

134 S.Ct. 746 (2014)

571 U.S. 117

DAIMLER AG, Petitioner

v.

Barbara BAUMAN et al.

No. 11-965.

Supreme Court of United States.

Argued October 15, 2013.

Decided January 14, 2014.

Justice GINSBURG delivered the opinion of the Court.

This case concerns the authority of a court in the United States to entertain a claim brought by foreign plaintiffs against a foreign defendant based on events occurring entirely outside the United States. The litigation commenced in 2004, when 22 Argentinian residents^[1] filed a complaint in the United States District Court for the Northern District of California against DaimlerChrysler Aktiengesellschaft (Daimler),^[2] a German public stock company, headquartered in Stuttgart, that manufactures Mercedes-Benz vehicles in Germany. The complaint alleged that during Argentina's 1976-1983 "Dirty War," Daimler's Argentinian subsidiary, Mercedes-Benz Argentina (MB Argentina) collaborated with state security forces to kidnap, detain, torture, and kill certain MB Argentina workers, among them, plaintiffs or persons closely related to plaintiffs. Damages for the alleged human-rights violations were sought from Daimler under the laws of the United States, California, and Argentina. Jurisdiction over the lawsuit was predicated on the California contacts of Mercedes-Benz USA, LLC (MBUSA), a subsidiary of Daimler incorporated in Delaware with its principal place of business in New Jersey. MBUSA distributes Daimler-manufactured vehicles to independent dealerships throughout the United States, including California.

The question presented is whether the Due Process Clause of the Fourteenth Amendment precludes the District Court from exercising jurisdiction over Daimler in this case, given the absence of any California connection to the atrocities, perpetrators, or victims described in the complaint. Plaintiffs invoked the court's general or all-purpose jurisdiction. California, they urge, is a place where Daimler may be sued on any and all claims against it, wherever in the world the claims may arise. For example, as plaintiffs' counsel affirmed, under the proffered jurisdictional theory, if a Daimler-manufactured vehicle overturned in Poland, injuring a Polish driver and passenger, the injured parties could maintain a design defect suit in California. See Tr. of Oral Arg. 28-29. Exercises of personal jurisdiction so exorbitant, we hold, are barred by due process constraints on the assertion of adjudicatory authority.

In *Goodyear Dunlop Tires Operations, S.A. v. Brown*, 564 U.S. 915, 131 S.Ct. 2846, 180 L.Ed.2d 796 (2011), we addressed the distinction between general or all-purpose jurisdiction, and specific or conduct-linked jurisdiction. As to the former, we held that a court may assert jurisdiction over a foreign corporation "to hear any and all claims against [it]" only when the corporation's affiliations with the State in which suit is brought are so constant and pervasive "as to render [it] essentially at home in the forum State." *Id.*, at 919, 131 S.Ct., at 2851. Instructed by *Goodyear*, we conclude Daimler is not "at home" in California, and cannot be sued there for injuries plaintiffs attribute to MB Argentina's conduct

in Argentina.

In 2004, plaintiffs (respondents here) filed suit in the United States District Court for the Northern District of California, alleging that MB Argentina collaborated with Argentinian state security forces to kidnap, detain, torture, and kill plaintiffs and their relatives during the military dictatorship in place there from 1976 through 1983, a period known as Argentina's "Dirty War." Based on those allegations, plaintiffs asserted claims under the Alien Tort Statute, 28 U.S.C. § 1350, and the Torture Victim Protection Act of 1991, 106 Stat. 73, note following 28 U.S.C. § 1350, as well as claims for wrongful death and intentional infliction of emotional distress under the laws of California and Argentina. The incidents recounted in the complaint center on MB Argentina's plant in Gonzalez Catan, Argentina; no part of MB Argentina's alleged collaboration with Argentinian authorities took place in California or anywhere else in the United States.

Plaintiffs' operative complaint names only one corporate defendant: Daimler, the petitioner here. Plaintiffs seek to hold Daimler vicariously liable for MB Argentina's alleged malfeasance. Daimler is a German *Aktiengesellschaft* (public stock company) that manufactures Mercedes-Benz vehicles primarily in Germany and has its headquarters in Stuttgart. At times relevant to this case, MB Argentina was a subsidiary wholly owned by Daimler's predecessor in interest.

Daimler moved to dismiss the action for want of personal jurisdiction. Opposing the motion, plaintiffs submitted declarations and exhibits purporting to demonstrate the presence of Daimler itself in California. Alternatively, plaintiffs maintained that jurisdiction over Daimler could be founded on the California contacts of MBUSA, a distinct corporate entity that, according to plaintiffs, should be treated as Daimler's agent for jurisdictional purposes.

MBUSA, an indirect subsidiary of Daimler, is a Delaware limited liability corporation.^[3] MBUSA serves as Daimler's exclusive importer and distributor in the United States, purchasing Mercedes-Benz automobiles from Daimler in Germany, then importing those vehicles, and ultimately distributing them to independent dealerships located throughout the Nation. Although MBUSA's principal place of business is in New Jersey, MBUSA has multiple California-based facilities, including a regional office in Costa Mesa, a Vehicle Preparation Center in Carson, and a Classic Center in Irvine. According to the record developed below, MBUSA is the largest supplier of luxury vehicles to the California market. In particular, over 10% of all sales of new vehicles in the United States take place in California, and MBUSA's California sales account for 2.4% of Daimler's worldwide sales.

The relationship between Daimler and MBUSA is delineated in a General Distributor Agreement, which sets forth requirements for MBUSA's distribution of Mercedes-Benz vehicles in the United States. That agreement established MBUSA as an "independent contracto[r]" that "buy[s] and sell[s] [vehicles] ... as an independent business for [its] own account." App. 179a. The agreement "does not make [MBUSA] ... a general or special agent, partner, joint venturer or employee of DAIMLERCHRYSLER or any Daimler-Chrysler Group Company"; MBUSA "ha[s] no authority to make binding obligations for or act on behalf of DAIMLERCHRYSLER or any DaimlerChrysler Group Company." *Ibid.*

After allowing jurisdictional discovery on plaintiffs' agency allegations, the District Court granted Daimler's motion to dismiss. Daimler's own affiliations with California, the court first determined, were insufficient to support the exercise of all-purpose jurisdiction over the corporation. *Bauman v. DaimlerChrysler AG*, No. C-04-00194 RMW (N.D.Cal., Nov. 22, 2005), App. to Pet. for Cert. 111a-112a, 2005 WL 3157472, *9-*10. Next, the court declined to attribute MBUSA's California contacts to Daimler on an agency theory, concluding that plaintiffs failed to demonstrate that MBUSA acted as Daimler's agent. *Id.*, at 117a, 133a, 2005 WL 3157472, *12, *19; *Bauman v. DaimlerChrysler AG*, No. C-04-00194 RMW (N.D.Cal., Feb. 12, 2007), App. to Pet. for Cert. 83a-85a, 2007 WL 486389, *2.

The Ninth Circuit at first affirmed the District Court's judgment. Addressing solely the question of agency, the Court of

Appeals held that plaintiffs had not shown the existence of an agency relationship of the kind that might warrant attribution of MBUSA's contacts to Daimler. Bauman v. DaimlerChrysler Corp., 579 F.3d 1088, 1096-1097 (2009). Judge Reinhardt dissented. In his view, the agency test was satisfied and considerations of "reasonableness" did not bar the exercise of jurisdiction. *Id.*, at 1098-1106. Granting plaintiffs' petition for rehearing, the panel withdrew its initial opinion and replaced it with one authored by Judge Reinhardt, which elaborated on reasoning he initially expressed in dissent. Bauman v. DaimlerChrysler Corp., 644 F.3d 909 (C.A.9 2011).

Daimler petitioned for rehearing and rehearing en banc, urging that the exercise of personal jurisdiction over Daimler could not be reconciled with this Court's decision in Goodyear Dunlop Tires Operations, S.A. v. Brown, 564 U.S. 915, 131 S.Ct. 2846, 180 L.Ed.2d 796 (2011). Over the dissent of eight judges, the Ninth Circuit denied Daimler's petition. See Bauman v. DaimlerChrysler Corp., 676 F.3d 774 (2011). (O'Scannlain, J., dissenting from denial of rehearing en banc).

We granted certiorari to decide whether, consistent with the Due Process Clause of the Fourteenth Amendment, Daimler is amenable to suit in California courts for claims involving only foreign plaintiffs and conduct occurring entirely abroad. 569 U.S. 946, 133 S.Ct. 1995, 185 L.Ed.2d 865 (2013).

II

Federal courts ordinarily follow state law in determining the bounds of their jurisdiction over persons. See Fed. Rule Civ. Proc. 4(k)(1)(A) (service of process is effective to establish personal jurisdiction over a defendant "who is subject to the jurisdiction of a court of general jurisdiction in the state where the district court is located"). Under California's long-arm statute, California state courts may exercise personal jurisdiction "on any basis not inconsistent with the Constitution of this state or of the United States." Cal. Civ. Proc. Code Ann. § 410.10 (West 2004). California's long-arm statute allows the exercise of personal jurisdiction to the full extent permissible under the U.S. Constitution. We therefore inquire whether the Ninth Circuit's holding comports with the limits imposed by federal due process. See, e.g., Burger King Corp. v. Rudzewicz, 471 U.S. 462, 464, 105 S.Ct. 2174, 85 L.Ed.2d 528 (1985).

III

In Pennoyer v. Neff, 95 U.S. 714, 24 L.Ed. 565 (1878), decided shortly after the enactment of the Fourteenth Amendment, the Court held that a tribunal's jurisdiction over persons reaches no farther than the geographic bounds of the forum. See *id.*, at 720 ("The authority of every tribunal is necessarily restricted by the territorial limits of the State in which it is established."). See also Shaffer v. Heitner, 433 U.S. 186, 197, 97 S.Ct. 2569, 53 L.Ed.2d 683 (1977) (Under *Pennoyer*, "any attempt 'directly' to assert extraterritorial jurisdiction over persons or property would offend sister States and exceed the inherent limits of the State's power."). In time, however, that strict territorial approach yielded to a less rigid understanding, spurred by "changes in the technology of transportation and communication, and the tremendous growth of interstate business activity." Burnham v. Superior Court of Cal., County of Marin, 495 U.S. 604, 617, 110 S.Ct. 2105, 109 L.Ed.2d 631 (1990) (opinion of SCALIA, J.).

"The canonical opinion in this area remains International Shoe, 326 U.S. 310 [66 S.Ct. 154, 90 L.Ed. 95], in which we held that a State may authorize its courts to exercise personal jurisdiction over an out-of-state defendant if the defendant has 'certain minimum contacts with [the State] such that the maintenance of the suit does not offend "traditional notions of fair play and substantial justice."'" Goodyear, 564 U.S., at 923, 131 S.Ct., at 2853 (quoting International Shoe Co. v. Washington, 326 U.S. 310, 316, 66 S.Ct. 154, 90 L.Ed. 95 (1945)). Following *International Shoe*, "the relationship among the defendant, the forum, and the litigation, rather than the mutually exclusive sovereignty of the States on which the rules of *Pennoyer* rest, became the central concern of the inquiry into personal

jurisdiction." Shaffer, 433 U.S., at 204, 97 S.Ct. 2569.

International Shoe's conception of "fair play and substantial justice" presaged the development of two categories of personal jurisdiction. The first category is represented by *International Shoe* itself, a case in which the in-state activities of the corporate defendant "ha[d] not only been continuous and systematic, but also g[a]ve rise to the liabilities sued on." 326 U.S., at 317, 66 S.Ct. 154.^[4] *International Shoe* recognized, as well, that "the commission of some single or occasional acts of the corporate agent in a state" may sometimes be enough to subject the corporation to jurisdiction in that State's tribunals with respect to suits relating to that in-state activity. *Id.*, at 318, 66 S.Ct. 154. Adjudicatory authority of this order, in which the suit "aris[es] out of or relate[s] to the defendant's contacts with the forum," *Helicopteros Nacionales de Colombia, S.A. v. Hall*, 466 U.S. 408, 414, n. 8, 104 S.Ct. 1868, 80 L.Ed.2d 404 (1984), is today called "specific jurisdiction." See *Goodyear*, 564 U.S., at 923-924, 131 S.Ct., at 2853 (citing von Mehren & Trautman, Jurisdiction To Adjudicate: A Suggested Analysis, 79 Harv. L.Rev. 1121, 1144-1163 (1966) (hereinafter von Mehren & Trautman)).

International Shoe distinguished between, on the one hand, exercises of specific jurisdiction, as just described, and on the other, situations where a foreign corporation's "continuous corporate operations within a state [are] so substantial and of such a nature as to justify suit against it on causes of action arising from dealings entirely distinct from those activities." 326 U.S., at 318, 66 S.Ct. 154. As we have since explained, "[a] court may assert general jurisdiction over foreign (sister-state or foreign-country) corporations to hear any and all claims against them when their affiliations with the State are so 'continuous and systematic' as to render them essentially at home in the forum State." *Goodyear*, 564 U.S., at 919, 131 S.Ct., at 2851; see *id.*, at 925, 131 S.Ct., at 2853-2854; *Helicopteros*, 466 U.S., at 414, n. 9, 104 S.Ct. 1868.^[5]

Since *International Shoe*, "specific jurisdiction has become the centerpiece of modern jurisdiction theory, while general jurisdiction [has played] a reduced role." *Goodyear*, 564 U.S., at 925, 131 S.Ct., at 2854 (quoting Twitchell, The Myth of General Jurisdiction, 101 Harv. L.Rev. 610, 628 (1988)). *International Shoe's* momentous departure from *Pennoyer's* rigidly territorial focus, we have noted, unleashed a rapid expansion of tribunals' ability to hear claims against out-of-state defendants when the episode-in-suit occurred in the forum or the defendant purposefully availed itself of the forum.^[6] Our subsequent decisions have continued to bear out the prediction that "specific jurisdiction will come into sharper relief and form a considerably more significant part of the scene." von Mehren & Trautman 1164.^[7]

Our post-*International Shoe* opinions on general jurisdiction, by comparison, are few. "[The Court's] 1952 decision in *Perkins v. Benguet Consol. Mining Co.* remains the textbook case of general jurisdiction appropriately exercised over a foreign corporation that has not consented to suit in the forum." *Goodyear*, 564 U.S., at 927-928, 131 S.Ct., at 2856 (internal quotation marks and brackets omitted). The defendant in *Perkins*, Benguet, was a company incorporated under the laws of the Philippines, where it operated gold and silver mines. Benguet ceased its mining operations during the Japanese occupation of the Philippines in World War II; its president moved to Ohio, where he kept an office, maintained the company's files, and oversaw the company's activities. *Perkins v. Benguet Consol. Mining Co.*, 342 U.S. 437, 448, 72 S.Ct. 413, 96 L.Ed. 485 (1952). The plaintiff, an Ohio resident, sued Benguet on a claim that neither arose in Ohio nor related to the corporation's activities in that State. We held that the Ohio courts could exercise general jurisdiction over Benguet without offending due process. *Ibid.* That was so, we later noted, because "Ohio was the corporation's principal, if temporary, place of business." *Keeton v. Hustler Magazine, Inc.*, 465 U.S. 770, 780, n. 11, 104 S.Ct. 1473, 79 L.Ed.2d 790 (1984).^[8]

The next case on point, *Helicopteros*, 466 U.S. 408, 104 S.Ct. 1868, 80 L.Ed.2d 404, arose from a helicopter crash in Peru. Four U.S. citizens perished in that accident; their survivors and representatives brought suit in Texas state court against the helicopter's owner and operator, a Colombian corporation. That company's contacts with Texas were confined to "sending its chief executive officer to Houston for a contract-negotiation session; accepting into its New

York bank account checks drawn on a Houston bank; purchasing helicopters, equipment, and training services from [a Texas-based helicopter company] for substantial sums; and sending personnel to [Texas] for training." *Id.*, at 416, 104 S.Ct. 1868. Notably, those contacts bore no apparent relationship to the accident that gave rise to the suit. We held that the company's Texas connections did not resemble the "continuous and systematic general business contacts ... found to exist in *Perkins*." *Ibid.* "[M]ere purchases, even if occurring at regular intervals," we clarified, "are not enough to warrant a State's assertion of *in personam* jurisdiction over a nonresident corporation in a cause of action not related to those purchase transactions." *Id.*, at 418, 104 S.Ct. 1868.

Most recently, in *Goodyear*, we answered the question: "Are foreign subsidiaries of a United States parent corporation amenable to suit in state court on claims unrelated to any activity of the subsidiaries in the forum State?" 564 U.S., at 918, 131 S.Ct. at 2850. That case arose from a bus accident outside Paris that killed two boys from North Carolina. The boys' parents brought a wrongful-death suit in North Carolina state court alleging that the bus's tire was defectively manufactured. The complaint named as defendants not only The Goodyear Tire and Rubber Company (Goodyear), an Ohio corporation, but also Goodyear's Turkish, French, and Luxembourgian subsidiaries. Those foreign subsidiaries, which manufactured tires for sale in Europe and Asia, lacked any affiliation with North Carolina. A small percentage of tires manufactured by the foreign subsidiaries were distributed in North Carolina, however, and on that ground, the North Carolina Court of Appeals held the subsidiaries amenable to the general jurisdiction of North Carolina courts.

We reversed, observing that the North Carolina court's analysis "elided the essential difference between case-specific and all-purpose (general) jurisdiction." *Id.*, at 927, 131 S.Ct., at 2855. Although the placement of a product into the stream of commerce "may bolster an affiliation germane to *specific* jurisdiction," we explained, such contacts "do not warrant a determination that, based on those ties, the forum has *general* jurisdiction over a defendant." *Ibid.* As *International Shoe* itself teaches, a corporation's "continuous activity of some sorts within a state is not enough to support the demand that the corporation be amenable to suits unrelated to that activity." 326 U.S., at 318, 66 S.Ct. 154. Because Goodyear's foreign subsidiaries were "in no sense at home in North Carolina," we held, those subsidiaries could not be required to submit to the general jurisdiction of that State's courts. 564 U.S., at 929, 131 S.Ct., at 2857. See also *J. McIntyre Machinery, Ltd. v. Nicastro*, 564 U.S. 873, 899, 131 S.Ct. 2780, 2797-2798, 180 L.Ed.2d 765 (2011) (GINSBURG, J., dissenting) (noting unanimous agreement that a foreign manufacturer, which engaged an independent U.S.-based distributor to sell its machines throughout the United States, could not be exposed to all-purpose jurisdiction in New Jersey courts based on those contacts).

As is evident from *Perkins*, *Helicopteros*, and *Goodyear*, general and specific jurisdiction have followed markedly different trajectories post-*International Shoe*. Specific jurisdiction has been cut loose from *Pennoyer's* sway, but we have declined to stretch general jurisdiction beyond limits traditionally recognized.^[9] As this Court has increasingly trained on the "relationship among the defendant, the forum, and the litigation," *Shaffer*, 433 U.S., at 204, 97 S.Ct. 2569, *i.e.*, specific jurisdiction,^[10] general jurisdiction has come to occupy a less dominant place in the contemporary scheme.^[11]

IV

With this background, we turn directly to the question whether Daimler's affiliations with California are sufficient to subject it to the general (all-purpose) personal jurisdiction of that State's courts. In the proceedings below, the parties agreed on, or failed to contest, certain points we now take as given. Plaintiffs have never attempted to fit this case into the *specific* jurisdiction category. Nor did plaintiffs challenge on appeal the District Court's holding that Daimler's own contacts with California were, by themselves, too sporadic to justify the exercise of general jurisdiction. While plaintiffs ultimately persuaded the Ninth Circuit to impute MBUSA's California contacts to Daimler on an agency theory, at no point have they maintained that MBUSA is an alter ego of Daimler.

Daimler, on the other hand, failed to object below to plaintiffs' assertion that the California courts could exercise all-purpose jurisdiction over MBUSA.^[12] But see Brief for Petitioner 23, n. 4 (suggestion that in light of *Goodyear*, MBUSA may not be amenable to general jurisdiction in California); Brief for United States as *Amicus Curiae* 16, n. 5 (hereinafter U.S. Brief) (same). We will assume then, for purposes of this decision only, that MBUSA qualifies as at home in California.

A

In sustaining the exercise of general jurisdiction over Daimler, the Ninth Circuit relied on an agency theory, determining that MBUSA acted as Daimler's agent for jurisdictional purposes and then attributing MBUSA's California contacts to Daimler. The Ninth Circuit's agency analysis derived from Circuit precedent considering principally whether the subsidiary "performs services that are sufficiently important to the foreign corporation that if it did not have a representative to perform them, the corporation's own officials would undertake to perform substantially similar services." 644 F.3d, at 920 (quoting *Doe v. Unocal Corp.*, 248 F.3d 915, 928 (C.A.9 2001); emphasis deleted).

This Court has not yet addressed whether a foreign corporation may be subjected to a court's general jurisdiction based on the contacts of its in-state subsidiary. Daimler argues, and several Courts of Appeals have held, that a subsidiary's jurisdictional contacts can be imputed to its parent only when the former is so dominated by the latter as to be its alter ego. The Ninth Circuit adopted a less rigorous test based on what it described as an "agency" relationship. Agencies, we note, come in many sizes and shapes: "One may be an agent for some business purposes and not others so that the fact that one may be an agent for one purpose does not make him or her an agent for every purpose." 2A C. J. S., Agency § 43, p. 367 (2013) (footnote omitted).^[13] A subsidiary, for example, might be its parent's agent for claims arising in the place where the subsidiary operates, yet not its agent regarding claims arising elsewhere. The Court of Appeals did not advert to that prospect. But we need not pass judgment on invocation of an agency theory in the context of general jurisdiction, for in no event can the appeals court's analysis be sustained.

The Ninth Circuit's agency finding rested primarily on its observation that MBUSA's services were "important" to Daimler, as gauged by Daimler's hypothetical readiness to perform those services itself if MBUSA did not exist. Formulated this way, the inquiry into importance stacks the deck, for it will always yield a pro-jurisdiction answer: "Anything a corporation does through an independent contractor, subsidiary, or distributor is presumably something that the corporation would do 'by other means' if the independent contractor, subsidiary, or distributor did not exist." 676 F.3d, at 777 (O'Scannlain, J., dissenting from denial of rehearing en banc).^[14] The Ninth Circuit's agency theory thus appears to subject foreign corporations to general jurisdiction whenever they have an in-state subsidiary or affiliate, an outcome that would sweep beyond even the "sprawling view of general jurisdiction" we rejected in *Goodyear*. 564 U.S., at 929, 131 S.Ct., at 2856.^[15]

B

Even if we were to assume that MBUSA is at home in California, and further to assume MBUSA's contacts are imputable to Daimler, there would still be no basis to subject Daimler to general jurisdiction in California, for Daimler's slim contacts with the State hardly render it at home there.^[16]

Goodyear made clear that only a limited set of affiliations with a forum will render a defendant amenable to all-purpose jurisdiction there. "For an individual, the paradigm forum for the exercise of general jurisdiction is the individual's domicile; for a corporation, it is an equivalent place, one in which the corporation is fairly regarded as at home." 564 U.S., at 924, 131 S.Ct., at 2853-2854 (citing *Brilmayer et al.*, *A General Look at General Jurisdiction*, 66 *Texas L.Rev.*

721, 728 (1988)). With respect to a corporation, the place of incorporation and principal place of business are "paradig[m] ... bases for general jurisdiction." *Id.*, at 735. See also Twitchell, 101 Harv. L.Rev., at 633. Those affiliations have the virtue of being unique — that is, each ordinarily indicates only one place — as well as easily ascertainable. Cf. *Hertz Corp. v. Friend*, 559 U.S. 77, 94, 130 S.Ct. 1181, 175 L.Ed.2d 1029 (2010) ("Simple jurisdictional rules ... promote greater predictability."). These bases afford plaintiffs recourse to at least one clear and certain forum in which a corporate defendant may be sued on any and all claims.

Goodyear did not hold that a corporation may be subject to general jurisdiction *only* in a forum where it is incorporated or has its principal place of business; it simply typed those places paradigm all-purpose forums. Plaintiffs would have us look beyond the exemplar bases *Goodyear* identified, and approve the exercise of general jurisdiction in every State in which a corporation "engages in a substantial, continuous, and systematic course of business." Brief for Respondents 16-17, and nn. 7-8. That formulation, we hold, is unacceptably grasping.

As noted, see *supra*, at 753-754, the words "continuous and systematic" were used in *International Shoe* to describe instances in which the exercise of *specific* jurisdiction would be appropriate. See 326 U.S., at 317, 66 S.Ct. 154 (jurisdiction can be asserted where a corporation's in-state activities are not only "continuous and systematic, but also give rise to the liabilities sued on").^[17] Turning to all-purpose jurisdiction, in contrast, *International Shoe* speaks of "instances in which the continuous corporate operations within a state [are] so substantial and of such a nature as to justify suit ... on causes of action arising from dealings entirely distinct from those activities." *Id.*, at 318, 66 S.Ct. 154 (emphasis added). See also Twitchell, Why We Keep Doing Business With Doing-Business Jurisdiction, 2001 U. Chi. Legal Forum 171, 184 (*International Shoe* "is clearly not saying that dispute-blind jurisdiction exists whenever 'continuous and systematic' contacts are found").^[18] Accordingly, the inquiry under *Goodyear* is not whether a foreign corporation's in-forum contacts can be said to be in some sense "continuous and systematic," it is whether that corporation's "affiliations with the State are so 'continuous and systematic' as to render [it] essentially at home in the forum State." 564 U.S., at 919, 131 S.Ct., at 2851.^[19]

Here, neither Daimler nor MBUSA is incorporated in California, nor does either entity have its principal place of business there. If Daimler's California activities sufficed to allow adjudication of this Argentina-rooted case in California, the same global reach would presumably be available in every other State in which MBUSA's sales are sizable. Such exorbitant exercises of all-purpose jurisdiction would scarcely permit out-of-state defendants "to structure their primary conduct with some minimum assurance as to where that conduct will and will not render them liable to suit." *Burger King Corp.*, 471 U.S., at 472, 105 S.Ct. 2174 (internal quotation marks omitted).

