IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF TEXAS
WACO DIVISION

BELL SEMICONDUCTOR, LLC,	§	
	§	
Plaintiff,	§	
	§	Civil Action No. 6:20-cv-00296-ADA
vs.	§	
	§	JURY TRIAL DEMANDED
MICROCHIP TECHNOLOGY INC.; and MICROSEMI CORPORATION,	§	
	§	
	§	
Defendant.	§	

DEFENDANTS' MOTION FOR INTRA-DISTRICT TRANSFER TO AUSTIN

TABLE OF CONTENTS

TABLE OF AUTHORITIES

Cases

Statutes

The Austin Division is a clearly more convenient venue to litigate this case. The only ties to the Western District of Texas in this case are ties to the Austin Division. Defendants Microchip Technology Incorporated ("MTI") and Microsemi Corporation ("Microsemi") (collectively "Microchip") maintain an Austin office where relevant and material documents and witnesses are located. Non-party documents and witnesses material to Microchip's invalidity defenses are also available in Austin. A related case filed by Plaintiff Bell Semiconductor LLC ("Bell Semic") with overlapping patents is currently pending in the Austin Division. No witnesses, documentation, or co-pending case exist in the Waco Division.

As detailed below, five of the eight public and private transfer factors weigh in favor of transferring this case to the Austin Division, while the remaining three factors are neutral. No factor weighs in favor of maintaining this case in the Waco Division, and therefore Microchip respectfully requests a transfer to Austin for the convenience of parties and witnesses. *See* 28 U.S.C. § 1404(a).

I. Background

Bell Semic filed this action on April 16, 2020 against Defendants MTI and Microsemi. ECF No. 1. In its complaint, Bell Semic alleged infringement of eight United States patents. *Id.* ¶ 5. On November 10, 2020, the parties filed a joint motion to dismiss two of those patents, which the Court granted on November 11, 2020. ECF No. 31, 33. Consequently, Bell Semic currently alleges infringement of six patents: U.S. Patent Nos. 8,049,340; 8,288,269; 6,743,669; 7,221,173; 6,707,132; and 6,624,007.

The asserted patents relate to semiconductor technology. Specifically, four patents—U.S. Patent Nos. 8,049,340; 8,288,269; 7,221,173; and 6,624,007 (collectively, "the Packaging Patents")—relate to packaging of integrated circuits. ECF No. 1 ¶¶ 65–109, 154–172, 194–218.

The remaining two patents—U.S. Patent Nos. 6,707,132 and 6,743,669—relate to semiconductor wafer fabrication processes. *Id.* ¶¶ 110–133, 173–193.

Bell Semic is a Delaware limited liability company with a principal place of business in Bethlehem, Pennsylvania. ECF No. 1 ¶ 6. Bell Semic does not appear to have any office locations or employees located in the Western District or the Waco Division, and its complaint does not identify any Bell Semic activities or offices in Texas. *Id.* ¶¶ 1–3, 6, 10–17.

Both Defendants are incorporated in Delaware and have their principal place of business or headquarters in Chandler, Arizona. ECF No. 1 ¶¶ 7–8; ECF No. 22 ¶¶ 7–8. Both Defendants, however, have an office in Austin with substantial numbers of employees having diverse knowledge and responsibilities—including information and documents directly relating to Bell Semic's infringement claims. Declaration of Todd Kammerer in Support of Defendants' Motion for Intra-District Transfer to Austin ("Kammerer Decl.") ¶¶ 5–6, 9–10. Neither defendant maintains a place of business in the Waco Division. *Id.* ¶¶ 4–6, 12.

