UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF TEXAS
TEXARKANA DIVISION

MAXELL, LTD.,	§	
	§	
v.	§	**No. 5:24-CV-00088-RWS-JBB**
	§	
CORETRONIC CORP. AND OPTOMA CORP.	§	
	§	

ORDER

Before the Court is Defendants' Motion to Transfer Under 28 U.S.C. § 1404(a). Dkt. No. 63. Having carefully considered the relevant briefing and hearing arguments of counsel March 6, 2025, the motion is **DENIED**.[1]

I. BACKGROUND

Maxell, Ltd. ("Maxell") asserts Coretronic Corp. and Optoma Corp. (collectively, "Defendants") directly and indirectly (through inducement and contributory infringement) infringe seven patents owned by Maxell. All parties are headquartered in Asia. Defendants move to transfer this action to the U.S. District Court for the Northern District of California (NDCA) pursuant to 28 U.S.C. § 1404(a). Dkt. No. 63. In opposition, Maxell argues that Defendants did not meet the threshold requirement to show the suit could have been brought in NDCA or that under the transfer factors, NDCA is clearly more convenient, and requests venue-related discovery if the Court disagrees. Dkt. No. 66 at 1, 15. For the reasons below, Defendants' motion is denied.

II. LEGAL STANDARD

[1] The Fifth Circuit has yet to opine on whether an order transferring venue pursuant to 28 U.S.C. § 1404(a) is a non-dispositive matter within a magistrate judge's authority. *Arena IP, L.L.C. v. New England Patriots, L.L.C.*, No. 4:23-CV-00428, 2023 WL 8711081, at *1 n. 1 (S.D. Tex. Nov. 20, 2023). The Court agrees with the analysis set out in *Arena* and finds the better view is that "[a]n order issued by a magistrate judge transferring venue under 28 U.S.C. § 1404(a) is non-dispositive." *Id.* (quoting *Shenker v. Murasky*, No. 95 CV 4692, 1996 WL 650974, at *1 (E.D.N.Y. Nov. 6, 1996)); *see also* Local Rule CV-7(a)(2) (explicitly identifying motions to transfer as non-dispositive motions).

Section 1404(a) provides that "[f]or the convenience of parties and witnesses, in the interest of justice, a district court may transfer any civil action to any other district or division where it might have been brought." *Valtrus Innovations Ltd. v. SAP Am., Inc.*, No. 2:24-CV-00021-JRG, 2024 WL 5110052, at *1 (E.D. Tex. Dec. 13, 2024). In a patent case, a motion to transfer under 28 U.S.C. § 1404(a) is governed by the law of the regional circuit, in this case the Fifth Circuit. *In re TS Tech U.S. Corp*., 551 F.3d 1315, 1319 (Fed. Cir. 2008).

The threshold issue under § 1404(a) is "whether the judicial district to which transfer is sought would have been a district in which the claim could have been filed." *Valtrus*, 2024 WL 5110052, at *1 (quoting *In re Volkswagen AG*, 371 F.3d 201, 203 (5th Cir. 2004) ("*Volkswagen I*")). Whether a suit "might have been brought" in the transferee forum encompasses subject matter jurisdiction, personal jurisdiction, and propriety of venue. *LightGuide, Inc. v. Amazon.com, Inc.*, No. 2:22-CV-00433-RWS-RSP, 2023 WL 6780180, at *1 (E.D. Tex. Sept. 13, 2023), *report and recommendation adopted*, 2023 WL 6390026 (E.D. Tex. Sept. 29, 2023) (citing *Volkswagen I*, 371 F.3d at 203). Only if this statutory requirement is met should the court determine whether convenience warrants a transfer of the case. *Id*. The burden to prove that a case could have been brought in the transferee forum falls on the party seeking transfer. *In re Volkswagen of Am., Inc*., 545 F.3d 304, 315 (5th Cir. 2008) ("*Volkswagen II*").

Once the moving party has established that the instant case could have been brought in the transferee forum, the court moves on to consider the private and public interest factors to determine whether the destination venue is "clearly more convenient" than the venue chosen by the plaintiff:

> The private interest factors are: (1) the relative ease of access to sources of proof; (2) the availability of compulsory process to secure the attendance of witnesses; (3) the cost of attendance for willing witnesses; and (4) all other practical problems that make trial of a case easy, expeditious and inexpensive.

> The public interest factors are: (1) the administrative difficulties flowing from court congestion; (2) the local interest in having localized interests decided at home; (3) the familiarity of the forum with the law that will govern the case; and (4) the avoidance of unnecessary problems of conflict of laws [or in] the application of foreign law.

In re Planned Parenthood Fed'n of Am., Inc., 52 F.4th 625, 630 (5th Cir. 2022) (quoting *Volkswagen II*, 545 F.3d at 315) (quotations omitted in *Planned Parenthood*)). In weighing these factors, no one consideration "can be said to be of dispositive weight." *Id.* (quoting *Volkswagen II*, 545 F.3d at 315).

