IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF TEXAS
MARSHALL DIVISION

THE CHAMBERLAIN GROUP, INC., *Plaintiff*, v. OVERHEAD DOOR CORPORATION, GMI HOLDINGS INC., *Defendants*.	§ § § § § § § § § § § §	CIVIL ACTION NO. 2:21-CV-00084-JRG

ORDER

Before the Court is Defendants' Motion to Transfer Venue to the Northern District of Texas (the "Motion to Transfer") filed by Defendants Overhead Door Corporation ("Overhead Door") and GMI Holdings Inc. ("GMI") (collectively, "Defendants"). (Dkt. No. 21). Having considered the Motion to Transfer, the related briefing, and the relevant authorities, the Court is of the opinion that the Motion to Transfer should be **DENIED**.

I. BACKGROUND

Plaintiff The Chamberlain Group, Inc. ("Chamberlain") filed this action on March 10, 2021, accusing certain of Defendants' barrier openers and non-integrated connectivity modules (the "Accused Products") of infringing U.S. Patent Nos. 8,587,404; 9,644,416; 7,852,212; and 8,144,011 (collectively, the "Asserted Patents").[1] (Dkt. No. 1). On March 11, Chamberlain filed a complaint against Defendants in the Northern District of Texas (the "NDTX"), accusing the same products of infringing the same patents. (*See generally* Dkt. No. 1-2; *The Chamberlain Grp., Inc.*

[1] Since March 1, 2021 this Court has tried nine jury trials to verdict as a part of addressing the serious backlog caused by the COVID-19 pandemic. This has impacted the Court's ability to address this motion at a point earlier in time.

v. Overhead Door Corp. et al., 3:21-cv-560, Dkt. No. 1 (N.D. Tex. Mar. 11, 2021) (the "-560 Case")). Defendants answered the complaint in the -560 Case on May 3, asserting counterclaims of noninfringement and invalidity, as well as infringement by Chamberlain of an Overhead Door patent. (Dkt. No. 21 at 4–5); -560 Case, Dkt. No. 16. Contemporaneous with its answer in this action, Defendants filed a motion to transfer venue to the NDTX on May 4, 2021. (Dkt. No. 21). Chamberlain subsequently moved in the -560 Case to dismiss all claims or, in the alternative, transfer the case to this District. *See* -560 Case, Dkt. No. 31.

II. LEGAL STANDARD

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 or to any district or division to which all parties have consented." 28 U.S.C. § 1404(a). In evaluating a motion to transfer pursuant to § 1404(a), the Court considers the Fifth Circuit's non-exhaustive list of private and public interest factors. *In re Volkswagen AG*, 371 F.3d 201, 203 (5th Cir. 2004) ("*Volkswagen I*"). The private interest factors include: (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." *Id.* The public interest factors include: (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 o[r] the application of foreign law." *Id.*

While a plaintiff's choice of venue is not an express factor in this analysis, the appropriate deference afforded to the plaintiff's choice is reflected in a defendant's elevated burden of proof. *In*

re Volkswagen of Am., Inc., 545 F.3d 304, 315 (5th Cir. 2008) ("*Volkswagen II*"). In order to support its claim for a transfer under § 1404(a), the defendant must demonstrate that the transferee venue is "clearly more convenient" than the venue chosen by the plaintiff. *Id.* Absent such a showing, however, the plaintiff's choice is to be respected. *Id.*

III. DISCUSSION

The Court first addresses the private interest factors followed by the public interest factors.[2] The Court finds that neither set of factors favors transfer to the NDTX.

A. Private Interest Factors

1. The Relative Ease of Access to Sources of Proof. The first private interest factor this Court analyzes is the relative ease of access to sources of proof, including documentary and other physical evidence. *See id*. Notwithstanding well-known advances in technology and the digitization of data, courts nonetheless continue to consider the relevance and importance of the physical location of these sources. *See id.* at 316; *In re Genentech, Inc.*, 566 F.3d 1338, 1346 (Fed. Cir. 2009). Parties must specifically identify and locate sources of proof and explain their relevance. *AGIS Software Dev. LLC v. Huawei Device USA Inc.*, 2018 WL 2329752, at *5 (E.D. Tex. May 22, 2018); *Utterback v. Trustmark Nat'l Bank*, 716 F. App'x 241, 245 n.10 (5th Cir. 2017).