MTI employs 106 people at its office location at 8601 Ranch Road 2222, Park Centre Bldg. 3, Austin, TX 78730. ECF No. 1 ¶ 13; ECF No. 22 ¶ 13; Kammerer Decl. ¶ 5. Microsemi has 80 employees at that same Austin office location. Kammerer Decl. ¶ 6. At least three Microsemi employees most knowledgeable about the pricing relating to packaging used in the accused products work from the Austin office. *Id.* ¶ 9. That pricing information is material to Bell Semic's allegations and Microchip's defense relating to the Packaging Patents. Mr. Kammerer also possesses personal knowledge of packaging issues relating specifically to numerous accused products. *Id.* Moreover, the Microsemi employee in charge of marketing for accused product Microsemi VSC8258YMR-01 is located in Austin, and members of Microsemi's USB and Networking Group (UNG) located in Austin are responsible for support and maintenance of the

design of that same accused product. *Id.* ¶ 10. The only connections of any party giving rise to venue in the Western District of Texas, therefore, are (1) Microchip's ties to Austin, Texas, and (2) alleged acts of infringement in this district, which would apply to any district or division in the United States. ECF No. 1 ¶¶ 13–15.

Relevant and material party and non-party witnesses are located in Austin, while no such witness is located in the Waco Division. Likewise, relevant documents are located in Austin or accessible from Austin, while no documents are located in or accessible from Waco. Moreover, *Bell Semiconductor, LLC v. NXP Semiconductors, N.V. et al* WDTX-1-20-cv-00611 is currently pending in the Austin Division, is at a nearly-identical stage of litigation, and includes Bell Semic's assertion of the same four Packaging Patents against NXP.[1]

II. Legal Standard

Under 28 U.S.C. § 1404(a), 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. "Section 1404(a) is intended to place discretion in the district court to adjudicate motions for transfer according to an 'individualized, case-by-case consideration of convenience and fairness.'" *Stewart Org., Inc. v. Ricoh Corp.*, 487 U.S. 22, 29 (1988) (quoting *Van Dusen v. Barrack*, 376 U.S. 612, 622 (1964)). The party moving for transfer carries the burden of showing good cause. *In re Volkswagen of Am., Inc.*, 545 F.3d 304, 314 (5th Cir. 2008) (hereinafter "*Volkswagen II*"). "When viewed in the context of § 1404(a), to show good cause means that a moving party, in order to support its claim for a transfer, must . . . clearly demonstrate that a

[1] Because of the overlapping Packaging Patents in these two cases, the Court scheduled a joint *Markman* hearing to address these patents. *See Bell Semiconductor, LLC v. NXP Semiconductors, N.V. et al* WDTX-1-20-cv-00611, ECF No. 43 at 4.

transfer is '[f]or the convenience of parties and witnesses, in the interest of justice.'" *Id.* (quoting 28 U.S.C. § 1404(a)).

"The preliminary question under § 1404(a) is whether a civil action 'might have been brought' in the destination venue." *Id.* at 312. If so, in the Fifth Circuit, the "[t]he determination of 'convenience' turns on a number of public and private interest factors, none of which can be said to be of dispositive weight." *Action Indus., Inc. v. U.S. Fid. & Guar. Co.*, 358 F.3d 337, 340 (5th Cir. 2004). The private 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." *In re Volkswagen AG*, 371 F.3d 201, 203 (5th Cir. 2004) (hereinafter "*Volkswagen I*") (citing to *Piper Aircraft Co. v. Reyno*, 454 U.S. 235, 241 n.6 (1981)). The public 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 of the application of foreign law." *Id.*

Courts evaluate these factors based on "the situation which existed when suit was instituted." *Hoffman v. Blaski*, 363 U.S. 335, 343 (1960) (quotation omitted); *DDS Tech. Mgmt., Inc. v. Apple, Inc.*, No. 6:13-cv-919-JDL (E.D. Tex. 2014), 2014 WL 6847569 at *3–4 (declining to weigh post-filing developments in connection with "cost of attendance" and "judicial economy" factors). A court may "consider undisputed facts outside of the pleadings . . . but it must draw all reasonable inferences and resolve factual conflicts in favor of the non-moving party." *Weatherford Tech. Holdings, LLC v. Tesco Corp.*, No. 2:17-CV-00456-JRG, 2018 WL 4620636, at *2 (E.D. Tex. May 22, 2018). A plaintiff's choice of venue is not an independent factor in the venue transfer

analysis, and courts must not give inordinate weight to a plaintiff's choice of venue. *Volkswagen II*, 545 F.3d at 314 n.10, 313 ("[W]hile a plaintiff has the privilege of filing his claims in any judicial division appropriate under the general venue statute, § 1404(a) tempers the effects of the exercise of this privilege.").

