

## Supreme Court rejects Ford bid for new limits on specific jurisdiction

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(Reuters) - Product liability plaintiffs across America can rest a little easier Thursday: The U.S. Supreme Court in [Ford Motor v. Montana Eighth Judicial District \(2021 WL 1132515\)](#) declined Ford's invitation to impose new barriers on where plaintiffs can file their suits and litigate their cases.

Ford, which was challenging rulings by state justices in Montana and Minnesota that allowed residents involved in in-state motor vehicle crashes to sue Ford in their state courts, urged the U.S. justices to adopt a new test for specific jurisdiction based on where the allegedly defective product was originally designed, manufactured or sold.

Ford lawyer Sean Marotta of Hogan Lovells argued that his client did not design, manufacture or sell the second-hand vehicles involved in the Montana and Minnesota crashes in Montana or Minnesota. Ford acknowledged that it does considerable business in those states, advertising its cars, selling them through dealerships and supporting Ford owners with parts and repairs. But, according to Ford, there was not a sufficient connection between those activities and the allegations in the crash victims' suits to establish specific jurisdiction.

"We reject that argument," wrote Justice Elena Kagan. "When a company like Ford serves a market for a product in a state and that product causes injury in the state to one of its residents, the state's courts may entertain the resulting suit."

No justices sided with Ford. Four other justices, including Chief Justice John Roberts, joined Kagan's opinion. Justices Samuel Alito and Neil Gorsuch wrote separate concurrences, with Justice Clarence Thomas joining Gorsuch's opinion. Justice Amy Coney Barrett did not participate in the case.

"This is a huge win for access to justice," said Deepak Gupta of Gupta Wessler, who represented the crash victims at the Supreme Court, in an email. "Today's Supreme Court decision means that families of people who are killed or injured by corporate negligence or misconduct (by mass market products like cars, for example) won't be blocked from the courthouse door — they'll be able to get access to justice where they live."

Ford said in a statement that it was glad to have had a chance to make its case to the U.S. justices. "With their ruling, the justices provided clarity about jurisdiction for certain types of product-liability cases — precision which is good for plaintiffs and for companies across multiple industries," the statement said.

Kagan said in her opinion that the Supreme Court's own precedent in such cases as 1980's [World-Wide Volkswagen Corp. v. Woodson](#) (444 U. S. 286) and 2014's [Daimler AG v. Bauman](#) (571 U. S. 117) dictated the outcome in the Ford case. "This court has stated that specific jurisdiction attaches in cases identical to the ones here — when a company like Ford serves a market for a product in the forum state and the product malfunctions there," Kagan wrote, citing dicta in *World-Wide Volkswagen* that has been quoted in other decisions, including *Daimler*.

"As in *World-Wide Volkswagen*, the court did not limit jurisdiction to where the car was designed, manufactured, or first sold," Kagan said of the *Daimler* decision. "Substitute Ford for *Daimler*, Montana and Minnesota for California, and the court's 'illustrative' case becomes ... the two cases before us."

At oral argument, Alito was particularly concerned about whether internet sales and marketing would allow plaintiffs to hale defendants into any court in the country. Roberts proposed a hypothetical rooted in the same concern: Could a "retired guy in Maine" who sells hand-carved duck decoys on the internet be sued in any state over injuries allegedly caused by his decoys?

Kagan said such "isolated or sporadic" transactions are different from Ford's pervasive activities in Minnesota and Montana. The court's ruling, she said, is not intended "to say that any person using any means to sell any good in a state is subject to jurisdiction there if the product malfunctions after arrival."

Gorsuch's concurrence warned that between the extremes of the decoy carver in Maine and Ford in Montana and Minnesota "lie a virtually infinite number of 'affiliations' waiting to be explored. And when it comes to that vast terrain, the majority supplies no meaningful guidance about what kind or how much of an 'affiliation' will suffice." He said the Supreme Court may eventually have to rethink the standard for specific jurisdiction against corporations that was established in 1945's [International Shoe v. Washington](#) (326 U.S. 310).

The case is *Ford Motor v. Montana Eighth Judicial District*, No. 19-369 at the U.S. Supreme Court.

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## References

[DAIMLER AG](#); [FORD MOTOR CO](#); [HOGAN LOVELLS US LLP](#); [VOLKSWAGEN AG](#)