While the plaintiff's choice of venue is entitled to deference, it is "not an independent factor." *Valtrus*, 2024 WL 5110052, at *1 (quoting *Volkswagen II*, 545 F.3d at 314-15). Rather, the plaintiff's choice of venue contributes to the defendant's elevated burden of proving that the transferee venue is "clearly more convenient" than the transferor venue. *Id.* (citing *Volkswagen II*, 545 F.3d at 315). The Fifth Circuit recently reiterated that "[w]hen the transferee venue is not clearly more convenient than the venue chosen by the Plaintiff, the Plaintiff's choice should be respected." *Def. Distributed v. Bruck*, 30 F.4th 414, 433 (5th Cir. 2022) (quoting *Volkswagen II*, 545 F.3d at 315). District courts enjoy broad discretion in deciding whether to order a transfer. *See Planned Parenthood*, 52 F.4th at 632.

III. DISCUSSION

A. Whether this lawsuit could have been filed in NDCA

To satisfy § 1404(a)'s threshold requirement for transfer, the movant must show that venue and jurisdiction would have been proper in the transferee forum when the plaintiff filed suit. *ALSI Holdings, L.L.C. v. Current Lighting Sols., L.L.C.*, No. 6:21-CV-01187-ADA, 2022 WL 3702268, at *3 (W.D. Tex. Aug. 26, 2022) (citation omitted). As noted above, proving that the transferee forum has subject-matter jurisdiction, personal jurisdiction, and proper venue is an explicit

statutory requirement of the movant—not the respondent. *Japan Display Inc. v. Tianma Microelectronics Co. Ltd.*, No. 2:20-CV-283, 2021 WL 3772425, at *2 (E.D. Tex. Aug. 25, 2021).

To meet this threshold issue, Defendants rely on Maxell's assertions to show this case could be brought in NDCA:

> Under Plaintiff's theory of personal jurisdiction and venue, Plaintiff could have properly brought this suit against Defendants in the NDCA. Although Defendants have challenged the assertion of personal jurisdiction and venue in the EDTX (D.I. 20), if Defendants' alleged activities are sufficient to establish jurisdiction and venue in the EDTX, then such activities are also sufficient to establish jurisdiction and venue in the NDCA.

Dkt. No. 63 at 4. Defendants likely take this route because they have filed a motion to dismiss, arguing that they are not subject to personal jurisdiction in the U.S. *See* Dkt. No. 48 at 1-2.

Likewise, a court in this district found in *Opticurrent* that simply relying on a plaintiff's assertions is not sufficient for the defendants to meet their statutory burden:

> Merely repeating Plaintiff's pleaded theory on venue is insufficient for this Court to determine whether this lawsuit "might have been brought" in the Northern District of California. . . . Indeed, Defendant's statements are "not a concession to the jurisdiction of the transferee court" and Defendant has not indicated whether Northern District of California could have been a proper forum for this action. *See Japan Display*, 2021 WL 3772425 at *2, 2021 U.S. Dist. LEXIS 160256 at *8–9. In addition, not only has Defendant failed to indicate the propriety of its proposed venue, it has failed to state whether the transferee court has personal jurisdiction over Defendant. As in *Japan Display*, there is no indication whether Defendant concedes it is subject to personal jurisdiction in every U.S. District Court—or otherwise admits that it is subject personal jurisdiction in the Northern District of California. . . .

Opticurrent, L.L.C. v. Bitfenix Co., No. 2:21-CV-00159-JRG-RSP, 2022 WL 599225, at *3 (E.D. Tex. Feb. 25, 2022). In *Opticurrent*, the defendant relied on the plaintiff's assertions of jurisdiction and venue, similar to the way Defendants do here, to argue that "[the Plaintiff] has taken the position that 'Defendant is not a resident of the United States and may be sued in any district, including this District.' Accordingly, [the Plaintiff] could have brought this action in the transferee

district, and the threshold inquiry is satisfied." *Id.* That was held to be insufficient for the reasons above.

Plaintiff identifies two other cases that address this issue, both standing for the proposition that a defendant cannot meet its own burden merely by citing assertions that are advanced only by plaintiff. *Japan Display*, 2021 WL 3772425, at *2; *Jawbone Innovations, L.L.C. v. Samsung Elecs. Co*., No. 2:21-CV-00186-JRG-RSP, 2022 WL 4004195, at *3 (E.D. Tex. Aug. 31, 2022). In *Japan Display*, 2021 WL 3772425, at *2, the court held that defendant's statement in the motion that "if Plaintiffs could bring this suit anywhere in the U.S., they could have done so in the Central District of California" fell "short of its statutory burden." *Jawbone* held similarly. 2022 WL 4004195, at *3 ("[M]erely repeating Jawbone's pleaded venue theory is insufficient for this Court to determine whether this lawsuit "might have been brought" in the NDCA.").