III. Argument

Given Bell Semic, in its complaint, supports venue in this District based on Microchip's presence in the Austin Division (ECF No. 1 ¶¶ 13–15), there can be no dispute this case "might have been brought" in the Austin Division, as opposed to the Waco Division. *See Mimedx Group, Inc. v. Tex. Human Biologics, Ltd.*, 1:14-CV-464-LY, 2014 WL 12479284, at *1 (W.D. Tex. Aug. 12, 2014) (citing *Volkswagen II*, 545 F.3d at 315). Indeed, MTI and Microsemi maintain a regular and established place of business in Austin, collectively employing 186 people at their Austin office. Kammerer Decl. ¶¶ 5–6.

Analyzing the Fifth Circuit's enumerated factors demonstrates that litigating this case in Austin would clearly be more convenient than litigating in Waco. Indeed, five factors favor transfer, three factors are neutral, and no factor weighs in favor of maintaining the case in Waco. Under these facts transfer is warranted. *See In re Radmax, Ltd.*, 720 F.3d 285, 290 (5th Cir. 2013) (confirming that it was an "extraordinary error" to decline transfer where three factors supported transfer, five were neutral, and "not a single relevant factor favors the plaintiffs' chosen venue" (brackets omitted) (quoting *Volkswagen*, 545 F.3d at 318)); *Mimedx*, 2014 WL 12479284, at *3 (ordering intra-district transfer where four factors favored transfer, four were neutral, and none favored plaintiff's choice of venue); *see also Datascape, Ltd. v. Dell Techs., Inc.*, 6:19-CV-00129-ADA, 2019 WL 4254069, at *1–2 (W.D. Tex. June 7, 2019) (same).

A. Relative Ease of Access to Sources of Proof Favors Transfer

In considering the relative ease of access to proof, a court looks to where documentary and physical evidence is stored. *See Volkswagen II*, 545 F.3d at 316. Under this factor, "the question is *relative* ease of access, not *absolute* ease of access." *Datascape*, 2019 WL 4254069, at *2 (quoting *Radmax*, 720 F.3d at 288).

There is no apparent connection between any source of proof and the Waco Division. Neither party maintains an office or facility in the Waco Division, and no relevant non-party is based in the Waco Division. *See McCloud v. McClinton Energy Grp.*, L.L.C., No. 5:14-CV-620-XR, 2014 WL 6388417, at *3 (W.D. Tex. Nov. 14, 2014) (finding this factor weighed in favor of transfer where plaintiffs could "point to *no* evidence" located within transferor division).

Bell Semic's documents appear to be located and accessed outside of Texas—in Pennsylvania (*i.e.*, Bell Semic's principal place of business) and/or at one of the locations of Bell Semic executives. *See* ECF No. 1 ¶ 2 (identifying Messrs. Vechi, Hilyard, Merchant, and Azimi as Bell Semic executives); *id.* ¶ 6; Declaration of Brian C. Banner in Support of Defendants' Intra-District Motion to Transfer to Austin ("Banner Decl."), Exs. 1–4 (printouts of LinkedIn profiles for Vechi (Illinois), Hilyard (Colorado), Merchant (Pennsylvania), and Azimi (Pennsylvania)). There is no indication that Bell Semic's documents are located within the Waco Division or Austin Division. Accordingly, Bell Semic's documents are equally accessible from either city.