It was therefore error for the Ninth Circuit to conclude that Daimler, even with MBUSA's contacts attributed to it, was at home in California, and hence subject to suit there on claims by foreign plaintiffs having nothing to do with anything that occurred or had its principal impact in California.^[20]

C

Finally, the transnational context of this dispute bears attention. The Court of Appeals emphasized, as supportive of the exercise of general jurisdiction, plaintiffs' assertion of claims under the Alien Tort Statute (ATS), 28 U.S.C. § 1350, and the Torture Victim Protection Act of 1991 (TVPA), 106 Stat. 73, note following 28 U.S.C. § 1350. See 644 F.3d, at 927 ("American federal courts, be they in California or any other state, have a strong interest in adjudicating and redressing international human rights abuses."). Recent decisions of this Court, however, have rendered plaintiffs' ATS and TVPA claims infirm. See *Kiobel v. Royal Dutch Petroleum Co.*, 569 U.S. 108, 124, 133 S.Ct. 1659, 1669, 185 L.Ed.2d 671 (2013) (presumption against extraterritorial application controls claims under the ATS); *Mohamad v. Palestinian Authority*, 566 U.S. 449, 451-452, 132 S.Ct. 1702, 1705, 182 L.Ed.2d 720 (2012) (only natural persons are subject to

liability under the TVPA).

The Ninth Circuit, moreover, paid little heed to the risks to international comity its expansive view of general jurisdiction posed. Other nations do not share the uninhibited approach to personal jurisdiction advanced by the Court of Appeals in this case. In the European Union, for example, a corporation may generally be sued in the nation in which it is "domiciled," a term defined to refer only to the location of the corporation's "statutory seat," "central administration," or "principal place of business." European Parliament and Council Reg. 1215/2012, Arts. 4(1) and 63(1), 2012 O.J. (L. 351) 7, 18. See also *id.*, Art. 7(5), 2012 O.J. 7 (as to "a dispute arising out of the operations of a branch, agency or other establishment," a corporation may be sued "in the courts for the place where the branch, agency or other establishment is situated" (emphasis added)). The Solicitor General informs us, in this regard, that "foreign governments' objections to some domestic courts' expansive views of general jurisdiction have in the past impeded negotiations of international agreements on the reciprocal recognition and enforcement of judgments." U.S. Brief 2 (citing Juenger, *The American Law of General Jurisdiction*, 2001 U. Chi. Legal Forum 141, 161-162). See also U.S. Brief 2 (expressing concern that unpredictable applications of general jurisdiction based on activities of U.S.-based subsidiaries could discourage foreign investors); Brief for Respondents 35 (acknowledging that "doing business" basis for general jurisdiction has led to "international friction"). Considerations of international rapport thus reinforce our determination that subjecting Daimler to the general jurisdiction of courts in California would not accord with the "fair play and substantial justice" due process demands. International Shoe, 326 U.S., at 316, 66 S.Ct. 154 (quoting Milliken v. Meyer, 311 U.S. 457, 463, 61 S.Ct. 339, 85 L.Ed. 278 (1940)).

* * *

For the reasons stated, the judgment of the United States Court of Appeals for the Ninth Circuit is
Reversed.

Justice SOTOMAYOR, concurring in the judgment.

I agree with the Court's conclusion that the Due Process Clause prohibits the exercise of personal jurisdiction over Daimler in light of the unique circumstances of this case. I concur only in the judgment, however, because I cannot agree with the path the Court takes to arrive at that result.

The Court acknowledges that Mercedes-Benz USA, LLC (MBUSA), Daimler's wholly owned subsidiary, has considerable contacts with California. It has multiple facilities in the State, including a regional headquarters. Each year, it distributes in California tens of thousands of cars, the sale of which generated billions of dollars in the year this suit was brought. And it provides service and sales support to customers throughout the State. Daimler has conceded that California courts may exercise general jurisdiction over MBUSA on the basis of these contacts, and the Court assumes that MBUSA's contacts may be attributed to Daimler for the purpose of deciding whether Daimler is also subject to general jurisdiction.

Are these contacts sufficient to permit the exercise of general jurisdiction over Daimler? The Court holds that they are not, for a reason wholly foreign to our due process jurisprudence. The problem, the Court says, is not that Daimler's contacts with California are too few, but that its contacts with other forums are too many. In other words, the Court does not dispute that the presence of multiple offices, the direct distribution of thousands of products accounting for billions of dollars in sales, and continuous interaction with customers throughout a State would be enough to support the exercise of general jurisdiction over some businesses. Daimler is just not one of those businesses, the Court concludes, because its California contacts must be viewed in the context of its extensive "nationwide and worldwide" operations. *Ante*, at 762, n. 20. In recent years, Americans have grown accustomed to the concept of multinational corporations that are supposedly "too big to fail"; today the Court deems Daimler "too big for general jurisdiction."

[18] Plaintiffs emphasize two decisions, Barrow S.S. Co. v. Kane, 170 U.S. 100, 18 S.Ct. 526, 42 L.Ed. 964 (1898), and Tauza v. Susquehanna Coal Co., 220 N.Y. 259, 115 N.E. 915 (1917) (Cardozo, J.), both cited in Perkins v. Benguet Consol. Mining Co., 342 U.S. 437, 72 S.Ct. 413, 96 L.Ed. 485 (1952), just after the statement that a corporation's continuous operations in-state may suffice to establish general jurisdiction. *Id.*, at 446, and n. 6, 72 S.Ct. 413. See also International Shoe, 326 U.S., at 318, 66 S.Ct. 154 (citing *Tauza*). *Barrow* and *Tauza* indeed upheld the exercise of general jurisdiction based on the presence of a local office, which signaled that the corporation was "doing business" in the forum. *Perkins'* unadorned citations to these cases, both decided in the era dominated by *Pennoyer's* territorial thinking, see *supra*, at 753-754, should not attract heavy reliance today. See generally Feder, *Goodyear*, "Home," and the Uncertain Future of Doing Business Jurisdiction, 63 S.C. L.Rev. 671 (2012) (questioning whether "doing business" should persist as a basis for general jurisdiction).

[19] We do not foreclose the possibility that in an exceptional case, see, e.g., *Perkins*, described *supra*, at 755-757, and n. 8, a corporation's operations in a forum other than its formal place of incorporation or principal place of business may be so substantial and of such a nature as to render the corporation at home in that State. But this case presents no occasion to explore that question, because Daimler's activities in California plainly do not approach that level. It is one thing to hold a corporation answerable for operations in the forum State, see *infra*, at 763, quite another to expose it to suit on claims having no connection whatever to the forum State.

[20] To clarify in light of Justice SOTOMAYOR's opinion concurring in the judgment, the general jurisdiction inquiry does not "focu[s] solely on the magnitude of the defendant's in-state contacts." *Post*, at 767. General jurisdiction instead calls for an appraisal of a corporation's activities in their entirety, nationwide and worldwide. A corporation that operates in many places can scarcely be deemed at home in all of them. Otherwise, "at home" would be synonymous with "doing business" tests framed before specific jurisdiction evolved in the United States. See von Mehren & Trautman 1142-1144. Nothing in *International Shoe* and its progeny suggests that "a particular quantum of local activity" should give a State authority over a "far larger quantum of ... activity" having no connection to any in-state activity. Feder, *supra*, at 694.

Justice SOTOMAYOR would reach the same result, but for a different reason. Rather than concluding that Daimler is not at home in California, Justice SOTOMAYOR would hold that the exercise of general jurisdiction over Daimler would be unreasonable "in light of the unique circumstances of this case." *Post*, at 763. In other words, she favors a resolution fit for this day and case only. True, a multipronged reasonableness check was articulated in Asahi, 480 U.S., at 113-114, 107 S.Ct. 1026, but not as a free-floating test. Instead, the check was to be essayed when *specific* jurisdiction is at issue. See also Burger King Corp. v. Rudzewicz, 471 U.S. 462, 476-478, 105 S.Ct. 2174, 85 L.Ed.2d 528 (1985). First, a court is to determine whether the connection between the forum and the episode-in-suit could justify the exercise of specific jurisdiction. Then, in a second step, the court is to consider several additional factors to assess the reasonableness of entertaining the case. When a corporation is genuinely at home in the forum State, however, any second-step inquiry would be superfluous.

Justice SOTOMAYOR fears that our holding will "lead to greater unpredictability by radically expanding the scope of jurisdictional discovery." *Post*, at 770-771. But it is hard to see why much in the way of discovery would be needed to determine where a corporation is at home. Justice SOTOMAYOR's proposal to import *Asahi's* "reasonableness" check into the general jurisdiction determination, on the other hand, would indeed compound the jurisdictional inquiry. The reasonableness factors identified in *Asahi* include "the burden on the defendant," "the interests of the forum State," "the plaintiff's interest in obtaining relief," "the interstate judicial system's interest in obtaining the most efficient resolution of controversies," "the shared interest of the several States in furthering fundamental substantive social policies," and, in the international context, "the procedural and substantive policies of other *nations* whose interests are affected by the assertion of jurisdiction." 480 U.S., at 113-115, 107 S.Ct. 1026 (some internal quotation marks omitted). Imposing such a checklist in cases of general jurisdiction would hardly promote the efficient disposition of an issue that should be resolved expeditiously at the outset of litigation.

**Discussion Questions: Statutory Amenability and Constitutional Amenability to
General Jurisdiction**

1. Discuss the relationship between statutory and constitutional amenability. As part of your answer, what is your understanding of why statutory amenability rarely is a significant part of a personal jurisdiction inquiry.
2. Describe your understanding of how constitutional amenability for general jurisdiction has evolved since 1945.
3. Describe your understanding of the exceptional circumstances ground for general jurisdiction described by *Daimler* in footnote 19.

105 S.Ct. 2174
Supreme Court of the United States
BURGER KING CORPORATION, Appellant

v.
John RUDZEWICZ.

No. 83-2097.

|
Argued Jan. 8, 1985.

|
Decided May 20, 1985.

Opinion

Justice BRENNAN delivered the opinion of the Court.

The State of Florida's long-arm statute extends jurisdiction to "[a]ny person, whether or not a citizen or resident of this state," who, *inter alia*, "[b]reach [es] a contract in this state by failing to perform acts required by the contract to be performed in this state," so long as the cause of action *464 arises from the alleged contractual breach. Fla.Stat. § 48.193(1)(g) (Supp.1984). The United States District Court for the Southern District of Florida, sitting in diversity, relied on this provision in exercising personal jurisdiction over a Michigan resident who allegedly had breached a franchise agreement with a Florida corporation by failing to make required payments in Florida. The question presented is whether this exercise of long-arm jurisdiction offended "traditional conception[s] of fair play and substantial justice" embodied in the Due Process Clause of the Fourteenth Amendment. *International Shoe Co. v. **2178 Washington*, 326 U.S. 310, 320, 66 S.Ct. 154, 160, 90 L.Ed. 95 (1945).

I

A

Burger King Corporation is a Florida corporation whose principal offices are in Miami. It is one of the world's largest restaurant organizations, with over 3,000 outlets in the 50 States, the Commonwealth of Puerto Rico, and 8 foreign nations. Burger King conducts approximately 80% of its business through a franchise operation that the company styles the "Burger King System"—"a comprehensive restaurant format and operating system for the sale of uniform and quality food products." App. 46.¹ Burger King licenses its franchisees to use its trademarks and service marks for a period of 20 years and leases standardized restaurant facilities to them for the same term. In addition, franchisees acquire a variety of proprietary information concerning the "standards, specifications,

procedures and methods for operating *465 a Burger King Restaurant.” *Id.*, at 52. They also receive market research and advertising assistance; ongoing training in restaurant management;² and accounting, cost-control, and inventory-control guidance. By permitting franchisees to tap into Burger King’s established national reputation and to benefit from proven procedures for dispensing standardized fare, this system enables them to go into the restaurant business with significantly lowered barriers to entry.³

In exchange for these benefits, franchisees pay Burger King an initial \$40,000 franchise fee and commit themselves to payment of monthly royalties, advertising and sales promotion fees, and rent computed in part from monthly gross sales. Franchisees also agree to submit to the national organization’s exacting regulation of virtually every conceivable aspect of their operations.⁴ Burger King imposes these standards and undertakes its rigid regulation out of conviction that “[u]niformity of service, appearance, and quality of product is essential to the preservation of the Burger King image and the benefits accruing therefrom to both Franchisee and Franchisor.” *Id.*, at 31.

Burger King oversees its franchise system through a two-tiered administrative structure. The governing contracts *466 provide that the franchise relationship is established in Miami and governed by Florida law, and call for payment of all required fees and forwarding of all relevant notices to the Miami headquarters.⁵ The Miami headquarters sets policy and works directly with its franchisees in attempting to resolve major problems. See nn. 7, 9, *infra*. Day-to-day monitoring of franchisees, however, is conducted through a network of 10 district offices which in turn report to the Miami headquarters.

The instant litigation grows out of Burger King’s termination of one of its franchisees, **2179 and is aptly described by the franchisee as “a divorce proceeding among commercial partners.” 5 Record 4. The appellee John Rudzewicz, a Michigan citizen and resident, is the senior partner in a Detroit accounting firm. In 1978, he was approached by Brian MacShara, the son of a business acquaintance, who suggested that they jointly apply to Burger King for a franchise in the Detroit area. MacShara proposed to serve as the manager of the restaurant if Rudzewicz would put up the investment capital; in exchange, the two would evenly share the profits. Believing that MacShara’s idea offered attractive investment and tax-deferral opportunities, Rudzewicz agreed to the venture. 6 *id.*, at 438–439, 444, 460.

Rudzewicz and MacShara jointly applied for a franchise to Burger King’s Birmingham, Michigan, district office in the autumn of 1978. Their application was forwarded to Burger King’s Miami headquarters, which entered into a preliminary agreement with them in February 1979. During the ensuing four months it was agreed that Rudzewicz

and MacShara would assume operation of an existing facility in Drayton Plains, Michigan. MacShara attended the prescribed management courses in Miami during this period, see n. 2, *supra*, and the franchisees purchased \$165,000 worth of restaurant equipment from Burger King's Davmor Industries division in *467 Miami. Even before the final agreements were signed, however, the parties began to disagree over site-development fees, building design, computation of monthly rent, and whether the franchisees would be able to assign their liabilities to a corporation they had formed.⁶ During these disputes Rudzewicz and MacShara negotiated both with the Birmingham district office and with the Miami headquarters.⁷ With some misgivings, Rudzewicz and MacShara finally obtained limited concessions from the Miami headquarters,⁸ signed the final agreements, and commenced operations in June 1979. By signing the final agreements, Rudzewicz obligated himself personally to payments exceeding \$1 million over the 20-year franchise relationship.

*468 The Drayton Plains facility apparently enjoyed steady business during the summer of 1979, but patronage declined after a recession began later that year. Rudzewicz and MacShara soon fell far behind in their monthly payments to Miami. Headquarters sent notices of default, and an extended period of negotiations began among the franchisees, the Birmingham district office, and the Miami headquarters. After several Burger King officials in Miami had engaged in prolonged but ultimately unsuccessful negotiations with the franchisees **2180 by mail and by telephone,⁹ headquarters terminated the franchise and ordered Rudzewicz and MacShara to vacate the premises. They refused and continued to occupy and operate the facility as a Burger King restaurant.

B

Burger King commenced the instant action in the United States District Court for the Southern District of Florida in May 1981, invoking that court's diversity jurisdiction pursuant to 28 U.S.C. § 1332(a) and its original jurisdiction over federal trademark disputes pursuant to § 1338(a).¹⁰ Burger King alleged that Rudzewicz and MacShara had breached their franchise obligations "within [the jurisdiction of] this district court" by failing to make the required payments "at plaintiff's place of business in Miami, Dade County, Florida," ¶ 6, App. 121, and also charged that they were tortiously infringing *469 its trademarks and service marks through their continued, unauthorized operation as a Burger King restaurant, ¶¶ 35-53, App. 130-135. Burger King sought damages, injunctive relief, and costs and attorney's fees. Rudzewicz and MacShara entered special appearances and argued, *inter alia*, that because they were Michigan residents and because Burger King's claim did not "arise" within the Southern District of Florida, the District Court lacked personal jurisdiction over them. The District Court denied their motions after a hearing, holding that, pursuant to Florida's long-arm statute, "a non-resident Burger King franchisee is subject to the personal jurisdiction of this Court in

actions arising out of its franchise agreements.” *Id.*, at 138. Rudzewicz and MacShara then filed an answer and a counterclaim seeking damages for alleged violations by Burger King of Michigan’s Franchise Investment Law, Mich.Comp.Laws § 445.1501 *et seq.* (1979).

After a 3-day bench trial, the court again concluded that it had “jurisdiction over the subject matter and the parties to this cause.” App. 159. Finding that Rudzewicz and MacShara had breached their franchise agreements with Burger King and had infringed Burger King’s trademarks and service marks, the court entered judgment against them, jointly and severally, for \$228,875 in contract damages. The court also ordered them “to immediately close Burger King Restaurant Number 775 from continued operation or to immediately give the keys and possession of said restaurant to Burger King Corporation,” *id.*, at 163, found that they had failed to prove any of the required elements of their counterclaim, and awarded costs and attorney’s fees to Burger King.

Rudzewicz appealed to the Court of Appeals for the Eleventh Circuit.¹¹ A divided panel of that Circuit reversed the judgment, ****2181** concluding that the District Court could not properly exercise personal jurisdiction over Rudzewicz pursuant to Fla.Stat. § 48.193(1)(g) (Supp.1984) because “the circumstances of the Drayton Plains franchise and the negotiations which led to it left Rudzewicz bereft of reasonable notice and financially unprepared for the prospect of franchise litigation in Florida.” *Burger King Corp. v. MacShara*, 724 F.2d 1505, 1513 (1984). Accordingly, the panel majority concluded that “[j]urisdiction under these circumstances would offend the fundamental fairness which is the touchstone of due process.” *Ibid.*

Burger King appealed the Eleventh Circuit’s judgment to this Court pursuant to 28 U.S.C. § 1254(2), and we postponed probable jurisdiction. 469 U.S. 814, 105 S.Ct. 77, 83 L.Ed.2d 25 (1984). Because it is unclear whether the Eleventh Circuit actually held that Fla.Stat. § 48.193(1)(g) (Supp.1984) *itself* is unconstitutional as applied to the circumstances of this case, we conclude that jurisdiction by appeal does not properly lie and therefore dismiss the appeal.¹² Treating the jurisdictional ***471** statement as a petition for a writ of certiorari, see 28 U.S.C. § 2103, we grant the petition and now reverse.

II

A

The Due Process Clause protects an individual’s liberty interest in not being subject to the binding judgments of a ***472** forum with which he has established no meaningful “contacts, ties, or relations.” ****2182** *International Shoe Co. v. Washington*, 326 U.S., at 319, 66 S.Ct., at 160.¹³ By requiring that individuals have “fair warning that a particular

activity may subject [them] to the jurisdiction of a foreign sovereign,” *Shaffer v. Heitner*, 433 U.S. 186, 218, 97 S.Ct. 2569, 2587, 53 L.Ed.2d 683 (1977) (STEVENS, J., concurring in judgment), the Due Process Clause “gives a degree of predictability to the legal system that allows potential defendants to structure their primary conduct with some minimum assurance as to where that conduct will and will not render them liable to suit,” *World-Wide Volkswagen Corp. v. Woodson*, 444 U.S. 286, 297, 100 S.Ct. 559, 567, 62 L.Ed.2d 490 (1980).

Where a forum seeks to assert specific jurisdiction over an out-of-state defendant who has not consented to suit there,¹⁴ this “fair warning” requirement is satisfied if the defendant has “purposefully directed” his activities at residents of the forum, *Keeton v. Hustler Magazine, Inc.*, 465 U.S. 770, 774, 104 S.Ct. 1473, 1478, 79 L.Ed.2d 790 (1984), and the litigation results from alleged injuries that “arise out of or relate to” those activities, *473 *Helicopteros Nacionales de Colombia, S.A. v. Hall*, 466 U.S. 408, 414, 104 S.Ct. 1868, 1872, 80 L.Ed.2d 404 (1984).¹⁵ Thus “[t]he forum State does not exceed its powers under the Due Process Clause if it asserts personal jurisdiction over a corporation that delivers its products into the stream of commerce with the expectation that they will be purchased by consumers in the forum State” and those products subsequently injure forum consumers. *World-Wide Volkswagen Corp. v. Woodson*, *supra*, 444 U.S., at 297–298, 100 S.Ct., at 567–568. Similarly, a publisher who distributes magazines in a distant State may fairly be held accountable in that forum for damages resulting there from an allegedly defamatory story. *Keeton v. Hustler Magazine, Inc.*, *supra*; see also *Calder v. Jones*, 465 U.S. 783, 104 S.Ct. 1482, 79 L.Ed.2d 804 (1984) (suit against author and editor). And with respect to interstate contractual obligations, we have emphasized that parties who “reach out beyond one state and create continuing relationships and obligations with citizens of another state” are subject to regulation and sanctions in the other State for the consequences of their activities. *Travelers Health Assn. v. Virginia*, 339 U.S. 643, 647, 70 S.Ct. 927, 929, 94 L.Ed. 1154 (1950). See also *McGee v. International Life Insurance Co.*, 355 U.S. 220, 222–223, 78 S.Ct. 199, 200–201, 2 L.Ed.2d 223 (1957).

We have noted several reasons why a forum legitimately may exercise personal jurisdiction over a nonresident who “purposefully directs” his activities toward forum residents. A State generally has a “manifest interest” in providing its residents with a convenient forum for redressing injuries inflicted by out-of-state actors. **2183 *Id.*, at 223, 78 S.Ct., at 201; see also *Keeton v. Hustler Magazine, Inc.*, *supra*, 465 U.S., at 776, 104 S.Ct., at 1479. Moreover, where individuals “purposefully derive benefit” from their interstate activities, *474 *Kulko v. California Superior Court*, 436 U.S. 84, 96, 98 S.Ct. 1690, 1699, 56 L.Ed.2d 132 (1978), it may well be unfair to allow them to escape having to account in other States for consequences that arise proximately from such activities;

the Due Process Clause may not readily be wielded as a territorial shield to avoid interstate obligations that have been voluntarily assumed. And because “modern transportation and communications have made it much less burdensome for a party sued to defend himself in a State where he engages in economic activity,” it usually will not be unfair to subject him to the burdens of litigating in another forum for disputes relating to such activity. *McGee v. International Life Insurance Co.*, *supra*, 355 U.S., at 223, 78 S.Ct., at 201.

Notwithstanding these considerations, the constitutional touchstone remains whether the defendant purposefully established “minimum contacts” in the forum State. *International Shoe Co. v. Washington*, *supra*, 326 U.S., at 316, 66 S.Ct., at 158. Although it has been argued that foreseeability of causing *injury* in another State should be sufficient to establish such contacts there when policy considerations so require,¹⁶ the Court has consistently held that this kind of foreseeability is not a “sufficient benchmark” for exercising personal jurisdiction. *World-Wide Volkswagen Corp. v. Woodson*, 444 U.S., at 295, 100 S.Ct., at 566. Instead, “the foreseeability that is critical to due process analysis ... is that the defendant’s conduct and connection with the forum State are such that he should reasonably anticipate being haled into court there.” *Id.*, at 297, 100 S.Ct., at 567. In defining when it is that a potential defendant should “reasonably anticipate” out-of-state litigation, the Court frequently has drawn from the reasoning of *Hanson v. Denckla*, 357 U.S. 235, 253, 78 S.Ct. 1228, 1239–1240, 2 L.Ed.2d 1283 (1958):

“The unilateral activity of those who claim some relationship with a nonresident defendant cannot satisfy the requirement of contact with the forum State. The application *475 of that rule will vary with the quality and nature of the defendant’s activity, but it is essential in each case that there be some act by which the defendant purposefully avails itself of the privilege of conducting activities within the forum State, thus invoking the benefits and protections of its laws.”

This “purposeful availment” requirement ensures that a defendant will not be haled into a jurisdiction solely as a result of “random,” “fortuitous,” or “attenuated” contacts, *Keeton v. Hustler Magazine, Inc.*, 465 U.S., at 774, 104 S.Ct., at 1478; *World-Wide Volkswagen Corp. v. Woodson*, *supra*, 444 U.S., at 299, 100 S.Ct., at 568, or of the “unilateral activity of another party or a third person,” *Helicopteros Nacionales de Colombia, S.A. v. Hall*, *supra*, 466 U.S., at 417, 104 S.Ct., at 1873.¹⁷ Jurisdiction is proper, however, **2184 where the contacts proximately result from actions by the defendant *himself* that create a “substantial connection” with the forum State. *McGee v. International Life Insurance Co.*, *supra*, 355 U.S., at 223, 78 S.Ct., at 201; see also *Kulko v. California Superior Court*, *supra*, 436 U.S., at 94, n. 7, 98 S.Ct., at 1698, n. 7.¹⁸ Thus where the defendant “deliberately” has *476 engaged in significant activities within a

State, *Keeton v. Hustler Magazine, Inc.*, *supra*, 465 U.S., at 781, 104 S.Ct., at 1481, or has created “continuing obligations” between himself and residents of the forum, *Travelers Health Assn. v. Virginia*, 339 U.S., at 648, 70 S.Ct., at 929, he manifestly has availed himself of the privilege of conducting business there, and because his activities are shielded by “the benefits and protections” of the forum’s laws it is presumptively not unreasonable to require him to submit to the burdens of litigation in that forum as well.

Jurisdiction in these circumstances may not be avoided merely because the defendant did not *physically* enter the forum State. Although territorial presence frequently will enhance a potential defendant’s affiliation with a State and reinforce the reasonable foreseeability of suit there, it is an inescapable fact of modern commercial life that a substantial amount of business is transacted solely by mail and wire communications across state lines, thus obviating the need for physical presence within a State in which business is conducted. So long as a commercial actor’s efforts are “purposefully directed” toward residents of another State, we have consistently rejected the notion that an absence of physical contacts can defeat personal jurisdiction there. *Keeton v. Hustler Magazine, Inc.*, *supra*, 465 U.S., at 774–775, 104 S.Ct., at 1478; see also *Calder v. Jones*, 465 U.S., at 778–790, 104 S.Ct., at 1486–1487; *McGee v. International Life Insurance Co.*, 355 U.S., at 222–223, 78 S.Ct., at 200–201. Cf. *Hoopeston Canning Co. v. Cullen*, 318 U.S. 313, 317, 63 S.Ct. 602, 605, 87 L.Ed. 777 (1943).

