

114TH CONGRESS
2D SESSION

S. _____

To ensure that venue in patents cases is fair and proper, and for other purposes.

IN THE SENATE OF THE UNITED STATES

_____ introduced the following bill; which was read twice and referred to the Committee on _____

A BILL

To ensure that venue in patents cases is fair and proper, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Venue Equity and
5 Non-Uniformity Elimination Act of 2016”.

6 **SEC. 2. VENUE.**

7 (a) AMENDMENT.—Section 1400 of title 28, United
8 States Code, is amended by striking subsection (b) and
9 inserting the following:

1 “(b) Notwithstanding subsections (b) and (c) of sec-
2 tion 1391, any civil action for patent infringement or any
3 action for a declaratory judgment that a patent is invalid
4 or not infringed may be brought only in a judicial dis-
5 trict—

6 “(1) where the defendant has its principal place
7 of business or is incorporated;

8 “(2) where the defendant has committed an act
9 of infringement of a patent in suit and has a regular
10 and established physical facility that gives rise to the
11 act of infringement;

12 “(3) where the defendant has agreed or con-
13 sented to be sued in the instant action;

14 “(4) where an inventor named on the patent in
15 suit conducted research or development that led to
16 the application for the patent in suit;

17 “(5) where a party has a regular and estab-
18 lished physical facility that such party controls and
19 operates, not primarily for the purpose of creating
20 venue, and has—

21 “(A) engaged in management of significant
22 research and development of an invention
23 claimed in a patent in suit prior to the effective
24 filing date of the patent;

1 “(B) manufactured a tangible product that
2 is alleged to embody an invention claimed in a
3 patent in suit; or

4 “(C) implemented a manufacturing process
5 for a tangible good in which the process is al-
6 leged to embody an invention claimed in a pat-
7 ent in suit; or

8 “(6) in the case of a foreign defendant that
9 does not meet the requirements of paragraph (1) or
10 (2), in accordance with section 1391(c)(3).”.

11 (b) MANDAMUS RELIEF.—For the purpose of deter-
12 mining whether relief may issue under section 1651 of title
13 28, United States Code, a clearly and indisputably erro-
14 neous denial of a motion under section 1406(a) of such
15 title to dismiss or transfer a case on the basis of section
16 1400(b) of such title shall be deemed to cause irremediable
17 interim harm.

18 (c) RETAILERS.—

19 (1) DEFINITION OF RETAILER.—In this sub-
20 section, the term “retailer” means an entity that
21 generates revenues predominately through the sale
22 to the public of consumer goods or services, or an
23 affiliate of such entity, but does not include an enti-
24 ty that manufacturers or causes the manufacturer of

1 a covered product or covered process, or a relevant
2 part thereof.

3 (2) ELIGIBILITY.—If a defendant does not meet
4 the definition of “retailer” under paragraph (1) sole-
5 ly because the defendant manufactures or causes
6 the manufacture of the covered product or process
7 in suit, the retail facilities of such defendant shall
8 not constitute a regular and established physical fa-
9 cility for purposes of section 1400(b)(2) of title 28,
10 United States Code, as added by subsection (a).

11 (d) TELEWORKERS.—The dwelling or residence of an
12 employee or contractor of a defendant who works at such
13 dwelling or residence shall not constitute a regular and
14 established physical facility of the defendant for purposes
15 of section 1400(b)(2) of title 28, United States Code, as
16 added by subsection(a).