



FOR IMMEDIATE RELEASE

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In WLF Victory, Supreme Court's *Bristol-Myers* Decision Limits Jurisdiction over Out-of-State Firms

(Bristol-Myers Squibb Co. v. Superior Court of Cal., San Francisco Cty.)

“Plaintiffs’ lawyers constantly seek to consolidate national lawsuits in friendly forums. Today’s Supreme Court decision should halt that practice. It makes clear that a plaintiff may not sue a corporate defendant in a State unless his claims arise in that State or else it is the corporation’s home State.”

—Richard Samp, WLF Chief Counsel

WASHINGTON, DC—The U.S. Supreme Court today reiterated the strict constitutional limits it has imposed on the authority of state courts to exercise personal jurisdiction over out-of-state defendants. It ruled 8-1 in *Bristol-Myers Squibb v. Superior Court*, reversing the California Supreme Court, that such defendants may not be sued in California based on claims lacking a connection with the State. The decision was a major victory for Washington Legal Foundation, which filed an *amicus* brief in the case. WLF argued that the Due Process Clause’s limits on the exercise of personal jurisdiction, outlined in the Court’s 2014 *Daimler* decision, applied here too. WLF’s brief was joined by the Allied Educational Foundation.

The case involves 661 unrelated plaintiffs from across the country who filed a products-liability suit in California state court, alleging they were injured after taking Plavix, a drug manufactured by defendant Bristol-Myers Squibb (BMS). Only 86 of the plaintiffs are California residents; the other 575 live in 33 other States, and their claims are not connected to any California conduct.

BMS does a substantial amount of business in California, but California is neither its principal place of business nor the State where BMS is incorporated. The Supreme Court held that, under those circumstances, a corporation may not be sued in California unless the claim being sued on has a substantial connection with the State. The Court ruled that the 575 nonresident plaintiffs could not sue BMS in California. It agreed with WLF that the claims of the nonresidents—who took Plavix in their home States—should be not deemed to have a substantial connection with California merely because BMS’s California Plavix sales gave rise to tort claims similar to the tort claims being asserted by the nonresidents.

WLF notes that the *BMS* decision still leaves plaintiffs with choices when deciding where to sue. They may file separately in the States where they reside and suffered their injuries. Alternatively, to bring a nationwide lawsuit, they may file in either the State in which the corporate defendant is incorporated or else the headquarters State where it maintains its principal place of business.

Celebrating its 40th year, WLF is America’s premier public-interest law firm and policy center advocating for free-market principles, limited government, individual liberty, and the rule of law.