Microchip's documents, on the other hand, are either physically located in Austin or accessible via computer systems at Microchip's Austin office. Kammerer Decl. ¶¶ 9–10, 13. No Microchip documents are located in the Waco Division or physically accessible from a business location in the Waco Division. *Id.* ¶¶ 4, 9–10, 13. Because MTI and Microsemi are the accused defendants, they will likely possess the bulk of relevant documents in this case. *In re Genentech, Inc.*, 566 F.3d 1338, 1345 (Fed. Cir. 2009) ("In patent infringement cases, the bulk of the relevant

evidence usually comes from the accused infringer. Consequently, the place where the defendant's documents are kept weighs in favor of transfer to that location."). Thus, because Microchip's document sources are physically located within or are accessible from the Austin Division, this factor weighs in favor of transfer. *See VLSI Tech. LLC v. Intel Corp.*, 6:19-CV-00254-ADA, 2019 WL 8013949, at *3 (W.D. Tex. Oct. 7, 2019) ("given that Intel has a campus in Austin, but not in Waco, it is easier to access Intel's electronic documents from Austin than from Waco"); *see also Datascape*, 2019 WL 4254069, at *2 (finding this factor supports transfer to Austin because "access to sources of proof is *relatively* easier in Austin than it is in Waco.").

Moreover, prior art products designed and sold by Motorola, Inc. ("Motorola") and Advanced Micro Devices, Inc. ("AMD") are relevant prior art to the Packaging Patents. In 1974, Motorola built a semiconductor plant in Austin, and later spun off its semiconductor business as Freescale Semiconductor, now NXP Semiconductors.[2] Motorola sold or offered parts with features similar to the asserted claims in U.S. Patent Nos. 8,288,269 and 8,049,340 before the critical date of those asserted patents.[3] Microchip anticipates discovery of prior art Motorola products from Freescale Semiconductor's successor, NXP Semiconductors, including from company documentation and non-party witnesses currently residing in Austin (now employees of other Austin technology companies, *e.g.*, Cirrus Logic, AMD, NXP, and Samsung), that are material to its defense. The same is true for the discovery of prior art products from AMD and AMD

[2] *See* Banner Decl., Ex. 5 (providing brief historical overview of Motorola, Freescale Semiconductor, and NXP Semiconductors).

[3] Microchip filed petitions IPR2021-00147 and IPR2021-00148 for *inter partes* review of U.S. Patent Nos. 8,288,269 and 8,049,340 based on a data sheet for Motorola part MC92600 dated "3/2003." Freescale re-released the same data sheet (Banner Decl., Ex. 6), indicating that documentation pertaining to relevant Motorola prior art products remains in Austin at Freescale's successor, NXP.

employees, including David Donggang Wu.[4] The relative ease of access to discovery in Austin of Motorola's and AMD's prior art products and non-party witnesses with knowledge of the same, favors transfer to the Austin Division.

B. Cost of Attendance for Willing Witnesses Favors Transfer

The relative convenience to the witnesses is often recognized as the most important factor under § 1404(a). *Genentech*, 566 F.3d at 1342; *Mid-Continent Cas. Co. v. Petroleum Solutions, Inc.*, 629 F. Supp. 2d 759, 762 (S.D. Tex. 2009). Employee witnesses with relevant knowledge in a particular division favor intra-district transfer to that division. *See Datascape*, 2019 WL 4254069, at *2 (finding defendant's Austin employees with marketing and sales knowledge of the accused products to favor transfer to Austin where plaintiff "identified no such witnesses in Waco"); *see also Freshub, Inc. v. Amazon.com Inc.*, W-19-CV-00388-ADA, 2019 WL 10856832, at *1 (W.D. Tex. Sept. 9, 2019) (same).