Once it has been decided that a defendant purposefully established minimum contacts within the forum State, these contacts may be considered in light of other factors to determine whether the assertion of personal jurisdiction would comport with “fair play and substantial justice.” *International Shoe Co. v. Washington*, 326 U.S., at 320, 66 S.Ct., at 160. Thus *477 courts in “appropriate case[s]” may evaluate “the burden on the defendant,” “the forum State’s interest in adjudicating the dispute,” “the plaintiff’s interest in obtaining convenient and effective relief,” “the interstate judicial system’s interest in obtaining the most efficient resolution of controversies,” and the “shared interest of the several States in furthering fundamental substantive social policies.” *World-Wide Volkswagen Corp. v. Woodson*, *supra*, 444 U.S., at 292, 100 S.Ct., at 564. These considerations sometimes serve to establish the reasonableness of jurisdiction upon a lesser showing of minimum contacts than would otherwise be required. See, e.g., *Keeton v. Hustler Magazine, Inc.*, *supra*, 465 U.S., at 780, 104 S.Ct., at 1481; *Calder v. Jones*, *supra*, 465 U.S., at 788–789, 104 S.Ct., at 1486–1487; *McGee v. International Life Insurance Co.*, *supra*, 355 U.S., at 223–224, 78 S.Ct., at 201–202. On the other hand, where a defendant who purposefully has directed his activities at **2185 forum residents seeks to defeat jurisdiction, he must present a compelling case that the presence of some other considerations would render jurisdiction unreasonable. Most such considerations usually may be accommodated through means short of finding jurisdiction

unconstitutional. For example, the potential clash of the forum's law with the "fundamental substantive social policies" of another State may be accommodated through application of the forum's choice-of-law rules.¹⁹ Similarly, a defendant claiming substantial inconvenience may seek a change of venue.²⁰ Nevertheless, minimum requirements inherent in the concept of "fair play and substantial *478 justice" may defeat the reasonableness of jurisdiction even if the defendant has purposefully engaged in forum activities. *World-Wide Volkswagen Corp. v. Woodson*, *supra*, 444 U.S., at 292, 100 S.Ct., at 564; see also Restatement (Second) of Conflict of Laws §§ 36–37 (1971). As we previously have noted, jurisdictional rules may not be employed in such a way as to make litigation "so gravely difficult and inconvenient" that a party unfairly is at a "severe disadvantage" in comparison to his opponent. *The Bremen v. Zapata Off-Shore Co.*, 407 U.S. 1, 18, 92 S.Ct. 1907, 1917, 32 L.Ed.2d 513 (1972) (*re* forum-selection provisions); *McGee v. International Life Insurance Co.*, *supra*, 355 U.S., at 223–224, 78 S.Ct., at 201–202.

B

(1)

Applying these principles to the case at hand, we believe there is substantial record evidence supporting the District Court's conclusion that the assertion of personal jurisdiction over Rudzewicz in Florida for the alleged breach of his franchise agreement did not offend due process. At the outset, we note a continued division among lower courts respecting whether and to what extent a contract can constitute a "contact" for purposes of due process analysis.²¹ If the question is whether an individual's contract with an out-of-state party *alone* can automatically establish sufficient minimum contacts in the other party's home forum, we believe the answer clearly is that it cannot. The Court long ago rejected the notion that personal jurisdiction might turn on "mechanical" tests, *International Shoe Co. v. Washington*, *supra*, 326 U.S., at 319, 66 S.Ct., at 159, or on "conceptualistic ... theories of the place of contracting or of performance," *479 *Hoopeston Canning Co. v. Cullen*, 318 U.S., at 316, 63 S.Ct., at 604. Instead, we have emphasized the need for a "highly realistic" approach that recognizes that a "contract" is "ordinarily but an intermediate step serving to tie up prior business negotiations with future consequences which themselves are the real object of the business transaction." *Id.*, at 316–317, 63 S.Ct., at 604–605. It is these factors—prior negotiations and contemplated future consequences, along with the terms of the contract and the parties' actual course of dealing—that must be evaluated in determining whether the defendant purposefully established minimum contacts within the forum.

In this case, no physical ties to Florida can be attributed to Rudzewicz other than MacShara's brief training course in Miami.²² Rudzewicz did not maintain offices in Florida and, for all that appears from the record, has never even visited there. Yet this

franchise dispute grew directly out of “a contract which had a *substantial* connection with that State.” *McGee v. International Life Insurance Co.*, 355 U.S., at 223, 78 S.Ct., at 201 (emphasis added). Eschewing the option of operating an independent local enterprise, Rudzewicz deliberately “reach[ed] out beyond” Michigan and negotiated with a Florida corporation for the purchase of a long-term franchise and *480 the manifold benefits that would derive from affiliation with a nationwide organization. *Travelers Health Assn. v. Virginia*, 339 U.S., at 647, 70 S.Ct., at 929. Upon approval, he entered into a carefully structured 20-year relationship that envisioned continuing and wide-reaching contacts with Burger King in Florida. In light of Rudzewicz’ voluntary acceptance of the long-term and exacting regulation of his business from Burger King’s Miami headquarters, the “quality and nature” of his relationship to the company in Florida can in no sense be viewed as “random,” “fortuitous,” or “attenuated.” *Hanson v. Denckla*, 357 U.S., at 253, 78 S.Ct., at 1239; *Keeton v. Hustler Magazine, Inc.*, 465 U.S., at 774, 104 S.Ct., at 1478; *World-Wide Volkswagen Corp. v. Woodson*, 444 U.S., at 299, 100 S.Ct., at 568. Rudzewicz’ refusal to make the contractually required payments in Miami, and his continued use of Burger King’s trademarks and confidential business information after his termination, caused foreseeable injuries to the corporation in Florida. For these reasons it was, at the very least, presumptively reasonable for Rudzewicz to be called to account there for such injuries.

The Court of Appeals concluded, however, that in light of the supervision emanating from Burger King’s district office in Birmingham, Rudzewicz reasonably believed that “the Michigan office was for all intents and purposes the embodiment of Burger King” and that he therefore had no “reason to anticipate a Burger King suit outside of Michigan.” 724 F.2d, at 1511. See also *post*, at 2190 (STEVENS, J., dissenting). This reasoning overlooks substantial record evidence indicating that Rudzewicz most certainly knew that he was affiliating himself with an enterprise based primarily in Florida. The contract documents themselves emphasize that Burger King’s operations are conducted and supervised from the Miami headquarters, that all relevant notices and payments must be sent there, and that the agreements were made in and enforced from Miami. See n. 5, *supra*. Moreover, the parties’ actual course of dealing repeatedly confirmed that decisionmaking authority was vested in the Miami headquarters *481 and that the district office served largely as an intermediate link between the headquarters and the franchisees. When problems arose over building design, site-development fees, rent computation, and the defaulted payments, Rudzewicz and MacShara learned that the Michigan office was powerless to resolve their disputes and **2187 could only channel their communications to Miami. Throughout these disputes, the Miami headquarters and the Michigan franchisees carried on a continuous course of direct communications by mail and by telephone, and it was the Miami headquarters that made the key negotiating decisions out of which the instant litigation arose. See nn. 7, 9, *supra*.

Moreover, we believe the Court of Appeals gave insufficient weight to provisions in the various franchise documents providing that all disputes would be governed by Florida law. The franchise agreement, for example, stated:

“This Agreement shall become valid when executed and accepted by BKC at Miami, Florida; it shall be deemed made and entered into in the State of Florida and shall be governed and construed under and in accordance with the laws of the State of Florida. The choice of law designation does not require that all suits concerning this Agreement be filed in Florida.” App. 72.

See also n. 5, *supra*. The Court of Appeals reasoned that choice-of-law provisions are irrelevant to the question of personal jurisdiction, relying on *Hanson v. Denckla* for the proposition that “the center of gravity for choice-of-law purposes does not necessarily confer the sovereign prerogative to assert jurisdiction.” 724 F.2d, at 1511–1512, n. 10, citing 357 U.S., at 254, 78 S.Ct., at 1240. This reasoning misperceives the import of the quoted proposition. The Court in *Hanson* and subsequent cases has emphasized that choice-of-law *analysis*—which focuses on all elements of a transaction, and not simply on the defendant’s conduct—is distinct from minimum-contacts jurisdictional analysis—which focuses at the threshold *482 solely on the defendant’s purposeful connection to the forum.²³ Nothing in our cases, however, suggests that a choice-of-law *provision* should be ignored in considering whether a defendant has “purposefully invoked the benefits and protections of a State’s laws” for jurisdictional purposes. Although such a provision standing alone would be insufficient to confer jurisdiction, we believe that, when combined with the 20-year interdependent relationship Rudzewicz established with Burger King’s Miami headquarters, it reinforced his deliberate affiliation with the forum State and the reasonable foreseeability of possible litigation there. As Judge Johnson argued in his dissent below, Rudzewicz “purposefully availed himself of the benefits and protections of Florida’s laws” by entering into contracts expressly providing that those laws would govern franchise disputes. 724 F.2d, at 1513.²⁴

(2)

Nor has Rudzewicz pointed to other factors that can be said persuasively to outweigh the considerations discussed above and to establish the *unconstitutionality* of Florida’s assertion of jurisdiction. We cannot conclude that Florida had no “legitimate interest in holding [Rudzewicz] answerable *483 on a claim related to” the contacts he had established in that State. *Keeton v. Hustler Magazine, Inc.*, 465 U.S., at 776, 104 S.Ct., at 1479; see also *McGee v. International Life Insurance **2188 Co.*, 355 U.S., at 223, 78 S.Ct., at 201 (noting that State frequently will have a “manifest interest in providing

effective means of redress for its residents”).²⁵ Moreover, although Rudzewicz has argued at some length that Michigan’s Franchise Investment Law, Mich.Comp.Laws § 445.1501 *et seq.* (1979), governs many aspects of this franchise relationship, he has not demonstrated how Michigan’s acknowledged interest might possibly render jurisdiction in Florida *unconstitutional*.²⁶ Finally, the Court of Appeals’ assertion that the Florida litigation “severely impaired [Rudzewicz]’ ability to call Michigan witnesses who might be essential to his defense and counterclaim,” 724 F.2d, at 1512–1513, is wholly without support in the record.²⁷ And even to the extent that it is inconvenient *484 for a party who has minimum contacts with a forum to litigate there, such considerations most frequently can be accommodated through a change of venue. See n. 20, *supra*. Although the Court has suggested that inconvenience may at some point become so substantial as to achieve *constitutional* magnitude, *McGee v. International Life Insurance Co.*, *supra*, 355 U.S., at 223, 78 S.Ct., at 201, this is not such a case.

The Court of Appeals also concluded, however, that the parties’ dealings involved “a characteristic disparity of bargaining power” and “elements of surprise,” and that Rudzewicz “lacked fair notice” of the potential for litigation in Florida because the contractual provisions suggesting to the contrary were merely “boilerplate declarations in a lengthy printed contract.” 724 F.2d, at 1511–1512, and n. 10. See also *post*, at 2190 (STEVENS, J., dissenting). Rudzewicz presented many of these arguments to the District Court, contending that Burger King was guilty of misrepresentation, fraud, and duress; that it gave insufficient notice in its dealings with him; and that the contract was one of adhesion. See 4 Record 687–691. After a 3-day bench trial, the District Court found that Burger King had made no misrepresentations, that Rudzewicz and MacShara “were and are experienced and sophisticated businessmen,” and that “at no time” did they “ac [t] under economic duress or disadvantage imposed by” Burger King. App. 157–158. See also 7 Record 648–649. Federal Rule of Civil Procedure 52(a) requires that “[f]indings of fact shall not be set aside unless clearly erroneous,” and neither Rudzewicz nor the Court of Appeals has pointed to record evidence that would support a “definite and firm conviction” that the District Court’s findings are mistaken. *United States v. United States Gypsum Co.*, 333 U.S. 364, 395, 68 S.Ct. 525, 542, 92 L.Ed. 746 (1948). See also *485 **2189 *Anderson v. Bessemer City*, 470 U.S. 564, 573–576, 105 S.Ct. 1504, ———, 84 L.Ed.2d 518 (1985). To the contrary, Rudzewicz was represented by counsel throughout these complex transactions and, as Judge Johnson observed in dissent below, was himself an experienced accountant “who for five months conducted negotiations with Burger King over the terms of the franchise and lease agreements, and who obligated himself personally to contracts requiring over time payments that exceeded \$1 million.” 724 F.2d, at 1514. Rudzewicz was able to secure a modest reduction in rent and other concessions from Miami headquarters, see nn. 8, 9, *supra*; moreover, to the extent that Burger King’s terms were inflexible, Rudzewicz presumably decided that the

advantages of affiliating with a national organization provided sufficient commercial benefits to offset the detriments.²⁸

III

Notwithstanding these considerations, the Court of Appeals apparently believed that it was necessary to reject jurisdiction in this case as a prophylactic measure, reasoning that an affirmance of the District Court's judgment would result in the exercise of jurisdiction over "out-of-state consumers to collect payments due on modest personal purchases" and would "sow the seeds of default judgments against franchisees owing smaller debts." 724 F.2d, at 1511. We share the Court of Appeals' broader concerns and therefore reject any talismanic jurisdictional formulas; "the *486 facts of each case must [always] be weighed" in determining whether personal jurisdiction would comport with "fair play and substantial justice." *Kulko v. California Superior Court*, 436 U.S., at 92, 98 S.Ct., at 1696-1697.²⁹ The "quality and nature" of an interstate transaction may sometimes be so "random," "fortuitous," or "attenuated"³⁰ that it cannot fairly be said that the potential defendant "should reasonably anticipate being haled into court" in another jurisdiction. *World-Wide Volkswagen Corp. v. Woodson*, 444 U.S., at 297, 100 S.Ct., at 567; see also n. 18, *supra*. We also have emphasized that jurisdiction may not be grounded on a contract whose terms have been obtained through "fraud, undue influence, or overweening bargaining power" and whose application would render litigation "so gravely difficult and inconvenient that [a party] will for all practical purposes be deprived of his day in court." *The Bremen v. Zapata Off-Shore Co.*, 407 U.S., at 12, 18, 92 S.Ct., at 1914, 1917. Cf. *Fuentes v. Shevin*, 407 U.S. 67, 94-96, 92 S.Ct. 1983, 2001-2002, 32 L.Ed.2d 556 (1972); *National Equipment Rental, Ltd. v. Szukhent*, 375 U.S. 311, 329, 84 S.Ct. 411, 421, 11 L.Ed.2d 354 (1964) (BLACK, J., dissenting) (jurisdictional rules may not be employed against small consumers so as to "crippl[e] their defense"). Just as the Due Process Clause allows flexibility in ensuring that commercial actors are not effectively **2190 "judgment proof" for the consequences of obligations they voluntarily assume in other States, *McGee v. International Life Insurance Co.*, 355 U.S., at 223, 78 S.Ct., at 201, so too does it prevent rules that would unfairly enable them to obtain default judgments against unwitting customers. Cf. *United States v. Rumely*, 345 U.S. 41, 44, 73 S.Ct. 543, 545, 97 L.Ed. 770 (1953) (courts must not be " 'blind' " to what " '[a]ll others can see and understand' ").

*487 For the reasons set forth above, however, these dangers are not present in the instant case. Because Rudzewicz established a substantial and continuing relationship with Burger King's Miami headquarters, received fair notice from the contract documents and the course of dealing that he might be subject to suit in Florida, and has failed to demonstrate how jurisdiction in that forum would otherwise be fundamentally unfair, we conclude that the District Court's exercise of jurisdiction pursuant to Fla.Stat. §

48.193(1)(g) (Supp.1984) did not offend due process. The judgment of the Court of Appeals is accordingly reversed, and the case is remanded for further proceedings consistent with this opinion.

It is so ordered.

- ²⁸ We do not mean to suggest that the jurisdictional outcome will always be the same in franchise cases. Some franchises may be primarily intrastate in character or involve different decisionmaking structures, such that a franchisee should not reasonably anticipate out-of-state litigation. Moreover, commentators have argued that franchise relationships may sometimes involve unfair business practices in their inception and operation. See H. Brown, *Franchising Realities and Remedies* 4–5 (2d ed. 1978). For these reasons, we reject Burger King’s suggestion for “a general rule, or at least a presumption, that participation in an interstate franchise relationship” represents consent to the jurisdiction of the franchisor’s principal place of business. Brief for Appellant 46.

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NOTICE: This opinion is subject to formal revision before publication in the preliminary print of the United States Reports. Readers are requested to notify the Reporter of Decisions, Supreme Court of the United States, Washington, D. C. 20540, of any typographical or other formal errors, in order that corrections may be made before the preliminary print goes to press.

SUPREME COURT OF THE UNITED STATES

No. 12-574

ANTHONY WALDEN, PETITIONER *v.* GINA FIORE
ET AL.

ON WRIT OF CERTIORARI TO THE UNITED STATES COURT OF
APPEALS FOR THE NINTH CIRCUIT

[February 25, 2014]

JUSTICE THOMAS delivered the opinion of the Court.

This case asks us to decide whether a court in Nevada may exercise personal jurisdiction over a defendant on the basis that he knew his allegedly tortious conduct in Georgia would delay the return of funds to plaintiffs with connections to Nevada. Because the defendant had no other contacts with Nevada, and because a plaintiff's contacts with the forum State cannot be "decisive in determining whether the defendant's due process rights are violated," *Rush v. Sauchuk*, 444 U. S. 320, 332 (1980), we hold that the court in Nevada may not exercise personal jurisdiction under these circumstances.

I

Petitioner Anthony Walden serves as a police officer for the city of Covington, Georgia. In August 2006, petitioner was working at the Atlanta Hartsfield-Jackson Airport as a deputized agent of the Drug Enforcement Administration (DEA). As part of a task force, petitioner conducted investigative stops and other law enforcement functions in support of the DEA's airport drug interdiction program.

On August 8, 2006, Transportation Security Admin-

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Administration agents searched respondents Gina Fiore and Keith Gipson and their carry-on bags at the San Juan airport in Puerto Rico. They found almost \$97,000 in cash. Fiore explained to DEA agents in San Juan that she and Gipson had been gambling at a casino known as the El San Juan, and that they had residences in both California and Nevada (though they provided only California identification). After respondents were cleared for departure, a law enforcement official at the San Juan airport notified petitioner's task force in Atlanta that respondents had boarded a plane for Atlanta, where they planned to catch a connecting flight to Las Vegas, Nevada.

When respondents arrived in Atlanta, petitioner and another DEA agent approached them at the departure gate for their flight to Las Vegas. In response to petitioner's questioning, Fiore explained that she and Gipson were professional gamblers. Respondents maintained that the cash they were carrying was their gambling "bank" and winnings. App. 15, 24. After using a drug-sniffing dog to perform a sniff test, petitioner seized the cash.¹ Petitioner advised respondents that their funds would be returned if they later proved a legitimate source for the cash. Respondents then boarded their plane.

After respondents departed, petitioner moved the cash to a secure location and the matter was forwarded to DEA headquarters. The next day, petitioner received a phone call from respondents' attorney in Nevada seeking return of the funds. On two occasions over the next month, petitioner also received documentation from the attorney regarding the legitimacy of the funds.

At some point after petitioner seized the cash, he helped draft an affidavit to show probable cause for forfeiture of

¹ Respondents allege that the sniff test was "at best inconclusive," and there is no indication in the pleadings that drugs or drug residue were ever found on or with the cash. App. 21.

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the funds and forwarded that affidavit to a United States Attorney's Office in Georgia.² According to respondents, the affidavit was false and misleading because petitioner misrepresented the encounter at the airport and omitted exculpatory information regarding the lack of drug evidence and the legitimate source of the funds. In the end, no forfeiture complaint was filed, and the DEA returned the funds to respondents in March 2007.

Respondents filed suit against petitioner in the United States District Court for the District of Nevada, seeking money damages under *Bivens v. Six Unknown Fed. Narcotics Agents*, 403 U.S. 388 (1971). Respondents alleged that petitioner violated their Fourth Amendment rights by (1) seizing the cash without probable cause; (2) keeping the money after concluding it did not come from drug-related activity; (3) drafting and forwarding a probable cause affidavit to support a forfeiture action while knowing the affidavit contained false statements; (4) willfully seeking forfeiture while withholding exculpatory information; and (5) withholding that exculpatory information from the United States Attorney's Office.

The District Court granted petitioner's motion to dismiss. Relying on this Court's decision in *Calder v. Jones*, 465 U.S. 783 (1984), the court determined that petitioner's search of respondents and his seizure of the cash in Georgia did not establish a basis to exercise personal jurisdiction in Nevada. The court concluded that even if petitioner caused harm to respondents in Nevada while knowing they lived in Nevada, that fact alone did not confer jurisdiction. Because the court dismissed the complaint for lack of personal jurisdiction, it did not determine

²The alleged affidavit is not in the record. Because this case comes to us at the motion-to-dismiss stage, we take respondents' factual allegations as true, including their allegations regarding the existence and content of the affidavit.

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whether venue was proper.

On appeal, a divided panel of the United States Court of Appeals for the Ninth Circuit reversed. The Court of Appeals assumed the District Court had correctly determined that petitioner's search and seizure in Georgia could not support exercise of jurisdiction in Nevada. The court held, however, that the District Court could properly exercise jurisdiction over "the false probable cause affidavit aspect of the case." 688 F. 3d 558, 577 (2011). According to the Court of Appeals, petitioner "expressly aimed" his submission of the allegedly false affidavit at Nevada by submitting the affidavit with knowledge that it would affect persons with a "significant connection" to Nevada.³ *Id.*, at 581. After determining that the delay in returning the funds to respondents caused them "foreseeable harm" in Nevada and that the exercise of personal jurisdiction over petitioner was otherwise reasonable, the court found the District Court's exercise of personal jurisdiction to be proper.⁴ *Id.*, at 582, 585. The Ninth Circuit denied rehearing en banc, with eight judges, in two separate opinions, dissenting. *Id.*, at 562, 568.

We granted certiorari to decide whether due process permits a Nevada court to exercise jurisdiction over petitioner. 568 U. S. ____ (2013). We hold that it does not and

³The allegations in the complaint suggested to the Court of Appeals that petitioner "definitely knew, at some point *after* the seizure but *before* providing the alleged false probable cause affidavit, that [respondents] had a significant connection to Nevada." 688 F. 3d, at 578.

⁴Judge Ikuta dissented. In her view, the "false affidavit/forfeiture proceeding aspect" over which the majority found jurisdiction proper was not raised as a separate claim in the complaint, and she found it "doubtful that such a constitutional tort even exists." *Id.*, at 593. After the court denied rehearing en banc, the majority explained in a postscript that it viewed the filing of the false affidavit, which effected a "continued seizure" of the funds, as a separate Fourth Amendment violation. *Id.*, at 588–589. Petitioner does not dispute that reading here.

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therefore reverse.⁵

II

A

"Federal courts ordinarily follow state law in determining the bounds of their jurisdiction over persons." *Daimler AG v. Bauman*, 571 U. S. ___, ___ (2014) (slip op., at 6). This is because a federal district court's authority to assert personal jurisdiction in most cases is linked to service of process on a defendant "who is subject to the jurisdiction of a court of general jurisdiction in the state where the district court is located." Fed. Rule of Civ. Proc. 4(k)(1)(A). Here, Nevada has authorized its courts to exercise jurisdiction over persons "on any basis not inconsistent with . . . the Constitution of the United States." Nev. Rev. Stat. §14.065 (2011). Thus, in order to determine whether the Federal District Court in this case was authorized to exercise jurisdiction over petitioner, we ask whether the exercise of jurisdiction "comports with the limits imposed by federal due process" on the State of Nevada. *Daimler*, *supra*, at ___ (slip op., at 6).

B

1

The Due Process Clause of the Fourteenth Amendment constrains a State's authority to bind a nonresident defendant to a judgment of its courts. *World-Wide Volkswagen Corp. v. Woodson*, 444 U. S. 286, 291 (1980). Although a nonresident's physical presence within the territorial jurisdiction of the court is not required, the nonresident generally must have "certain minimum contacts . . . such that the maintenance of the suit does not

⁵We also granted certiorari on the question whether Nevada is a proper venue for the suit under 28 U. S. C. §1391(b)(2). Because we resolve the case on jurisdictional grounds, we do not decide whether venue was proper in Nevada.

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offend 'traditional notions of fair play and substantial justice.'" *International Shoe Co. v. Washington*, 326 U. S. 310, 316 (1945) (quoting *Milliken v. Meyer*, 311 U. S. 457, 463 (1940)).

This case addresses the "minimum contacts" necessary to create specific jurisdiction.⁵ The inquiry whether a forum State may assert specific jurisdiction over a nonresident defendant "focuses on 'the relationship among the defendant, the forum, and the litigation.'" *Keaton v. Hustler Magazine, Inc.*, 465 U. S. 770, 775 (1984) (quoting *Shaffer v. Heitner*, 433 U. S. 186, 204 (1977)). For a State to exercise jurisdiction consistent with due process, the defendant's suit-related conduct must create a substantial connection with the forum State. Two related aspects of this necessary relationship are relevant in this case.

First, the relationship must arise out of contacts that the "defendant himself" creates with the forum State. *Burger King Corp. v. Rudzewicz*, 471 U. S. 462, 475 (1985). Due process limits on the State's adjudicative authority principally protect the liberty of the nonresident defendant—not the convenience of plaintiffs or third parties. See *World-Wide Volkswagen Corp.*, *supra*, at 291–292. We have consistently rejected attempts to satisfy the defendant-focused "minimum contacts" inquiry by demonstrating contacts between the plaintiff (or third parties) and the forum State. See *Helicopteros Nacionales de Colombia, S. A. v. Hall*, 466 U. S. 408, 417 (1984) ("[The] unilateral

⁵"Specific" or "case-linked" jurisdiction "depends on an 'affiliat[io]n between the forum and the underlying controversy'" (i.e., an "activity or an occurrence that takes place in the forum State and is therefore subject to the State's regulation"). *Goodyear Dunlop Tires Operations, S. A. v. Brown*, 564 U. S. ____ (2011) (slip op., at 2). This is in contrast to "general" or "all purpose" jurisdiction, which permits a court to assert jurisdiction over a defendant based on a forum connection unrelated to the underlying suit (e.g., domicile). Respondents rely on specific jurisdiction only.

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activity of another party or a third person is not an appropriate consideration when determining whether a defendant has sufficient contacts with a forum State to justify an assertion of jurisdiction"). We have thus rejected a plaintiff's argument that a Florida court could exercise personal jurisdiction over a trustee in Delaware based solely on the contacts of the trust's settlor, who was domiciled in Florida and had executed powers of appointment there. *Hanson v. Denckla*, 357 U.S. 235, 253–254 (1958). We have likewise held that Oklahoma courts could not exercise personal jurisdiction over an automobile distributor that supplies New York, New Jersey, and Connecticut dealers based only on an automobile purchaser's act of driving it on Oklahoma highways. *World-Wide Volkswagen Corp.*, *supra*, at 298. Put simply, however significant the plaintiff's contacts with the forum may be, those contacts cannot be "decisive in determining whether the defendant's due process rights are violated." *Rush*, 444 U.S., at 332.

