



FOR IMMEDIATE RELEASE

March 4, 2019

Media Contact: Glenn Lammi | glammi@wlf.org | 202-588-0302

***En Banc* Eleventh Circuit Vindicates SCOTUS Pleading Threshold in Antitrust Suits**

(Quality Auto Painting Ctr of Roselle, Inc. v. State Farm Indem. Co.)

“Today’s 10-1 *en banc* ruling was a victory for common sense. Armed with clear and predictive guidance on what federal law requires an antitrust plaintiff to plead before being allowed to advance to burdensome discovery, businesses in the Eleventh Circuit can now operate more efficiently and competitively.”

—Cory Andrews, WLF Senior Litigation Counsel

WASHINGTON, DC—Sitting *en banc*, the U.S. Court of Appeals for the Eleventh Circuit earlier today affirmed the dismissal of several antitrust claims in *Quality Auto Painting Ctr. of Roselle, Inc. v. State Farm Indem. Co.* The decision was a victory for Washington Legal Foundation (WLF), which filed an *amicus* brief in the case cautioning the court that adopting the plaintiffs’ position would permit antitrust plaintiffs to cite mere parallel conduct among competitors as a sufficient basis for pleading an antitrust violation.

In its brief, WLF urged the Eleventh Circuit to affirm the district court’s dismissal in light of the Supreme Court’s holding in *Twombly v. Bell Atlantic Corp.*, which requires antitrust plaintiffs to assert more than mere parallel conduct among competitors to plead the existence of a conspiracy. As the *en banc* court’s decision makes clear, because parallel conduct, standing alone, can just as easily reflect a rational and competitive business strategy as it does an illicit conspiracy, it cannot serve as the basis for an antitrust complaint.

The case arose from a consolidated appeal of five antitrust actions by auto-body-shops against dozens of insurers. They alleged that the defendant-insurers violated the Sherman Antitrust Act by conspiring to fix auto-repair reimbursement rates and to boycott certain body shops in favor of others. Those claims were dismissed by the U.S. District Court for the Middle District of Florida, but a divided panel of the Eleventh Circuit later reversed the dismissal and reinstated the case. After vacating that panel decision and granting rehearing, the *en banc* appeals court requested another round of briefing, heard oral argument, and today affirmed dismissal of the federal antitrust claims.

Celebrating its 42nd 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.

###