Defendants argue that this factor favors transfer because "the vast majority of the design, development, and testing work for the Accused Products was completed by [GMI] at its Testing, Reliability, Engineering, and Quality Center ('TREQ Center') located in Dallas," and "[t]he portion not performed in Dallas took place at [GMI's] facility in Mount Hope, Ohio." (Dkt. No. 21 at 5) (citing declaration of GMI's Director of Compliance and Validation, Gregory Matias).

[2] Chamberlain concedes that it could have brought (and did bring) suit against Defendants in the NDTX. (Dkt. No. 29 at 6). Accordingly, the Court need not specifically address this threshold inquiry.

Defendants contend that GMI, not Overhead Door, "designed, tested, and built" all the Accused Products. (*Id*.). Defendants argue that "to the extent relevant paper files and documents exist, they would be located either in [GMI's] Dallas TREQ or Mount Hope facilities." (*Id*. at 6). In addition, Defendants state that "[t]he engineers, technicians, and other employees who developed and tested the Accused Products all reside within a roughly 30-60 minute radius of Dallas." (*Id*. at 9). As such, "there are some hard copy documents in the possession of the engineers, technicians, and product developers located in the Dallas region." (*Id*. at 11). Defendants further argue that even though Overhead Door has a corporate office in Lewisville, TX (within this District), none of the Accused Products were designed, developed, tested, manufactured, marketed, or sold there. (*Id*. at 9). As for damages-related personnel and information, Defendants state that GMI's marketing, sales, and finance employees for the Accused Products are largely based in Mount Hope, Ohio. (*Id*. at 10).

Chamberlain argues that Defendants have failed to "*specifically identify* the relevant sources of proof (and why they are relevant), and *specifically identify* the physical location of those sources of proof." (Dkt. No. 29 at 11) (quoting *Seven Networks, LLC v. Google LLC*, 2018 WL 4026760, at *4 (E.D. Tex. Aug. 15, 2018) (emphasis in original)). In addition, Chamberlain identifies several potential sources of proof within this District, including Underwriters Laboratories[3] in Plano; Overhead Door's facilities in Tyler and Lufkin which sell, install, and service the Accused Products; and Overhead Door's distributor in Plano. (*Id*. at 8).

The Court finds this factor neutral. While Defendants have identified some potential sources of technical proof located in Dallas, Defendants have failed to specify (1) what specific types of hard copy documents are stored in Dallas and (2) why such documents are not duplicative

[3] Chamberlain explains that Defendants, in their answer, have identified Chamberlain's previous commitments to Underwriter Laboratories as limiting or barring recovery. (*See* Dkt. No. 17 ¶¶ 83, 85–86).

of electronically stored information. Further, even if Defendants' contentions are credited, Chamberlain has identified similar sources of proof which are located in this District—*e.g.*, installers, servicers, and distributors of Accused Products in the Eastern District. (*See* Dkt. No. 29 at 8). The Court also finds that the NDTX is not clearly more convenient for production and presentation of financial and other documents located at GMI's facility in Ohio or Chamberlain's facility in Illinois. Again, this factor is neutral.

2. The Availability of Compulsory Process to Secure the Attendance of Witnesses. The second private interest factor considers the transferor and transferee courts' subpoena power. Federal district courts have the absolute power to compel attendance of a trial, hearing, or deposition "within 100 miles of where the person resides, is employed, or regularly transacts business in person." Fed. R. Civ. P. 45(c)(1)(A). Federal district courts have trial subpoena power over a person "within the state where the person resides, is employed, or regularly transacts business in person, if the person . . . is a party or a party's officer; or . . . [if the person] is commanded to attend a trial and would not incur substantial expense." Fed. R. Civ. P. 45(c)(1)(B). Party witnesses are generally deemed to be willing witnesses, so this factor is directed more to third-party witnesses. *C&J Rent Servs., Inc. v. LEAM Drilling Sys., LLC*, No. 2:19-cv-00079, 2019 WL 3017379, at *3 (E.D. Tex. July 10, 2019).

Defendants argue that this factor favors transfer because GMI's development and testing facilities are in Dallas, and "there is a significant possibility that former employees would not be within the 100-mile radius for compulsory process of a trial subpoena at the Marshall courthouse." (Dkt. No. 21 at 10). Chamberlain argues that Defendants have failed to specifically identify any non-party witnesses, state their relevance, or explain the likelihood of whether they will testify at trial. (Dkt. No. 29 at 12–13).

