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Recommended Citation
Available at: https://doi.org/10.37419/JPL.V9.I1.3

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PDF Killed the Copier Star: Modernizing the Access to Sources of Proof Factor in a 28 U.S.C. § 1404(a) Transfer Analysis

Kyle L. Dockendorf†

Abstract

With digital solutions to document storage, non-physical sources of evidence will become increasingly relevant for different types of legal actions. For patent proceedings, where evidence is often electronic, the need for a clearly defined approach to analyzing physical and electronic evidence has appeared within the first private factor of a 28 U.S.C. § 1404(a) transfer analysis. The evidentiary factor evaluating non-witness evidence—the access to sources of proof factor or first private factor—was interpreted by the Fifth Circuit when faced with weighing electronic evidence in favor, or against, potential transfer venues. Fifth Circuit precedent—relied upon in other circuit court opinions and the standard for when writs of mandamus reach the Federal Circuit—determined the access to proof factor is still relevant to modern transfer analyzes despite the ease of transfer some digital media provide. The convenience of digital evidence has led some district courts to request an amended approach for the first private factor analysis. In order to maintain the relevance of the access to sources of proof factor, the treatment of electronic evidence needs to be updated to reflect the expanding digital landscape. With a tailored approach recognizing the distinctions and ease of transfer for certain types of evidence, the tension between district court holdings, that the Gilbert factor is superfluous, and the circuit courts, holding that the factor is still relevant for transfer analysis, can be resolved. Sources of proof and the mediums they appear on will constantly change, and the law governing discretionary transfers should be prepared to adapt to those changes. This Comment seeks to provide a recommendation on how that can be achieved.

DOI: https://doi.org/10.37419/JPL.V9.I1.3

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I. INTRODUCTION

In the past 100 years, technology has evolved from the infancy of electricity to the complex age of information the courts find themselves facing today. While technology is not always the subject of litigation, the use of computers and technological aides has become widespread within the legal industry. Instead of boxes of case files, firms can store files on a single server. Instead of relying solely on in-person depositions, firms can choose to conduct discovery through video conferencing solutions. During an ever-evolving technical age, new technologies and applications of electronic solutions to conduct legal work have continued to emerge. In addition to legal industry applications, companies and individuals interact with technology daily. These interactions include...
holding text message conversations, communicating through email, creating and editing documents on personal computers, or even purchasing a coffee. Daily activities prompting the creation of digital transmissions build a base of potentially discoverable electronic evidence for use in a variety of legal actions.

Courts and Congress have expanded statutes involving discovery and evidentiary standards to recognize both electronic evidence and the differences that come with a digital format. With the ever-increasing use of technology for all aspects of life, the amount of electronic evidence will likely continue to increase, creating new questions of law and requiring an expansion of existing doctrines grounded in a physical evidence context. This Comment seeks to explore the treatment of electronic evidence in the first private factor of a 28 U.S.C. § 1404 discretionary transfer analysis by providing a background on the legal standards of 28 U.S.C. § 1404, discussing the divergent interpretations of the factor at the district court and circuit court levels, and detailing a recommendation for an amended approach to the first private factor analysis.

II. BACKGROUND ON THE LEGAL STANDARDS OF 28 U.S.C. § 1404

Parties seeking convenience transfers in federal suits through 28 U.S.C. § 1404(a) are at the discretion of district court judges. This subsection has seen a significant amount of use within recent patent litigation. As the basis for the potential revision this Comment explores, a sufficient background on the statute and its relevance within civil litigation is necessary. This Section will cover (A) the history of § 1404 and the establishment of the factors used in transfer analyses; (B) how § 1404(a) appears in patent litigation; and (C) the current landscape of discretionary transfers within patent proceedings.

A. Introduction to § 1404 and the Gilbert Factors

28 U.S.C. § 1404 encapsulates discretionary transfers between proper jurisdictions. ¹ 28 U.S.C. § 1404 encapsulates discretionary transfers between proper jurisdictions. Section 1404 allows transfers for convenience between divisions of federal districts and for transferring trials within divisions. ² Originally, § 1404 endeavored to codify a uniform federal doctrine for convenience transfers while making some adjustments to supersede a growing trend within Supreme Court decisions against

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convenience transfers.\textsuperscript{3} Section 1404(a) answered the Supreme Court decisions by allowing: "[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."\textsuperscript{4} An added benefit of enacting § 1404(a) was allowing cases to transfer to another available federal jurisdiction instead of being dismissed.\textsuperscript{5} 

In application, judges use private and public factors to determine if circumstances favor transfer to the requested jurisdiction "for the convenience of parties and witnesses."\textsuperscript{6} \textit{Gulf Oil Corporation v. Gilbert}, and its progeny, established a set of public and private factors utilized in determining discretionary transfer decisions.\textsuperscript{7}

The private concerns include: (1) \textit{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 concerns 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.\textsuperscript{8}

The focus of this Comment is the first private factor: "the relative ease of access to the sources of proof."\textsuperscript{9} When weighing the factors, in either favor or against transfer, each factor is treated equally, and none are dispositive.\textsuperscript{10} Section 1404(a) transfer orders are only reviewable through a writ of mandamus.\textsuperscript{11}

