiently important question to justify en banc review.

Weatherford, such allegations are deemed sufficient to create a factual "conflict" on which the non-moving party must be given deference—a notion rooted in a doctrine that does not apply to § 1404(a). By refusing to declare this approach unlawful, the panel has effectively granted district courts license to deny venue transfer in any case where the plaintiff merely asserts some alleged connection, however unfounded, between its chosen forum and the litigation. No matter how strong the defendant's contrary showing, it cannot prevail.

As Apple explained, there is no appellate authority supporting *Weatherford*. Pet. 16. Contrary to *Weatherford*, a district court can and must make actual findings of fact as to how the § 1404(a) factors apply in a given case. *See, e.g.*, *In re LimitNone, LLC*, 551 F.3d 572, 577 (7th Cir. 2008); *Hustler Magazine, Inc. v. U.S. Dist. Ct.*, 790 F.2d 69, 71 (10th Cir. 1986). This Court has said that "[a] motion to transfer under § 1404(a) calls upon the trial court to weigh a number of case-specific factors based on the individualized facts on record." *In re Verizon Bus. Network Servs. Inc.*, 635 F.3d 559, 561 (Fed. Cir. 2011). And the Court has held that a district court abuses its discretion when it "fail[s] to fully consider the facts in the record." *In re Apple, Inc.*, 581 F. App'x

886, 888 (Fed. Cir. 2014); *see also* Order 3 (acknowledging that a district court must have "considered" the applicable factors to receive deference). Surely a court cannot fully consider the individualized facts by substituting presumptions and default rules for factual findings.

There are circumstances in which district courts may properly defer to a non-moving party's factual allegations. The principle applies, most notably, in the Rule 12(b)(6) context. *See, e.g.*, *Body By Cook, Inc. v. State Farm Mut. Auto. Ins.*, 869 F.3d 381, 385 (5th Cir. 2017). When the question is whether the case may go forward at all, and when that question is being asked at the threshold of litigation, it makes sense to exercise caution and put a thumb on the scale for the party whose cause of action is at stake. A motion to dismiss is a preliminary test of the merits of a plaintiff's claim. At the same time, it is "not a procedure for resolving a contest between the parties about the facts or the substantive merits." 5B Wright & Miller, Fed. Prac. & Proc. Civ. § 1356 (3d ed.).

A § 1404(a) motion is different in every way, and deferring to a plaintiff who creates a factual conflict in this context—rather than resolving that conflict—misapprehends the nature of the inquiry and

the role of the district court. First, a § 1404(a) analysis is not a *preliminary* test of a question but a definitive determination of where the case will be venued. If the relevant facts are not actually resolved at the transfer stage, there is no further chance to do so. Second, a venue transfer does not judge the merits of the cause of action. The § 1404(a) factors assess the nature and conduct of the litigation, not the substantive merits of the case. *See, e.g., Coffey v. Van Dorn Iron Works*, 796 F.2d 217, 221 (7th Cir. 1986); *In re Nintendo Co.*, 544 F. App'x 934, 941 (Fed. Cir. 2013). Finally, unlike a Rule 12(b)(6) motion, a § 1404(a) proceeding is very much a mechanism for resolving a contest between the parties about the merits of the issue at hand: the relative convenience of one forum versus another.

And, as the panel noted, a trial court is well-suited to assess the parties' competing submissions and make the requisite factual findings to judge relative convenience. Order 4 (quoting *In re Vistaprint Ltd.*, 628 F.3d 1342, 1346 (Fed. Cir. 2010)). District courts resolve factual disputes about the conduct of litigation in numerous contexts: when ruling on discovery disputes, setting trial schedules, or even (albeit retroactively) determining whether litigation conduct justifies an award

of attorneys' fees under § 285. There is nothing unusual or improper about a district court making definitive factfindings relating to where the litigation should be conducted. Yet the district court here refused to do so, deciding instead to presume the truth of Fintiv's allegations even when both Apple and NXP had shown them to be untrue. And the panel upheld that approach without any discussion of the propriety of applying a presumption in favor of the non-moving party.

This legal error threatens to eviscerate § 1404(a) transfer motions. If the transferor court must defer to a bare allegation of some connection to the chosen forum, then many, many more cases will be tried in inconvenient venues.