Defendants argue *Opticurrent* and *Japan Display* is inapplicable because the movant in those cases had not conceded that jurisdiction in the transferee venue was correct, leaving the defendant the possibility of preserving the option to challenge jurisdiction after transfer. Dkt. No. 68 at 1 (citing *Opticurrent*, 2022 WL 599225, at *3; also citing *Japan Display*, 2021 WL 3772425, at *3). Here, Defendants represent that, "for the purposes of this case, Defendants concede the NDCA has jurisdiction over it and that venue is proper in the NDCA and confirm they will not challenge jurisdiction or venue after transfer of this case to the NDCA." *Id.*

Defendants' promise appears to address one problem arising from allowing defendants to rely on a plaintiff's disputed assertions to meet the threshold issue, but it still falls short for two reasons. First, it ignores that the "proper time to measure this threshold inquiry is at the time the suit was filed." Dkt. No. 73 at 4 (citing *Hoffman v. Blaski*, 363 U.S. 335, 343 (1960) ("Section 1404(a) directs the attention of the judge who is considering a transfer to the situation which

existed when the suit was instituted.”)). Thus, Defendants’ recent commitment not to challenge jurisdiction and venue in NDCA if the case is transferred does not speak to the inquiry of whether NDCA was proper when the suit was filed. *See Geotag, Inc. v. Frontier Commc’ns Corp.*, No. 2:10-CV-00265-TJW, 2011 WL 13134590, at *5 (E.D. Tex. Sept. 9, 2011); *see also Seagen Inc. v. Daiichi Sankyo Co., Ltd*., 546 F. Supp. 3d 515, 529 (E.D. Tex. 2021) (stating the defendant “has not even attempted to establish that [NDCA] would have personal jurisdiction over it,” and a “concession of personal jurisdiction in [NDCA] would undermine its argument that it is not subject to personal jurisdiction in Texas”). Second, and more fundamentally, meeting the threshold issue is Defendants’ burden. Defendants must affirmatively show the case could have been brought in the transferee forum; relying on Maxell’s disputed jurisdictional theories about the transferee forum is not sufficient. *See Opticurrent*, 2022 WL 599225, at *3.

Finally, Defendants’ reliance on *LG Electronics* is misplaced. Dkt. No. 68 at 1. According to Defendants, in granting a motion to transfer brought by LG in that case, this Court accepted similar arguments as sufficient to establish that the case Maxell brought against LG could have been brought in the NDCA. *Id.* (citing *Maxell*, *Ltd. v. LG Electronics Inc.*, *et al.*, Civil Action No. 5:23-cv-00152-RWS, Dkt. No. 33 at 4-5 & Dkt. No. 59). But the Court’s one-page order granting transfer did not substantively address the threshold issue or any of the private or public interest factors. And importantly, based on the briefing, it appears the LG defendants ***were not*** relying on disputed assertions from the plaintiff to meet the threshold issue, but provided specific reasons and affirmative evidence to meet their burden. *See, e.g.*, 5:23-cv-00152-RWS, Dkt. No. 50 at 5 (“LG clearly states in its motion that ‘the NDCA has specific personal jurisdiction over both LGE and LGEUS as to Maxell’s claims’ in this case”; LG also supplied an employee affidavit to show “NDCA has personal jurisdiction over LGE because its products are (or were) sold there and its

employees traveled to the NDCA for meetings with LGEUS employees, Google, and Qualcomm.”).

Defendants’ transfer request is denied based on their failure to meet the basic threshold requirement of § 1404(a). However, for the sake of completeness, the undersigned will consider the relevant private and public interest transfer factors below as if Defendants had met their burden on the threshold issue.

B. Whether convenience warrants a transfer of the case

Defendants base their transfer request in large part on the fact that non-party Optoma USA is based in the Northern District of California. Optoma USA is one of Optoma Corporation’s U.S.-based customers and distributors; however, at this stage, it is unclear what percentage of the accused products are imported, distributed, and/or sold through Optoma USA versus other related entities or unrelated entities, such as Best Buy. Dkt. No. 77 (Hearing Tr.) at 18:2-21:3, 24:20-26:17; Dkt. No. 1, Compl. ¶ 30 (stating “Defendants offer to sell and/or sell the Accused Products in the United States directly to their subsidiaries, sister companies, affiliates, and/or partners (*e.g.*, Samsung Electronics America, Inc., Coretronic Projection (Kunshan) Corp.,” and others), ¶ 47 (stating Coretronic has seventy-nine subsidiaries); Dkt. No. 20 at 10-11 (Defendants’ motion to dismiss stating “Plaintiff’s claims of infringement all relate to products that are manufactured by Coretronic in Asia; sold to Coretronic’s customers, including Optoma USA, who take possession of the Accused Products in Asia; and then imported into, and marketed, distributed, offered for sale, and sold in, the United States by Optoma USA and Coretronic’s other customers.”). The lack of clarity as to Optoma USA’s role in the litigation, and the fact that most of the disputed issues will turn on evidence and testimony that will come from Defendants rather than their affiliates or customers, significantly undermine Defendants’ transfer request.