A writ of mandamus is typically seen in federal cases when appealing a district court judge’s decision is blocked by rules against interlocutory

\begin{itemize}
\item \textsuperscript{3} See Baltimore & O.R. Co. v. Kepner, 314 U.S. 44, 54 (1941) (opining "[a] privilege of venue . . . cannot be frustrated for reasons of convenience or expense."); see also United States v. National City Lines, 334 U.S. 573, 588 (1948) (holding in the context of a Clayton Act suit "[W]e cannot say that room was left for judicial discretion to apply the doctrine of forum non conveniens[].").
\item \textsuperscript{4} 28 U.S.C. § 1404(a).
\item \textsuperscript{5} See De Mateos v. Texaco, Inc., 562 F.2d 895 (3d Cir. 1977), cert. denied, 435 U.S. 904 (1978); see also 28 U.S.C. § 1406 (allowing for discretionary dismissal or in the alternative transfer).
\item \textsuperscript{6} 28 U.S.C. § 1404(a).
\item \textsuperscript{7} 330 U.S. 501, 08 (1947).
\item \textsuperscript{8} In re Volkswagen AG, 371 F.3d 201, 203 (5th Cir. 2004) [hereinafter Volkswagen I] (emphasis added) (citing Piper Aircraft Co. v. Reyno, 454 U.S. 235, 241 n.6 (1982)).
\item \textsuperscript{9} Id.
\item \textsuperscript{10} Action Indus., Inc. v. U.S. Fid. & Guar. Co., 358 F.3d 337, 340 (5th Cir. 2004).
\item \textsuperscript{11} In re Rolls Royce, 775 F.3d 671, 675 (5th Cir. 2014).
\end{itemize}
appeals. 12 “Instead of appealing directly, the party simply sues the judge, seeking a mandamus compelling the judge to correct his earlier mistake.” 13 The Fifth Circuit has held that a writ of mandamus, while an “extraordinary remedy,” is the appropriate path to review for a § 1404(a) transfer order. 14

B. Section 1404(a) Transfer Analysis within Patent Proceedings

While § 1404(a) transfers are available to all federal civil parties and used across a wide array of civil subject areas, patent infringement actions have provided the forum for discussing transfer analysis jurisprudence. However, patent law is one of the few subject areas definitively set within the federal jurisdiction. 15 Here, this Section will: (1) provide a background for choice of law in patent proceedings; and (2) distinguish the importance of venue choice in patent cases and set the stage for the importance of uniform treatment of the Gilbert factors.

1. Application of Precedent within Patent Proceedings

Section 1404 applies to federal matters and is beholden to interpretations from the appellate circuit courts. 16 Due to the explicit enumeration of patents within the constitution, 17 patent infringement cases reside within the federal “original jurisdiction.” 18 While patent cases originate in federal district courts, similar to other federal cases, matters involving patents are slightly different in regards to appellate jurisdiction. 19 The United States Court of Appeals for the Federal Circuit (“the Federal Circuit”) handles appeals based on the subject rather than geographic area. 20 Among other specific areas of jurisdiction, the Federal

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13 Id.
14 Rolls Royce, 775 F.3d at 676 (citing In re Volkswagen of Am., Inc., 545 F.3d 304, 309 (5th Cir. 2008)) (Our court, in accord with our sister circuits, has held “mandamus is an appropriate means of testing a district court’s § 1404(a) ruling.”).
17 U.S. Const., Art. I, Section 8, Cl. 8.
18 Court Jurisdiction, supra note 15.
19 Id.
20 Id.
Circuit handles all appeals, regardless of origin, related to patent proceedings.\textsuperscript{21} While the Federal Circuit, on appeal, creates precedent for questions of patent law, in the event that an appeal is filed for a non-patent law question, the Federal Circuit “applies the laws of the regional circuit in which the district court sits . . . .”\textsuperscript{22} Therefore, rulings on interpretation related to federal statutes, like § 1404(a), are regionally based and binding on patent proceedings within that region.\textsuperscript{23} With these in mind, choice of venue has long been important within patent proceedings and continues to be a point of contention.\textsuperscript{24}

\textbf{2. TC Heartland LLC v. Kraft Foods Group Brands LLC\textsuperscript{25}: Narrowing Venue Choice}

Generally, patent cases find proper venue “in the judicial district where the defendant resides, or where the defendant has committed acts of infringement and has a regular and established place of business.”\textsuperscript{26} Prior to the landmark decision in 2017, plaintiffs were allowed to find venue within any jurisdiction where an infringing sale or use occurs, based on an interpretation that 28 U.S.C. § 1400(b) was supplemented by § 1391(c) for corporate entities.\textsuperscript{27} Allowing a wide breadth of venue choice, plaintiffs often chose to file patent infringement cases in friendlier forums such as Texas.\textsuperscript{28} Seeking to address this interpretation, \textit{TC Heartland} held that § 1391(c) does not supplement § 1400(b), narrowing the choice of venues for plaintiffs and effectively placing a greater emphasis on aspects of personal jurisdiction inherent in § 1400(b).\textsuperscript{29}

While this interpretation constricted the flow, plaintiffs continued to file in friendly venues.\textsuperscript{30} An avenue for reaching venues more favorable or convenient to the defendant was through § 1404(a), which allows for

