



News & Updates

U.S. SUPREME COURT CONTINUES TO LIMIT SPECIFIC JURISDICTION UNDER DUE PROCESS CLAUSE

The United States Supreme Court continues to render decisions concerning the limits of personal jurisdiction over corporate defendants by non-resident plaintiffs under the Due Process Clause of the Fourteenth Amendment.

In *Bristol-Myers Squibb Co. v. Superior Court of California*, 582 U.S. ____ (2017), the Supreme Court (by an 8-1 vote, with Justice Sotomayor dissenting) expanded on its recent rulings on the scope of specific jurisdiction. Specifically, the court reviewed the California Supreme Court's determination that specific jurisdiction existed over almost 600 non-resident plaintiffs' product liability claims against the manufacturer. The non-residents did not purchase or use the product in California, and were not allegedly injured in California. In finding specific jurisdiction existed, however, the California Supreme Court adopted a "sliding scale approach to specific jurisdiction" wherein the claims of non-residents were deemed sufficiently similar in specific ways to the claims of the California residents for which specific jurisdiction did exist. Basically, the California Supreme Court held that any non-California resident from anywhere in the country can sue a company in California even in the absence of a connection by that non-resident with California.

The Supreme Court reversed the California Supreme Court. The court determined that California's "sliding scale" approach conflicted with Supreme Court precedent and, therefore, specific jurisdiction did not exist. For example, the court explained that, for specific jurisdiction to exist, the suit "must aris[e] out of or relat[e] to the defendant's contacts with the forum." In other words, specific jurisdiction only exists where "adjudication of the issues derives from, or is connected with, the very controversy that establishes jurisdiction." Furthermore, the court explained that the "primary concern" in a personal jurisdiction analysis is "the burden on the defendant." Since none of the non-resident plaintiffs were allegedly injured in California or purchased the products at issue there, specific jurisdiction did not exist. The court further explained that the non-resident plaintiffs could bring suit in jurisdictions where general jurisdiction exists over the defendant or, possibly, in other jurisdictions where specific jurisdiction is proper.

In a dissenting opinion, Justice Sotomayor stated that she "fear[s] the consequences of the majority's decision today will be substantial." Specifically, Justice Sotomayor predicted that, in future cases, it will be "profoundly difficult for plaintiffs who are injured in different States" to sue a "defendant in a single, consolidated action."

The decision provides further clarification regarding the limits of specific jurisdiction over defendants under the Due Process Clause and it is likely to bolster defense arguments in product liability matters where general and specific jurisdiction is lacking. This decision will aid defendants brought into improper jurisdictions around the country to seek to get to a jurisdiction where the Due Process Clause allows them to be sued.

Read the full text of the decision here:

BRISTOL-MYERS SQUIBB COMPANY, PETITIONER v. SUPERIOR COURT OF CALIFORNIA, SAN FRANCISCO COUNTY, ET AL. , June 19, 2017

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