In its complaint, Bell Semic does not allege that it maintains a place of business in the Western District or that any of its employees or executives are located in the Western District. By contrast, Microchip has relevant and material witnesses located in Austin. Specifically, Messrs. Kammerer, Dunlop, and Bell are Microsemi employees located in Austin with knowledge relevant to the four asserted Packaging Patents. Kammerer Decl. ¶ 9. In addition, Mr. Huff manages the marketing for accused product VSC8258YMR-01. *Id.* ¶ 10. Each of these witnesses is located in Austin, and therefore would not incur additional expenses to testify at trial in Austin. Travel and lodging costs, however, would be necessary for these witnesses to attend a trial in Waco. Moreover, Austin would be much more convenient for out-of-state Microchip witnesses who

[4] Microchip filed petition IPR2021-00177 for *inter partes* review of U.S. Patent No. 6,743,669 based on U.S. Patent No. 6,586,311, an AMD patent naming Mr. Wu as an inventor. According to his LinkedIn profile, Mr. Wu currently resides in Austin. Banner Decl., Ex. 8.

testify at hearings or trial because they would be able to fly directly into Austin and work remotely from Microchip's Austin office without the additional disruption of travel from Austin to Waco for trial. *Id.* ¶ 14.

Further, Austin-based current AMD employees, and former Motorola employees, are material and relevant to the prior art identified for the asserted patents noted above.

Because several witnesses with knowledge relevant and material to this case are located in Austin and none are in the Waco Division, this factor supports transferring the case to Austin. *See Datascape*, 2019 WL 4254069, at *2; *Freshub*, 2019 WL 10856832, at *1.

C. Availability of Compulsory Process to Secure the Attendance of Witnesses Favors Transfer

Microchip is unaware of any non-party witnesses who would be unwilling to attend trial in Austin or Waco. The existence of relevant third-party witnesses in Austin, however, weighs in favor of transfer to Austin. As described above, Motorola and AMD prior art is likely to play a material role in this litigation. As this Court previously recognized in the context of an opposed motion for intra-district transfer to Austin, this factor weighs in favor of transfer when it would be cheaper for non-party Austin-based witnesses to testify at trial in Austin, even if the witnesses can be compelled to testify in both Waco and Austin. *See VLSI*, 2019 WL 8013949, at *4 ("But VLSI contends that even if the witnesses can be compelled to testify at a trial in Austin, their costs will be lower if they testify in Waco. The Court agrees with VLSI.").

D. All Other Practical Problems That Make Trial of a Case Easy, Expeditious, and Inexpensive Favor Transfer

Bell Semic asserts the same four Packaging Patents against NXP in its case pending in the Austin Division. Due to the overlapping patents, this Court has coordinated *Markman* hearings between the two cases. Having both cases in the Austin Division would eliminate any practical

problems associated with coordination of and attendance at the *Markman* hearing, and thus, this factor favors transfer to Austin where the NXP case is also pending.

E. Local Interest in Having Localized Interests Decided At Home Favors Transfer

This factor also weighs in favor of transfer to Austin. First, courts must disregard "interests that 'could apply virtually to any judicial district or division in the United States,' such as the nationwide sale of infringing products." *Texas Data Co., LLC v. Target Brands, Inc.*, 771 F. Supp. 2d 630, 647 (E.D. Tex. 2017) (quoting *Volkswagen II*, 545 F.3d at 318). Thus, Bell Semic's reliance on "acts of infringement in this District," and "conducting business in the United States, in the State of Texas, and in the Western District of Texas" in support of jurisdiction and venue in Waco does not favor the Waco Division over the Austin Division. *See* ECF No. 1 ¶¶ 10–17.