Defendants have not specifically identified any non-party witnesses who may testify at trial, or specifically identified any material testimony that may be offered. *See Diem LLC v. BigCommerce, Inc.*, 2017 WL 6729907, at *3 (E.D. Tex. Dec. 28, 2017) ("[L]itigants should not only specifically identify potential unwilling witnesses, but also should identify the relevancy and materiality of the information such witnesses would provide and therefore the foreseeability that a particular witness would be deposed, called to trial, or both."). The Court declines to speculate that because GMI has development and testing facilities in Dallas, it must have former employees still located nearby who are likely to possess relevant information and who remain outside of this Court's subpoena power. The Court finds this factor neutral.

3. Cost of Attendance for Willing Witnesses. The third private interest factor considers the cost of attendance for willing witnesses. The Federal Circuit has described this factor as being especially important. *Genentech*, 566 F.3d at 1343. The Fifth Circuit has established a so-called "100- mile rule": when the distance between the transferor and proposed transferee venues exceeds 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 201; *Genentech*, 566 F.3d at 1343.

Defendants argue that their employees in the Dallas area and in Ohio will be unduly burdened by attending trial in Marshall rather than Dallas. As for their Dallas-area employees, Defendants contend that a Marshall trial could turn a 30-60-minute drive (while avoiding overnight stays) into a 2-3-hour drive each way and overnight stay(s). (Dkt. No. 9 at 9–10). Defendants claim that Ohio-based employees can more conveniently and cheaply travel from Cleveland to Dallas than from Cleveland to Marshall, due to availability of flights. (*Id*. at 10). Similarly, Defendants argue that Chamberlain's employees traveling from its Oak Brook, Illinois location can more

easily travel to Dallas than to Marshall, due to the non-existence of flights from Chicago to the East Texas Regional Airport in Longview (approximately 30 miles from Marshall). (*Id*.).

Chamberlain again responds that Defendants have failed to identify any specific witnesses who may have information relevant to this case. (Dkt. No. 29 at 13–14). Chamberlain submits that this failure is fatal because the Court cannot reasonably weigh the split between Dallas-based and Ohio/Illinois-based employees—and the relevant information they may possess and may offer at trial. (*Id*. at 14). Chamberlain also argues that the cost and convenience for party witnesses based in Ohio and Illinois would be similar whether the trial is held in Dallas or Marshall. (*Id*.). For example, Chamberlain contends that Defendants have failed to properly consider flights for out-of-state party witnesses to and from Shreveport (also 30 minutes by car to Marshall) to Chicago and Akron, Ohio, respectively. (*Id*. at 15).

The Court finds this factor neutral. Defendants have argued generally that the NDTX is more convenient because the relevant technical design and development activities occurred there. However, the Court cannot make determinations regarding the convenience of willing witnesses based on the parties' *general activities*. Rather, the Court must weigh the convenience of the competing venues based on *specific witnesses* and the relevant evidence they may possess and offer. Defendants have failed to provide such information. In addition, Dallas and Marshall are located approximately 150 miles apart, therefore Defendants' vague contention that its relevant technical employees reside within a 30-60-minute radius of Dallas does not demonstrate that Dallas is more convenient for such employees. Finally, the Court finds that the Shreveport airport provides a viable travel destination for out-of-state witnesses in Ohio and Illinois, and any convenience attributable to airports in the Dallas area is *de minimis*.

4. All Other Practical Problems That Make Trial of a Case Easy, Expeditious and Inexpensive. The fourth private interest factor addresses concerns rationally based on judicial economy. *Quest NetTech Corp. v. Apple, Inc.*, No. 2:19-cv-00118, 2019 WL 6344267, at *6 (E.D. Tex. Nov. 27, 2019); *see also In re Vistaprint Ltd.*, 628 F.3d 1342, 1346 (Fed. Cir. 2010).