After reviewing each factor, the Court has determined that three factors tend to weigh against transfer, one in favor of transfer, and five are neutral, though, admittedly, none of the factors play an oversized role. However, to avoid a mere tallying of the factors on each side, *see In re Radmax, Ltd*., 720 F.3d 285, 290 n.8 (5th Cir. 2013), the Court considered not only each factor's outcome but also its weight to determine whether the actual convenience of NDCA as a forum is "clearly more convenient" than that of this district. *R2 Sols. L.L.C.*, 2024 WL 4932719, at *2 (citing *In re Chamber of Commerce of United States of Am*., 105 F.4th 297, 310 (5th Cir. 2024) (quoting *In re Clarke*, 94 F.4th 502, 508 (5th Cir. 2024)) (establishing that a venue is "clearly more convenient" when "the marginal gain in convenience will be significant" and "evidence makes it plainly obvious. . . that those marginal gains will actually materialize in the transferee venue.")). Weighing the factors below shows that transferring this case to NDCA would provide no more than minor, if any, gain at best, rather than the significant gain required to actually show that NDCA is "clearly more convenient" to warrant transfer. *See id.*

1. Private interest factors

a. Relative ease of access to sources of proof

Both parties suggest that the relative ease of proof factor does not weigh heavily in favor of either party as most of the documented proof is stored electronically overseas. Dkt. No. 63-18, "Tick Decl.," ¶ 10; Dkt. No. 63-19, "Liang Decl.," ¶ 5; Dkt No. 63 at 11; Dkt. No. 66 at 10. "When the vast majority of the evidence is electronic, and therefore equally accessible in either forum, this factor bears less strongly on the transfer analysis." *Valtrus*, 2024 WL 5110052, at *2 (quoting *In re TikTok, Inc*., 85 F.4th 352, 358 (5th Cir. 2023) (cleaned up in *Valtrus*) (quoting *Planned Parenthood*, 52 F.4th at 630)).

In addition to their electronic documents that were created or are stored overseas, Defendants state "certain documentation relating to testing of the performance of the Accused Products [were] created and [are] stored in the NDCA," referring to activities by non-party Optoma USA. Dkt. No. 63 at 11 (citing Liang Decl., ¶ 5; Dkt. No. 63-14, "Soto Decl.," ¶ 4). While Optoma USA, like Defendants, primarily stores its documents on cloud servers, Optoma USA further "maintains hard copies of several categories of documents" in NDCA, relating to product specifications; bills of lading; financial records; sales data; warranty repairs. *Id.* at 11-12 (citing Soto Decl. ¶ 7; Dkt. No. 163-16, "Lim Decl.," ¶ 5; Dkt. No. 163-15, "Yu Decl.," ¶ 6; Dkt. No. 63-20, "Tomasian Decl.," ¶ 6).

Maxell argues that certain relevant documents are located in, or near to, the Eastern District of Texas. Dkt. No. 66 at 11–12. Maxell asserts certain R&D documents relevant to its patented projector technology, and specific "Project Statements" related to the technology at issue in this case, are located at the Marshall, Texas offices of Maxell's affiliate, non-party Maxell Research and Development America, LLC ("MRDA"). *Id*. Maxell also identifies documents related to the ownership of the asserted patents, damages, licensing history, licensing practices, and prosecution histories that are located in Texarkana, Texas, at the offices of Patton, Tidwell & Culbertson, LLP. *Id*. (citing Dkt. No. 66-6, "Culbertson Decl.," ¶¶ 3-5). According to Maxell, these documents are from "prior cases" and were not moved to the district "in an attempt to manufacture venue." *Id.* at 11, n.2. (citing *TracBeam, L.L.C. v. Apple, Inc.*, No. 6:14-cv-680, 2015 WL 5786449, at *3 (E.D. Tex. Sept. 29, 2015) (considering documents located in its counsel's office that were used in prior cases rather than moved to manufacture venue in the instant case)). Finally, Maxell asserts Texas Instruments ("TI"), which Maxell contends is "headquartered just outside the Eastern District" with "a facility in the Eastern District," will be a "significant source of third-party documents and

testimony." *Id*. at 12 (identifying specific TI components and data sheets relevant to its infringement case against the accused products).