Second, our "minimum contacts" analysis looks to the defendant's contacts with the forum State itself, not the defendant's contacts with persons who reside there. See, e.g., *International Shoe*, *supra*, at 319 (Due process "does not contemplate that a state may make binding a judgment *in personam* against an individual ... with which the state has no contacts, ties, or relations"); *Hanson*, *supra*, at 251 ("However minimal the burden of defending in a foreign tribunal, a defendant may not be called upon to do so unless he has had the 'minimal contacts' with that State that are a prerequisite to its exercise of power over him"). Accordingly, we have upheld the assertion of jurisdiction over defendants who have purposefully "reach[ed] out beyond" their State and into another by, for example, entering a contractual relationship that "envisioned continuing and wide-reaching contacts" in the forum State, *Burger King*, *supra*, at 479–480, or by circulating maga-

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zines to "deliberately exploi[t]" a market in the forum State, *Keeton, supra*, at 781. And although physical presence in the forum is not a prerequisite to jurisdiction, *Burger King, supra*, at 476, physical entry into the State—either by the defendant in person or through an agent, goods, mail, or some other means—is certainly a relevant contact. See, e.g., *Keeton, supra*, at 773–774.

But the plaintiff cannot be the only link between the defendant and the forum. Rather, it is the defendant's conduct that must form the necessary connection with the forum State that is the basis for its jurisdiction over him. See *Burger King, supra*, at 478 ("If the question is whether an individual's contract with an out-of-state party *alone* can automatically establish sufficient minimum contacts in the other party's home forum, we believe the answer clearly is that it cannot"); *Kulko v. Superior Court of Cal., City and County of San Francisco*, 436 U. S. 84, 93 (1978) (declining to "find personal jurisdiction in a State ... merely because [the plaintiff in a child support action] was residing there"). To be sure, a defendant's contacts with the forum State may be intertwined with his transactions or interactions with the plaintiff or other parties. But a defendant's relationship with a plaintiff or third party, standing alone, is an insufficient basis for jurisdiction. See *Rush, supra*, at 332 ("Naturally, the parties' relationships with each other may be significant in evaluating their ties to the forum. The requirements of *International Shoe*, however, must be met as to each defendant over whom a state court exercises jurisdiction"). Due process requires that a defendant be haled into court in a forum State based on his own affiliation with the State, not based on the "random, fortuitous, or attenuated" contacts he makes by interacting with other persons affiliated with the State. *Burger King*, 471 U. S., at 475 (internal quotation marks omitted).

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2

These same principles apply when intentional torts are involved. In that context, it is likewise insufficient to rely on a defendant's "random, fortuitous, or attenuated contacts" or on the "unilateral activity" of a plaintiff. *Ibid.* (same). A forum State's exercise of jurisdiction over an out-of-state intentional tortfeasor must be based on intentional conduct by the defendant that creates the necessary contacts with the forum.

Calder v. Jones, 465 U. S. 783, illustrates the application of these principles. In *Calder*, a California actress brought a libel suit in California state court against a reporter and an editor, both of whom worked for the National Enquirer at its headquarters in Florida. The plaintiff's libel claims were based on an article written and edited by the defendants in Florida for publication in the National Enquirer, a national weekly newspaper with a California circulation of roughly 600,000.

We held that California's assertion of jurisdiction over the defendants was consistent with due process. Although we recognized that the defendants' activities "focus[ed]" on the plaintiff, our jurisdictional inquiry "focuse[d] on 'the relationship among the defendant, the forum, and the litigation.'" *Id.*, at 788 (quoting *Shaffer*, 433 U. S., at 204). Specifically, we examined the various contacts the defendants had created with California (and not just with the plaintiff) by writing the allegedly libelous story.

We found those forum contacts to be ample: The defendants relied on phone calls to "California sources" for the information in their article; they wrote the story about the plaintiff's activities in California; they caused reputational injury in California by writing an allegedly libelous article that was widely circulated in the State; and the "brunt" of that injury was suffered by the plaintiff in that State. 465 U. S., at 788-789. "In sum, California [wa]s the focal point both of the story and of the harm suffered."

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Id., at 789. Jurisdiction over the defendants was "therefore proper in California based on the 'effects' of their Florida conduct in California." *Ibid.*

The crux of *Calder* was that the reputation-based "effects" of the alleged libel connected the defendants to California, not just to the plaintiff. The strength of that connection was largely a function of the nature of the libel tort. However scandalous a newspaper article might be, it can lead to a loss of reputation only if communicated to (and read and understood by) third persons. See Restatement (Second) of Torts §577, Comment *b* (1976); see also *ibid.* ("[R]eputation is the estimation in which one's character is held by his neighbors or associates"). Accordingly, the reputational injury caused by the defendants' story would not have occurred but for the fact that the defendants wrote an article for publication in California that was read by a large number of California citizens. Indeed, because publication to third persons is a necessary element of libel, see *id.*, §558, the defendants' intentional tort actually occurred in California. *Keeton*, 465 U. S., at 777 ("The tort of libel is generally held to occur wherever the offending material is circulated"). In this way, the "effects" caused by the defendants' article—i.e., the injury to the plaintiff's reputation in the estimation of the California public—connected the defendants' conduct to California, not just to a plaintiff who lived there. That connection, combined with the various facts that gave the article a California focus, sufficed to authorize the California court's exercise of jurisdiction.⁷

⁷The defendants in *Calder* argued that no contacts they had with California were sufficiently purposeful because their employer was responsible for circulation of the article. See *Calder v. Jones*, 465 U. S. 783, 789 (1984). We rejected that argument. Even though the defendants did not circulate the article themselves, they "expressly aimed" "their intentional, and allegedly tortious, actions" at California because they knew the *National Enquirer* "ha[d] its largest circulation" in

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III

Applying the foregoing principles, we conclude that petitioner lacks the “minimal contacts” with Nevada that are a prerequisite to the exercise of jurisdiction over him. *Hanson*, 357 U. S., at 251. It is undisputed that no part of petitioner’s course of conduct occurred in Nevada. Petitioner approached, questioned, and searched respondents, and seized the cash at issue, in the Atlanta airport. It is alleged that petitioner later helped draft a “false probable cause affidavit” in Georgia and forwarded that affidavit to a United States Attorney’s Office in Georgia to support a potential action for forfeiture of the seized funds. 688 F. 3d, at 563. Petitioner never traveled to, conducted activities within, contacted anyone in, or sent anything or anyone to Nevada. In short, when viewed through the proper lens—whether the *defendant’s* actions connect him to the *forum*—petitioner formed no jurisdictionally relevant contacts with Nevada.

The Court of Appeals reached a contrary conclusion by shifting the analytical focus from petitioner’s contacts with the forum to his contacts with respondents. See *Rush*, 444 U. S., at 332. Rather than assessing petitioner’s own contacts with Nevada, the Court of Appeals looked to petitioner’s knowledge of respondents’ “strong forum connections.” 688 F. 3d, at 577–579, 581. In the court’s view, that knowledge, combined with its conclusion that respondents suffered foreseeable harm in Nevada, satisfied the “minimum contacts” inquiry.³ *Id.*, at 582.

This approach to the “minimum contacts” analysis

California, and that the article would “have a potentially devastating impact” there. *Id.*, at 789–790.

³ Respondents propose a substantially similar analysis. They suggest that “a defendant creates sufficient minimum contacts with a forum when he (1) intentionally targets (2) a known resident of the forum (3) for imposition of an injury (4) to be suffered by the plaintiff while she is residing in the forum state.” Brief for Respondents 26–27.

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impermissibly allows a plaintiff's contacts with the defendant and forum to drive the jurisdictional analysis. Petitioner's actions in Georgia did not create sufficient contacts with Nevada simply because he allegedly directed his conduct at plaintiffs whom he knew had Nevada connections. Such reasoning improperly attributes a plaintiff's forum connections to the defendant and makes those connections "decisive" in the jurisdictional analysis. See *Rush*, *supra*, at 332. It also obscures the reality that none of petitioner's challenged conduct had anything to do with Nevada itself.

Relying on *Calder*, respondents emphasize that they suffered the "injury" caused by petitioner's allegedly tortious conduct (i.e., the delayed return of their gambling funds) while they were residing in the forum. Brief for Respondents 14. This emphasis is likewise misplaced. As previously noted, *Calder* made clear that mere injury to a forum resident is not a sufficient connection to the forum. Regardless of where a plaintiff lives or works, an injury is jurisdictionally relevant only insofar as it shows that the defendant has formed a contact with the forum State. The proper question is not where the plaintiff experienced a particular injury or effect but whether the defendant's conduct connects him to the forum in a meaningful way.

Respondents' claimed injury does not evince a connection between petitioner and Nevada. Even if we consider the continuation of the seizure in Georgia to be a distinct injury, it is not the sort of effect that is tethered to Nevada in any meaningful way. Respondents (and only respondents) lacked access to their funds in Nevada not because anything independently occurred there, but because Nevada is where respondents chose to be at a time when they desired to use the funds seized by petitioner. Respondents would have experienced this same lack of access in California, Mississippi, or wherever else they might have traveled and found themselves wanting more money than

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they had. Unlike the broad publication of the forum-focused story in *Colder*, the effects of petitioner's conduct on respondents are not connected to the forum State in a way that makes those effects a proper basis for jurisdiction.⁹

The Court of Appeals pointed to other possible contacts with Nevada, each ultimately unavailing. Respondents' Nevada attorney contacted petitioner in Georgia, but that is precisely the sort of "unilateral activity" of a third party that "cannot satisfy the requirement of contact with the forum State." *Hanson*, 367 U. S., at 253. Respondents allege that some of the cash seized in Georgia "originated" in Nevada, but that attenuated connection was not created by petitioner, and the cash was in Georgia, not Nevada, when petitioner seized it. Finally, the funds were eventually returned to respondents in Nevada, but petitioner had nothing to do with that return (indeed, it seems likely that it was respondents' unilateral decision to have their funds sent to Nevada).

* * *

Well-established principles of personal jurisdiction are sufficient to decide this case. The proper focus of the

⁹ Respondents warn that if we decide petitioner lacks minimum contacts in this case, it will bring about unfairness in cases where intentional torts are committed via the Internet or other electronic means (e.g., fraudulent access of financial accounts or "phishing" schemes). As an initial matter, we reiterate that the "minimum contacts" inquiry principally protects the liberty of the nonresident defendant, not the interests of the plaintiff. *World-Wide Volkswagen Corp. v. Woodson*, 444 U. S. 286, 291–292 (1980). In any event, this case does not present the very different questions whether and how a defendant's virtual "presence" and conduct translate into "contacts" with a particular State. To the contrary, there is no question where the conduct giving rise to this litigation took place: Petitioner seized physical cash from respondents in the Atlanta airport, and he later drafted and forwarded an affidavit in Georgia. We leave questions about virtual contacts for another day.

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"minimum contacts" inquiry in intentional-tort cases is "the relationship among the defendant, the forum, and the litigation." *Calder*, 465 U. S., at 788. And it is the defendant, not the plaintiff or third parties, who must create contacts with the forum State. In this case, the application of those principles is clear: Petitioner's relevant conduct occurred entirely in Georgia, and the mere fact that his conduct affected plaintiffs with connections to the forum State does not suffice to authorize jurisdiction. We therefore reverse the judgment of the Court of Appeals.

It is so ordered.

stances. *Sawyer*, 505 U.S., at 336, 112 S.Ct. 2514. In fact, the trial court, Ohio Court of Appeals, and Ohio Supreme Court each independently weighed those factors and concluded that the death penalty was justified. On the facts of this case, the Sixth Circuit was wrong to hold that it could review Hutton's claim under the miscarriage of justice exception to procedural default.

The petition for certiorari and motion for leave to proceed *in forma pauperis* are granted, the judgment of the United States Court of Appeals for the Sixth Circuit is reversed, and the case is remanded for further proceedings consistent with this opinion.

It is so ordered.



**BRISTOL-MYERS SQUIBB
COMPANY, Petitioner**

v.

**SUPERIOR COURT OF CALIFORNIA,
SAN FRANCISCO COUNTY, et al.**

No. 16-466.

Argued April 25, 2017.

Decided June 19, 2017.

Background: Consumers brought products liability action against prescription drug manufacturer in California state court. The Superior Court, City and County of San Francisco, JCCP. No. 4748, John E. Munter, J., entered an order denying manufacturer's motion to quash service of summons on nonresident consumers' claims. Manufacturer petitioned for a writ of mandate, which the Court of Appeal summarily denied. Manufacturer peti-

tioned for review, which the Supreme Court of California granted, transferring matter back to the Court of Appeal. The Court of Appeal denied petition, and manufacturer petitioned for review. The Supreme Court of California granted review, superseding the opinion of the Court of Appeal. The Supreme Court of California, Cantil-Sakauye, C.J., 1 Cal.5th 783, 206 Cal.Rptr.3d 636, 377 P.3d 874, affirmed. Certiorari was granted.

Holding: The Supreme Court, Justice Alito, held that due process did not permit exercise of specific personal jurisdiction in California over nonresident consumers' claims.

Reversed and remanded.

Justice Sotomayor filed a dissenting opinion.

1. Constitutional Law ¶3963

The Fourteenth Amendment's due process clause limits the personal jurisdiction of state courts. U.S.C.A. Const. Amend. 14.

2. Constitutional Law ¶3964

Because a state court's assertion of jurisdiction exposes defendants to the state's coercive power, it is subject to review for compatibility with the Fourteenth Amendment's due process clause, which limits the power of a state court to render a valid personal judgment against a nonresident defendant. U.S.C.A. Const. Amend. 14.

3. Courts ¶13.3(1)

The primary focus of the personal jurisdiction inquiry is the defendant's relationship to the forum state.

4. Courts ¶13.3(7, 8)

Two types of personal jurisdiction are recognized: general, sometimes called all-

purpose, jurisdiction, and specific, sometimes called case-linked, jurisdiction.

5. Courts ⇨13.3(7), 13.4(3)

For an individual, the paradigm forum for the exercise of general jurisdiction is the individual's domicile; for a corporation, it is an equivalent place, one in which the corporation is fairly regarded as at home.

6. Courts ⇨13.3(7)

A court with general jurisdiction may hear any claim against the defendant, even if all the incidents underlying the claim occurred in a different state.

7. Courts ⇨13.3(7)

Only a limited set of affiliations with a forum will render a defendant amenable to general jurisdiction in a state.

8. Courts ⇨13.3(8)

In order for a state court to exercise specific jurisdiction, the suit must arise out of or relate to the defendant's contacts with the forum.

9. Courts ⇨13.3(8)

For a state court to exercise specific jurisdiction, there must be an affiliation between the forum and the underlying controversy, principally, an activity or an occurrence that takes place in the forum state and is therefore subject to the state's regulation.

10. Courts ⇨13.3(8)

Specific jurisdiction is confined to adjudication of issues deriving from, or connected with, the very controversy that establishes jurisdiction.

11. Courts ⇨13.2

In determining whether personal jurisdiction is present, a court must consider a variety of interests, including the interests of the forum state and of the plaintiff in proceeding with the cause in the plaintiff's forum of choice.

12. Courts ⇨13.3(1)

The primary concern in determining whether personal jurisdiction is present is the burden on the defendant, the assessment of which requires a court to consider the practical problems resulting from litigating in the forum, and also encompasses the more abstract matter of submitting to the coercive power of a state that may have little legitimate interest in the claims in question.

13. Courts ⇨13.2, 29

Restrictions on personal jurisdiction are more than a guarantee of immunity from inconvenient or distant litigation; they are a consequence of territorial limitations on the power of the respective states.

14. States ⇨1

The states retain many essential attributes of sovereignty, including, in particular, the sovereign power to try causes in their courts; however, the sovereignty of each state implies a limitation on the sovereignty of all its sister states.

15. Constitutional Law ⇨3964

Even if a defendant would suffer minimal or no inconvenience from being forced to litigate before the tribunals of another state, even if the forum state has a strong interest in applying its law to the controversy, and even if the forum state is the most convenient location for litigation, the Fourteenth Amendment's due process clause, acting as an instrument of interstate federalism, may sometimes act to divest a state of its power to render a valid judgment. U.S.C.A. Const.Amend. 14.

16. Constitutional Law ⇨3965(4)

Courts ⇨13.5(8)

Nonresident consumers' products liability claims against nonresident prescription drug manufacturer were not connect-

ed to California, and, thus, due process did not permit exercise of specific personal jurisdiction over claims there; nonresident consumers were not prescribed drug in California and did not purchase, ingest, or become injured by drug there, mere fact that resident consumers were prescribed, obtained, and ingested drug in California and sustained same alleged injuries as nonresident consumers was an insufficient basis to exercise specific jurisdiction, and neither manufacturer's actions in conducting research unrelated to drug in California nor its decision to contract with a California company to distribute drug nationally were enough to exercise specific jurisdiction. U.S.C.A. Const.Amend. 14.

17. Courts ⇨13.3(8)

Where there is not an affiliation between the forum and the underlying controversy, specific jurisdiction is lacking regardless of the extent of a defendant's unconnected activities in the state.

18. Courts ⇨13.3(8)

For specific jurisdiction, a defendant's general connections with the forum are not enough.

19. Courts ⇨13.4(3)

A corporation's continuous activity of some sorts within a state is not enough to support the demand that the corporation be amenable to suits unrelated to that activity.

20. Courts ⇨13.3(1)

A defendant's relationship with a third party, standing alone, is an insufficient basis for jurisdiction, even when the third party can bring claims similar to those brought by the nonresident.

21. Courts ⇨13.2

The requirements for personal jurisdiction must be met as to each defendant over whom a state court exercises jurisdiction.

Syllabus *

A group of plaintiffs, most of whom are not California residents, sued Bristol-Myers Squibb Company (BMS) in California state court, alleging that the pharmaceutical company's drug Plavix had damaged their health. BMS is incorporated in Delaware and headquartered in New York, and it maintains substantial operations in both New York and New Jersey. Although it engages in business activities in California and sells Plavix there, BMS did not develop, create a marketing strategy for, manufacture, label, package, or work on the regulatory approval for Plavix in the State. And the nonresident plaintiffs did not allege that they obtained Plavix from a California source, that they were injured by Plavix in California, or that they were treated for their injuries in California.

The California Superior Court denied BMS's motion to quash service of summons on the nonresidents' claims for lack of personal jurisdiction, concluding that BMS's extensive activities in the State gave the California courts general jurisdiction. Following this Court's decision in *Daimler AG v. Bauman*, 571 U.S. —, 134 S.Ct. 746, 187 L.Ed.2d 624 the State Court of Appeal found that the California courts lacked general jurisdiction. But the Court of Appeal went on to find that the California courts had specific jurisdiction over the claims brought by the nonresident plaintiffs. Affirming, the State Supreme Court applied a "sliding scale approach" to

* The syllabus constitutes no part of the opinion of the Court but has been prepared by the Reporter of Decisions for the convenience of

the reader. See *United States v. Detroit Timber & Lumber Co.*, 200 U.S. 321, 337, 26 S.Ct. 282, 50 L.Ed. 499.

specific jurisdiction, concluding that BMS's "wide ranging" contacts with the State were enough to support a finding of specific jurisdiction over the claims brought by the nonresident plaintiffs. That attenuated connection was met, the court held, in part because the nonresidents' claims were similar in many ways to the California residents' claims and because BMS engaged in other activities in the State.

Held: California courts lack specific jurisdiction to entertain the nonresidents' claims. Pp. 1779–1784.

(a) The personal jurisdiction of state courts is "subject to review for compatibility with the Fourteenth Amendment's Due Process Clause." *Goodyear Dunlop Tires Operations, S.A. v. Brown*, 564 U.S. 915, 918, 131 S.Ct. 2846, 180 L.Ed.2d 796. This Court's decisions have recognized two types of personal jurisdiction: general and specific. For general jurisdiction, the "paradigm forum" is an "individual's domicile," or, for corporations, "an equivalent place, one in which the corporation is fairly regarded as at home." *Id.*, at 924, 131 S.Ct. 2846. Specific jurisdiction, however, requires "the suit" to "aris[e] out of or relat[e] to the defendant's contacts with the forum." *Daimler, supra*, at —, 134 S.Ct., at 754 (internal quotation marks omitted).

The "primary concern" in assessing personal jurisdiction is "the burden on the defendant." *World-Wide Volkswagen Corp. v. Woodson*, 444 U.S. 286, 292, 100 S.Ct. 559, 62 L.Ed.2d 490. Assessing this burden obviously requires a court to consider the practical problems resulting from litigating in the forum, but it also encompasses the more abstract matter of submitting to the coercive power of a State that may have little legitimate interest in the claims in question. At times, "the Due Process Clause, acting as an instrument of interstate federalism, may ... divest the

State of its power to render a valid judgment." *Id.*, at 294, 100 S.Ct. 559. Pp. 1779–1781.

(b) Settled principles of specific jurisdiction control this case. For a court to exercise specific jurisdiction over a claim there must be an "affiliation between the forum and the underlying controversy, principally, [an] activity or an occurrence that takes place in the forum State." *Goodyear, supra*, at 919, 131 S.Ct. 2846 (internal quotation marks and brackets omitted). When no such connection exists, specific jurisdiction is lacking regardless of the extent of a defendant's unconnected activities in the State. The California Supreme Court's "sliding scale approach"—which resembles a loose and spurious form of general jurisdiction—is thus difficult to square with this Court's precedents. That court found specific jurisdiction without identifying any adequate link between the State and the nonresidents' claims. The mere fact that *other* plaintiffs were prescribed, obtained, and ingested Plavix in California does not allow the State to assert specific jurisdiction over the nonresidents' claims. Nor is it sufficient (or relevant) that BMS conducted research in California on matters unrelated to Plavix. What is needed is a connection between the forum and the specific claims at issue. Cf. *Walden v. Fiore*, 571 U.S. —, 134 S.Ct. 1115, 188 L.Ed.2d 12. Pp. 1780–1782.

(c) The nonresident plaintiffs' reliance on *Keeton v. Hustler Magazine, Inc.*, 465 U.S. 770, 104 S.Ct. 1473, 79 L.Ed.2d 790, and *Phillips Petroleum Co. v. Shutts*, 472 U.S. 797, 105 S.Ct. 2965, 86 L.Ed.2d 628, is misplaced. *Keeton* concerned jurisdiction to determine *the scope of a claim* involving in-state injury and injury to residents of the State, not, as here, jurisdiction to entertain claims involving no in-state injury and no injury to residents of the forum

State. And *Shutts*, which concerned the due process rights of *plaintiffs*, has no bearing on the question presented here. Pp. 1782 – 1783.

(d) BMS's decision to contract with McKesson, a California company, to distribute Plavix nationally does not provide a sufficient basis for personal jurisdiction. It is not alleged that BMS engaged in relevant acts together with McKesson in California or that BMS is derivatively liable for McKesson's conduct in California. The bare fact that BMS contracted with a California distributor is not enough to establish personal jurisdiction in the State. Pp. 1783 – 1784.

(e) The Court's decision will not result in the parade of horrors that respondents conjure up. It does not prevent the California and out-of-state plaintiffs from joining together in a consolidated action in the States that have general jurisdiction over BMS. Alternatively, the nonresident plaintiffs could probably sue together in their respective home States. In addition, since this decision concerns the due process limits on the exercise of specific jurisdiction by a State, the question remains open whether the Fifth Amendment imposes the same restrictions on the exercise of personal jurisdiction by a federal court. Pp. 1783 – 1784.

1 Cal.5th 783, 206 Cal.Rptr.3d 636, 377 P.3d 874, reversed and remanded.

ALITO, J., delivered the opinion of the Court, in which ROBERTS, C.J., and KENNEDY, THOMAS, GINSBURG, BREYER, KAGAN, and GORSUCH, JJ., joined. SOTOMAYOR, J., filed a dissenting opinion.

Neal Katyal, Washington, DC, for Petitioner.

Rachel P. Kovner, for the United States as amicus curiae, by special leave of the Court, supporting the petitioner.

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Paul J. Napoli, Hunter J. Shkolnik, Marie Napoli, Shayna E. Sacks, Jennifer Lianos, Napoli Shkolnik PLLC, New York, NY, Thomas C. Goldstein, Eric F. Citron, Charles H. Davis, Goldstein & Russell, P.C., Bethesda, MD, for Respondents.

For U.S. Supreme Court briefs, see:

2017 WL 908857 (Pet.Brief)

2017 WL 1207530 (Resp.Brief)

2017 WL 1405503 (Reply.Brief)

Justice ALITO delivered the opinion of the Court.

More than 600 plaintiffs, most of whom are not California residents, filed this civil action in a California state court against Bristol-Myers Squibb Company (BMS), asserting a variety of state-law claims based on injuries allegedly caused by a BMS drug called Plavix. The California Supreme Court held that the California courts have specific jurisdiction to entertain the nonresidents' claims. We now reverse.

I

A

BMS, a large pharmaceutical company, is incorporated in Delaware and headquartered in New York, and it maintains sub-

stantial operations in both New York and New Jersey. 1 Cal.5th 783, 790, 206 Cal. Rptr.3d 636, 377 P.3d 874, 879 (2016). Over 50 percent of BMS's work force in the United States is employed in those two States. *Ibid.*

BMS also engages in business activities in other jurisdictions, including California. Five of the company's research and laboratory facilities, which employ a total of around 160 employees, are located there. *Ibid.* BMS also employs about 250 sales representatives in California and maintains a small state-government advocacy office in Sacramento. *Ibid.*

One of the pharmaceuticals that BMS manufactures and sells is Plavix, a prescription drug that thins the blood and inhibits blood clotting. BMS did not develop Plavix in California, did not create a marketing strategy for Plavix in California, and did not manufacture, label, package, or work on the regulatory approval of the product in California. *Ibid.* BMS instead engaged in all of these activities in either New York or New Jersey. *Ibid.* But BMS does sell Plavix in California. Between 2006 and 2012, it sold almost 187 million Plavix pills in the State and took in more than \$900 million from those sales. 1 Cal.5th, at 790–791, 206 Cal.Rptr.3d 636, 377 P.3d, at 879. This amounts to a little over one percent of the company's nationwide sales revenue. *Id.*, at 790, 206 Cal. Rptr.3d 636, 377 P.3d, at 879.