\begin{itemize}
  \item \textsuperscript{21} \textit{Id.}
  \item \textsuperscript{22} In re TS Tech U.S. Corp., 551 F.3d 1315, 1319 (Fed. Cir. 2008) (citing Storage Tech. Corp. v. Cisco Sys., Inc., 329 F.3d 823, 836 (Fed. Cir. 2003)).
  \item \textsuperscript{23} \textit{Id.}
  \item \textsuperscript{24} Ryan Davis, Albright Transfer Drama Will Keep Eyes On Texas In 2022, LAW360 (Dec. 17, 2021), https://www.law360.com/lawresearch/tamu.edu/articles/1448846/albright-transfer-drama-will-keep-eyes-on-texas-in-2022 [https://perma.cc/CVC5-EK6C].
  \item \textsuperscript{25} 137 S. Ct. 1514 (2017).
  \item \textsuperscript{26} 28 U.S.C. § 1400(b).
  \item \textsuperscript{28} \textit{Id.} at 40–41.
  \item \textsuperscript{29} TC Heartland, 137 S. Ct. at 1519.
  \item \textsuperscript{30} Liang, \textit{supra} note 27, at 47.
\end{itemize}
broad discretion on the part of district court judges to allow or deny transfers out of their courts.31 Prior to TS Tech, judges would conduct the necessary factor analysis and go through the motions but could ultimately deny motions for transfer without reporting analysis.32 Framed by others as the cause for tension between the Eastern District of Texas and the Federal Circuit at the time, TS Tech refocused the analysis for convenience transfers on the Gilbert factors.33 While, in the long run, this did not eliminate ”forum shopping” for patent proceedings, it set the stage for the necessity of a full § 1404(a) analysis and the importance of each factor within.34

C. Texas: Proving Ground for Patent Infringement Transfer Analyses

From 1996 to 2018, the number of patent filings was 16,164 with approximately 20% of those filings occurring in Texas.35 During this period, the Eastern District of Texas led the country in the number of filings and was reluctant to transfer cases based on § 1404(a).36 Since his appointment, Judge Albright has grown his court’s patent docket within the Western District of Texas, culminating recently in a study showing that 20% of all the patent cases filed in 2020 and approximately 25% of cases filed in 2021 were within the Western District of Texas.37 With a large portion of patent litigation occurring within Texas, appeals sent to the Federal Circuit regarding § 1404(a) often employ Fifth Circuit law when deciding non-patent matters.38

In recent months, a multitude of the defendants residing within the Western District of Texas have motioned to transfer based on § 1404(a) and were denied.39 Seeking to appeal the denials, many of the

31. Id.
32. Id.
33. In re TS Tech, 551 F.3d 1315 (Fed. Cir. 2008).
34. Liang, supra note 27, at 50–53.
36. Liang, supra note 27, at 40–41.
defendants filed writs of mandamus, requesting that the Federal Circuit overturn the denial in favor of transfers to various venues.\textsuperscript{40} Transfer orders, post \textit{TS Tech}, have included extensive discussion about the \textit{Gilbert} factors, and the writs that were approved provided further analysis of the transfer factors at the appellate level.\textsuperscript{41} Reviewing the analysis provided at both the district court and appellate levels has unearthed questions not only about the discretionary use of § 1404(a), but also the application of the factors inherent to the analysis.

III. NON-UNIFORM APPLICATION OF THE ACCESS TO EVIDENCE FACTOR

Transfer orders and, when a writ of mandamus is filed, subsequent reviews have entailed detailed analyses of the \textit{Gilbert} factors. Within district court orders, there is disagreement with appellate precedent on the first private factor—the ease of access to sources of proof. In venues where transfer analyses frequently occur, such as the Western District of Texas Waco Division, the importance of a concrete standard for analysis is necessary. This Section will: (A) provide further background on the first private factor and detail the appellate treatment of electronic evidence; (B) demonstrate how district court analyses differ from the circuit court holdings; and (C) compile recent rulings from the Fifth and Federal Circuits.

\textbf{A. Private Factor 1 and the Appellate Treatment of Electronic Evidence}

The first private interest factor, the ease of access to sources of proof, evaluates evidentiary sources that are not related to witnesses.\textsuperscript{42} Considerations related to witnesses are discussed within the second and third private factors, handling availability of compulsory process and cost of attendance for witnesses, respectively.\textsuperscript{43} Traditionally, this factor looked at physical evidence such as paper documents, but with modern technological advancements the increased use and availability of evidence through digital means has brought into question the usefulness of this factor.\textsuperscript{44} This Section will discuss Supreme Court precedents, Fifth Circuit law, and circuit decisions outside of the Fifth Circuit to evaluate

\begin{footnotesize}
\begin{enumerate}
  \item Id.
  \item Id.
  \item In re Apple Inc., 979 F.3d 1332, 1339 (Fed. Cir. 2020).
  \item Id. at 1339–40.
  \item In re Apple Inc., 979 F.3d 1332, 1339 (Fed. Cir. 2020); see also In re Volkswagen Am., Inc., 545 F.3d 304, 316 (5th Cir. 2008) [hereinafter "Volkswagen II"].
\end{enumerate}
\end{footnotesize}
the appellate treatment of electronic evidence within the first private factor.

Supreme Court precedent demonstrates the ability to transfer utilizing § 1404(a) is a necessary check against the powerful choice plaintiffs have for venue.\textsuperscript{45} Within the Federal Circuit, precedent emphasizes the importance of the evidentiary factor since “[i]n 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.”\textsuperscript{46} Evaluating this factor specifically, the Federal Circuit has emphasized the ongoing importance of this sources of proof factor despite the ease of digital transfer.\textsuperscript{47} Additionally, the Federal Circuit has held that the focus of the factor analysis is on the physical location of documents or document custodians.\textsuperscript{48} When analyzing this factor, since the basis of the appeal is for a non-patent law matter, the precedent and law residing within the regional circuit court controls.\textsuperscript{49}

Fifth Circuit precedent on § 1404(a) characterizes transfers in two ways: (1) establishing the continuing importance of this factor and (2) evaluating electronic evidence similarly to physical evidence. The Fifth Circuit, in analyzing the evidentiary factor within the context of a patent infringement controversy, has recognized the availability of electronic evidence but has not distinguished it when analyzing this factor.\textsuperscript{50} Holding in 2004 that the evidentiary factor remains relevant in the digital age,\textsuperscript{51} the Fifth Circuit held that, despite the convenience e-discovery provides, the first factor has not been rendered superfluous.\textsuperscript{52} This precedent was relied upon in more recent Fifth Circuit cases, cementing the holding that technological advancements have not diminished the need for fully evaluating the first private factor.\textsuperscript{53} While the Fifth Circuit is not controlling in all jurisdictions, with a large portion of patent litigation