Each side questions the legal or factual relevance of the documents identified by the opposing side. Dkt. No. 68 at 4 (Defendants arguing the MRDA documents do not pertain to the patented technology, and that the documents at Maxell's counsel's office and TI should not be considered); Dkt. No. 73 at 5 (Maxell arguing the "technical evidence [in documents housed at MRDA's EDTX office] outweighs the irrelevant customer service, marketing, and administrative information held by Optoma USA."). The only clear conclusions from this record are that some plainly relevant documents are located in this district (patent ownership, prosecution histories, licensing history and practices), likely third-party relevant documents are located in Texas (technical information regarding third-party component supplier, TI), some likely relevant third-party documents are located in NDCA (product specifications, bills of lading, sales data for the products imported and sold by Optoma, USA), but that much, if not most, of the documents are stored electronically by employees who reside in Asia and equally accessible to the parties regardless of venue. Based on the location and importance of the cited documents, this factor weighs against transfer, though not by any significant amount as both parties acknowledge most of the documentation was created in Asia and will be accessed electronically.

b. Availability of compulsory process

The availability of compulsory process or subpoena power to secure the attendance of unwilling witnesses "receives less weight when it has not been alleged or shown that any witness would be unwilling to testify." *Valtrus*, 2024 WL 5110052, at *3 (quoting *Planned Parenthood*, 52 F.4th at 630–31 (citations omitted in *Valtrus*)). The Fifth Circuit has recently reiterated that access to compulsory process for non-party witnesses is the "gravamen" of this factor. *Id.* (citing

Def. Distributed v. Bruck, 30 F.4th at 434 (citing *Garrett v. Hanson*, 429 F. Supp. 3d 311, 318 (E.D. Tex. 2019))).

Defendants focus on two former Optoma USA employees, Mr. Khan and Ms. Lo, stating that they both have relevant information but fall outside the absolute subpoena power of the Court. Dkt. No. 63 at 10-11. "Mr. Khan served as the Director of Operations for Optoma USA [and] [a]s the Director of Operations, Mr. Khan oversaw logistics, warehousing, and facilities, which included overseeing the logistics and importation and shipping of the Accused Products that come into the United States for Optoma USA." *Id*. at 10; Tick Decl., ¶ 8 (citations omitted). "Ms. Lo served as the Logistics Supervisor for Optoma USA [and] [h]er responsibilities would have included logistics associated with the importation of Optoma USA's products into the United States, including the Accused Products." Dkt. No. 63 at 10; Tick Decl., ¶ 9 (citations omitted).

Though Maxell claims Defendants fail to show these witnesses are unwilling to testify at trial, the larger concern is that Defendants have not shown, or even asserted, that the cited information related to logistics, warehousing, and facilities (Khan) and logistics (Lo), is consequential to the case or that the information could not be supplied by a willing witness (such as a current employee). These two former employees served in their respective positions for a limited time (February 20, 2018, through May 24, 2019, for Khan and June 2020 through September 2023 for Lo, Dkt. No. 63 at 10), and there is no assertion that their knowledge relating to logistics is unique to them or needs to be evaluated from the witness stand.[2] This is not the case

[2] Rule 45 provides the presiding court with the power to issue nationwide deposition subpoenas and compel testimony so long as the trial, hearing, or deposition is to take place within 100 miles of the witness's residence or regular place of business. FED. R. CIV. P. 45(a)(2), 45(b)(2), 45(c)(1)(A); *see* Committee Notes on Rules–2013 Amendment ("The [2013] amendments recognize the court where the action is pending as the issuing court, permit nationwide service of subpoena and collect in a new subdivision (c) the previously scattered provisions regarding place of compliance."). A proffering party now has the option to depose the non-party witness near that witness's residence or regular place of business, and later present the witness's deposition testimony at trial without the involvement of a second district court. *See* FED. R. CIV. P. 32(a)(4) ("A party may use for any purpose the deposition of a witness, whether or not a party, if the court finds ... that the witness is more than 100 miles from the place of hearing or trial....").

of a non-party witness with unique knowledge, who will need to testify live for her testimony to have the appropriate effect. For the above reasons, this factor is neutral.

c. Cost of attendance for willing witnesses

In arguing this factor "strongly favors transfer," Defendants rely on two distinct groups of willing witnesses—the party witnesses, all of whom reside in Asia, and the non-party Optoma USA witnesses, who reside in NDCA. Dkt. No. 63 at 4-9. Though this factor likely favors transfer, it does not weigh as heavily as Defendants contend.

The Optoma USA witnesses are addressed first. In their brief, Defendants identify six Optoma USA employees who Defendants assert have relevant knowledge of the accused products and reside in NDCA. *Id.* Defendants state that it would require each of these individuals to travel a total of thirteen (13) hours, with this being "[i]n addition to a significant expenditure of time, costs to be incurred for each witness includ[ing] flights, rental cars, hotels, and meals." *Id.* at 8.