B

A group of plaintiffs—consisting of 86 California residents and 592 residents from 33 other States—filed eight separate complaints in California Superior Court, alleging that Plavix had damaged their health. *Id.*, at 789, 206 Cal.Rptr.3d 636, 377 P.3d, at 878. All the complaints asserted 13 claims under California law, including products liability, negligent mis-

representation, and misleading advertising claims. *Ibid.* The nonresident plaintiffs did not allege that they obtained Plavix through California physicians or from any other California source; nor did they claim that they were injured by Plavix or were treated for their injuries in California.

Asserting lack of personal jurisdiction, BMS moved to quash service of summons on the nonresidents' claims, but the California Superior Court denied this motion, finding that the California courts had general jurisdiction over BMS "[b]ecause [it] engages in extensive activities in California." App. to Pet. for Cert. 150. BMS unsuccessfully petitioned the State Court of Appeal for a writ of mandate, but after our decision on general jurisdiction in *Daimler AG v. Bauman*, 571 U.S. —, 134 S.Ct. 746, 187 L.Ed.2d 624 (2014), the California Supreme Court instructed the Court of Appeal "to vacate its order denying mandate and to issue an order to show cause why relief sought in the petition should not be granted." App. 9–10.

The Court of Appeal then changed its decision on the question of general jurisdiction. 228 Cal.App.4th 605, 175 Cal. Rptr.3d 412 (2014). Under *Daimler*, it held, general jurisdiction was clearly lacking, but it went on to find that the California courts had specific jurisdiction over the nonresidents' claims against BMS. 228 Cal. App.4th 605, 175 Cal.Rptr.3d, at 425–439.

The California Supreme Court affirmed. The court unanimously agreed with the Court of Appeal on the issue of general jurisdiction, but the court was divided on the question of specific jurisdiction. The majority applied a "sliding scale approach to specific jurisdiction." 1 Cal.5th, at 806, 206 Cal.Rptr.3d 636, 377 P.3d, at 889. Under this approach, "the more wide ranging the defendant's forum contacts, the more readily is shown a connection between the forum contacts and the claim." *Ibid.* (in-

ternal quotation marks omitted). Applying this test, the majority concluded that “BMS’s extensive contacts with California” permitted the exercise of specific jurisdiction “based on a less direct connection between BMS’s forum activities and plaintiffs’ claims than might otherwise be required.” *Ibid.* This attenuated requirement was met, the majority found, because the claims of the nonresidents were similar in several ways to the claims of the California residents (as to which specific jurisdiction was uncontested). *Id.*, at 803–806, 206 Cal.Rptr.3d 636, 377 P.3d, at 887–889. The court noted that “[b]oth the resident and nonresident plaintiffs’ claims are based on the same allegedly defective product and the assertedly misleading marketing and promotion of that product.” *Id.*, at 804, 206 Cal.Rptr.3d 636, 377 P.3d, at 888. And while acknowledging that “there is no claim that Plavix itself was designed and developed in [BMS’s California research facilities],” the court thought it significant that other research was done in the State. *Ibid.*

Three justices dissented. “The claims of . . . nonresidents injured by their use of Plavix they purchased and used in other states,” they wrote, “in no sense arise from BMS’s marketing and sales of Plavix in California,” and they found that the “mere similarity” of the residents’ and nonresidents’ claims was not enough. *Id.*, at 819, 206 Cal.Rptr.3d 636, 377 P.3d, at 898 (opinion of Werdegar, J.). The dissent accused the majority of “expand[ing] specific jurisdiction to the point that, for a large category of defendants, it becomes indistinguishable from general jurisdiction.” *Id.*, at 816, 206 Cal.Rptr.3d 636, 377 P.3d, at 896.

We granted certiorari to decide whether the California courts’ exercise of jurisdiction in this case violates the Due Process Clause of the Fourteenth Amendment. 580 U.S. —, 137 S.Ct. 827, 196 L.Ed.2d 610 (2017).¹

II

A

[1–3] It has long been established that the Fourteenth Amendment limits the personal jurisdiction of state courts. See, e.g., *Daimler*, *supra*, at — — —, 134 S.Ct., at 753–757; *World-Wide Volkswagen Corp. v. Woodson*, 444 U.S. 286, 291, 100 S.Ct. 559, 62 L.Ed.2d 490 (1980); *International Shoe Co. v. Washington*, 326 U.S. 310, 316–317, 66 S.Ct. 154, 90 L.Ed. 95 (1945); *Pennoyer v. Neff*, 95 U.S. 714, 733, 24 L.Ed. 565 (1878). Because “[a] state court’s assertion of jurisdiction exposes defendants to the State’s coercive power,” it is “subject to review for compatibility with the Fourteenth Amendment’s Due Process Clause,” *Goodyear Dunlop Tires Operations, S.A. v. Brown*, 564 U.S. 915, 918, 131 S.Ct. 2846, 180 L.Ed.2d 796 (2011), which “limits the power of a state court to render a valid personal judgment against a nonresident defendant,” *World-Wide Volkswagen*, *supra*, at 291, 100 S.Ct. 559. The primary focus of our personal jurisdiction inquiry is the defendant’s relationship to the forum State. See *Walden v. Fiore*, 571 U.S. —, — — —, 134 S.Ct. 1115, 1121–1123, 188 L.Ed.2d 12 (2014); *Phillips Petroleum Co. v. Shutts*, 472 U.S. 797, 806–807, 105 S.Ct. 2965, 86 L.Ed.2d 628 (1985).

[4–7] Since our seminal decision in *International Shoe*, our decisions have recog-

1. California law provides that its courts may exercise jurisdiction “on any basis not inconsistent with the Constitution . . . of the United States,” Cal. Civ. Proc. Code Ann. § 410.10

(West 2004); see *Daimler AG v. Bauman*, 571 U.S. —, —, 134 S.Ct. 746, 753, 187 L.Ed.2d 624 (2014).

nized two types of personal jurisdiction: "general" (sometimes called "all-purpose") jurisdiction and "specific" (sometimes called "case-linked") jurisdiction. *Goodyear*, 564 U.S., at 919, 131 S.Ct. 2846. "For an individual, the paradigm forum for the exercise of general jurisdiction is the individual's domicile; for a corporation, it is an equivalent place, one in which the corporation is fairly regarded as at home." *Id.*, at 924, 131 S.Ct. 2846. A court with general jurisdiction may hear *any* claim against that defendant, even if all the incidents underlying the claim occurred in a different State. *Id.*, at 919, 131 S.Ct. 2846. But "only a limited set of affiliations with a forum will render a defendant amenable to" general jurisdiction in that State. *Daimler*, 571 U.S., at —, 134 S.Ct., at 760.

[8–10] Specific jurisdiction is very different. In order for a state court to exercise specific jurisdiction, "the *suit*" must "aris[e] out of or relat[e] to the defendant's contacts with the *forum*." *Id.*, at —, 134 S.Ct., at 754 (internal quotation marks omitted; emphasis added); see *Burger King Corp. v. Rudzewicz*, 471 U.S. 462, 472–473, 105 S.Ct. 2174, 85 L.Ed.2d 528 (1985); *Helicopteros Nacionales de Colombia, S.A. v. Hall*, 466 U.S. 408, 414, 104 S.Ct. 1868, 80 L.Ed.2d 404 (1984). In other words, there must be "an affiliation between the forum and the underlying controversy, principally, [an] activity or an occurrence that takes place in the forum State and is therefore subject to the State's regulation." *Goodyear*, 564 U.S., at 919, 131 S.Ct. 2846 (internal quotation marks and brackets omitted). For this reason, "specific jurisdiction is confined to adjudication of issues deriving from, or connected with, the very controversy that establishes jurisdiction." *Ibid.* (internal quotation marks omitted).

B

[11–15] In determining whether personal jurisdiction is present, a court must consider a variety of interests. These include "the interests of the forum State and of the plaintiff in proceeding with the cause in the plaintiff's forum of choice." *Kulko v. Superior Court of Cal., City and County of San Francisco*, 436 U.S. 84, 92, 98 S.Ct. 1690, 56 L.Ed.2d 132 (1978); see *Daimler*, *supra*, at —, n. 20, 134 S.Ct., at 762, n. 20; *Asahi Metal Industry Co. v. Superior Court of Cal., Solano Cty.*, 480 U.S. 102, 113, 107 S.Ct. 1026, 94 L.Ed.2d 92 (1987); *World-Wide Volkswagen*, 444 U.S., at 292, 100 S.Ct. 559. But the "primary concern" is "the burden on the defendant." *Id.*, at 292, 100 S.Ct. 559. Assessing this burden obviously requires a court to consider the practical problems resulting from litigating in the forum, but it also encompasses the more abstract matter of submitting to the coercive power of a State that may have little legitimate interest in the claims in question. As we have put it, restrictions on personal jurisdiction "are more than a guarantee of immunity from inconvenient or distant litigation. They are a consequence of territorial limitations on the power of the respective States." *Hanson v. Denckla*, 357 U.S. 235, 251, 78 S.Ct. 1228, 2 L.Ed.2d 1283 (1958). "[T]he States retain many essential attributes of sovereignty, including, in particular, the sovereign power to try causes in their courts. The sovereignty of each State . . . implie[s] a limitation on the sovereignty of all its sister States." *World-Wide Volkswagen*, 444 U.S., at 293, 100 S.Ct. 559. And at times, this federalism interest may be decisive. As we explained in *World-Wide Volkswagen*, "[e]ven if the defendant would suffer minimal or no inconvenience from being forced to litigate before the tribunals of another State; even if the forum State has a strong interest in apply-

ing its law to the controversy; even if the forum State is the most convenient location for litigation, the Due Process Clause, acting as an instrument of interstate federalism, may sometimes act to divest the State of its power to render a valid judgment.” *Id.*, at 294, 100 S.Ct. 559.

III

A

[16, 17] Our settled principles regarding specific jurisdiction control this case. In order for a court to exercise specific jurisdiction over a claim, there must be an “affiliation between the forum and the underlying controversy, principally, [an] activity or an occurrence that takes place in the forum State.” *Goodyear*, 564 U.S., at 919, 131 S.Ct. 2846 (internal quotation marks and brackets in original omitted). When there is no such connection, specific jurisdiction is lacking regardless of the extent of a defendant’s unconnected activities in the State. See *id.*, at 931, n. 6, 131 S.Ct. 2846 (“[E]ven regularly occurring sales of a product in a State do not justify the exercise of jurisdiction over a claim unrelated to those sales”).

[18, 19] For this reason, the California Supreme Court’s “sliding scale approach” is difficult to square with our precedents. Under the California approach, the strength of the requisite connection between the forum and the specific claims at issue is relaxed if the defendant has extensive forum contacts that are unrelated to those claims. Our cases provide no support for this approach, which resembles a loose and spurious form of general jurisdiction. For specific jurisdiction, a defendant’s general connections with the forum are not enough. As we have said, “[a] corporation’s ‘continuous activity of some sorts within a state . . . is not enough to support the demand that the corporation

be amenable to suits unrelated to that activity.’” *Id.*, at 927, 131 S.Ct. 2846 (quoting *International Shoe*, 326 U.S., at 318, 66 S.Ct. 154).

[20] The present case illustrates the danger of the California approach. The State Supreme Court found that specific jurisdiction was present without identifying any adequate link between the State and the nonresidents’ claims. As noted, the nonresidents were not prescribed Plavix in California, did not purchase Plavix in California, did not ingest Plavix in California, and were not injured by Plavix in California. The mere fact that *other* plaintiffs were prescribed, obtained, and ingested Plavix in California—and allegedly sustained the same injuries as did the nonresidents—does not allow the State to assert specific jurisdiction over the nonresidents’ claims. As we have explained, “a defendant’s relationship with a . . . third party, standing alone, is an insufficient basis for jurisdiction.” *Walden*, 571 U.S., at —, 134 S.Ct., at 1123. This remains true even when third parties (here, the plaintiffs who reside in California) can bring claims similar to those brought by the nonresidents. Nor is it sufficient—or even relevant—that BMS conducted research in California on matters unrelated to Plavix. What is needed—and what is missing here—is a connection between the forum and the specific claims at issue.

Our decision in *Walden*, *supra*, illustrates this requirement. In that case, Nevada plaintiffs sued an out-of-state defendant for conducting an allegedly unlawful search of the plaintiffs while they were in Georgia preparing to board a plane bound for Nevada. We held that the Nevada courts lacked specific jurisdiction even though the plaintiffs were Nevada residents and “suffered foreseeable harm in Nevada.” *Id.*, at —, 134 S.Ct., at 1124. Because the “relevant conduct occurred

entirely in Georgi[a] . . . the mere fact that [this] conduct affected plaintiffs with connections to the forum State d[id] not suffice to authorize jurisdiction." *Id.*, at —, 134 S.Ct., at 1126 (emphasis added).

In today's case, the connection between the nonresidents' claims and the forum is even weaker. The relevant plaintiffs are not California residents and do not claim to have suffered harm in that State. In addition, as in *Walden*, all the conduct giving rise to the nonresidents' claims occurred elsewhere. It follows that the California courts cannot claim specific jurisdiction. See *World-Wide Volkswagen, supra*, at 295, 100 S.Ct. 559 (finding no personal jurisdiction in Oklahoma because the defendant "carr[ie]d on no activity whatsoever in Oklahoma" and dismissing "the fortuitous circumstance that a single Audi automobile, sold [by defendants] in New York to New York residents, happened to suffer an accident while passing through Oklahoma" as an "isolated occurrence").

B

The nonresidents maintain that two of our cases support the decision below, but they misinterpret those precedents.

In *Keeton v. Hustler Magazine, Inc.*, 465 U.S. 770, 104 S.Ct. 1473, 79 L.Ed.2d 790 (1984), a New York resident sued Hustler in New Hampshire, claiming that she had been libeled in five issues of the magazine, which was distributed throughout the country, including in New Hampshire, where it sold 10,000 to 15,000 copies per month. Concluding that specific jurisdiction was present, we relied principally on the connection between the circulation of the magazine in New Hampshire and damage allegedly caused within the State. We

noted that "[f]alse statements of fact harm both the subject of the falsehood and the readers of the statement." *Id.*, at 776, 104 S.Ct. 1473 (emphasis deleted). This factor amply distinguishes *Keeton* from the present case, for here the nonresidents' claims involve no harm in California and no harm to California residents.

The nonresident plaintiffs in this case point to our holding in *Keeton* that there was jurisdiction in New Hampshire to entertain the plaintiff's request for damages suffered outside the State, *id.*, at 774, 104 S.Ct. 1473 but that holding concerned jurisdiction to determine the scope of a claim involving in-state injury and injury to residents of the State, not, as in this case, jurisdiction to entertain claims involving no in-state injury and no injury to residents of the forum State. *Keeton* held that there was jurisdiction in New Hampshire to consider the full measure of the plaintiff's claim, but whether she could actually recover out-of-state damages was a merits question governed by New Hampshire libel law. *Id.*, at 778, n. 9, 104 S.Ct. 1473.

The Court's decision in *Phillips Petroleum Co. v. Shutts*, 472 U.S. 797, 105 S.Ct. 2965, 86 L.Ed.2d 628 (1985), which involved a class action filed in Kansas, is even less relevant. The Kansas court exercised personal jurisdiction over the claims of nonresident class members, and the defendant, Phillips Petroleum, argued that this violated the due process rights of these class members because they lacked minimum contacts with the State.² According to the defendant, the out-of-state class members should not have been kept in the case unless they affirmatively opted in, instead of merely failing to opt out after

2. The Court held that the defendant had standing to argue that the Kansas court had improperly exercised personal jurisdiction over the claims of the out-of-state class mem-

bers because that holding materially affected the defendant's own interests, specifically, the res judicata effect of an adverse judgment. 472 U.S., at 803-806, 105 S.Ct. 2965.

receiving notice. *Id.*, at 812, 105 S.Ct. 2965.

Holding that there had been no due process violation, the Court explained that the authority of a State to entertain the claims of nonresident class members is entirely different from its authority to exercise jurisdiction over an out-of-state defendant. *Id.*, at 808–812, 105 S.Ct. 2965. Since *Shutts* concerned the due process rights of *plaintiffs*, it has no bearing on the question presented here.

Respondents nevertheless contend that *Shutts* supports their position because, in their words, it would be “absurd to believe that [this Court] would have reached the exact opposite result if the petitioner [Phillips] had only invoked its own due-process rights, rather than those of the non-resident plaintiffs.” Brief for Respondents 28–29, n. 6 (emphasis deleted). But the fact remains that Phillips did not assert that Kansas improperly exercised personal jurisdiction over it, and the Court did not address that issue.³ Indeed, the Court stated specifically that its “discussion of personal jurisdiction [did not] address class actions where the jurisdiction is asserted against a *defendant* class.” *Shutts*, *supra*, at 812, n. 3, 105 S.Ct. 2965.

C

[21] In a last ditch contention, respondents contend that BMS’s “decision to contract with a California company [McKesson] to distribute [Plavix] nationally” provides a sufficient basis for personal jurisdiction. Tr. of Oral Arg. 32. But as we have explained, “[t]he requirements of *International Shoe* . . . must be met as to each defendant over whom a state court exercises jurisdiction.” *Rush v. Savchuk*, 444 U.S. 320, 332, 100 S.Ct. 571, 62

L.Ed.2d 516 (1980); see *Walden*, 571 U.S., at —, 134 S.Ct., at 1123 (“[A] defendant’s relationship with a . . . third party, standing alone, is an insufficient basis for jurisdiction”). In this case, it is not alleged that BMS engaged in relevant acts together with McKesson in California. Nor is it alleged that BMS is derivatively liable for McKesson’s conduct in California. And the nonresidents “have adduced no evidence to show how or by whom the Plavix they took was distributed to the pharmacies that dispensed it to them.” 1 Cal.5th, at 815, 206 Cal.Rptr.3d 636, 377 P.3d, at 895 (Werdegar, J., dissenting) (emphasis deleted). See Tr. of Oral Arg. 33 (“It is impossible to trace a particular pill to a particular person. . . . It’s not possible for us to track particularly to McKesson”). The bare fact that BMS contracted with a California distributor is not enough to establish personal jurisdiction in the State.

IV

Our straightforward application in this case of settled principles of personal jurisdiction will not result in the parade of horrors that respondents conjure up. See Brief for Respondents 38–47. Our decision does not prevent the California and out-of-state plaintiffs from joining together in a consolidated action in the States that have general jurisdiction over BMS. BMS concedes that such suits could be brought in either New York or Delaware. See Brief for Petitioner 13. Alternatively, the plaintiffs who are residents of a particular State—for example, the 92 plaintiffs from Texas and the 71 from Ohio—could probably sue together in their home States. In addition, since our decision concerns the due process limits on the

3. Petitioner speculates that Phillips did not invoke its own due process rights because it was believed at the time that the Kansas court

had general jurisdiction. See Reply Brief 7, n. 1.

exercise of specific jurisdiction by a State, we leave open the question whether the Fifth Amendment imposes the same restrictions on the exercise of personal jurisdiction by a federal court. See *Omni Capital Int'l, Ltd. v. Rudolf Wolff & Co.*, 484 U.S. 97, 102, n. 5, 108 S.Ct. 404, 98 L.Ed.2d 415 (1987).

* * *

The judgment of the California Supreme Court is reversed, and the case is remanded for further proceedings not inconsistent with this opinion.

It is so ordered.

Justice SOTOMAYOR, dissenting.

Three years ago, the Court imposed substantial curbs on the exercise of general jurisdiction in its decision in *Daimler AG v. Bauman*, 571 U.S. —, 134 S.Ct. 746, 187 L.Ed.2d 624 (2014). Today, the Court takes its first step toward a similar contraction of specific jurisdiction by holding that a corporation that engages in a nationwide course of conduct cannot be held accountable in a state court by a group of injured people unless all of those people were injured in the forum State.

I fear the consequences of the Court's decision today will be substantial. The majority's rule will make it difficult to aggregate the claims of plaintiffs across the country whose claims may be worth little alone. It will make it impossible to bring a nationwide mass action in state court against defendants who are "at home" in different States. And it will result in piecemeal litigation and the bifurcation of claims. None of this is necessary. A core concern in this Court's personal jurisdiction cases is fairness. And there is nothing unfair about subjecting a massive corporation to suit in a State for a nationwide course of conduct that injures both forum residents and nonresidents alike.

I

Bristol-Myers Squibb is a Fortune 500 pharmaceutical company incorporated in Delaware and headquartered in New York. It employs approximately 25,000 people worldwide and earns annual revenues of over \$15 billion. In the late 1990's, Bristol-Myers began to market and sell a prescription blood thinner called Plavix. Plavix was advertised as an effective tool for reducing the risk of blood clotting for those vulnerable to heart attacks and to strokes. The ads worked: At the height of its popularity, Plavix was a blockbuster, earning Bristol-Myers billions of dollars in annual revenues.

Bristol-Myers' advertising and distribution efforts were national in scope. It conducted a single nationwide advertising campaign for Plavix, using television, magazine, and Internet ads to broadcast its message. A consumer in California heard the same advertisement as a consumer in Maine about the benefits of Plavix. Bristol-Myers' distribution of Plavix also proceeded through nationwide channels: Consistent with its usual practice, it relied on a small number of wholesalers to distribute Plavix throughout the country. One of those distributors, McKesson Corporation, was named as a defendant below; during the relevant time period, McKesson was responsible for almost a quarter of Bristol-Myers' revenue worldwide.

The 2005 publication of an article in the *New England Journal of Medicine* questioning the efficacy and safety of Plavix put Bristol-Myers on the defensive, as consumers around the country began to claim that they were injured by the drug. The plaintiffs in these consolidated cases are 86 people who allege they were injured by Plavix in California and several hundred others who say they were injured by

the drug in other States.¹ They filed their suits in California Superior Court, raising product-liability claims against Bristol-Myers and McKesson. Their claims are “materially identical,” as Bristol-Myers concedes. See Brief for Petitioner 4, n. 1. Bristol-Myers acknowledged it was subject to suit in California state court by the residents of that State. But it moved to dismiss the claims brought by the nonresident plaintiffs—respondents here—for lack of jurisdiction. The question here, accordingly, is not whether Bristol-Myers is subject to suit in California on claims that arise out of the design, development, manufacture, marketing, and distribution of Plavix—it is. The question is whether Bristol-Myers is subject to suit in California only on the residents’ claims, or whether a state court may also hear the nonresidents’ “identical” claims.

II

A

As the majority explains, since our path-marking opinion in *International Shoe Co. v. Washington*, 326 U.S. 310, 66 S.Ct. 154, 90 L.Ed. 95 (1945), the touchstone of the personal-jurisdiction analysis has been the question whether a defendant has “certain minimum contacts with [the State] such that the maintenance of the suit does not offend ‘traditional notions of fair play and substantial justice.’” *Id.*, at 316, 66 S.Ct.

154 (quoting *Milliken v. Meyer*, 311 U.S. 457, 463, 61 S.Ct. 339, 85 L.Ed. 278 (1940)). For decades this Court has considered that question through two different jurisdictional frames: “general” and “specific” jurisdiction. See *Helicopteros Nacionales de Colombia, S.A. v. Hall*, 466 U.S. 408, 414, nn. 8–9, 104 S.Ct. 1868, 80 L.Ed.2d 404 (1984). Under our current case law, a state court may exercise general, or all-purpose, jurisdiction over a defendant corporation only if its “affiliations with the State are so ‘continuous and systematic’ as to render [it] essentially at home in the forum State.” *Goodyear Dunlop Tires Operations, S.A. v. Brown*, 564 U.S. 915, 919, 131 S.Ct. 2846, 180 L.Ed.2d 796 (2011).²

If general jurisdiction is not appropriate, however, a state court can exercise only specific, or case-linked, jurisdiction over a dispute. *Id.*, at 923–924, 131 S.Ct. 2846. Our cases have set out three conditions for the exercise of specific jurisdiction over a nonresident defendant. 4A C. Wright, A. Miller, & A. Steinman, *Federal Practice and Procedure* § 1069, pp. 22–78 (4th ed. 2015) (Wright); see also *id.*, at 22–27, n. 10 (collecting authority). First, the defendant must have “‘purposefully avail[ed] itself of the privilege of conducting activities within the forum State’” or have purposefully directed its conduct into the forum State. *J. McIntyre Machinery, Ltd.*

1. Like the parties and the majority, I refer to these people as “residents” and “nonresidents” of California as a convenient shorthand. See *ante*, at 1778; Brief for Petitioner 4–5, n. 1; Brief for Respondents 2, n. 1. For jurisdictional purposes, the important question is generally (as it is here) where a plaintiff was injured, not where he or she resides.

2. Respondents do not contend that the California courts would be able to exercise general jurisdiction over Bristol-Myers—a concession that follows directly from this Court’s opinion in *Daimler AG v. Bauman*, 571 U.S.

—, 134 S.Ct. 746, 187 L.Ed.2d 624 (2014). As I have explained, I believe the restrictions the Court imposed on general jurisdiction in *Daimler* were ill advised. See *BNSF R. Co. v. Tyrrell*, 581 U.S. —, —, 137 S.Ct. 1549, — L.Ed.2d — (2017) (SOTOMAYOR, J., concurring in part and dissenting in part); *Daimler*, 571 U.S., at —, 134 S.Ct. at 772–773 (SOTOMAYOR, J., concurring in judgment). But I accept respondents’ concession, for the purpose of this case, that Bristol-Myers is not subject to general jurisdiction in California.

v. Nicastro, 564 U.S. 873, 877, 131 S.Ct. 2780, 180 L.Ed.2d 765 (2011) (plurality opinion) (quoting *Hanson v. Denckla*, 357 U.S. 235, 253, 78 S.Ct. 1228, 2 L.Ed.2d 1283 (1958)). Second, the plaintiff's claim must "arise out of or relate to" the defendant's forum conduct. *Helicopteros*, 466 U.S., at 414, 104 S.Ct. 1868. Finally, the exercise of jurisdiction must be reasonable under the circumstances. *Asahi Metal Industry Co. v. Superior Court of Cal., Sola-no Cty.*, 480 U.S. 102, 113-114, 107 S.Ct. 1026, 94 L.Ed.2d 92 (1987); *Burger King Corp. v. Rudzewicz*, 471 U.S. 462, 477-478, 105 S.Ct. 2174, 85 L.Ed.2d 528 (1985). The factors relevant to such an analysis include "the burden on the defendant, the forum State's interest in adjudicating the dispute, the plaintiff's interest in obtaining convenient and effective relief, the interstate judicial system's interest in obtaining the most efficient resolution of controversies, and the shared interest of the several States in furthering fundamental substantive social policies." *Id.*, at 477, 105 S.Ct. 2174 (internal quotation marks omitted).