\textsuperscript{46} Apple, 979 F.3d at 1340 (citing In re Genentech, Inc., 566 F.3d 1338, 1345 (Fed. Cir. 2009)).
\textsuperscript{48} In re Google LLC, No. 2021-178, 2021 WL 5292267, at *2 (Fed. Cir. Nov. 15, 2021) (“location of document custodians and location where documents are created and maintained . . . may bear on the ease of retrieval.”).
\textsuperscript{50} Volkswagen I, 371 F.3d 201, 203 (5th Cir. 2004).
\textsuperscript{51} Id.
\textsuperscript{52} Volkswagen II, 545 F.3d 304, 314 (5th Cir. 2008).
occurring in Texas, other districts look to and cite the Fifth Circuit’s holding regarding this factor.\textsuperscript{54} Therefore, despite not being controlling in every federal jurisdiction, the Fifth Circuit has played a large part in shaping the treatment of the first private factor across various jurisdictions.

Within other appellate jurisdictions, the first private factor and the treatment of digital evidence have been discussed in mandamus appeals. The Eighth Circuit, reviewing an order denying transfer in the context of a commercial litigation matter, disagreed with the district court that the location of the physical documents did not favor transfer in "this age of electronic document transmissions."\textsuperscript{55} Instead, the Eighth Circuit held that while digital transmission lessens the convenience, the physical location of the original documents is still the important distinction.\textsuperscript{56} The Eighth Circuit relied upon the precedent set by the Fifth Circuit despite serving a different area for appeals.\textsuperscript{57} The Second Circuit considered the Gilbert factors for a § 1404(a) transfer in reviewing a transfer related to an action for a fire and the destruction of a domestic aircraft.\textsuperscript{58} Even as early as 1982, Circuit Judge Oakes, in his concurrence, recognized that the “transportation revolution” may require federal law to rethink treatment of evidence within § 1404(a) analyses.\textsuperscript{59}

Summarily, the recent treatment of electronic evidence by the appellate courts has been an attempt to square existing precedents with the evolving technologies present in modern-day litigations. The district courts, however, have shifted in a different direction.

\textbf{B. District Court Application of the First Private Factor}

District court decisions are distinguishable from Appellate holdings in two ways: asserting electronic evidence and technological advances have rendered this factor obsolete or acknowledging the need for disparate treatment of electronic evidence when analyzing this factor. These orders are not isolated within Texas and span multiple appellate jurisdictions, signaling a growing lack of uniform factor treatment

\textsuperscript{54} See Luxpro Corp. v. Apple, Inc., 602 F.3d 909, 913 (8th Cir. 2010) (citing Volkswagen II, 545 F.3d at 316).
\textsuperscript{55} Luxpro, 602 F.3d at 914.
\textsuperscript{56} Id. (holding that the physical location of the documents is more important since the parties may need to refer to the original documents.).
\textsuperscript{57} Id. at 913 (citing Volkswagen II, 545 F.3d at 316).
\textsuperscript{58} Overseas Nat’l Airways, Inc. v. Cargolux Airlines Internat’l S.A., 712 F.2d 11, 12 (2d Cir. 1982).
\textsuperscript{59} Id. at 13.
within § 1404(a) analyses. This is a cause for concern since precedent has shown that each factor in a § 1404(a) analysis is not dispositive and should be afforded similar weight when considered.60 Dismissing the evidence factor as having little weight, despite the potential existence of large amounts of physical evidence or cumbersome electronic evidence, disparages the Defendant’s strongest tool against Plaintiff’s venue choice.61

1. District Courts in Areas of the Country Outside Texas and in Non-patent Matters

Due to technological advances, some district courts started treating the first private factor as neutral, and some court orders asserted this portion of the analysis was no longer necessary. The support for these assertions comes from reasoning that digital transfer has made evidence gathering convenient in all forums.62 Within New York’s district courts, specifically, past opinions have indicated a disregard for the access to proof factor altogether. Within the Southern District of New York—framed in the context of fax machines, printers, and email—the court determined that “[t]he location of relevant documents is largely a neutral factor . . . .”63 Prior to that, the Eastern District of New York, even as far back as 2002, recognized, “[a]lthough the location of relevant documents is entitled to some weight when determining whether a case should be transferred, modern photocopying technology deprives this issue of practical or legal weight.”64 More recently, the Southern District of West Virginia, while not determining that the factor was unnecessary, still held that the factor is of diminished weight when electronic discovery is involved.65 In reaching this conclusion, the court cites other districts that have recognized the disconnect as well, namely, districts within Virginia, California, and New York.66

66. Id.
2. Transfer Orders in Texas District Courts

The Eastern District of Texas, once holding the most patent infringement cases in its jurisdiction, had ample opportunity to express its view on digital evidence treatment under the access to sources of proof factor. The Eastern District centers its reasoning on the ease of electronic transfer for digital evidence. In circumstances where the relative volume of evidence does not weigh in favor of either party, the Eastern District of Texas Marshall Division held that the availability and convenience of electronic transfers make it hard “to ignore this reality in favor of a fictional analysis that has more to do with early Xerox machines.”

