

Skilled in the Art: Packaging Cases Criss-Cross in the night

By Scott Graham

Meanwhile, lawyers from Morrison & Foerster and **Latham & Watkins** have managed to fly patent infringement cases between two packaging companies across the country: One from California to Ohio, and the other from Ohio to California.

Free-Flow Packaging International (FPI) and Automated Packaging Systems (APS) are in the business of filling the empty space in boxes with material that protects package contents. FPI, whose principal place of business is in Fremont, California, sued APS in California for infringing its patents. U.S. Magistrate Judge Michael Fitzgerald sent it to the Northern District of Ohio in November. That's APS's home base and where APS filed its own patent suit against FPI three years ago.

It looked as if U.S. District Judge Sara Lioi might handle both cases together, but now a Latham team

led by partner **Richard Frenkel** has prevailed on her to send APS's case to the Northern District of California.

APS's case has mostly been on hold during IPR proceedings, and FPI acted promptly as soon as the Supreme Court ruled in *TC Heartland*, Lioi wrote in a 22-page opinion issued Friday.

APS and Calfee, Halter & Griswold argued that venue is proper in Ohio because FPI loans some of its equipment to customers in Ohio and services it for them there. But Lioi turned away this "rather creative argument" in the wake of the Federal Circuit's *In re Cray* decision on venue.

"Servicing a customer at the customer's facility cannot transform that facility into the patent defendant's place if the defendant does not hold such place out as its own," she concluded.

The decision highlights a new feature of the post-*TC Heartland* landscape. When competitors from two different judicial districts sue each other for patent infringement, the cases may often be tried separately.

"We're pleased with the very thorough and thoughtful opinion from Judge Lioi," said Frenkel, who was assisted by Latham partners **Max Grant** and others. "*In re Cray* and *In re Micron*, as well as *TC Heartland*, are having a big impact on how and where patent cases are being litigated."

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