B

Viewed through this framework, the California courts appropriately exercised specific jurisdiction over respondents' claims.

First, there is no dispute that Bristol-Myers "purposefully avail[ed] itself," *Nicastro*, 564 U.S., at 877, 131 S.Ct. 2780 of California and its substantial pharmaceutical market. Bristol-Myers employs over 400 people in California and maintains half a dozen facilities in the State engaged in research, development, and policymaking. *Ante*, at 1777-1778. It contracts with a California-based distributor, McKesson, whose sales account for a significant portion of its revenue. *Supra*, at 1784-1785. And it markets and sells its drugs, including Plavix, in California, resulting in total

Plavix sales in that State of nearly \$1 billion during the period relevant to this suit.

Second, respondents' claims "relate to" Bristol-Myers' in-state conduct. A claim "relates to" a defendant's forum conduct if it has a "connect[ion] with" that conduct. *International Shoe*, 326 U.S., at 319, 66 S.Ct. 154. So respondents could not, for instance, hale Bristol-Myers into court in California for negligently maintaining the sidewalk outside its New York headquarters—a claim that has no connection to acts Bristol-Myers took in California. But respondents' claims against Bristol-Myers look nothing like such a claim. Respondents' claims against Bristol-Myers concern conduct materially identical to acts the company took in California: its marketing and distribution of Plavix, which it undertook on a nationwide basis in all 50 States. That respondents were allegedly injured by this nationwide course of conduct in Indiana, Oklahoma, and Texas, and not California, does not mean that their claims do not "relate to" the advertising and distribution efforts that Bristol-Myers undertook in that State. All of the plaintiffs—residents and nonresidents alike—allege that they were injured by the same essential acts. Our cases require no connection more direct than that.

Finally, and importantly, there is no serious doubt that the exercise of jurisdiction over the nonresidents' claims is reasonable. Because Bristol-Myers already faces claims that are identical to the nonresidents' claims in this suit, it will not be harmed by having to defend against respondents' claims: Indeed, the alternative approach—litigating those claims in separate suits in as many as 34 different States—would prove far more burdensome. By contrast, the plaintiffs' "interest in obtaining convenient and effective relief," *Burger King*, 471 U.S., at 477, 105 S.Ct. 2174 (internal quotation marks omit-

ted), is obviously furthered by participating in a consolidated proceeding in one State under shared counsel, which allows them to minimize costs, share discovery, and maximize recoveries on claims that may be too small to bring on their own. Cf. *American Express Co. v. Italian Colors Restaurant*, 570 U.S. —, —, 133 S.Ct. 2304, 2316, 186 L.Ed.2d 417 (2013) (KAGAN, J., dissenting) (“No rational actor would bring a claim worth tens of thousands of dollars if doing so meant incurring costs in the hundreds of thousands”). California, too, has an interest in providing a forum for mass actions like this one: Permitting the nonresidents to bring suit in California alongside the residents facilitates the efficient adjudication of the residents’ claims and allows it to regulate more effectively the conduct of both nonresident corporations like Bristol-Myers and resident ones like McKesson.

Nothing in the Due Process Clause prohibits a California court from hearing respondents’ claims—at least not in a case where they are joined to identical claims brought by California residents.

III

Bristol-Myers does not dispute that it has purposefully availed itself of California’s markets, nor—remarkably—did it argue below that it would be “unreasonable” for a California court to hear respondents’ claims. See 1 Cal.5th 783, 799, n. 2, 206 Cal.Rptr.3d 636, 377 P.3d 874, 885, n. 2 (2016). Instead, Bristol-Myers contends that respondents’ claims do not “arise out of or relate to” its California conduct. The majority agrees, explaining that no “adequate link” exists “between the State and the nonresidents’ claims,” *ante*, at 1781–1782—a result that it says follows from “settled principles [of] specific jurisdiction,” *ante*, at 1780–1781. But our prece-

dents do not require this result, and common sense says that it cannot be correct.

A

The majority casts its decision today as compelled by precedent. *Ibid*. But our cases point in the other direction.

The majority argues at length that the exercise of specific jurisdiction in this case would conflict with our decision in *Walden v. Fiore*, 571 U.S. —, 134 S.Ct. 1115, 188 L.Ed.2d 12 (2014). That is plainly not true. *Walden* concerned the requirement that a defendant “purposefully avail” himself of a forum State or “purposefully direct[ed]” his conduct toward that State, *Nicastro*, 564 U.S., at 877, 131 S.Ct. 2780 not the separate requirement that a plaintiff’s claim “arise out of or relate to” a defendant’s forum contacts. The lower court understood the case that way. See *Fiore v. Walden*, 688 F.3d 558, 576–582 (C.A.9 2012). The parties understood the case that way. See Brief for Petitioner 17–31, Brief for Respondent 20–44, Brief for United States as *Amicus Curiae* 12–18, in *Walden v. Fiore*, O.T. 2013, No. 12–574. And courts and commentators have understood the case that way. See, e.g., 4 Wright § 1067.1, at 388–389. *Walden* teaches only that a defendant must have purposefully availed itself of the forum, and that a plaintiff cannot rely solely on a defendant’s contacts with a forum resident to establish the necessary relationship. See 571 U.S., at —, 134 S.Ct., at 1122 (“[T]he plaintiff cannot be the only link between the defendant and the forum”). But that holding has nothing to do with the dispute between the parties: Bristol-Myers has purposefully availed itself of California—to the tune of millions of dollars in annual revenue. Only if its language is taken out of context, *ante*, at 1781–1782, can *Walden* be made to seem relevant to the case at hand.

By contrast, our decision in *Keeton v. Hustler Magazine, Inc.*, 465 U.S. 770, 104 S.Ct. 1473, 79 L.Ed.2d 790 (1984), suggests that there should be no such barrier to the exercise of jurisdiction here. In *Keeton*, a New York resident brought suit against an Ohio corporation, a magazine, in New Hampshire for libel. She alleged that the magazine's nationwide course of conduct—its publication of defamatory statements—had injured her in every State, including New Hampshire. This Court unanimously rejected the defendant's argument that it should not be subject to "nationwide damages" when only a small portion of those damages arose in the forum State, *id.*, at 781, 104 S.Ct. 1473; exposure to such liability, the Court explained, was the consequence of having "continuously and deliberately exploited the New Hampshire market," *ibid.* The majority today dismisses *Keeton* on the ground that the defendant there faced one plaintiff's claim arising out of its nationwide course of conduct, whereas Bristol-Myers faces many more plaintiffs' claims. See *ante*, at 1782–1783. But this is a distinction without a difference: In either case, a defendant will face liability in a single State for a single course of conduct that has impact in many States. *Keeton* informs us that there is no unfairness in such a result.

The majority's animating concern, in the end, appears to be federalism: "[T]erritorial limitations on the power of the respective States," we are informed, may—and today do—trump even concerns about fair-

ness to the parties. *Ante*, at 1780. Indeed, the majority appears to concede that this is not, at bottom, a case about fairness but instead a case about power: one in which "the defendant would suffer minimal or no inconvenience from being forced to litigate before the tribunals of another State; . . . the forum State has a strong interest in applying its law to the controversy; [and] the forum State is the most convenient location for litigation" but personal jurisdiction still will not lie. *Ante*, at 1780–1781 (quoting *World-Wide Volkswagen Corp. v. Woodson*, 444 U.S. 286, 294, 100 S.Ct. 559, 62 L.Ed.2d 490 (1980)). But I see little reason to apply such a principle in a case brought against a large corporate defendant arising out of its nationwide conduct. What interest could any single State have in adjudicating respondents' claims that the other States do not share? I would measure jurisdiction first and foremost by the yardstick set out in *International Shoe*—"fair play and substantial justice," 326 U.S., at 316, 66 S.Ct. 154 (internal quotation marks omitted). The majority's opinion casts that settled principle aside.

B

I fear the consequences of the majority's decision today will be substantial. Even absent a rigid requirement that a defendant's in-state conduct must actually cause a plaintiff's claim,³ the upshot of today's opinion is that plaintiffs cannot join their claims together and sue a defendant in a State in which only some of them have

3. Bristol-Myers urges such a rule upon us, Brief for Petitioner 14–37, but its adoption would have consequences far beyond those that follow from today's factbound opinion. Among other things, it might call into question whether even a plaintiff injured in a State by an item identical to those sold by a defendant in that State could avail himself of that State's courts to redress his injuries—a result specifically contemplated by *World-Wide*

Volkswagen Corp. v. Woodson, 444 U.S. 286, 297, 100 S.Ct. 559, 62 L.Ed.2d 490 (1980). See Brief for Civil Procedure Professors as *Amici Curiae* 14–18; see also *J. McIntyre Machinery, Ltd. v. Nicastro*, 564 U.S. 873, 906–907, 131 S.Ct. 2780, 180 L.Ed.2d 765 (2011) (GINSBURG, J., dissenting). That question, and others like it, appears to await another case.

been injured. That rule is likely to have consequences far beyond this case.

First, and most prominently, the Court's opinion in this case will make it profoundly difficult for plaintiffs who are injured in different States by a defendant's nationwide course of conduct to sue that defendant in a single, consolidated action. The holding of today's opinion is that such an action cannot be brought in a State in which only some plaintiffs were injured. Not to worry, says the majority: The plaintiffs here could have sued Bristol-Myers in New York or Delaware; could "probably" have subdivided their separate claims into 34 lawsuits in the States in which they were injured; and might have been able to bring a single suit in federal court (an "open . . . question"). *Ante*, at 1783–1784. Even setting aside the majority's caveats, what is the purpose of such limitations? What interests are served by preventing the consolidation of claims and limiting the forums in which they can be consolidated? The effect of the Court's opinion today is to eliminate nationwide mass actions in any State other than those in which a defendant is "essentially at home."⁴ See *Daimler*, 571 U.S., at —, 134 S.Ct., at 754. Such a rule hands one more tool to corporate defendants determined to prevent the aggregation of individual claims, and forces injured plaintiffs to bear the burden of bringing suit in what will often be far flung jurisdictions.

Second, the Court's opinion today may make it impossible to bring certain mass actions at all. After this case, it is difficult to imagine where it might be possible to bring a nationwide mass action against two or more defendants headquartered and in-

corporated in different States. There will be no State where both defendants are "at home," and so no State in which the suit can proceed. What about a nationwide mass action brought against a defendant not headquartered or incorporated in the United States? Such a defendant is not "at home" in any State. Cf. *id.*, at —, —, 134 S.Ct., at 772–773 (SOTOMAYOR, J., concurring in judgment). Especially in a world in which defendants are subject to general jurisdiction in only a handful of States, see *ibid.*, the effect of today's opinion will be to curtail—and in some cases eliminate—plaintiffs' ability to hold corporations fully accountable for their nationwide conduct.

The majority chides respondents for conjuring a "parade of horrors," *ante*, at 1783, but says nothing about how suits like those described here will survive its opinion in this case. The answer is simple: They will not.

* * *

It "does not offend 'traditional notions of fair play and substantial justice,'" *International Shoe*, 326 U.S., at 316, 66 S.Ct. 154 to permit plaintiffs to aggregate claims arising out of a single nationwide course of conduct in a single suit in a single State where some, but not all, were injured. But that is exactly what the Court holds today is barred by the Due Process Clause.

This is not a rule the Constitution has required before. I respectfully dissent.



4. The Court today does not confront the question whether its opinion here would also apply to a class action in which a plaintiff injured in the forum State seeks to represent a nationwide class of plaintiffs, not all of whom were injured there. Cf. *Devlin v. Scardelletti*,

536 U.S. 1, 9–10, 122 S.Ct. 2005, 153 L.Ed.2d 27 (2002) ("Nonnamed class members . . . may be parties for some purposes and not for others"); see also Wood, Adjudicatory Jurisdiction and Class Actions, 62 Ind. L.J. 597, 616–617 (1987).

Opinion of the Court

NOTICE: This opinion is subject to formal revision before publication in the preliminary print of the United States Reports. Readers are requested to notify the Reporter of Decisions, Supreme Court of the United States, Washington, D. C. 20543, of any typographical or other formal errors, in order that corrections may be made before the preliminary print goes to press.

SUPREME COURT OF THE UNITED STATES

Nos. 19–368 and 19–369

FORD MOTOR COMPANY, PETITIONER
19–368 *v.*

MONTANA EIGHTH JUDICIAL DISTRICT
COURT, ET AL.

ON WRIT OF CERTIORARI TO THE SUPREME COURT
OF MONTANA

FORD MOTOR COMPANY, PETITIONER
19–369 *v.*

ADAM BANDEMER

ON WRIT OF CERTIORARI TO THE SUPREME COURT
OF MINNESOTA

[March 25, 2021]

JUSTICE KAGAN delivered the opinion of the Court.

In each of these two cases, a state court held that it had jurisdiction over Ford Motor Company in a products-liability suit stemming from a car accident. The accident happened in the State where suit was brought. The victim was one of the State’s residents. And Ford did substantial business in the State—among other things, advertising, selling, and servicing the model of vehicle the suit claims is defective. Still, Ford contends that jurisdiction is improper because the particular car involved in the crash was not first sold in the forum State, nor was it designed or manufactured there. We reject that argument. 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.

I

Ford is a global auto company. It is incorporated in Delaware and headquartered in Michigan. But its business is everywhere. Ford markets, sells, and services its products across the United States and overseas. In this country alone, the company annually distributes over 2.5 million new cars, trucks, and SUVs to over 3,200 licensed dealerships. See App. 70, 100. Ford also encourages a resale market for its products: Almost all its dealerships buy and sell used Fords, as well as selling new ones. To enhance its brand and increase its sales, Ford engages in wide-ranging promotional activities, including television, print, online, and direct-mail advertisements. No matter where you live, you've seen them: "Have you driven a Ford lately?" or "Built Ford Tough." Ford also ensures that consumers can keep their vehicles running long past the date of sale. The company provides original parts to auto supply stores and repair shops across the country. (Goes another slogan: "Keep your Ford a Ford.") And Ford's own network of dealers offers an array of maintenance and repair services, thus fostering an ongoing relationship between Ford and its customers.

Accidents involving two of Ford's vehicles—a 1996 Explorer and a 1994 Crown Victoria—are at the heart of the suits before us. One case comes from Montana. Markkaya Gullett was driving her Explorer near her home in the State when the tread separated from a rear tire. The vehicle spun out, rolled into a ditch, and came to rest upside down. Gullett died at the scene of the crash. The representative of her estate sued Ford in Montana state court, bringing claims for a design defect, failure to warn, and negligence. The second case comes from Minnesota. Adam Bandemer was a passenger in his friend's Crown Victoria, traveling on a

Opinion of the Court

rural road in the State to a favorite ice-fishing spot. When his friend rear-ended a snowplow, this car too landed in a ditch. Bandemer's air bag failed to deploy, and he suffered serious brain damage. He sued Ford in Minnesota state court, asserting products-liability, negligence, and breach-of-warranty claims.

Ford moved to dismiss the two suits for lack of personal jurisdiction, on basically identical grounds. According to Ford, the state court (whether in Montana or Minnesota) had jurisdiction only if the company's conduct in the State had given rise to the plaintiff's claims. And that causal link existed, Ford continued, only if the company had designed, manufactured, or—most likely—sold in the State the particular vehicle involved in the accident.¹ In neither suit could the plaintiff make that showing. Ford had designed the Explorer and Crown Victoria in Michigan, and it had manufactured the cars in (respectively) Kentucky and Canada. Still more, the company had originally sold the cars at issue outside the forum States—the Explorer in Washington, the Crown Victoria in North Dakota. Only later resales and relocations by consumers had brought the vehicles to Montana and Minnesota. That meant, in Ford's view, that the courts of those States could not decide the suits.

Both the Montana and the Minnesota Supreme Courts (affirming lower court decisions) rejected Ford's argument. The Montana court began by detailing the varied ways Ford "purposefully" seeks to "serve the market in Montana." 395 Mont. 478, 488, 443 P. 3d 407, 414 (2019). The company advertises in the State; "has thirty-six dealerships" there; "sells automobiles, specifically Ford Explorers[,] and parts" to Montana residents; and provides them with "certified repair, replacement, and recall services." *Ibid.* Next, the

¹Ford's Brief in Support of Motion to Dismiss in *Lucero v. Ford Motor Co.*, No. DV-18-247 (8th Jud. Dist., Cascade Cty., Mont.), pp. 14-15; Ford Motor Co.'s Memorandum in Support of Motion to Dismiss in No. 77-cv-16-1025 (7th Jud. Dist., Todd Cty., Minn.), pp. 11-12, and n. 3.

court assessed the relationship between those activities and the Gullett suit. Ford's conduct, said the court, encourages "Montana residents to drive Ford vehicles." *Id.*, at 491, 443 P. 3d, at 416. When that driving causes in-state injury, the ensuing claims have enough of a tie to Ford's Montana activities to support jurisdiction. Whether Ford "designed, manufactured, or sold [the] vehicle" in the State, the court concluded, is "immaterial." *Ibid.* Minnesota's Supreme Court agreed. It highlighted how Ford's "marketing and advertisements" influenced state residents to "purchase and drive more Ford vehicles." 931 N. W. 2d 744, 754 (2019). Indeed, Ford had sold in Minnesota "more than 2,000 1994 Crown Victoria[s]"—the "very type of car" involved in Bandemer's suit. *Id.*, at 751, 754. That the "*particular vehicle*" injuring him was "designed, manufactured, [and first] sold" elsewhere made no difference. *Id.*, at 753 (emphasis in original). In the court's view, Ford's Minnesota activities still had the needed connection to Bandemer's allegations that a defective Crown Victoria caused in-state injury. See *id.*, at 754.

We granted certiorari to consider if Ford is subject to jurisdiction in these cases. 589 U. S. ____ (2020). We hold that it is.

II

A

The Fourteenth Amendment's Due Process Clause limits a state court's power to exercise jurisdiction over a defendant. The canonical decision in this area remains *International Shoe Co. v. Washington*, 326 U. S. 310 (1945). There, the Court held that a tribunal's authority depends on the defendant's having such "contacts" with the forum State that "the maintenance of the suit" is "reasonable, in the context of our federal system of government," and "does not offend traditional notions of fair play and substantial justice." *Id.*, at 316–317 (internal quotation marks omitted). In giving content to that formulation, the Court has long focused

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on the nature and extent of “the defendant’s relationship to the forum State.” *Bristol-Myers Squibb Co. v. Superior Court of Cal., San Francisco Cty.*, 582 U. S. ___, ___ (2017) (slip op., at 5) (citing cases). That focus led to our recognizing two kinds of personal jurisdiction: general (sometimes called all-purpose) jurisdiction and specific (sometimes called case-linked) jurisdiction. See *Goodyear Dunlop Tires Operations, S. A. v. Brown*, 564 U. S. 915, 919 (2011).

A state court may exercise general jurisdiction only when a defendant is “essentially at home” in the State. *Ibid.* General jurisdiction, as its name implies, extends to “any and all claims” brought against a defendant. *Ibid.* Those claims need not relate to the forum State or the defendant’s activity there; they may concern events and conduct anywhere in the world. But that breadth imposes a correlative limit: Only a select “set of affiliations with a forum” will expose a defendant to such sweeping jurisdiction. *Daimler AG v. Bauman*, 571 U. S. 117, 137 (2014). In what we have called the “paradigm” case, an individual is subject to general jurisdiction in her place of domicile. *Ibid.* (internal quotation marks omitted). And the “equivalent” forums for a corporation are its place of incorporation and principal place of business. *Ibid.* (internal quotation marks omitted); see *id.*, at 139, n. 19 (leaving open “the possibility that in an exceptional case” a corporation might also be “at home” elsewhere). So general jurisdiction over Ford (as all parties agree) attaches in Delaware and Michigan—not in Montana and Minnesota. See *supra*, at 2.

Specific jurisdiction is different: It covers defendants less intimately connected with a State, but only as to a narrower class of claims. The contacts needed for this kind of jurisdiction often go by the name “purposeful availment.” *Burger King Corp. v. Rudzewicz*, 471 U. S. 462, 475 (1985). The defendant, we have said, must take “some act by which [it] purposefully avails itself of the privilege of conducting activities within the forum State.” *Hanson v. Denckla*, 357

U. S. 235, 253 (1958). The contacts must be the defendant's own choice and not "random, isolated, or fortuitous." *Keeton v. Hustler Magazine, Inc.*, 465 U. S. 770, 774 (1984). They must show that the defendant deliberately "reached out beyond" its home—by, for example, "exploit[ing] a market" in the forum State or entering a contractual relationship centered there. *Walden v. Fiore*, 571 U. S. 277, 285 (2014) (internal quotation marks and alterations omitted). Yet even then—because the defendant is not "at home"—the forum State may exercise jurisdiction in only certain cases. The plaintiff's claims, we have often stated, "must arise out of or relate to the defendant's contacts" with the forum. *Bristol-Myers*, 582 U. S., at ____ (slip op., at 5) (quoting *Daimler*, 571 U. S., at 127; alterations omitted); see, e.g., *Burger King*, 471 U. S., at 472; *Helicopteros Nacionales de Colombia, S. A. v. Hall*, 466 U. S. 408, 414 (1984); *International Shoe*, 326 U. S., at 319. Or put just a bit differently, "there must be 'an affiliation between the forum and the underlying controversy, principally, [an] activity or an occurrence that takes place in the forum State and is therefore subject to the State's regulation.'" *Bristol-Myers*, 582 U. S., at ____—____, ____ (slip op., at 5–6, 7) (quoting *Goodyear*, 564 U. S., at 919).

These rules derive from and reflect two sets of values—treating defendants fairly and protecting "interstate federalism." *World-Wide Volkswagen Corp. v. Woodson*, 444 U. S. 286, 293 (1980); see *id.*, at 297–298. Our decision in *International Shoe* founded specific jurisdiction on an idea of reciprocity between a defendant and a State: When (but only when) a company "exercises the privilege of conducting activities within a state"—thus "enjoy[ing] the benefits and protection of [its] laws"—the State may hold the company to account for related misconduct. 326 U. S., at 319; see *Burger King*, 471 U. S., at 475–476. Later decisions have added that our doctrine similarly provides defendants with "fair warning"—knowledge that "a particular activity may

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subject [it] to the jurisdiction of a foreign sovereign.” *Id.*, at 472 (internal quotation marks omitted); *World-Wide Volkswagen*, 444 U. S., at 297 (likewise referring to “clear notice”). A defendant can thus “structure [its] primary conduct” to lessen or avoid exposure to a given State’s courts. *Id.*, at 297. And this Court has considered alongside defendants’ interests those of the States in relation to each other. One State’s “sovereign power to try” a suit, we have recognized, may prevent “sister States” from exercising their like authority. *Id.*, at 293. The law of specific jurisdiction thus seeks to ensure that States with “little legitimate interest” in a suit do not encroach on States more affected by the controversy. *Bristol-Myers*, 582 U. S., at ____ (slip op., at 6).²

B

Ford contends that our jurisdictional rules prevent Montana’s and Minnesota’s courts from deciding these two suits. In making that argument, Ford does not contest that it does substantial business in Montana and Minnesota—that it actively seeks to serve the market for automobiles

² One of the concurrences here expresses a worry that our *International Shoe*-based body of law is not “well suited for the way in which business is now conducted,” and tentatively suggests a 21st-century rethinking. *Post*, at 1 (ALITO, J., concurring in judgment). Fair enough perhaps, see *infra*, at 12–13, n. 4, but the concurrence then acknowledges that these cases have no distinctively modern features, and it decides them on grounds that (as it agrees) are much the same as ours. See *post*, at 3–4; compare *ibid.* with *infra*, at 11–15. The other concurrence proposes instead a return to the mid-19th century—a replacement of our current doctrine with the Fourteenth Amendment’s original meaning respecting personal jurisdiction. *Post*, at 9–10 (GORSUCH, J., concurring in judgment). But that opinion never reveals just what the Due Process Clause as understood at its ratification required, and its ground for deciding these cases is correspondingly spare. *Post*, at 11. This opinion, by contrast, resolves these cases by proceeding as the Court has done for the last 75 years—applying the standards set out in *International Shoe* and its progeny, with attention to their underlying values of ensuring fairness and protecting interstate federalism.

and related products in those States. See Brief for Petitioner 6, 9, 13. Or to put that concession in more doctrinal terms, Ford agrees that it has “purposefully avail[ed] itself of the privilege of conducting activities” in both places. *Hanson*, 357 U. S., at 253; see *supra*, at 5–6. Ford’s claim is instead that those activities do not sufficiently connect to the suits, even though the resident-plaintiffs allege that Ford cars malfunctioned in the forum States. In Ford’s view, the needed link must be causal in nature: Jurisdiction attaches “only if the defendant’s forum conduct *gave rise* to the plaintiff’s claims.” Brief for Petitioner 13 (emphasis in original). And that rule reduces, Ford thinks, to locating specific jurisdiction in the State where Ford sold the car in question, or else the States where Ford designed and manufactured the vehicle. See *id.*, at 2; Reply Brief 2, 19; *supra*, at 3 (identifying those States). On that view, the place of accident and injury is immaterial. So (Ford says) Montana’s and Minnesota’s courts have no power over these cases.