In a separate order denying transfer within a patent infringement proceeding, Judge Gilstrap directly addresses the Fifth Circuit precedent. He recognized that the factor is not superfluous but indicated that the court, in its discretion, can determine the weight of this factor. He further held that the importance of this factor is greatly diminished within cases where “the movant has identified no sources of proof that cannot be transferred electronically.” The Eastern District also addressed the treatment of electronic evidence in an earlier patent case, opining: “the notion that the physical location of some relevant documents should play a substantial role... is somewhat antiquated in the era of electronic storage and transmission.”

The Federal Circuit, reviewing the analysis due to a writ of mandamus, indicated that the “antiquated era argument” was not in line with the Fifth Circuit precedent “because it would render this factor superfluous.” The reasoning present within the Eastern District orders was referenced and relied upon by Judge Albright’s court in discussing his stance on digital evidence within a § 1404(a) transfer analysis.


70. Id.


73. Id. (citing Volkswagen II, 545 F.3d at 316).
The Western District of Texas—the current leader in the number of patent infringement actions74—has also published numerous orders relating to § 1404 transfers. With the ongoing focus on Judge Albright’s court regarding denial of transfers,75 there have been many instances where the district court showed its stance on electronic evidence within these orders. While not straying from the precedent set by the Fifth Circuit, the Western District of Texas has indicated concern for electronic evidence treatment under this private factor.76

In an Order Denying a Motion to Transfer, Judge Albright discusses at length the concerns with applying the Fifth Circuit’s precedent in a modern context.77 The concern presented by a modern context is highlighted in this denial since both parties possess entirely electronic sources of proof.78 Both parties, between motions, responses, and replies, presented substantial arguments regarding the convenience of digital evidence.79 With both parties relying on evidence that is entirely electronic and capable of being sent to each other with ease, the court found that the factor was neutral.80 Despite the reasoning behind the arguments, the court, bound by the Fifth Circuit precedent, was unable to recognize the digital evidence arguments.81 This situation, where evidence is entirely digital, is a likelihood in modern litigation that will continue to cause tension with the Fifth Circuit precedent.

In a similar order denying transfer, the Western District of Texas acknowledged the physical location of documents that are capable of being sent digitally.82 The court held that despite the evidence being physically housed in one venue, the ability to digitally transfer the documents at the “click of a mouse” makes both districts convenient.83 Despite the ease of transfer that modern technology provides, the district court

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77. Id. at *23–31.
78. Id. at *29.
79. Id. at *23–27.
80. Id. at *30.
81. Id. at *28–29.
83. Id. at *12–13.
acknowledged that, in following Fifth Circuit precedent, the physical location of the documents is still relevant. Highlighting the need for the foregoing recommendation, "[the Western District of Texas Waco Division] expresses its hope that the Fifth Circuit will consider addressing and amending its precedent in order to explicitly give district courts the discretion to fully take into consideration the ease of accessing electronic documents." 

C. Recent Treatment and Developments Regarding Access to Sources of Proof

Continuing § 1404(a) transfer motions and subsequent appeals have allowed the Federal Circuit, the Fifth Circuit, and the Western District of Texas to clarify or alter their stances on the first private factor. Despite finding that "evidence stored electronically on data centers in Michigan can be accessed by [defendant] from its offices in the Western District [of Texas]," the Federal Circuit maintains that it is in error to determine the factor neutral due to ease of accessibility in both forums. Most recently, the Federal Circuit held that the presence of physical prototypes as well as people residing in the requested transfer forum related to the creation and patent prosecution of the invention at issue favored transfer.

The Federal Circuit has cited but not addressed a recent Fifth Circuit case that has taken a potentially different stance on how electronic evidence affects the first factor analysis. Clarifying the Volkswagen decision, the Fifth Circuit emphasizes that "[t]he location of evidence bears much more strongly on the transfer analysis when . . . the evidence is physical in nature." The Western District of Texas has interpreted this opinion to show that the Fifth Circuit is agreeing that equally accessible electronic evidence is neutral for this factor. The appellate courts, or at least the Fifth Circuit, could shift towards a categorical approach for

84. Id. at *13.
85. Id.
86. In re General Motors, Case No. 23-105 at 3 (Fed. Cir. Jan. 23, 2023) (opinion noted as non-precedential).
89. Id.
weighing evidence within the § 1404(a) analysis. In other words, analysis that categorizes evidence based on format and evaluates the physical evidence with greater weight. This is like the Western District of Texas’s current approach to drafting transfer orders, where the order’s analysis of the first private factor is divided between electronic evidence and physical evidence. While district courts continue attempts to harmonize the recent rulings of the Federal Circuit and the Fifth Circuit, a uniform process for evaluating the changing landscape of documentary evidence is needed.

IV. RECOMMENDATION

“As individuals and corporations increasingly do business electronically . . . the universe of discoverable material has expanded exponentially.” The digital age has simultaneously provided the legal industry with new tools for litigation and presented new questions of law. Including databases and video conferencing into workflows and the increasing digitalization of documentation laid the groundwork for expanding the federal principles related to evidence. This Section will build a recommendation for expanding the federal treatment of digital evidence by (A) exploring the impetus for digital evidence recognition; (B) using existing law as a foundation for expanding evidence treatment; and (C) recommending a uniform process for evaluating digital evidence in § 1404(a) analyzes. Ultimately, the recommendation will attempt to provide a uniform approach to the treatment of digital evidence in order to address the concerns demonstrated by the district courts regarding the Fifth Circuit precedent and provide a way to keep the first private factor relevant in the digital age.

