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## WLF Encourages Washington Supreme Court Not to Apply State's Consumer Protection Act to Other States' Residents

*(Thornell v. Seattle Service Bureau, Inc. and State Farm Mutual Auto. Ins. Co.)*

**“In an era of ever-increasing globalization, the Supreme Court’s review is desperately needed to safeguard the longstanding presumption against the extraterritorial application of U.S. law.”**

**—Richard Samp, WLF Chief Counsel**

WASHINGTON, DC—Washington Legal Foundation (WLF) today called on the Washington Supreme Court to reject the plaintiffs’ bar’s efforts to apply the Washington Consumer Protection Act (WCPA) to consumers nationwide. In a brief filed in *Thornell v. Seattle Service Bureau, Inc. and State Farm Mutual Automobile Insurance Co.*, WLF argues that Washington adopted the WCPA for the protection of Washington consumers only and that allowing nonresidents to invoke the statute would transform it into a magnet for nationwide class actions.

The case involves Texas resident Sandra Thornell, whose son became involved in a car accident with another driver in Texas. State Farm, the other driver’s insurance company, determined that Thornell’s son was at fault. It paid its own insured’s claim in full and then sought to recoup its payments from Thornell. State Farm’s only connection with Washington was that it retained the Seattle Service Bureau (SSB) to press its subrogation claim. SSB wrote several demand letters to Thornell in Texas, which she claims were misleading. She filed a nationwide class action against SSB and State Farm in Washington court, alleging violations of the WCPA.

WLF argues that the WCPA only applies to Washington consumers and thus that Thornell lacks the right to sue under the statute. WLF’s brief notes that all parties agree Thornell would have had no claim if she had sued in Texas for violation of its (less expansive) consumer protection laws. WLF argues that Texas has a much greater interest than Washington in regulating transactions involving Texas residents, particularly when one of the defendants has hardly any contact with Washington. WLF contends that not only would applying the WCPA to nonresident consumers’ claims contradict the statute’s language, but it would also show disrespect for the rights of other States—like Texas—to regulate consumer transactions within their own borders.

Upon filing its brief, WLF issued the following statement by Chief Counsel Richard Samp: “Every State has an interest in regulating consumer transactions involving its residents. Washington State, which provides broader protections to its consumers than many other States do, should not permit lawyers for consumers from other States to forum shop in order to avail their clients of the WCPA’s protections. Indeed, the U.S. Constitution imposes strict limits on the ability of one State to apply its laws to transactions occurring in other States.”

*WLF is a free-market, public-interest law firm and policy center that devotes substantial resources to fighting excessive litigation, including suits under state consumer protection acts.*