Despite taking four pages describing these employees' backgrounds, the employees' declarations do not provide the level of specificity required to confirm the relevance of their *trial* testimony. *Valtrus*, 2024 WL 5110052, at *5 ("As an initial matter, this factor concerns willing witnesses '*for trial*.'" (emphasis in original)). For example, Mr. Tick states he "is knowledgeable regarding Optoma USA's high-level financial performance and sales of products, including the Accused Products," Tick Decl., ¶ 4, but Defendants fail to show how Optoma USA's high-level financial performance bears on the damages possibly owed by Defendants. Similarly, Ms. Fanchiang previously "managed marketing for Optoma USA products," and now is "knowledgeable regarding forecasting, demand planning, procurement, supply chain management, inventory management, and management of sales history data for at least some of the accused Products" [that presumably are bought and distributed through Optoma USA], Dkt. No. 63-17,

"Fanchiang Decl.," ¶¶ 1-2. While sales data of the accused products is expected to be relevant, Maxell's claims are not limited to products sold by Optoma USA and Defendants have not shown Ms. Fanchiang's testimony will factor into the relevant damages information. A similar problem exists for the other employees Defendants identify:

- Mr. Soto, who is responsible for the "product development roadmap," supervising "testing of the Accused Products," and advising "customer support issues," Soto Decl., ¶¶ 4-6;
- Mr. Yu, who oversees "logistics, warehousing, and facilities," and is expected to have knowledge regarding "importation of the Accused Products by Optoma USA" including "shipping, delivery, and warehousing." Yu Decl., ¶¶ 4-5.
- Ms. Lim, who oversees Optoma USA accounting and finance departments and is knowledgeable about "Optoma USA's sales, revenues, costs, and profits associated with the Accused Products." Lim Decl., ¶ 4.
- Mr. Tomasian, who oversees the Customer Service group and the Repair group, which are responsible for "trouble shooting for customer issues, customer requests for parts, customer requests for refunds, and customer requests for repairs or replacements." Tomasian Decl., ¶¶ 4-5.

Defendants do not show how trial testimony on these points, which also appears to be limited to Optoma USA, will be needed for Maxell's claims against Defendants. Thus, Defendants' reliance on the location of the Optoma USA witnesses does not move the needle. *See Valtrus*, 2024 WL 5110052, at *5 (finding such witnesses "irrelevant" when analyzing this factor).

Rather, discovery has shown it is the knowledge of Defendants' employees, not non-party employees, that is expected to be the focus of the case—information regarding the manufacture, design, operation, and research and development of the Accused Products. Dkt. No. 63 at 4-5; *see also* Liang Decl., ¶ 5 ("[d]ocumentation related to the research and development, manufacture, and design of the Accused Products was created and is stored in Taiwan"); Dkt. No. 66-2 at 37 (Suppl. Resp. to Pl's First Set of Rogs at 36, stating "Jia-Ling (Justin) Chen, Kevin Weng, and Rick Wang have certain knowledge about b) the design, operation, and components included with the Accused Products and c) the Accused Features or Functions of the Accused Products"); *see also* Dkt. No.

63 at 14 ("the manufacturing of the Accused Products occurs in Taiwan, and the marketing, distribution, and importation of the Accused Products occurs at Optoma USA's offices in the NDCA"). The current record shows knowledge of manufacturing, design, operation, and research and development will be obtained primarily through these two, possibly three,[3] foreign witnesses. Dkt. No. 63 at 4-5; Dkt. No. 66 at 7-8.

Regarding these party witnesses, the only argument Defendants raise is to assert that their Taiwanese employees would have to travel "an additional 9 hours" each way to attend the trial in Texarkana compared to the trial in San Francisco. Dkt. No. 63 at 5. It is clear, under the Fifth Circuit's "100-mile threshold" rule,[4] trial in NDCA would be more convenient than EDTX for these witnesses. The Fifth Circuit stated as much in *TikTok*. *In re TikTok,* 85 F.4th at 361-62 (finding that "[u]nder Volkswagen's 100-mile threshold, the Northern District of California is a clearly more convenient venue for most relevant witnesses in this case," who will travel from China) (citing *Volkswagen II*, 545 F.3d at 317). However, the nine[5] additional hours must be viewed in proportion to the even longer travel time from Tawain to the U.S.—and there is no dispute that the witnesses will face a lengthy trip to either venue. *See Sportscastr, Inc. v. Sportradar Grp., AG*, No. 2:23-CV-00472-JRG, 2024 WL 4219252, at *9 (E.D. Tex. Sep. 17, 2024) (finding factor weighs only slightly in favor of transfer from EDTX to Maryland, partly because the European witnesses, though closer to Maryland, "will be traveling a great distance no

[3] Plaintiff identifies Jia-Lin (Justin) Chen as another Coretronic employee who has knowledge "'concerning the accused products and their operation' and 'noninfringement of the asserted patents by the accused products[,]'" but both parties' briefs focus more on Rick Weng and Kevin Wang. Dkt. No. 66 at 7 (citing Dkt. No. 63 at 4-5).

[4] Under the 100-mile threshold rule, "[w]hen the distance between an existing venue for trial of a matter and a proposed venue under § 1404(a) is more than 100 miles, the factor of inconvenience to witnesses increases in direct relationship to the additional distance to be traveled." *Volkswagen I*, 371 F.3d at 204–05.