Second, Austin has a substantial localized interest in this case. In addition to the 186 Austin-based Microchip employees, employees knowledgeable about issues relating to four of the six asserted patents (*i.e.*, the Packaging Patents) are located in Austin. Kammerer Decl. ¶ 9. And the employee in charge of the marketing for accused Microsemi product VSC8258YMR-01 is located in Austin, along with the team responsible for support and maintenance for the design of that product. *Id.* ¶ 10. Because this suit centers around the work of Microchip employees, including those working in Austin, the Austin Division has a strong localized interest in this case. *In re Hoffmann-La Roche Inc.*, 587 F.3d 1333, 1336 (Fed. Cir. 2009) (noting that the local interest is "strong because the cause of action calls into question the work and reputation of several individuals residing in or near that district and who presumably conduct business in that community"). In addition, several significant Microchip customers are located in the Austin Division, including Dell Technologies, National Instruments, and Cisco Systems. *Id.* ¶ 15. The Waco Division by contrast lacks any local interest that favors maintaining the case there. *See*

Datascape, 2019 WL 4254069, at *3 ("[T]he local interest factor, like all § 1404 factors, is concerned with the *relative* interests between the transferee and transferor forums.").

Because the outcome of this lawsuit affects local Austin interests more acutely than Waco interests, this factor likewise weighs in favor of transfer. *See Mimedx,* 2014 WL 12479284, at *3 ("The ultimate outcome of this suit likely affects local San Antonio interests more *acutely* than local Austin interests." (emphasis added)).

F. Neutral Factors

Administrative difficulties flowing from court congestion: The Court previously determined that this factor is neutral between the Austin and Waco Divisions about the same time this case was filed. *Hammond Dev. Int'l, Inc. v. Amazon.com, Inc.*, 6:19-CV-00355-ADA, 2020 WL 6136783, at *5 (W.D. Tex. Mar. 30, 2020); *see also DDS*, 2014 WL 6847569 at *3 (considering "cost of attendance" and "judicial economy" factors at the time the case was instituted).

Even if the Court is inclined to consider post-filing developments, this factor remains neutral. The Waco Division—a division with one district judge and one magistrate judge—is very busy with approximately 192 criminal cases and over 1,000 civil cases filed during calendar year 2020 so far, including 695 patent cases currently assigned to Judge Albright. Banner Decl. ¶¶ 9, 12–13; *id.* at Exs. 7, 10, 11. The Austin Division—a division with two district judges, two senior district judges, and three magistrate judges—is similarly busy with approximately 292 criminal cases and over 1,100 civil cases filed during calendar year 2020 so far, including 88 patent cases. *Id.* ¶¶ 11, 14, 15; *id.* at Exs. 9, 12, 13. Although the Austin Division is not currently conducting jury trials due to the COVID pandemic, any delays are unlikely to impact a 2022 trial in this case, and the pandemic's relative impact on individual courthouses remains fluid. Overall, this factor is neutral.

Familiarity of the forum with the law that will govern the case: This factor is neutral because judges in both the Waco and Austin Divisions are familiar with patent law.

Avoidance of unnecessary problems of conflict of laws or in the application of foreign law: This factor is also neutral because this case does not present issues relating to conflict of laws or application of foreign law. Microchip also would not object to maintaining a schedule aligned with co-pending *Bell Semiconductor, LLC v. NXP Semiconductors, N.V. et al* WDTX-1-20-cv-00611, through and including claim construction proceedings.

IV. Conclusion

Because the majority of factors favor transfer and the remaining factors are neutral, Microchip requests this case be transferred to the Austin Division of the Western District of Texas.

Dated: November 18, 2020

Respectfully submitted,

/s/ Joseph D. Gray

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CERTIFICATE OF SERVICE

I hereby certify that on the 18th day of November, 2020, I electronically filed the foregoing with the Clerk of Court using the CM/ECF system which will send notification of such filing to all counsel of record.

/s/ Joseph D. Gray
Joseph D. Gray
Attorney for Defendants

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	§	
	§	
Defendant.	§	

[PROPOSED] ORDER

Having considered Defendant Microchip Technology Incorporated's and Microsemi Corporation's Opposed Motion for Intra-District Transfer to Austin, the Court hereby GRANTS the motion.

It is therefore ORDERED that this case is transferred to the Austin Division.

SIGNED this ___ day of _____, 2020.

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