The Supreme Court has cautioned against that result. It has warned that courts applying § 1404(a) "should consider whether a suggested interpretation would discriminatorily enable parties opposed to transfer, by means of their own acts or omissions, to prevent a transfer otherwise proper and warranted by convenience and justice." *Van Dusen v. Barrack*, 376 U.S. 612, 623 (1964). So, for example, the Supreme Court refused to interpret § 1404(a) to prevent transfer of a case that included an in rem admiralty claim based on the legal "fiction"

that the vessel (located in the transferor forum) is a party; doing so would "scuttle the forum non conveniens statute so far as admiralty actions are concerned," because "[a]ll a plaintiff would need to do to escape from it entirely would be to bring his action against both the owner and the ship." *Continental Grain Co. v. Barge FBL-585*, 364 U.S. 19, 24-25 (1960). Likewise here, if the panel's decision endorsing the *Weatherford* approach is allowed to stand, all a plaintiff will need to do to avoid transfer will be to create a factual "conflict" as to one or more § 1404(a) factors—for example, as here, by merely alleging that the case requires testimony from some local witnesses. Under *Weatherford*, that conflict will be resolved in the plaintiff's favor as the non-moving party every time, without regard to the quality or strength of the actual evidence before the court.

The en banc Court should not permit that result. The panel's order offers no actual defense of the *Weatherford* approach. Indeed, the panel purported not to decide whether the approach was lawful. According to the panel, "[w]hatever may be said about the validity of drawing inferences and resolving factual disputes in favor of the non-moving party in the context of a transfer motion, we cannot say that

Apple's right to relief here is indisputably clear." Order 5. But the panel elsewhere acknowledged that the district court's reliance on *Weatherford* was decisive. *See* Order 2-3. And Apple certainly demonstrated that the district court could not have reached the outcome it did but for the *Weatherford* rule. *See* Reply 5-6; Pet. 22-39. The necessary effect of the panel's decision that Apple has no clear right to relief is a decision that district courts may resolve all disputes in favor of the party opposing § 1404(a) transfer.

The panel's first justification for this result is that "Apple bore the burden of proof here." Order 5. But that assertion misunderstands the effect of a district court relying on *Weatherford* deference. Apple admits it bears the burden of proof on its § 1404(a) motions. The question before the panel, however, was how the district court must weigh competing evidence in deciding whether a party seeking transfer has satisfied that burden. And *Weatherford* allows the district court a shortcut: simply accept the non-moving party's statements (or those of its counsel) without considering the evidence the moving party presents. In that regime, it is difficult to see how any moving party could ever satisfy its burden. The panel offered no answer.

The panel also emphasized the deference due to a district court's exercise of "'discretion'" because of a trial judge's "'superior opportunity to familiarize himself or herself with the nature of the case and the probable testimony at trial.'" Order 4 (quoting, respectively, *In re Amazon.com, Inc.*, 478 F. App'x 669, 671 (Fed. Cir. 2012), and *Vistaprint*, 628 F.3d at 1346). But this rationale has no force if a district judge doesn't actually engage with the evidence and make a reasoned determination about whether particular testimony is, in fact, probable. *See* Pet. 15 (explaining that the district court's decision "was essentially an abdication of [its] discretion, and of the court's role as factfinder in the § 1404(a) context"). That failure to engage is precisely what happened here, although the panel seems to have overlooked that critical problem.

Unlike the courts in *Amazon.com* and *Vistaprint*, cited by the panel, the district court here performed no such reasoned analysis. *See* 478 F. App'x at 669-70 (recounting district court's weighing of evidence); 628 F.3d at 1344 (same). Its order contained no discussion of, for example, whether or how general knowledge about the NFC standard would be relevant to the case; how Texas-based NXP employees might

have pertinent information; or why AppleCare customer support employees might have relevant knowledge. The district court avoided any such discussion by resorting to the inappropriate *Weatherford* presumption.

To the extent the panel's order suggests that the district court did not merely rely on *Weatherford* but made actual findings about the § 1404(a) factors, that is incorrect. The district court's key "findings" all depended on the *Weatherford* principle:

- The district court expressly relied on *Weatherford* in finding, without regard to Apple's sworn evidence, that there was a likely Apple witness in Austin. Appx7 n.2 ("the Court resolved factual conflicts in favor of Fintiv" to find Ruotao Wang a potential witness). Contrary to Apple's sworn declaration that no Austin-based employee had involvement with the accused technology, the district court accepted Fintiv's representation that Mr. Wang did—even though the only basis for that representation was that Mr. Wang's LinkedIn profile listed a project related to NFC that he performed as an undergraduate student, not anything he did at Apple or concerning the accused technology.