A. Zubulake v. UBS Warburg LLC: Digital Evidence Recognition

Over the course of two years, a set of cases, referred to as the Zubulake cases, helped carve out the space for electronic evidence within litigation disputes. While the controversy focused primarily on evidence preservation and spoliation in later actions, the initial case signaled a

92 Topia Technology, W:21-cv-01372; see also Virtru Corporation, W:22-cv-00242.
94 Id. at 309.
need for further interpretation within the Federal Rules of Civil Procedure to broaden the scope of discovery within a modern context. During these cases, Judge Scheindlin adapted an approach to weighing discovery cost sharing for electronic evidence that included a set of categories for defining electronic evidence. These categories were refined in subsequent publications. Quickly after the opinions in the Zubulake cases, digital evidence began seeing wide adoption in federal statutes.

Zubulake I set the groundwork for changes that would spur amendments across federal discovery rules. Notably, the 2006 amendments to the Federal Rules of Civil Procedure focused on expanding the wording across the rules to recognize aspects of electronic evidence. The amendments to Rule 34 expanded the word “document” to include dynamic databases and other common forms of electronic documents. This applies across all federal jurisdictions, and some courts, such as the Western District of Texas, have adopted explicit language, regarding electronically stored information, in their local rules. The 2006 amendments to Rule 26 demonstrate a uniform approach to adopting a broad meaning of “electronically stored information,” while also incorporating the cost-sharing factors for weighing difficulties in “locating, retrieving, and providing discovery of some electronically stored information.” Providing guidance on evaluating showings of good cause in discovery disputes, the notes indicate a set of factors that can be included—which closely mirror those set forward by Judge Scheindlin.

B. Building a New Standard for the § 1404(a) Analysis

In pursuit of an amended analysis framework, lessons from previous cases and secondary sources can serve as building blocks. Here, the recommendation will establish the foundation of the amended analysis as

97. Id. at 316, 322.
(1) classifying the format of the evidence for an informed evaluation; and (2) evaluating “cost shifting” considerations.

1. Classifications of Digital Evidence

Digital evidence can provide a quick, efficient method for disseminating information within a firm or for providing documents to opposing parties to satisfy discovery requests. Coupled with the expectation that electronic information will be maintained, the existence of digital documents will likely only continue to expand. Although digital evidence can provide similar results in discovery, understanding the distinction between different methods of storage can aid in building a tailored approach for the § 1404(a) factor analysis. Judge Scheindlin first presented five categories of digital evidence in Zubulake I, dividing the categories between accessible and non-accessible forms. The three methods of categorizing accessible forms are (1) local, online storage, (2) nearline storage, and (3) offline storage.

First, online storage can include servers located within the parties’ building or even information housed within individual hard drives. In recent years, online storage of data has often included cloud networks. The use of cloud resources can greatly benefit speed and efficiency but potentially create questions of personal jurisdiction in addition to the convenience considerations discussed in this Comment.

Second, nearline storage involves physical media such as USBs and CDs. Nearline storage is a middle ground between purely online storage and purely offline storage. Like offline storage, CDs and USBs represent physical mediums that, at times, could restrict access in a single forum. However, like online storage, CDs and USBs are often available to be converted into digital format and sent through online means.

107. Scheindlin, supra note 98.
109. Scheindlin, supra note 98.
110. Id. at 21.
113. Scheindlin, supra note 98.
Depending on the cost for conversion, the required labor for complying with a discovery request may be an important distinction for a § 1404(a) analysis.\footnote{114. See discussion infra Section IV.B.2.}

Third, Judge Scheindlin describes offline storage as evidence stored in mediums such as tapes.\footnote{115. Scheindlin, supra note 98, at 22.} Offline storage can represent evidence that is not capable of transmission by digital means or evidence stored in a purely physical medium. Evidence that is not easily transferable between parties and entirely physical sources of evidence often favor the forum they reside in and should still be considered within a transfer analysis.\footnote{116. See Scheindlin, supra note 98, at 22.}

The two inaccessible forms of digital evidence described in Zubulake I were backup tapes and erased, fragmented, or damaged data.\footnote{117. Zubulake I, 217 F.R.D. 309, 319 (S.D.N.Y. 2003).} These forms of electronically stored information were deemed inaccessible or rather not readily usable for the purposes of discovery.\footnote{118. Id. at 320.} Here, however, these forms are less relevant in constructing a comprehensive analysis for the ease of access to sources of proof factor. For the first category, backup tapes are described as "[a] device, like a tape recorder, that reads data from and writes it onto a tape," it is less likely that this type of evidence will be relied upon for modern-day patent infringement cases.\footnote{119. Id. at 319 (internal citations omitted).} Additionally, later iterations of the categories absorb this type of evidence in the offline storage descriptor.\footnote{120. Scheindlin, supra note 98, at 22.} For the second inaccessible form, described as unrecoverable electronically stored information, the appropriate consideration may be evidence spoliation\footnote{121. See Zubulake IV, 220 F.R.D. 212 (S.D.N.Y. 2003); see also Zubulake V, 229 F.R.D. 422 (S.D.N.Y. 2004).} and will likely not weigh in favor of a particular forum in a transfer analysis since the evidence is not accessible in either forum.

While the advisory committee cautions against attempting to take a categorical approach in defining electronically stored information, due to "[t]he wide variety of computer systems . . . and the rapidity of technological change,"\footnote{122. Fed R. Civ. P. 34 advisory committee's notes to 2006 amendments.} the rules use the term "reasonably usable form or forms" or "reasonably accessible."\footnote{123. See Fed. R. Civ. P. 34(E)(iii); see also Fed. R. Civ. P. 26(b)(2)(B).} Attempting to maintain categories as the basis of an analytical framework when dealing with rapidly changing formats would be an insurmountable task. However,
determining what constitutes “a reasonably usable form” or “reasonably accessible form” necessitates an understanding of the underlying technology that holds the electronically stored information. While the categorical framework may not be ideal, it serves as a starting point for modernizing the analysis for the first private Gilbert factor. The categories help build a framework to evaluate different forms of digital evidence, while the Comment’s expectation is that pieces of evidence will receive a holistic review.