[5] Maxell claims the "nine" hour estimate is overly long. Dkt. No. 66 at 8. Regardless, there is no dispute travel time from Taiwan to EDTX is longer than from Taiwan to NDCA.

matter which venue the case is tried in") (citing *In re Genetech, Inc.*, 566 F.3d 1338, 1345 (Fed. Cir. 2009)). Thus, "in either instance these individuals will likely have to leave home for an extended period of time and incur travel, lodging, and related costs." *See In re Apple Inc.*, 979 F.3d at 1342 (Fed. Cir. 2020).

In addition to these two witnesses, each of whom must travel farther to attend trial in EDTX than in NDCA, Defendants also argue trial in NDCA would be more convenient for Maxell's Japanese witnesses. Dkt. No. 63 at 9. It is questionable how much a defendant may rely on the convenience of a plaintiff's witnesses to argue for transfer—after all, presumably the plaintiff already accounted for convenience when it filed suit in the forum of its choice. *Enovsys L.L.C. v. T-Mobile USA, Inc.*, No. 2:21-CV-00368-JRG, 2022 WL 2161028, at *3 (E.D. Tex. June 14, 2022) ("The fact that a plaintiff could have chosen a venue that would be closer to its employees, attorneys, or sources of proof is not part of a proper venue analysis."); *Team Health Holdings Inc. v. Ironshore Specialty Ins. Co.*, No. 5:22-CV-143-RWS-JBB, 2023 WL 3506449, at *7 (E.D. Tex. May 17, 2023) ("It will be the rare case that a movant [w]ill succeed in disturbing a plaintiff's choice of venue by showing the plaintiff erred in calculating its own convenience."). But here, Maxell provided specific reasons why its witnesses do not find NDCA more convenient: Its employees from Japan and from its subsidiary in New Jersey (MCA) regularly travel to MRDA's offices in the EDTX to conduct work. *See* Dkt. No. 63-7, "Yamamoto Decl.," ¶¶ 4, 9–10 (Mr. Yamamoto, Maxell's General Manager of IP who expects to testify at trial, travelled to EDTX 20 days in 2024 and expects to travel to EDTX 20 days in 2025); Dkt. No. 77 (Hearing Tr.) at 38:13–39:4 (Maxell's counsel explaining Maxell personnel travel quarterly to EDTX, up to twenty employees at a time.); Dkt. No. 66 at 11 (stating these trips to EDTX "make[] EDTX a convenient venue for Maxell").

On balance, while this factor favors transfer, it is unclear by how much. To be sure, Defendants' two (possibly three) identified witnesses, who work in Taiwan, will spend less time on a plane traveling to NDCA than to EDTX. But travel time is one component of the analysis. Elsewhere in the motion, Defendants mention the cost of flights, rental cars, hotels, and meals, but there is no indication, or even argument, that those costs are higher for trial in EDTX compared to NDCA. This is particularly true when Defendants do not consider any difference in the anticipated length of the trial between the two venues. Thus, we are left with travel times, but even that becomes somewhat diluted when considering Maxell's employees from Japan and New Jersey travel to EDTX for quarterly meetings. Therefore, this factor weighs slightly in favor of transfer.

d. All other practical problems

Defendants have not shown that all other practical problems favor transfer. The factor includes concerns rationally based on judicial economy. *Japan Display*, 2021 WL 3772425, at *6 (citing *Quest NetTech Corp. v. Apple, Inc.*, No. 2:19-CV-00118-JRG, 2019 WL 6344267, at *6 (E.D. Tex. Nov. 27, 2019); also citing *In re Vistaprint Ltd.*, 628 F.3d 1342, 1346 (Fed. Cir. 2010)). This factor weighs against transfer when petitioners "inexcusably delayed" bringing their motion until "late in the litigation." *In re TikTok*, 85 F.4th at 362 (citing *Planned Parenthood*, 52 F.4th at 631). While § 1404(a) does not set a deadline for the filing of motions for transfer, courts have considered whether a transfer motion was filed "'with reasonable promptness.'" *Planned Parenthood*, 52 F.4th at 630 (quoting *Peteet v. Dow Chem. Co.*, 868 F.2d 1428, 1436 (5th Cir. 1989)); *see also Utterback v. Trustmark Nat'l Bank*, 716 F. App'x 241, 245 (5th Cir. 2017) ("On the question of convenience, timing is obviously salient.").

Defendants argue this factor favors transfer due to a possibility of consolidation. Dkt. No. 63 at 12-13. Optoma USA filed a declaratory judgment action in NDCA involving three (3) of the

seven (7) patents at issue. *Id.* This argument is now moot given that the NDCA court recently granted Maxell's motion to dismiss in that case. *See* Dkt. No. 81.