- It did so implicitly in finding, again contrary to sworn evidence, that AppleCare customer support employees in Austin might have relevant information. Appx7. This was the only way the Court found the location of party witnesses "neutral" instead of favoring transfer. Appx7-8. Worse still, the district court relied here on mere representations by Fintiv's counsel, even though "[a]ttorney argument is not evidence." *Icon Health & Fitness, Inc. v. Strava, Inc.*, 849 F.3d 1034, 1043 (Fed. Cir. 2017).

- The district court found the compulsory-process factor neutral by "resolv[ing] factual conflicts in favor of the non-movant" to conclude that "there may be some NXP employees in WDTX with relevant information." Appx11. Again, as Apple pointed out (Pet. 33-34), the very declaration NXP provided here would easily allow it to quash a subpoena from Fintiv to an Austin-based NXP employee who knows nothing about the accused technology. Yet *Weatherford* allowed the district court to deny transfer on the basis that such witnesses might testify.

- The district court again relied on *Weatherford* in finding that local interest weighed against transfer, by resolving in Fintiv's favor the dispute about whether Apple's Austin operations had any connection to this case. Appx15.

These were the decisive factors. And they were all infected by the erroneous *Weatherford* approach. The panel's order allows this clearly unlawful approach to stand. And, if the en banc Court does not act, this decision will raise the bar for venue transfer in patent cases to an essentially insurmountable height. The Court should grant rehearing to undo the panel's order, grant Apple's mandamus petition, and prevent that unlawful outcome.

II. The Panel's Order Improperly Faults Apple For Requesting Lesser Alternative Relief In The Form Of An Intradistrict Transfer.

En banc rehearing is warranted here for an additional reason. Fintiv's opposition to Apple's mandamus petition rested heavily on the

argument that Apple was judicially estopped from contesting the denial of transfer because Apple had asked the district court for an intradistrict transfer to Austin as lesser alternative relief, and the district court had granted that secondary request. *See* Opp. 12-15, 27-32. The panel's order refers to this argument, observing that Apple cannot "take back its previous assertion to the district court that the Austin Division 'is clearly more convenient for both parties.'" Order 3. The panel's characterization of Apple's position is incorrect, and its apparent reliance on this error in denying mandamus confirms that rehearing is warranted.

Apple's mandamus reply made clear that it never agreed that Austin was a convenient forum. Reply 15-16. The panel's quotation from Apple's transfer motion omits the critical language: Apple agreed only that Austin was "clearly more convenient for both parties *than this Division*"—that is, the entirely inconvenient Waco Division. Appx79 (emphasis added). Fintiv didn't disagree with that statement; it immediately consented to an Austin transfer—so long as the case stayed with the same Waco-Division judge. Appx263. And Fintiv's arguments opposing Apple's actual transfer request focused exclusively

on why *Austin* was supposedly a convenient forum. Appx263-272. As Apple pointed out, Fintiv did not mention Waco once at the transfer hearing. Reply 16. And the district court's order compared only the relative convenience of the Northern District of California and Austin, finding zero connections to Waco. Appx1-17. This was only ever a case about Austin versus Northern California, and Apple was unwavering in its position that the latter was the only forum with meaningful connections to this litigation.

In these circumstances, there is no reason to fault Apple for seeking some meager relief through an intradistrict transfer in the event its interdistrict transfer request was denied. To the extent the panel accepted Fintiv's argument of judicial estoppel, that was contrary to law for the reasons Apple explained. *See* Reply 17-20. Judicial estoppel prevents a party from taking "plainly inconsistent" positions during litigation. *Reed v. City of Arlington*, 650 F.3d 571, 574 (5th Cir. 2011) (en banc). Here, Apple consistently maintained that the Northern District of California is clearly more convenient than either Austin or Waco, and that Austin is merely marginally less inconvenient than Waco. That is perfectly consistent with requesting transfer to the

California forum, particularly because the § 1404(a) inquiry focuses on "relative convenience." *In re Toa Techs., Inc.*, 543 F. App'x 1006, 1009 (Fed. Cir. 2013). The threshold requirement for estoppel is not present.