Defendants argue that transfer would promote judicial consistency and economy because the NDTX has relevant institutional knowledge, including through Case. No. 3:20-cv-1779 (the "-1779 Case")—currently stayed pending parallel litigation at the ITC—and the -560 Case filed in the NDTX the day after this case was filed. (Dkt. No. 21 at 12–13, 17). Defendants contend that Chamberlain engaged in forum shopping by filing this case and the -560 Case one day apart, "waiting to see which judges were assigned before deciding in which forum it really wanted to proceed." (*Id*. at 12) (emphasis removed). Citing *Extreme Techs., LLC v. Stabil Drill Specialties, LLC*, 2019 WL 2353168 (W.D. La. May 30, 2019), Defendants argue that other courts have rejected similar efforts. (Dkt. No. 21 at 21). There, the plaintiff filed a complaint in the Southern District of Texas and dismissed it six days later, after a judge was assigned. *Extreme Techs.*, 2019 WL 2353168, *3. The day after dismissal, the plaintiff filed the same complaint in the Western District of Louisiana. *Id*. Upon a motion to transfer under § 1404, the court found the plaintiff's "judge shopping" to be an "other factor[]" outside the traditional private and public factors which justified transfer to the Southern District of Texas. *Id*.

Chamberlain argues that it is Defendants who are attempting to forum shop by filing an answer in the -560 Case, despite Chamberlain's instruction to Defendants that it would not serve the complaint or summons in that case. (Dkt. No. 29 at 6). In addition, Chamberlain argues that Defendants served counterclaims in the -560 Case, but not in this case, to intentionally tip the § 1404 scales in favor of the -560 Case. (*Id*.). Chamberlain maintains that it filed the -560 Case "to

avoid any potential delay if Defendants contested proper jurisdiction or venue in the Eastern District." (*Id*.). With respect to the -1779 Case, Chamberlain argues that the NDTX has not substantively considered the case because it is stayed, and in any event, the -1779 Case involves different asserted patents and accused products, thus presenting non-overlapping issues. (Dkt. No. 39 at 3).

The Court finds this factor neutral. As in all sharply-contested cases, both sides have procedurally maneuvered to advance their clients interests. Neither side's strategic decisions yet rise to the level of gamesmanship which substantively impacts the § 1404 analysis. The *Extreme Techs*. case does not change this result. In any event, this Court is not bound by the *Extreme Techs*. decision. *See Camreta v. Greene*, 563 U.S. 692, 709 n.7 (2011). With respect to the timeline of the -560 Case, Defendants have not shown that absent transfer by this Court, there is significant risk of duplicative suits "involving the same issues." *Volkswagen I*, 566 F.3d at 1351. Chamberlain has moved to dismiss or transfer its claims in the -560 Case, as well as Defendants' counterclaims. (Dkt. No. 29 at 17); -560 Case, Dkt. No. 31. Further, as Chamberlain points out in its response, the -560 Case is no more advanced than—and indeed is lagging behind—this case. (Dkt. No. 29 at 18). Additionally, Defendants have not shown that the currently stayed -1779 Case weighs in favor of transfer to the NDTX. The Court declines to speculate as to when the stay may be lifted in the -1779 Case and what degree of substantive overlap may exist. On balance, all of this is neutral in determining whether venue in the NDTX is clearly more convenient.

B. Public Interest Factors

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 o[r] the application of foreign law." *Volkswagen I*, 371 F.3d at 203.

Interestingly, Defendants do not address any of the four public factors in their Motion to Transfer or their reply. (*See generally* Dkt. Nos. 21, 34). Chamberlain submits evidence that the "median time between filing and trial in the Eastern District is 748 days," while the "median time between filing and trial [in the NDTX] is 971 days." (Dkt. No. 29 at 18) (citing Dkt. No. 29-2—statistics from the Lex Machina database for patent cases in the two districts pending between January 1, 2009 and May 14, 2021).

The Court finds that the first public factor—the administrative difficulties flowing from court congestion—weighs against transfer. On average, patent cases proceed to trial more quickly in this District than in the NDTX. The remaining public interest factors are neutral.

IV. CONCLUSION

Defendants have failed to show that the NDTX is "clearly more convenient" than this District, and for the reasons stated herein, the Court **DENIES** Defendants' Motion to Transfer Venue to the Northern District of Texas (Dkt. No. 21). Accordingly, Defendants' Opposed Motion to Stay Pending Resolution of Motion to Transfer Venue (Dkt. No. 31); Defendants' Motion Under Local Rule CV-7(E) for Expedited Briefing on Opposed Motion to Stay (Dkt. No. 33); and Defendants' Opposed Motion for Hearing on Pending Motions for (1) Transfer and (2) Stay Pending Ruling on Transfer Motion (Dkt. No. 60) are **DENIED AS MOOT**.

So ORDERED and SIGNED this 10th day of September, 2021.

RODNEY GILSTRAP
UNITED STATES DISTRICT JUDGE