But Ford’s causation-only approach finds no support in this Court’s requirement of a “connection” between a plaintiff’s suit and a defendant’s activities. *Bristol-Myers*, 582 U. S., at ____ (slip op., at 8). That rule indeed serves to narrow the class of claims over which a state court may exercise specific jurisdiction. But not quite so far as Ford wants. None of our precedents has suggested that only a strict causal relationship between the defendant’s in-state activity and the litigation will do. As just noted, our most common formulation of the rule demands that the suit “arise out of *or relate to* the defendant’s contacts with the forum.” *Id.*, at ____ (slip op., at 5) (quoting *Daimler*, 571 U. S., at 127; emphasis added; alterations omitted); see *supra*, at 6. The first half of that standard asks about causation; but the back half, after the “or,” contemplates that some relationships will support jurisdiction without a causal showing. That does not mean anything goes. In the sphere of specific

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jurisdiction, the phrase “relate to” incorporates real limits, as it must to adequately protect defendants foreign to a forum. But again, we have never framed the specific jurisdiction inquiry as always requiring proof of causation—*i.e.*, proof that the plaintiff’s claim came about because of the defendant’s in-state conduct. See also *Bristol-Myers*, 582 U. S., at ___, ___ (slip op., at 5, 7) (quoting *Goodyear*, 564 U. S., at 919) (asking whether there is “an affiliation between the forum and the underlying controversy,” without demanding that the inquiry focus on cause). So the case is not over even if, as Ford argues, a causal test would put jurisdiction in only the States of first sale, manufacture, and design. A different State’s courts may yet have jurisdiction, because of another “activity [or] occurrence” involving the defendant that takes place in the State. *Bristol-Myers*, 582 U. S., at ___, ___ (slip op., at 6, 7) (quoting *Goodyear*, 564 U. S., at 919).³

And indeed, 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. In *World-Wide Volkswagen*, the Court held that an Oklahoma court could not assert jurisdiction over a New York car dealer just because a car it sold later caught fire in Oklahoma. 444 U. S., at 295. But in so doing, we contrasted the dealer’s position to that of two other defendants—Audi, the car’s

³In thus reiterating this Court’s longstanding approach, we reject JUSTICE GORSUCH’s apparent (if oblique) view that a state court should have jurisdiction over a nationwide corporation like Ford on *any* claim, no matter how unrelated to the State or Ford’s activities there. See *post*, at 11. On that view, for example, a California court could hear a claim against Ford brought by an Ohio plaintiff based on an accident occurring in Ohio involving a car purchased in Ohio. Removing the need for any connection between the case and forum State would transfigure our specific jurisdiction standard as applied to corporations. “Case-linked” jurisdiction, see *supra*, at 5–6, would then become not case-linked at all.

manufacturer, and Volkswagen, the car's nationwide importer (neither of which contested jurisdiction):

"[I]f the sale of a product of a manufacturer or distributor such as Audi or Volkswagen is not simply an isolated occurrence, but arises from the efforts of the manufacturer or distributor to serve, directly or indirectly, the market for its product in [several or all] other States, it is not unreasonable to subject it to suit in one of those States if its allegedly defective merchandise has there been the source of injury to its owner or to others." *Id.*, at 297.

Or said another way, if Audi and Volkswagen's business deliberately extended into Oklahoma (among other States), then Oklahoma's courts could hold the companies accountable for a car's catching fire there—even though the vehicle had been designed and made overseas and sold in New York. For, the Court explained, a company thus "purposefully avail[ing] itself" of the Oklahoma auto market "has clear notice" of its exposure in that State to suits arising from local accidents involving its cars. *Ibid.* And the company could do something about that exposure: It could "act to alleviate the risk of burdensome litigation by procuring insurance, passing the expected costs on to customers, or, if the risks are [still] too great, severing its connection with the State." *Ibid.*

Our conclusion in *World-Wide Volkswagen*—though, as Ford notes, technically "dicta," Brief for Petitioner 34—has appeared and reappeared in many cases since. So, for example, the Court in *Keeton* invoked that part of *World-Wide Volkswagen* to show that when a corporation has "continuously and deliberately exploited [a State's] market, it must reasonably anticipate being haled into [that State's] court[s]" to defend actions "based on" products causing injury there. 465 U. S., at 781 (citing 444 U. S., at 297–298); see *Burger King*, 471 U. S., at 472–473 (similarly citing

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World-Wide Volkswagen). On two other occasions, we reaffirmed that rule by reciting the above block-quoted language verbatim. See *Goodyear*, 564 U. S., at 927; *Asahi Metal Industry Co. v. Superior Court of Cal., Solano Cty.*, 480 U. S. 102, 110 (1987) (opinion of O'Connor, J.). And in *Daimler*, we used the Audi/Volkswagen scenario as a paradigm case of specific jurisdiction (though now naming Daimler, the maker of Mercedes Benzes). Said the Court, to “illustrate[]” specific jurisdiction’s “province[]”: A California court would exercise specific jurisdiction “if a California plaintiff, injured in a California accident involving a Daimler-manufactured vehicle, sued Daimler [in that court] alleging that the vehicle was defectively designed.” 571 U. S., at 127, n. 5. As in *World-Wide Volkswagen*, the Court did not limit jurisdiction to where the car was designed, manufactured, or first sold. Substitute Ford for Daimler, Montana and Minnesota for California, and the Court’s “illustrat[ive]” case becomes . . . the two cases before us.

To see why Ford is subject to jurisdiction in these cases (as Audi, Volkswagen, and Daimler were in their analogues), consider first the business that the company regularly conducts in Montana and Minnesota. See generally 395 Mont., at 488, 443 P. 3d, at 414; 931 N. W. 2d, at 748; *supra*, at 3–4. Small wonder that Ford has here conceded “purposeful availment” of the two States’ markets. See *supra*, at 7–8. By every means imaginable—among them, billboards, TV and radio spots, print ads, and direct mail—Ford urges Montanans and Minnesotans to buy its vehicles, including (at all relevant times) Explorers and Crown Victorias. Ford cars—again including those two models—are available for sale, whether new or used, throughout the States, at 36 dealerships in Montana and 84 in Minnesota. And apart from sales, Ford works hard to foster ongoing connections to its cars’ owners. The company’s dealers in Montana and Minnesota (as elsewhere) regularly maintain and repair Ford cars, including those whose warranties

have long since expired. And the company distributes replacement parts both to its own dealers and to independent auto shops in the two States. Those activities, too, make Ford money. And by making it easier to own a Ford, they encourage Montanans and Minnesotans to become lifelong Ford drivers.

Now turn to how all this Montana- and Minnesota-based conduct relates to the claims in these cases, brought by state residents in Montana's and Minnesota's courts. Each plaintiff's suit, of course, arises from a car accident in one of those States. In each complaint, the resident-plaintiff alleges that a defective Ford vehicle—an Explorer in one, a Crown Victoria in the other—caused the crash and resulting harm. And as just described, Ford had advertised, sold, and serviced those two car models in both States for many years. (Contrast a case, which we do not address, in which Ford marketed the models in only a different State or region.) In other words, Ford had systematically served a market in Montana and Minnesota for the very vehicles that the plaintiffs allege malfunctioned and injured them in those States. So there is a strong “relationship among the defendant, the forum, and the litigation”—the “essential foundation” of specific jurisdiction. *Helicopteros*, 466 U. S., at 414 (internal quotation marks omitted). That is why this Court has used this exact fact pattern (a resident-plaintiff sues a global car company, extensively serving the state market in a vehicle, for an in-state accident) as an illustration—even a paradigm example—of how specific jurisdiction works. See *Daimler*, 571 U. S., at 127, n. 5; *supra*, at 11.⁴

⁴None of this is 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. We have long treated isolated or sporadic transactions differently from continuous ones. See, e.g., *World-Wide Volkswagen Corp. v. Woodson*, 444 U. S. 286, 297 (1980); *supra*, at 6. And we do not here consider internet transactions, which may raise doctrinal questions of their own. See *Walden v. Fiore*, 571 U. S. 277, 290, n. 9 (2014) (“[T]his

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The only complication here, pressed by Ford, is that the company sold the specific cars involved in these crashes outside the forum States, with consumers later selling them to the States' residents. Because that is so, Ford argues, the plaintiffs' claims "would be precisely the same if Ford had never done anything in Montana and Minnesota." Brief for Petitioner 46. Of course, that argument merely restates Ford's demand for an exclusively causal test of connection—which we have already shown is inconsistent with our caselaw. See Tr. of Oral Arg. 4; *supra*, at 8–9. And indeed, a similar assertion could have been made in *World-Wide Volkswagen*—yet the Court made clear that systematic contacts in Oklahoma rendered Audi accountable there for an in-state accident, even though it involved a car sold in New York. See *supra*, at 9–10. So too here, and for the same reasons, see *supra*, at 11–12—even supposing (as Ford does) that without the company's Montana or Minnesota contacts the plaintiffs' claims would be just the same.

But in any event, that assumption is far from clear. For the owners of these cars might never have bought them, and so these suits might never have arisen, except for Ford's contacts with their home States. Those contacts might turn any resident of Montana or Minnesota into a Ford owner—even when he buys his car from out of state. He may make that purchase because he saw ads for the car in local media. And he may take into account a raft of Ford's in-state activities designed to make driving a Ford

case does not present the very different questions whether and how a defendant's virtual 'presence' and conduct translate into 'contacts' with a particular State"). So consider, for example, a hypothetical offered at oral argument. "[A] retired guy in a small town" in Maine "carves decoys" and uses "a site on the Internet" to sell them. Tr. of Oral Arg. 39. "Can he be sued in any state if some harm arises from the decoy?" *Ibid.* The differences between that case and the ones before us virtually list themselves. (Just consider all our descriptions of Ford's activities outside its home bases.) So we agree with the plaintiffs' counsel that resolving these cases does not also resolve the hypothetical. See *id.*, at 39–40.

convenient there: that Ford dealers stand ready to service the car; that other auto shops have ample supplies of Ford parts; and that Ford fosters an active resale market for its old models. The plaintiffs here did not in fact establish, or even allege, such causal links. But cf. *post*, at 3–4 (ALITO, J., concurring in judgment) (nonetheless finding some kind of causation). Nor should jurisdiction in cases like these ride on the exact reasons for an individual plaintiff's purchase, or on his ability to present persuasive evidence about them.⁵ But the possibilities listed above—created by the reach of Ford's Montana and Minnesota contacts—underscore the aptness of finding jurisdiction here, even though the cars at issue were first sold out of state.

For related reasons, allowing jurisdiction in these cases treats Ford fairly, as this Court's precedents explain. In conducting so much business in Montana and Minnesota, Ford "enjoys the benefits and protection of [their] laws"—the enforcement of contracts, the defense of property, the resulting formation of effective markets. *International Shoe*, 326 U. S., at 319. All that assistance to Ford's in-state business creates reciprocal obligations—most relevant here, that the car models Ford so extensively markets in Montana and Minnesota be safe for their citizens to use there. Thus our repeated conclusion: A state court's enforcement of that commitment, enmeshed as it is with Ford's government-protected in-state business, can "hardly be said to be undue." *Ibid.*; see *supra*, at 10–11. And as *World-Wide Volkswagen* described, it cannot be thought surprising either. An automaker regularly marketing a vehicle in a State, the Court said, has "clear notice" that it will be subject to jurisdiction in the State's courts when the product malfunctions there (regardless where it was first

⁵ It should, for example, make no difference if a plaintiff had recently moved to the forum State with his car, and had not made his purchasing decision with that move in mind—so had not considered any of Ford's activities in his new home State.

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sold). 444 U. S., at 297; see *supra*, at 10. Precisely because that exercise of jurisdiction is so reasonable, it is also predictable—and thus allows Ford to “structure [its] primary conduct” to lessen or even avoid the costs of state-court litigation. *World-Wide Volkswagen*, 444 U. S., at 297.

Finally, principles of “interstate federalism” support jurisdiction over these suits in Montana and Minnesota. *Id.*, at 293. Those States have significant interests at stake—“providing [their] residents with a convenient forum for redressing injuries inflicted by out-of-state actors,” as well as enforcing their own safety regulations. *Burger King*, 471 U. S., at 473; see *Keeton*, 465 U. S., at 776. Consider, next to those, the interests of the States of first sale (Washington and North Dakota)—which Ford’s proposed rule would make the most likely forums. For each of those States, the suit involves all out-of-state parties, an out-of-state accident, and out-of-state injuries; the suit’s only connection with the State is that a former owner once (many years earlier) bought the car there. In other words, there is a less significant “relationship among the defendant, the forum, and the litigation.” *Walden*, 571 U. S., at 284 (internal quotation marks omitted). So by channeling these suits to Washington and North Dakota, Ford’s regime would undermine, rather than promote, what the company calls the Due Process Clause’s “jurisdiction-allocating function.” Brief for Petitioner 24.

C

Ford mainly relies for its rule on two of our recent decisions—*Bristol-Myers* and *Walden*. But those precedents stand for nothing like the principle Ford derives from them. If anything, they reinforce all we have said about why Montana’s and Minnesota’s courts can decide these cases.

Ford says of *Bristol-Myers* that it “squarely foreclose[s]” jurisdiction. Reply Brief 2. In that case, non-resident plaintiffs brought claims in California state court against

Bristol-Myers Squibb, the manufacturer of a nationally marketed prescription drug called Plavix. The plaintiffs had not bought Plavix in California; neither had they used or suffered any harm from the drug there. Still, the California Supreme Court thought it could exercise jurisdiction because Bristol-Myers Squibb sold Plavix in California and was defending there against identical claims brought by the State's residents. This Court disagreed, holding that the exercise of jurisdiction violated the Fourteenth Amendment. In Ford's view, the same must be true here. Each of these plaintiffs, like the plaintiffs in *Bristol-Myers*, alleged injury from a particular item (a car, a pill) that the defendant had sold outside the forum State. Ford reads *Bristol-Myers* to preclude jurisdiction when that is true, even if the defendant regularly sold "the same *kind* of product" in the State. Reply Brief 2 (emphasis in original).

But that reading misses the point of our decision. We found jurisdiction improper in *Bristol-Myers* because the forum State, and the defendant's activities there, lacked any connection to the plaintiffs' claims. See 582 U. S., at ____ (slip op., at 8) ("What is needed—and what is missing here—is a connection between the forum and the specific claims at issue"). The plaintiffs, the Court explained, were not residents of California. They had not been prescribed Plavix in California. They had not ingested Plavix in California. And they had not sustained their injuries in California. See *ibid.* (emphasizing these points). In short, the plaintiffs were engaged in forum-shopping—suing in California because it was thought plaintiff-friendly, even though their cases had no tie to the State. See *id.*, at ____ (slip op., at 10) (distinguishing the Plavix claims from the litigation in *Keeton*, see *supra*, at 10, because they "involv[e] no in-state injury and no injury to residents of the forum State"). That is not at all true of the cases before us. Yes, Ford sold the specific products in other States, as Bristol-Myers Squibb had. But here, the plaintiffs are residents of

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the forum States. They used the allegedly defective products in the forum States. And they suffered injuries when those products malfunctioned in the forum States. In sum, each of the plaintiffs brought suit in the most natural State—based on an “affiliation between the forum and the underlying controversy, principally, [an] activity or an occurrence that t[ook] place” there. *Bristol-Myers*, 582 U. S., at ____–____, ____ (slip op., at 5–6, 7) (internal quotation marks omitted). So *Bristol-Myers* does not bar jurisdiction.

Ford falls back on *Walden* as its last resort. In that case, a Georgia police officer working at an Atlanta airport searched, and seized money from, two Nevada residents before they embarked on a flight to Las Vegas. The victims of the search sued the officer in Nevada, arguing that their alleged injury (their inability to use the seized money) occurred in the State in which they lived. This Court held the exercise of jurisdiction in Nevada improper even though “the plaintiff[s] experienced [the] effect[s]” of the officer’s conduct there. 571 U. S., at 290. According to Ford, our ruling shows that a plaintiff’s residence and place of injury can never support jurisdiction. See Brief for Petitioner 32. And without those facts, Ford concludes, the basis for jurisdiction crumbles here as well.

But *Walden* has precious little to do with the cases before us. In *Walden*, only the plaintiffs had any contacts with the State of Nevada; the defendant-officer had never taken any act to “form[] a contact” of his own. 571 U. S., at 290. The officer had “never traveled to, conducted activities within, contacted anyone in, or sent anything or anyone to Nevada.” *Id.*, at 289. So to use the language of our doctrinal test: He had not “purposefully avail[ed himself] of the privilege of conducting activities” in the forum State. *Hanson*, 357 U. S., at 253. Because that was true, the Court had no occasion to address the necessary connection between a defendant’s in-state activity and the plaintiff’s claims. But

here, Ford has a veritable truckload of contacts with Montana and Minnesota, as it admits. See *supra*, at 11–12. The only issue is whether those contacts are related enough to the plaintiffs' suits. As to that issue, so what if (as *Walden* held) the place of a plaintiff's injury and residence cannot create a defendant's contact with the forum State? Those places still may be relevant in assessing the link between the defendant's forum contacts and the plaintiff's suit—including its assertions of who was injured where. And indeed, that relevance is a key part of *Bristol-Myers*' reasoning. See 582 U. S., at ____ (slip op., at 9) (finding a lack of "connection" in part because the "plaintiffs are not California residents and do not claim to have suffered harm in that State"). One of Ford's own favorite cases thus refutes its appeal to the other.

* * *

Here, resident-plaintiffs allege that they suffered in-state injury because of defective products that Ford extensively promoted, sold, and serviced in Montana and Minnesota. For all the reasons we have given, the connection between the plaintiffs' claims and Ford's activities in those States—or otherwise said, the "relationship among the defendant, the forum[s], and the litigation"—is close enough to support specific jurisdiction. *Walden*, 571 U. S., at 284 (internal quotation marks omitted). The judgments of the Montana and Minnesota Supreme Courts are therefore affirmed.

It is so ordered.

JUSTICE BARRETT took no part in the consideration or decision of these cases.

ALITO, J., concurring in judgment

SUPREME COURT OF THE UNITED STATES

Nos. 19–368 and 19–369

19–368 FORD MOTOR COMPANY, PETITIONER
v.
MONTANA EIGHTH JUDICIAL DISTRICT
COURT, ET AL.

ON WRIT OF CERTIORARI TO THE SUPREME COURT
OF MONTANA

19–369 FORD MOTOR COMPANY, PETITIONER
v.
ADAM BANDEMER

ON WRIT OF CERTIORARI TO THE SUPREME COURT
OF MINNESOTA

[March 25, 2021]

JUSTICE ALITO, concurring in the judgment.

These cases can and should be decided without any alteration or refinement of our case law on specific personal jurisdiction. To be sure, for the reasons outlined in JUSTICE GORSUCH’s thoughtful opinion, there are grounds for questioning the standard that the Court adopted in *International Shoe Co. v. Washington*, 326 U. S. 310 (1945). And there are also reasons to wonder whether the case law we have developed since that time is well suited for the way in which business is now conducted. But there is nothing distinctively 21st century about the question in the cases now before us, and the answer to that question is settled by our case law.

Since *International Shoe*, the rule has been that a state court can exercise personal jurisdiction over a defendant if the defendant has “minimum contacts” with the forum—

which means that the contacts must be “such that the maintenance of the suit does not offend ‘traditional notions of fair play and substantial justice.’” *Id.*, at 316 (quoting *Milliken v. Meyer*, 311 U. S. 457, 463 (1940)).

That standard is easily met here. Ford has long had a heavy presence in Minnesota and Montana. It spends billions on national advertising. It has many franchises in both States. Ford dealers in Minnesota and Montana sell and service Ford vehicles, and Ford ships replacement parts to both States. In entertaining these suits, Minnesota and Montana courts have not reached out and grabbed suits in which they “have little legitimate interest.” *Bristol-Myers Squibb Co. v. Superior Court of Cal., San Francisco Cty.*, 582 U. S. ___, ___ (2017) (slip op., at 6). *Their* residents, while riding in vehicles purchased within *their* borders, were killed or injured in accidents on *their* roads. Can anyone seriously argue that requiring Ford to litigate these cases in Minnesota and Montana would be fundamentally unfair?

Well, Ford makes that argument. It would send the plaintiffs packing to the jurisdictions where the vehicles in question were assembled (Kentucky and Canada), designed (Michigan), or first sold (Washington and North Dakota) or where Ford is incorporated (Delaware) or has its principal place of business (Michigan).

As might have been predicted, the Court unanimously rejects this understanding of “traditional notions of fair play and substantial justice.” And in doing so, we merely follow what we said in *World-Wide Volkswagen Corp. v. Woodson*, 444 U. S. 286, 297–298 (1980), which was essentially this: If a car manufacturer makes substantial efforts to sell vehicles in States A and B (and other States), and a defect in a vehicle first sold in State A causes injuries in an accident in State B, the manufacturer can be sued in State B. That rule decides these cases.

Ford, however, asks us to adopt an unprecedented rule

ALITO, J., concurring in judgment

under which a defendant's contacts with the forum State must be proven to have been a but-for cause of the tort plaintiff's injury. The Court properly rejects that argument, and I agree with the main thrust of the Court's opinion. My only quibble is with the new gloss that the Court puts on our case law. Several of our opinions have said that a plaintiff's claims "'must arise out of or relate to the defendant's contacts'" with the forum. See *ante*, at 6 (citing cases). The Court parses this phrase "as though we were dealing with language of a statute," *Reiter v. Sonotone Corp.*, 442 U. S. 330, 341 (1979), and because this phrase is cast in the disjunctive, the Court recognizes a new category of cases in which personal jurisdiction is permitted: those in which the claims do not "arise out of" (*i.e.*, are not caused by) the defendant's contacts but nevertheless sufficiently "relate to" those contacts in some undefined way, *ante*, at 8–9.

This innovation is unnecessary and, in my view, unwise. To say that the Constitution does not require the kind of proof of causation that Ford would demand—what the majority describes as a "strict causal relationship," *ante*, at 8—is not to say that no causal link of any kind is needed. And here, there is a sufficient link. It is reasonable to infer that the vehicles in question here would never have been on the roads in Minnesota and Montana if they were some totally unknown brand that had never been advertised in those States, was not sold in those States, would not be familiar to mechanics in those States, and could not have been easily repaired with parts available in those States. See *ante*, at 13–14 (describing this relationship between Ford's activities and these suits). The whole point of those activities was to put more Fords (including those in question here) on Minnesota and Montana roads. The common-sense relationship between Ford's activities and these suits, in other words, is causal in a broad sense of the concept, and personal jurisdiction can rest on this type of link without strict

proof of the type Ford would require. When “arise out of” is understood in this way, it is apparent that “arise out of” and “relate to” overlap and are not really two discrete grounds for jurisdiction. The phrase “arise out of or relate to” is simply a way of restating the basic “minimum contacts” standard adopted in *International Shoe*.

Recognizing “relate to” as an independent basis for specific jurisdiction risks needless complications. The “ordinary meaning” of the phrase “relate to” “is a broad one.” *Morales v. Trans World Airlines, Inc.*, 504 U. S. 374, 383 (1992). Applying that phrase “according to its terms [is] a project doomed to failure, since, as many a curbstone philosopher has observed, everything is related to everything else.” *California Div. of Labor Standards Enforcement v. Dillingham Constr., N. A., Inc.*, 519 U. S. 316, 335 (1997) (Scalia, J., concurring). To rein in this phrase, limits must be found, and the Court assures us that “relate to,” as it now uses the concept, “incorporates real limits.” *Ante*, at 9. But without any indication what those limits might be, I doubt that the lower courts will find that observation terribly helpful. Instead, what limits the potentially boundless reach of “relate to” is just the sort of rough causal connection I have described.

I would leave the law exactly where it stood before we took these cases, and for that reason, I concur in the judgment.

Discussion Questions: Additional Specific Jurisdiction Questions to Consider

1. Burden of Proof. According to *Burger King*, which party has the burden of proof to establish the first step of the *International Shoe* test—that is, to show that the defendant has sufficient minimum contacts with the forum? If that party meets their burden, which party has the burden of proof as to the second step of the *International Shoe* test—that is, to show that consideration of the reasonableness factors demonstrates the assertion of jurisdiction would or would not comport with fair play and substantial justice? Finally, what else does *Burger King* say about the weight of these burdens? [I'd suggest spending about five minutes or less on this question.]

2. Hypothetical: single contact, closely related. Recall the hypo I've offered of D, who lives in Dallas and has no contacts with Oklahoma, but then decides to drive—say, early one Saturday morning—to Oklahoma to see a football game and, while there, injures someone. We've already used the vocabulary and rationales in *International Shoe* to explain why the exercise of jurisdiction over D in Oklahoma would comport with due process. Now, using your more expanded vocabulary from *Burger King*, *Walden*, *BMS*, and *Ford*, what else can you add to our prior explanation for why jurisdiction would be constitutional?

[Note: Coming up with a coherent account of the constitutional test for specific jurisdiction isn't easy, in large part, because the doctrinal test has been evolving in the many decisions the Court has issued. To get you going, note that in order for the exercise of specific jurisdiction to be constitutional (1) the defendant must take some act by which it purposefully avails itself of the privilege of conducting activities within the forum state or by which it purposefully directs its conduct into the forum state and (2) the plaintiff's claims must arise out of or relate to the defendant's contacts with the forum. Use your time in the small groups to flesh out both of these conditions. When is the first requirement satisfied and when isn't it? Same question as to the second requirement. I'd suggest spending at least 20 minutes on this question.]

3. Change the hypo: Now assume that for the last five years D has owned ten residential rental properties in Oklahoma from which D earns a substantial income. You can also assume that D makes regular trips to Oklahoma in connection with those properties. Now, assume as before, that early one Saturday morning D gets in their car to drive to Oklahoma to watch a football game and assume that the trip was solely to watch the game and that D did no other business while on this trip. On the way to the game D injures someone in Oklahoma. Does any of your jurisdictional analysis change? Explain. As part of your answer, are there any passages in any of the decisions you've read that are particularly on point for answering this question? [I'd suggest spending about 10 minutes or less on this question.]

4. Two values. *Ford* says that the two parts of the minimum contacts step of *International Shoe* derive from and reflect two sets of values: "treating defendants fairly and protecting interstate federalism." To understand where thinking about these two values fits into a jurisdictional analysis, answer this: how did the *Ford* Court explain how these values would be furthered by exercising jurisdiction over Ford in Montana and Minnesota? [I'd suggest spending about 10 minutes or less on this question.]

111 S.Ct. 1522
Supreme Court of the United States
CARNIVAL CRUISE LINES, INC., Petitioner

v.
Eulala SHUTE, et vir.
No. 89-1647.

|
Argued Jan. 15, 1991.

|
Decided April 17, 1991.

Opinion

*587 Justice BLACKMUN delivered the opinion of the Court.

In this admiralty case we primarily consider whether the United States Court of Appeals for the Ninth Circuit correctly refused to enforce a forum-selection clause contained in tickets issued by petitioner Carnival Cruise Lines, Inc., to respondents Eulala and Russel Shute.

I

The Shutes, through an Arlington, Wash., travel agent, purchased passage for a 7-day cruise on petitioner's ship, the *Tropicale*. Respondents paid the fare to the agent who forwarded the payment to petitioner's headquarters in Miami, Fla. Petitioner then prepared the tickets and sent them to respondents in the State of Washington. The face of each ticket, at its left-hand lower corner, contained this admonition:

"SUBJECT TO CONDITIONS OF CONTRACT ON LAST PAGES IMPORTANT!
PLEASE READ CONTRACT-ON LAST PAGES 1, 2, 3" App. 15.