Even if the panel stopped short of applying estoppel, it is inequitable to punish parties for offering alternative theories of convenience. This approach encourages bad behavior by plaintiffs. Based on the panel's order, patent plaintiffs will likely feel emboldened to do exactly what Fintiv did here: file in a division that has no arguable connection to the dispute and force the defendant either to accept an intradistrict transfer to a still-inconvenient forum, or seek only interdistrict transfer and risk even more substantial inconvenience if its request is denied.

There is no basis for putting parties to this Hobson's choice. The panel's order certainly does not provide one. For this reason, too, rehearing is warranted.

CONCLUSION

The Court should grant en banc rehearing.

Respectfully submitted,

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January 21, 2020

CERTIFICATE OF COMPLIANCE

The petition complies with the type-volume limitation of Fed. R. App. P. 35(b)(2)(A) because this petition contains 3893 words, excluding the parts of the petition exempted by Fed. Cir. R. 35(c)(2).

This petition complies with the typeface requirements of Fed. R. App. P. 32(a)(5) and the type style requirements of Fed. R. App. P. 32(a)(6) because this petition has been prepared in a proportionally spaced typeface using Microsoft Word 2016 in Century Schoolbook 14-point font.

ORRICK, HERRINGTON & SUTCLIFFE LLP

/s/ Melanie L. Bostwick
Melanie L. Bostwick
Counsel for Petitioner

ADDENDUM

Order in In re Apple Inc., No. 20-104 (Fed. Cir. Dec. 20, 2019)

NOTE: This order is nonprecedential.

United States Court of Appeals for the Federal Circuit

In re: APPLE INC.,
Petitioner

2020-104

On Petition for Writ of Mandamus to the United States District Court for the Western District of Texas in No. 6:18-cv-00372-ADA, Judge Alan D. Albright.

ON PETITION

Before MOORE, O'MALLEY, and STOLL, *Circuit Judges*.

O'MALLEY, *Circuit Judge*.

O R D E R

Apple Inc. petitions this court for a writ of mandamus directing the United States District Court for the Western District of Texas to transfer this case to the United States District Court for the Northern District of California. Fintiv, Inc. opposes the petition. Apple replies.

BACKGROUND

This petition arises out of a patent infringement complaint filed by Fintiv against Apple in the Waco Division of the Western District of Texas. Fintiv's infringement

allegations target Apple Wallet, a software application present in iPhones and Apple Watches, which allows users to store electronic representations of wallet contents, such as credit cards. The technology relies, in part, on an NFC chip supplied by a Netherlands-based company called NXP. Fintiv, a Delaware corporation, has its principal place of business at a WeWork co-working space in Austin, Texas, from which six employees work. Apple is headquartered in Cupertino, California, but maintains a campus in Austin, Texas. NXP has employees who work on the chip in San Jose, California as well as Austin-based employees who focus on the company's microprocessor business.

Apple moved to transfer the case pursuant to 28 U.S.C. § 1404(a) to the Northern District of California or alternatively to transfer to the Austin Division of the Western District of Texas. The district court denied-in-part and granted-in-part Apple's motion. Although the court noted that Apple had identified several employees in the Northern District of California with relevant information, the court concluded that the venues were equally convenient for the parties because Fintiv identified two of its employees in Austin, Texas as potential witnesses; some AppleCare employees in Austin that "may have knowledge of Apple Pay and Apple Wallet that could support Fintiv's indirect infringement claims"; and, after resolving factual conflicts in Fintiv's favor, at least one Austin Apple engineer "who may have relevant information."

The district court concluded that the compulsory process factor also did not weigh in favor of or against transfer from the Western District of Texas. The district court noted that Fintiv had identified several employees of NXP who may have relevant information based on their backgrounds, and Fintiv's attorney represented at the hearing on the motion that these individuals could be relevant witnesses. Although the district court acknowledged Apple's assertion that some NXP employees in Northern California could be relevant to this case and that Apple disagreed that

any NXP employee in Austin may have relevant information, the district court again decided to resolve that factual dispute in Fintiv's favor.

