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# Looking Back: TC Heartland Is a Change of Law

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In remanding a case back to the district court, the US Court of Appeals for the Federal Circuit held that the Supreme Court of the United States' 2017 decision in *TC Heartland v. Kraft Foods* qualifies as a change of law, and that an alleged infringer's defense of improper venue was not waived by its earlier failure to raise that defense in motions filed before the *TC Heartland* decision issued. *In re Micron Tech, Inc.*, Case No. 17-00138 (Fed. Cir., Nov. 15, 2017) (Taranto, J).

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In June 2016, Harvard College filed a patent infringement case in the District of Massachusetts against Micron, which is incorporated in Delaware and has its principal place of business in Idaho. In August 2016, Micron moved to dismiss the complaint for failure to state a claim under Fed. R. Civ. Pro. § 12(b)(6), but it did not include an objection to venue under § 12(b)(3). In December 2016, the Supreme Court granted review in *TC Heartland* to address the correct interpretation of the term "resides" in 28 USC C 1400(b), which addresses venue in patent cases. In May 2017, the Supreme Court issued its decision, holding that under C 1400(b), "a domestic corporation resides only in its State of incorporation for purposes of the venue statute".

After the Supreme Court's decision, Micron filed a second motion to dismiss or transfer the case, arguing that venue was improper in the District of Massachusetts because Micron is not incorporated there. The district court denied the motion, finding that under Rules 12(h)(1)(A) and 12(g)(2), Micron waived its venue defense by not objecting to venue in its first motion to dismiss filed in August 2016. Crucial to the district court's holding was its finding that *TC Heartland* was not a change of law and that the venue defense now asserted by Micron was available when Micron filed its first motion. Micron thereupon filed a writ of *mandamus* to the Federal Circuit.

Recognizing the widespread disagreement over whether *TC Heartland* changed the law on venue, the Federal Circuit granted *mandamus*. The Court found that *TC Heartland* was a change in law and that the venue defense was not available to Micron when it filed its original motion to dismiss. The Court explained that prior to *TC Heartland*, district courts were required to follow the Federal Circuit's 1990 decision in *VE Holding v. Johnson Gas* as binding precedent. Under *VE Holding*, venue was proper in Massachusetts. The Court went on to note that the Supreme Court's 1957 decision in *Fourco Glass v. Transmirra Products* did not address the post-1988 amendments to the patent venue statute, and thus there was no intervening Supreme Court precedent before *TC Heartland*. As a result, the Court concluded that the venue defense now raised by Micron was not available prior to the *TC Heartland* decision.

The Federal Circuit noted, however, that even though *TC Heartland* was a change in law, an accused infringer may forfeit an otherwise meritorious venue defense. While the Court left it up to future cases to elaborate on circumstances in which forfeiture is appropriate, it observed that timeliness, including when the defense became available and the stage of the litigation when the defense was raised, may be considered in deciding whether a defendant forfeited a venue defense based on *TC Heartland*.



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