2. “Cost Shifting” Considerations

Within the opinion of Zubulake I, Judge Scheindlin draws inspiration from an eight-factor test used by Judge Francis, District Court Judge for the Southern District of New York, to determine which party should be burdened by discovery costs. These eight factors were formed into a seven-factor test by Judge Scheindlin to standardize the approach and comply with the Federal Rules of Civil Procedure. Specifically, Judge Scheindlin was concerned with compliance with the pre-2006 amendment versions of Rule 26 and SEC Rule 17a-4. The seven factors, reflecting a modification of the Rowe test are:

   (1) the extent to which the request is specifically tailored to discover relevant information;
   (2) the availability of such information from other sources;
   (3) the total cost of production, compared to the amount in controversy;
   (4) the total cost of production, compared to the resources available to each party;
   (5) the relative ability of each party to control costs and its incentive to do so;
   (6) the importance of the issues at stake in the litigation; and
   (7) the relative benefits to the parties of obtaining the information.

As discussed before, these seven factors are suggested considerations for weighing the burden and cost of requiring production in compliance with Federal Rule of Civil Procedure 26(b)(2)(C).
Judge Scheindlin indicated that these factors are not weighted equally and further grouped them to ultimately answer the question, “how important is the sought-after evidence in comparison to the cost of production?” The groupings are labeled as the marginal utility test, cost-related factors, and the final factor alone. The marginal utility test consists of the first two factors in the modified Rowe test and is the most applicable for constructing the amended analysis presented in this Comment. While Zubulake I focused on determining which party will bear the cost of discovery, a transfer analysis can adopt the marginal utility test.

The marginal utility test can be a helpful determination for the first private factor, but the third and fourth Rowe factors, related to cost, are likely better situated within the fourth private Gilbert factor, “all other practical problems that make trial of a case easy, expeditious and inexpensive.” The final grouping in Zubulake I, consisting of the seventh factor, “the relative benefits to the parties of obtaining the information,” while not directly related to questions of access, could reveal helpful information for the other Gilbert factors used in transfer analyses.

C. Modernizing the Transfer Analysis

The first private factor, ease of access to the sources of proof, can be distilled down to its core concept—accessibility. In recognizing a distinction for digital evidence, the proposed amendments to the § 1404(a) transfer analysis endeavor to provide avenues for uniform application when evaluating the relative convenience of different formats of proof. Working through the modified first factor analysis would involve weighing the offline, purely physical sources of proof; the nearline sources; and the online sources. While the categories are not intended to be exhaustive, establishing a framework for analyzing digital evidence will help bring the § 1404(a) analysis into the modern era. Following a determination of the different types of evidence and their relative weights for each forum, the Judge Scheindlin adapted Rowe factors help evaluate the importance of the evidence to the case. This Section will walk

131. Id. at 323.
132. Id.
133. Id. (citing McPeek v. Ashcroft, 202 F.R.D 31, 34 (D.D.C. 2001)).
135. Id.; see also Volkswagen I, 371 F.3d 201, 203 (5th Cir. 2004).
137. Id. at 316; see also Rowe, 205 F.R.D. 421, 429 (S.D.N.Y. 2002).
through the different categories of evidence and how each format could affect an amended first private factor analysis.

1. Purely Offline Sources

Purely offline sources, as discussed earlier, are physical sources of proof. This can include physical documents or other tangible objects relevant to the case in question. The nature of the physical evidence can provide context for how much weight the evidence should carry in a § 1404 analysis. When approaching weighing physical evidence in a transfer analysis, two determinations can help guide drafting the order. First, determine the overall difficulty of transferring the item to the chosen venue. For example, if the evidence is large and cumbersome, such as an airplane engine, then the analysis may weigh in favor of the venue where the engine is located. Second, can the physical evidence convert to a digital format? An example can be large quantities of paper evidence that, while cumbersome in its physical form, can be scanned into PDFs for digital transfer. Cost considerations relating to time and labor to convert the documents are considered within the Federal Rules of Civil Procedure and can be analyzed in a transfer analysis during the fourth private factor analysis. In conclusion, when weighing physical evidence, there are two determinations guiding evaluating physical evidence. First, is this evidence easily transferable physically? Or can the evidence be converted to a less cumbersome digital format?

2. Nearline Sources

Nearline sources bridge the gap between the purely physical and the purely digital. While nearline sources have physical manifestations, such as USBs or CDs, the data present on the devices are convertible to a digital format by using the appropriate hardware. Additionally, these sources can be transported easily between venues physically or sent in digital format once converted from the device. For nearline sources that require specialized readers not readily available in all forums or are cumbersome to transport in a physical capacity, the analysis may find that those sources of proof weigh in favor of the venue they reside. For nearline sources that are easily convertible or easily transferrable physically, the analysis may weigh in favor of the venue the sources reside.