In addition, the district court found that the local interest factor in having localized interests decided at home weighed against transferring the case. In this regard, the court noted that "Apple is likely one of the largest employees in both NDCA and WDTX," that "Fintiv has identified at least one Apple employee in WDTX who may have relevant information" to the case, and Fintiv maintains its only U.S. office in Austin from where multiple employees work. The court therefore concluded that Apple had not shown that the Northern District of California was clearly more convenient. However, given the connections between the case and Austin, the district court granted Apple's request to transfer the case from Waco to Austin.

DISCUSSION

Apple bears a heavy burden to overturn the district court's transfer decision. We may grant mandamus under such circumstances only upon a showing of a clear abuse of discretion that produced a patently erroneous result. *In re TS Tech USA Corp.,* 551 F.3d 1315, 1318-19 (Fed. Cir. 2008); *see also Cheney v. U.S. Dist. Ct. for Dist. of Columbia*, 542 U.S. 367, 380 (2004) (requiring that a petitioner seeking mandamus establish that the right to relief is "clear and indisputable" (internal quotation marks and citations omitted)). Where the district court has considered all the applicable factors and its balancing of these factors is "reasonable," its decision is entitled to "substantial deference." *Piper Aircraft Co. v. Reyno*, 454 U.S. 235, 257 (1981)(citations omitted).

Apple does not dispute that the district court considered all the relevant transfer factors. Nor can Apple now take back its previous assertion to the district court that the Austin Division "is clearly more convenient for both parties." Instead, Apple primarily complains that in not

transferring to the Northern District of California, the district court erred in giving any weight to Apple and NXP employees who reside in Austin, Texas. Specifically, Apple contends that its affidavits demonstrated that these individuals are not potential witnesses and the district court's failure to reach that conclusion, by resolving factual disputes in Fintiv's favor, was an abdication of its role of fact-finder.

We have said that a "district court should assess the relevance and materiality of the information the witness may provide." *In re Genentech, Inc.*, 566 F.3d 1338, 1343 (Fed. Cir. 2009). However, in making such determinations, the district court enjoys considerable discretion. *See In re Amazon.com Inc.*, 478 F. App'x 669, 671 (Fed. Cir. 2012). As we have explained generally, "[o]ur reluctance to interfere is not merely a formality, but rather a longstanding recognition that a trial judge has a superior opportunity to familiarize himself or herself with the nature of the case and the probable testimony at trial, and ultimately is better able to dispose of these motions." *In re Vistaprint Ltd.*, 628 F.3d 1342, 1346 (Fed. Cir. 2010). Those principles apply with particular force to a district court's evaluation of whether an individual is deserving of consideration in the willing witness or compulsory process factors.

Here, the district court wrestled with the complicated task of determining whether it should consider employees of Apple and NXP that Apple and NXP assert should not be considered witnesses but that Fintiv believes may have information that could assist Fintiv in supporting its claims. It found that certain Apple and NXP employees in Austin were deserving of weight, while other employees of other companies were not. While Apple argues that its submitted affidavits demonstrated that these individuals could not be witnesses, Fintiv introduced at least some evidence and argument connecting the backgrounds of these individuals to relevant issues. We conclude that there was at least a plausible basis for the district court to find that

these individuals may have relevant information. The court's ruling was thus not a clear abuse of discretion.

Whatever may be said about the validity of drawing inferences and resolving factual disputes in favor of the nonmoving party in the context of a transfer motion, we cannot say that Apple's right to relief here is indisputably clear. In any event, it is undisputed that Apple bore the burden of proof here. *See In re Volkswagen of Am., Inc.*, 545 F.3d 304, 314–15 (5th Cir. 2008) (en banc) (stating that the burden of proof rests with the party seeking transfer to show that the transferee venue would be clearly more convenient than the venue chosen by the plaintiff).

Accordingly,

IT IS ORDERED THAT:

The petition is denied.

FOR THE COURT

December 20, 2019
Date

/s/ Peter R. Marksteiner
Peter R. Marksteiner
Clerk of Court

s29

CERTIFICATE OF SERVICE

I hereby certify that I electronically filed the foregoing with the Clerk of the Court for the United States Court of Appeals for the Federal Circuit by using the appellate CM/ECF system on January 21, 2020.

I certify that all counsel of record in the case are registered CM/ECF users and that service will be accomplished by the appellate CM/ECF system.

A copy of the foregoing was served upon the district court judge via UPS:

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