This factor also considers Defendants' delay in making this motion. This motion was made six (6) months after filing and three months after Defendants filed motions to dismiss under Federal Rules of Civil Procedure 12(b)(2), 12(b)(6), and 12(b)(7). *See* Dkt. Nos. 1, 20, 22, and 24. "[W]hen a party chooses to prioritize litigating the merits before venue issues, that is a factor the [c]ourt should consider." *Japan Display*, 2021 WL 3772425, at *6. And here, this case has continued to advance during those six months. As Maxell explains, during that time, "the parties have exchanged infringement and invalidity contentions, negotiated scheduling, discovery, and protective orders, fully briefed three motions to dismiss, served tens of thousands of pages of documents, and responded to interrogatories. Shortly after Defendants filed their motion, the parties exchanged proposed terms needing claim construction, and just yesterday, Maxell filed its opening claim construction brief. Dkt. No. 66 at 13; Dkt. No. 84. Though this case is not yet "advanced," neither is it in its infancy.

Given the more than *de minimis* delay and that the declaratory judgment action is dismissed, this factor weighs slightly against transfer.

2. Public interest factors

a. Administrative difficulties flowing from court congestion

This factor weighs against transfer. "[D]eference is given to the district court's assessment of the average time to trial data." *See Planned Parenthood*, 52 F.4th at 631; *Dynapass*, 2024 WL 1997110, at *4 (citing *In re Google L.L.C.*, 58 F.4th 1379, 1384 (Fed. Cir. 2023)). As Maxell shows, EDTX patent cases proceed to trial in, on average, twenty-four (24) months as compared to NDCA's thirty-one (31) months. Dkt. No. 66-4; Dkt. No. 66-5. Because this case is smoothly

proceeding to trial, and EDTX can likely resolve the case more quickly, this weighs against transfer. *See Valtrus*, 2024 WL 5110052, at *6 (a case "smoothly proceeding" weighs against transfer); *Dynapass*, 2024 WL 1997110, at *4 ("the significantly lower time to trial in this District weighs against transfer").

b. Local interest in having localized interests decided at home

This factor is neutral. "This factor most notably regards not merely the parties' significant connections to each forum writ large, but rather the 'significant connection between a particular venue and *the events that gave rise to a suit*.'" *In re Apple*, 979 F.3d 1332, 1344 (Fed. Cir. 2020) (quoting *In re Acer Am. Corp.*, 626 F.3d 1252, 1256 (Fed. Cir. 2010)) (emphasis in original). Local interest favors transfer when the transferee venue is home to a party and thus may call into question the reputation of the individuals who live and work within those communities. *In re Hoffmann-La Roche Inc.*, 587 F.3d 1333 (Fed. Cir. 2009). Defendants point to Optoma USA's offices in NDCA as where the events occurred that gave rise to this suit. Dkt. No. 63 at 14.

Importation, distribution, and marketing, at least through the distributor Optoma USA, is controlled by employees residing in NDCA. *Id.* This is partially counterbalanced against MRDA's presence within this district. Both subsidiaries are non-parties with varying roles in the litigation. For the parties, the local interest appears to apply equally to each venue. Specifically, most of the events that gave rise to this suit occurred overseas, which is not a localized interest. Likewise, the accused products were sold nationwide, also counseling against localized interests. *See In re Hoffmann-La Roche Inc.,* 587 F.3d at 1338 ("the sale of an accused product offered nationwide does not give rise to a substantial interest in any single venue"). "Without more evidence that one forum has a greater connection to the events giving rise to this suit, the Court finds that this factor

is neutral." *Sportscastr*, 2024 WL 4219252, at *10 (also noting the U.S. subsidiaries are non-parties before concluding). Here, it is no different; this factor is neutral.

c. Familiarity of forum with governing law and avoidance of unnecessary conflicts of law

The parties agree that the last two factors are neutral. Dkt. Nos. 63 at 15, 66 at 15.

IV. CONCLUSION

Under prevailing case law from this district, Defendants failed to meet the basic threshold requirement of §1404(a), which is dispositive. Weighing the factors would not change the result: Though no factor strongly affects the analysis either way, three factors tend to weigh against transfer, one in favor of transfer, and five are neutral. This is not surprising given the foreign location of the parties and the development of the technology and products at issue. After looking at six disputed factors, Defendants' clearest argument in favor of transfer is a shorter plane ride for two of its witnesses, which is not sufficient to conclude that transferring the case would be clearly more convenient to the parties. *See Team Health Holdings*, 2023 WL 3506449, at *7 (citing *Def. Distributed*, 30 F.4th at 433) ("[T]he fact that litigating would be more convenient for the defendant elsewhere is not enough to justify transfer. In other words, the standard is not met by showing one forum is more likely than not to be more convenient, but instead the party must adduce evidence and arguments that clearly establish good cause for transfer based on convenience and justice."); *In re Clarke*, 94 F.4th at 508 (establishing that a venue is "clearly more convenient" when "the marginal gain in convenience will be significant"). Accordingly, it is

ORDERED that Defendants' Motion to Transfer (Dkt. No. 63) is **DENIED**.

SIGNED this the 26th day of March, 2025.

J. Boone Baxter
UNITED STATES MAGISTRATE JUDGE