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138. See Fed. R. Civ. P. 26 advisory committee’s notes to 2006 amendments; see also Volkswagen I, 371 F.3d 201, 203 (5th Cir. 2004).
An aspect of digital documents and nearline sources that can cause some difficulty in transfer are security and authentication measures. Some security measures require a password or, in varying circumstances, require a specified person to provide authentication or help navigate the source. While the required presence of a person could weigh in favor of a certain venue, the discussion of potential witnesses, or people as sources of proof in general, are considered in separate Gilbert factors than the access to sources of proof factor this Comment focuses on.\(^{139}\)

3. Purely Online and Digital Format Sources

Digital sources have revolutionized how the judicial system approaches access to sources of proof. The ease with which electronic documents can be sent to any forum is the key aspect of electronic discovery that spawned the division on applying the first private factor. In recognizing the ease of transfer and forum-neutral nature of digital evidence, purely digital evidence and easily convertible evidence will largely be considered neutral under this factor.\(^{140}\)

4. Rowe Considerations

The first two adapted Rowe factors, referred to as the marginal utility test, were created within the context of discovery cost weighing.\(^{141}\) However, the factors can be adapted further to give guidance for weighing digital evidence within a §1404(a) analysis.\(^{142}\) Where the Rowe factors were initially intended to determine cost sharing between parties, this Comment seeks to use the factors to evaluate competing forums by weighing the effect on both parties in the context of evidence access. For clarity, the two factors discussed in this Section are: “1. The extent to which the request is specifically tailored to discover relevant information; [and] 2. The availability of such information from other sources[.]”\(^{143}\) While the first part of the proposed amended analysis focused on the format in which the evidence is presented, this second part would help evaluate the connection of the evidence to the forum.

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140. See discussion supra Section III.B.
142. Id.
143. Id.
For the proposed amended analysis, the considerations are: (1) the quantity of evidence residing in each forum; (2) whether the evidence is unique to the forum; and (3) the necessity of the evidence for the resolution of the controversy. These three factors, adapted from the Zubulake I factors, can help solidify the portion of the first private factor analysis that rely less on the types of evidence and more on the logistical concerns of obtaining that evidence through discovery.

First, recognizing the quantity of evidence within each forum solidifies the analysis that commonly occurs for this factor already. Typically, the court will consider where the majority of the evidence in the aggregate resides. In a transfer analysis, a forum that holds the majority of the evidence necessary for a case will likely be more favorable, shifting the weight of this factor in favor of that forum. The formats in which the evidence appears further informs this analysis. As an example, a particular forum has mountains of paper evidence that would make transport obscene but has the capability to scan the documents in bulk for digital transfer. In this common situation, a forum that has a majority of evidence may not hold as much weight due to quantity alone.

Second, determining if the evidence is unique to the forum is a reiteration of some of the considerations broached when discussing the purely offline or physical evidence. On one hand, certain types of physical evidence are unable to be reproduced in a digital format and are therefore unique to the host forum. On the other hand, evidence that can easily be reproduced in a digital format is not inherently unique to the forum. For this scenario, and for forms of evidence that are digital already, the means of internet transmission disconnect the evidence from a certain forum, allowing it to easily be accessed from anywhere.

Finally, making the connection of the importance of the evidence to the instant case helps make the final determination of whether the evidence favors a specific forum in the first private factor analysis. This can serve as the final check after all the other considerations of the analysis. Similar to the seventh factor put forward by Zubulake I, the last question could disproportionately sway the factor analysis. In the event that, despite the evidence being unique to a forum, the evidence is

144. Id.
147. Id.
unnecessary for the controversy, then it will not shift the analysis in favor of the host forum.

With this amended framework, completing the analysis with a recognition of the nuance of evidentiary formats will allow the factor to remain relevant as the circuit courts have indicated while allowing for the flexibility to consider the relative convenience of the formats as the district courts have indicated.

V. Conclusion

With digital solutions to document storage, non-physical sources of evidence will continue to be relevant for different types of legal actions. For patent proceedings, where evidence is typically electronic, the need for a clearly defined distinction between physical and electronic evidence has appeared. The relative convenience of electronic evidence has created a question of relevance for the first private factor in 28 U.S.C. § 1404 transfer analysis.

Texas created the testing ground for discretionary transfers through the extensive patent dockets present in the Western District of Texas and the Northern District of Texas. For nearly ten years, the district courts have ruled on transfer motions that have occasionally led to mandamus petitions. The mandamus petitions allowed the Fifth Circuit to determine its interpretation of the Gilbert factors used in a § 1404 transfer analysis. The evidentiary factor evaluating non-witness evidence, the access to sources of proof factor, was interpreted by the Fifth Circuit when faced with weighing electronic evidence in favor or against potential transfer venues. Fifth Circuit precedent—relied upon in other circuit court opinions and the standard for when mandamus petitions reach the Federal Circuit—determined the access to proof factor is still relevant to modern transfer analysis despite the ease of transfer some digital media provide. This ease of access has led some district courts to request an amended stance toward digital evidence.

In order to maintain the relevance of the access to sources of proof factor, the treatment of electronic evidence needs to be updated to reflect the expanding digital landscape. To start, conducting a classification of the evidence can provide a basis for balancing controversies that involve purely digital or mixed formats of evidence. The next step would involve exploring the evidence that contains electronic formats to evaluate the ease of access for the sources in the purported transfer venues. Finally, the analysis would review consideration adapted from Zubulake and Rowe, connecting the evidence to the forum.
With a tailored approach recognizing the distinctions and ease of transfer for certain types of electronic evidence, the tension between district court holdings, that the Gilbert factor is superfluous, and the circuit courts, holding that the factor is still relevant for transfer analysis, can be resolved. Determining when electronic evidence is easily transferrable and does not have a physical component warranting significant weight for a venue recognizes how the ease of access for sources of proof can change based on the medium that the evidence exists within. A flexible factor analysis can allow for expansion when novel electronic mediums create further unanticipated methods of evidence access. Sources of proof and the mediums they appear on will constantly change, and the law governing discretionary transfers should be prepared to adapt to those changes.