The following appeared on "contract page 1" of each ticket:

"TERMS AND CONDITIONS OF PASSAGE CONTRACT TICKET

.....

"3. (a) The acceptance of this ticket by the person or persons named hereon as passengers shall be deemed to be an acceptance and agreement by each of them of all of the terms and conditions of this Passage Contract Ticket.

.....
“8. It is agreed by and between the passenger and the Carrier that all disputes and matters whatsoever arising under, in connection with or incident to this Contract *588 shall be litigated, if at all, in and before a Court located in the State of Florida, U.S.A., to the exclusion of the Courts of any other state or country.” *Id.*, at 16.

The last quoted paragraph is the forum-selection clause at issue.

II

Respondents boarded the *Tropicale* in Los Angeles, Cal. The ship sailed to Puerto Vallarta, Mexico, and then returned to Los Angeles. While the ship was in international waters off the Mexican coast, respondent Eulala Shute was injured when she slipped on a deck mat during a guided tour of the ship’s galley. Respondents filed suit against petitioner in the United States District Court for the Western District of Washington, claiming that Mrs. Shute’s injuries had been caused by the negligence of Carnival Cruise Lines and its employees. *Id.*, at 4.

Petitioner moved for summary judgment, contending that the forum clause in respondents’ tickets required the Shutes to bring their suit against petitioner in a court in the State of Florida. Petitioner contended, alternatively, that the District Court lacked personal jurisdiction over petitioner because petitioner’s contacts with the State of Washington were insubstantial. The District Court granted the motion, holding that petitioner’s contacts with Washington were constitutionally insufficient to support the exercise of personal jurisdiction. See App. to Pet. for Cert. 60a.

The Court of Appeals reversed. Reasoning that “but for” petitioner’s solicitation of business in Washington, respondents **1525 would not have taken the cruise and Mrs. Shute would not have been injured, the court concluded that petitioner had sufficient contacts with Washington to justify the District Court’s exercise of personal jurisdiction. 897 F.2d 377, 385-386 (CA9 1990).*

Turning to the forum-selection clause, the Court of Appeals acknowledged that a court concerned with the enforceability of such a clause must begin its analysis with *The Bremen v. Zapata Off-Shore Co.*, 407 U.S. 1, 92 S.Ct. 1907, 32 L.Ed.2d 513 (1972), where this Court held that forum-selection clauses, although not “historically ... favored,” are “prima facie valid.” *Id.*, at 9-10, 92 S.Ct., at 1913. See 897 F.2d, at 388. The appellate court concluded that the forum clause should not be enforced because it “was not freely bargained for.” *Id.*, at 389. As an “independent justification” for refusing to enforce the

clause, the Court of Appeals noted that there was evidence in the record to indicate that “the Shutes are physically and financially incapable of pursuing this litigation in Florida” and that the enforcement of the clause would operate to deprive them of their day in court and thereby contravene this Court’s holding in *The Bremen*. 897 F.2d, at 389.

We granted certiorari to address the question whether the Court of Appeals was correct in holding that the District Court should hear respondents’ tort claim against petitioner. 498 U.S. 807-808, 111 S.Ct. 39, 112 L.Ed.2d 16 (1990). Because we find the forum-selection clause to be dispositive of this question, we need not consider petitioner’s constitutional argument as to personal jurisdiction. See *Ashwander v. TVA*, 297 U.S. 288, 347, 56 S.Ct. 466, 483, 80 L.Ed. 688 (1936) (Brandeis, J., concurring) (“ ‘It is not the habit of the Court to decide questions of a constitutional nature unless *590 absolutely necessary to a decision of the case,’ ” quoting *Burton v. United States*, 196 U.S. 283, 295, 25 S.Ct. 243, 245, 49 L.Ed. 482 (1905)).

IV

A

Both petitioner and respondents argue vigorously that the Court’s opinion in *The Bremen* governs this case, and each side purports to find ample support for its position in that *591 opinion’s broad-ranging language. This seeming paradox derives in large part from key factual differences between this case and *The Bremen*, differences that preclude an automatic and simple application of *The Bremen*’s general principles to the facts here.

In *The Bremen*, this Court addressed the enforceability of a forum-selection clause in a contract between two business corporations. An American corporation, Zapata, made a contract with Unterweser, a German corporation, for the towage of Zapata’s oceangoing drilling rig from Louisiana to a point in the Adriatic Sea off the coast of Italy. The agreement provided that any dispute arising under the contract was to be resolved in the London Court of Justice. After a storm in the Gulf of Mexico seriously damaged the rig, Zapata ordered Unterweser’s ship to tow the rig to Tampa, Fla., the nearest point of refuge. Thereafter, Zapata sued Unterweser in admiralty in federal court at Tampa. Citing the forum clause, Unterweser moved to dismiss. The District Court denied Unterweser’s motion, and the Court of Appeals for the Fifth Circuit, sitting en banc on rehearing, and by a sharply divided vote, affirmed. *In re Complaint of Unterweser Reederei GmbH*, 446 F.2d 907 (1971).

This Court vacated and remanded, stating that, in general, “a freely negotiated private international agreement, unaffected by fraud, undue influence, or overweening bargaining power, such as that involved here, should be given full effect.” 407 U.S., at 12-13, 92

S.Ct. at 1914-1915 (footnote omitted). The Court further generalized that “in the light of present-day commercial realities and expanding international trade we conclude that the forum clause should control absent a strong showing that it should be set aside.” *Id.*, at 15, 92 S.Ct., at 1916. The Court did not define precisely the circumstances that would make it unreasonable for a court to enforce a forum clause. Instead, the Court discussed a number of factors that made it reasonable to enforce the clause at issue in *The Bremen* and *592 that, presumably, would be pertinent in any determination whether to enforce a similar clause.

In this respect, the Court noted that there was “strong evidence that the forum clause was a vital part of the agreement, and [that] it would be unrealistic to think that the parties did not conduct their negotiations, including fixing the monetary terms, with the consequences of the forum clause figuring prominently in their calculations.” *Id.*, at 14, 92 S.Ct., 1915 (footnote omitted). Further, the Court observed that it was not “dealing with an agreement between two Americans to resolve their essentially local disputes in a remote alien forum,” and that in such a case, “the serious inconvenience of the contractual forum to one or both of the parties might carry greater weight in determining the reasonableness of the forum clause.” *Id.*, at 17, 92 S.Ct., at 1917. The Court stated that even where the forum clause establishes a remote forum for resolution of conflicts, “the party claiming [unfairness] should bear a heavy burden of proof.” *Ibid.*

In applying *The Bremen*, the Court of Appeals in the present litigation took note of the foregoing “reasonableness” factors and rather automatically decided that the forum-selection clause was unenforceable because, **1527 unlike the parties in *The Bremen*, respondents are not business persons and did not negotiate the terms of the clause with petitioner. Alternatively, the Court of Appeals ruled that the clause should not be enforced because enforcement effectively would deprive respondents of an opportunity to litigate their claim against petitioner.

The Bremen concerned a “far from routine transaction between companies of two different nations contemplating the tow of an extremely costly piece of equipment from Louisiana across the Gulf of Mexico and the Atlantic Ocean, through the Mediterranean Sea to its final destination in the Adriatic Sea.” *Id.*, at 13, 92 S.Ct., at 1915. These facts suggest that, even apart from the evidence of negotiation regarding the forum clause, it was entirely reasonable for the Court in *The* *593 *Bremen* to have expected Unterweser and Zapata to have negotiated with care in selecting a forum for the resolution of disputes arising from their special towing contract.

In contrast, respondents’ passage contract was purely routine and doubtless nearly identical to every commercial passage contract issued by petitioner and most other cruise

lines. See, e.g., *Hodes v. S.N.C. Achille Lauro ed Altri-Gestione*, 858 F.2d 905, 910 (CA3 1988), cert. dismissed, 490 U.S. 1001, 109 S.Ct. 1633, 104 L.Ed.2d 149 (1989). In this context, it would be entirely unreasonable for us to assume that respondents-or any other cruise passenger-would negotiate with petitioner the terms of a forum-selection clause in an ordinary commercial cruise ticket. Common sense dictates that a ticket of this kind will be a form contract the terms of which are not subject to negotiation, and that an individual purchasing the ticket will not have bargaining parity with the cruise line. But by ignoring the crucial differences in the business contexts in which the respective contracts were executed, the Court of Appeals' analysis seems to us to have distorted somewhat this Court's holding in *The Bremen*.

In evaluating the reasonableness of the forum clause at issue in this case, we must refine the analysis of *The Bremen* to account for the realities of form passage contracts. As an initial matter, we do not adopt the Court of Appeals' determination that a nonnegotiated forum-selection clause in a form ticket contract is never enforceable simply because it is not the subject of bargaining. Including a reasonable forum clause in a form contract of this kind well may be permissible for several reasons: First, a cruise line has a special interest in limiting the fora in which it potentially could be subject to suit. Because a cruise ship typically carries passengers from many locales, it is not unlikely that a mishap on a cruise could subject the cruise line to litigation in several different fora. See *The Bremen*, 407 U.S., at 13, and n. 15, 92 S.Ct., at 1915, and n. 15; *Hodes*, 858 F.2d, at 913. Additionally, a clause establishing *ex ante* the forum for dispute resolution has the salutary *594 effect of dispelling any confusion about where suits arising from the contract must be brought and defended, sparing litigants the time and expense of pretrial motions to determine the correct forum and conserving judicial resources that otherwise would be devoted to deciding those motions. See *Stewart Organization*, 487 U.S., at 33, 108 S.Ct., at 2246 (concurring opinion). Finally, it stands to reason that passengers who purchase tickets containing a forum clause like that at issue in this case benefit in the form of reduced fares reflecting the savings that the cruise line enjoys by limiting the fora in which it may be sued. Cf. *Northwestern Nat. Ins. Co. v. Donovan*, 916 F.2d 372, 378 (CA7 1990).

We also do not accept the Court of Appeals' "independent justification" for its conclusion that *The Bremen* dictates that the clause should not be enforced because "[t]here is evidence in the record to indicate that the Shutes are physically and financially incapable of pursuing this litigation in Florida." 897 F.2d, at 389. We do not defer to the Court of Appeals' findings of fact. In **1528 dismissing the case for lack of personal jurisdiction over petitioner, the District Court made no finding regarding the physical and financial impediments to the Shutes' pursuing their case in Florida. The Court of Appeals' conclusory reference to the record provides no basis for this Court to validate

the finding of inconvenience. Furthermore, the Court of Appeals did not place in proper context this Court's statement in *The Bremen* that "the serious inconvenience of the contractual forum to one or both of the parties might carry greater weight in determining the reasonableness of the forum clause." 407 U.S., at 17, 92 S.Ct., at 1917. The Court made this statement in evaluating a hypothetical "agreement between two Americans to resolve their essentially local disputes in a remote alien forum." *Ibid.* In the present case, Florida is not a "remote alien forum," nor-given the fact that Mrs. Shute's accident occurred off the coast of Mexico-is this dispute an essentially local one inherently more suited to resolution in the State of Washington than in Florida. In *595 light of these distinctions, and because respondents do not claim lack of notice of the forum clause, we conclude that they have not satisfied the "heavy burden of proof," *ibid.*, required to set aside the clause on grounds of inconvenience.

It bears emphasis that forum-selection clauses contained in form passage contracts are subject to judicial scrutiny for fundamental fairness. In this case, there is no indication that petitioner set Florida as the forum in which disputes were to be resolved as a means of discouraging cruise passengers from pursuing legitimate claims. Any suggestion of such a bad-faith motive is belied by two facts: Petitioner has its principal place of business in Florida, and many of its cruises depart from and return to Florida ports. Similarly, there is no evidence that petitioner obtained respondents' accession to the forum clause by fraud or overreaching. Finally, respondents have conceded that they were given notice of the forum provision and, therefore, presumably retained the option of rejecting the contract with impunity. In the case before us, therefore, we conclude that the Court of Appeals erred in refusing to enforce the forum-selection clause.

V

The judgment of the Court of Appeals is reversed.

It is so ordered.

These data suggest that the use of a single, high-dose, intravenous bolus of morphine may be associated with a higher risk of respiratory depression compared with the use of a lower-dose, intravenous bolus followed by a continuous infusion.

- [illegible]

[illegible]

[illegible]

for each of these, identifiable goods, financial assets, property of others, jewelry, money, bonds, stocks, and other assets. The list of assets should be prepared by the taxpayer and supported by the taxpayer's records. The U.S. and foreign assets should be listed separately in the form of a spreadsheet connected with the taxpayer's records. The taxpayer should also prepare a list of liabilities, including mortgages, loans, and other debts, and attach it to the declaration. The taxpayer should also attach a statement of the taxpayer's marital status, including the date of marriage, divorce, or annulment, and the date of death of the taxpayer's spouse. The taxpayer should also attach a statement of the taxpayer's foreign income, including the date of receipt, the amount, and the source. The taxpayer should also attach a statement of the taxpayer's foreign assets, including the date of acquisition, the amount, and the source. The taxpayer should also attach a statement of the taxpayer's foreign liabilities, including the date of acquisition, the amount, and the source. The taxpayer should also attach a statement of the taxpayer's foreign income, including the date of receipt, the amount, and the source. The taxpayer should also attach a statement of the taxpayer's foreign assets, including the date of acquisition, the amount, and the source. The taxpayer should also attach a statement of the taxpayer's foreign liabilities, including the date of acquisition, the amount, and the source.

It is stipulated that the aggregate value of each passenger's liability shall be not less than \$100 nor more than \$200. The Board of the Carrier for any class of passenger shall not extend such limit, without the passenger shall in writing, delivered to the Carrier, prior to embarkation, declare the full amount of compensation to which he is entitled, and pay to the Carrier prior to embarkation a sum in U.S. Dollars not less than the sum of such value. The Carrier's liability shall be limited to the actual damages sustained by the property, but not to more than the declared value.

[illegible]

At the same time, the proposed wages to be paid to the employees in the coal-mining industry are to be increased by 10 per cent. The proposed wages to be paid to the employees in the coal-mining industry are to be increased by 10 per cent.

[illegible][illegible]

“Doubtless it is my wish that you should be employed in the service of the Government, and I am sure that you will find it a most interesting and profitable one. I am, Sir, very respectfully,
Your obedient servant,
J. H. P. [Signature] [Name]

that it is not an action undertaken by the passenger is retained permission to land at the port of destination, and that the carrier is not responsible for the loss of the ticket. The carrier is not responsible for the loss of the ticket if the passenger is not permitted to land at the port of destination, and the carrier is not responsible for the loss of the ticket if the passenger is not permitted to land at the port of destination.

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For the purpose of this study, a sample of 1000 was selected from the population of 10,000. The sample was selected using a simple random sampling method. The sample was selected using a simple random sampling method.

[illegible]

the institution for one of the most famous and successful in your country, according to my own country, and I am sure that you will be able to find out the truth about it. I am sure that you will be able to find out the truth about it.

[illegible]

On the way up, we got a look at the "Bismarck" and the "Tennessee," the two big ships that were sunk in the Pacific. They were both big, and they were both old. They were both big, and they were both old.

CONTENTS

THE ARBITRATION-LITIGATION PARADOX

Pamela K. Bookman*

forthcoming VANDERBILT LAW REVIEW 2019

A. DOMESTIC COMMERCIAL ARBITRATION

The origin story of the FAA has been told many times.⁶⁹ The 1925 Act responded to the then-prevalent refusal of courts to specifically enforce arbitration agreements.⁷⁰ It instructed courts to put arbitration clauses on an “equal footing” with other kinds of contract terms,⁷¹ and “set forth the procedures to be followed in federal court for litigation about arbitration.”⁷² The federal law followed in the footsteps of the 1920 New York state arbitration statute and other similar statutes.⁷³

According to scholars, the Act “was originally designed to cover contractual disputes between merchants of relatively co-equal bargaining power.”⁷⁴ Its lead proponents, Julius Cohen and Charles Bernheimer, worked for the New York State Chamber of Commerce and appeared before Congress as representatives of dozens of “business men’s organizations.” They sang arbitration’s praises “as a way ‘to make the disposition of business in the commercial world less expensive,’” faster, and more just.⁷⁵ Also appearing before Congress were Herbert Hoover, the Secretary of Commerce; W.H.H. Piatt, Chairman of the Committee on Commerce, Trade, and Commercial Law of the American Bar Association (who testified that the Act should not be read to apply to labor disputes); and others advocating for “arbitration in

⁶⁹ MacNeil, Chap. 4; IMRE SZALAI, *OUTSOURCING JUSTICE: THE RISE OF MODERN ARBITRATION LAWS IN AMERICA* (2013); Hiro N. Aragaki, *The Federal Arbitration Act As Procedural Reform*, 89 N.Y.U. L. Rev. 1939 (2014); see also Amalia D. Kessler, *Arbitration and Americanization: The Paternalism of Progressive Procedural Reform*, 124 YALE L.J. 2940, 2957 (2015); AMALIA D. KESSLER, *INVENTING AMERICAN EXCEPTIONALISM: THE ORIGINS OF AMERICAN ADVERSARIAL LEGAL CULTURE, 1800-1877* (2017).

⁷⁰ David L. Noll, *Regulating Arbitration*, 105 CAL. L. REV. 985, 994 (2017).

⁷¹ E.E.O.C. v. Waffle House, Inc., 534 U.S. 279, 293 (2002).

⁷² Aragaki, *supra* note __.

⁷³ MacNeil, *supra* note __, at §8.1; IAN MACNEIL, *AMERICAN ARBITRATION LAW: REFORMATION—NATIONALIZATION—INTERNATIONALIZATION*, Part I (1992).

⁷⁴ Szalai, *supra* note __, at 524-525 (footnotes omitted); Leslie, *supra* note __, at 305-306; Margaret L. Moses, *Statutory Misconstruction: How the Supreme Court Created A Federal Arbitration Law Never Enacted by Congress*, 34 FLA. ST. U. L. REV. 99, 106 (2006). But compare *Circuit City Stores, Inc. v. Adams*, 532 U.S. 105, 111 (2001) (“[T]he FAA compels judicial enforcement of a wide range of written arbitration agreements.”) with *id.* at 125 (Stevens, J., dissenting) (“The history of the Act, which is extensive and well documented, makes clear that the FAA was a response to the refusal of courts to enforce commercial arbitration agreements....”). In fascinating new work, Amalia Kessler sheds important light on Progressive lawyers’ influence on the FAA and their understanding of arbitration as part of “their program for urban civil justice.” Amalia D. Kessler, *Arbitration and Americanization: The Paternalism of Progressive Procedural Reform*, 124 YALE L.J. 2940, 2962 (2015). But she does not purport to rebut the foundational assumption that the Act originally targeted arbitration clauses in commercial contracts.

⁷⁵ Leslie, *supra* note __, at 302 (citations omitted); Moses, *supra* note __, at 103.

commercial matters.”⁷⁶ Indeed, in the proceedings leading up to the FAA’s enactment, “every witness, every Senator, and every Representative discussed one issue and one issue only: arbitration of contract disputes between merchants.”⁷⁷ The cited examples discussed contracts between merchants, often involving international transactions.⁷⁸

The business world had legitimate complaints about litigation. Civil procedure before the 1938 adoption of the Federal Rules of Civil Procedure was rigid and complex; it notoriously provided lawyers with incentives to “insist on procedural formalities for strategic gain.”⁷⁹ It involved long delays.⁸⁰ Hiro Aragaki argues that the FAA was developed in the context of “[an] increasingly intolerable situation in the courts and the seeming stagnation of judicial reform efforts in Congress,” by advocates who “saw privatization as the most effective vehicle for improving adjudicative dispute resolution.”⁸¹

There was much to recommend arbitration in these commercial contexts. An extensive literature explores how and why arbitration, the “creature of contract,”⁸² can provide sophisticated parties with important opportunities to craft the fate of their disputes in the name of maintaining party autonomy, procedural flexibility, and other private law virtues.⁸³ The ability to choose arbitration can be an expression of contractual freedom.⁸⁴ These are the private-law values of arbitration. They have particular force in combination with essentialist values, that is, in circumstances when litigation is viewed as “intolerable” and arbitration seems to offer a cure for litigation’s ills.

The Supreme Court’s version of the FAA’s origin story is superficially consistent with the scholarly account just described. The Court cites two main reasons for the FAA’s enactment: first, to “revers[e] centuries of judicial hostility to arbitration agreements” and “to place arbitration agreements ‘upon the same footing as other contracts,’” and second, “to allow parties to avoid ‘the costliness and delays of litigation.’”⁸⁵ The Court does not consider the business interests driving the arbitration reform movement to limit its interpretation of the statute.⁸⁶ Conversely, the Court has focused on the

⁷⁶ Leslie, *supra* note __, at 303–04.

⁷⁷ *Id.* at 305.

⁷⁸ *Id.* at 306.

⁷⁹ Aragaki, *supra* note __, at 1966.

⁸⁰ *Id.* at 1968.

⁸¹ *Id.* at 1976.

⁸² See Aragaki, *Creature of Contract*, *supra* note __ (discussing the popularity of and problems with this term).

⁸³ See, e.g., Drahozal & Ware, *Why Do Businesses Use (Or Not Use) Arbitration Clauses?*, Ohio State Journal on Dispute Resolution (2010).

⁸⁴ See, e.g., Gaillard, *supra* (“autonomy and freedom are at the heart of [international arbitration]”).

⁸⁵ *Scherk v. Alberto-Culver, Co.*, 417 U.S. 506, 511 (1974).

⁸⁶ See *Concepcion*; *Epic*.

importance of arbitration *displacing* litigation.⁸⁷ As a result, while the Court recognizes the private-law values of arbitration, it focuses its attention on safeguarding the essentialist values. Scholars' historical account that the FAA sought to promote arbitration as a flexible alternative to litigation lends credence to the idea that businesses favored arbitration for its perceived speed and low cost and efficiency, especially as compared to courts. But the FAA was also a procedural reform effort that could proceed in parallel with reform efforts in the courts.⁸⁸ In other words, one can view the FAA as valuing better procedures in dispute resolution rather than simply (or only) valuing the avoidance of litigation.

At its most basic, however, the FAA mandated judicial support for arbitration when parties chose it as their dispute resolution mechanism of choice.⁸⁹ It placed exceedingly few limits on what counts as arbitration. The statute does not define arbitration, either vis-à-vis litigation or otherwise.

B. ENTHUSIASM FOR ARBITRATION

Litigation-avoidance values have driven the Court's love affair with arbitration since the 1970s. Scholars have noted that a likely motivator "was the Court's view that litigation had become excessive and needed to be curtailed."¹⁵⁰ Chief Justice Burger, who often expressed concern with judicial workload pressures, consistently criticized "'litigiousness'" and linked it to a "mass neurosis . . . [that] leads people to think courts were created to solve all the problems of society."¹⁵¹ At the Pound Conference on the Causes of Popular Dissatisfaction with the Administration of Justice in 1976, Burger's "chief message" "was that the 'litigation explosion would have to be controlled.'"¹⁵² This message was consonant with "the business community's growing dissatisfaction with the legal system."¹⁵³

At the same time, the Court has exalted arbitration. The Court has described the FAA as embodying "a national policy favoring arbitration,"¹⁵⁴ which does not just put arbitration contracts on equal footing with other kinds of contracts, but seems to affirmatively favor arbitration over litigation.¹⁵⁵ As the most recent Restatement of the U.S. Law of International Commercial Arbitration reports, "U.S. law now has a now long-established history of providing strong support to both party autonomy in arbitration and to the enforceability of arbitral agreements and awards."¹⁵⁶

The Court identifies the purpose of the FAA's pro-arbitration policies as twofold: first, to enforce arbitration agreements and preserve freedom of contract,¹⁵⁷ and second, to avoid or replace litigation.¹⁵⁸ An extensive literature examines arbitration as a manifestation of contractual freedom¹⁵⁹ and a

hallmark of private law.¹⁶⁰ According to these private-law values, the signature features of arbitration are the choice, autonomy, and flexibility that it affords parties. As Alan Rau argues, "if there is any 'public policy' at all implicated in arbitration, it ... lies in making a relatively inexpensive and efficient process of dispute resolution available to the parties if and to the extent they wish to take advantage of it."¹⁶¹ In the 1980s, the Court cited arbitration's "adaptability" of as one of its key virtues.¹⁶²

In recent decades, however, the Court has focused intensely on the importance of arbitration's function as a substitute for litigation. Relying on the FAA's legislative history,¹⁶³ the Court often states that the FAA was intended "to allow parties to avoid 'the costliness and delays of litigation'"¹⁶⁴ because arbitration was supposed to be able to "largely eliminate[]" that cost and delay.¹⁶⁵ This litigation-avoidance purpose, the Court has now held in multiple contexts, prevails over Congress's intent in other statutes to provide claimants with their day in court¹⁶⁶ or to allow collective action,¹⁶⁷ and over many areas of state law.¹⁶⁸ As noted, these policies often align with developments that mark the Court's hostility to litigation.¹⁶⁹ The vision of arbitration as a substitute for litigation goes hand in hand with an understanding of arbitration's "essential" virtues as those that differentiate it from the litigation "it was meant to displace"—e.g., its speed, low cost, and efficiency.¹⁷⁰ The Court has accordingly seen the FAA's purpose as protecting those virtues.¹⁷¹

In international commercial cases, a third set of values is also at play:

¹⁶⁰ See Steven Ware, *Minn. L. Rev.* (1999).

¹⁶¹ Alan Scott Rau, *Fear of Freedom*, 17 *AM. REV. INT'L ARB.* 469, 479 (2006).

¹⁶² See, e.g., *Mitsubishi Motors Corp. v. Soler Chrysler-Plymouth, Inc.*, 473 U.S. 614 (1985).

¹⁶³ Commentators have noted that the course of developing this robust FAA, "the Court's reading of legislative history [of the FAA] appears selective." Miller, *supra* note __, at 327-328 & n.156; see also Aragaki, *supra* note __.

¹⁶⁴ *Scherk v. Alberto-Culver Co.*, 417 U.S. 506, 510-11 (1974) (citing H.R.Rep.No.96, 68th Cong., 1st Sess., 1, 2 (1924); S.Rep.No.536, 68th Cong., 1st Sess. (1924)).

¹⁶⁵ *Dean Witter Reynolds, Inc. v. Byrd*, 470 U.S. 213, 220 (1985).

¹⁶⁶ Of course, in international contexts, the Court may emphasize that the Court has made clear that this policy "applies with special force in the field of international commerce." *Mitsubishi*, etc.

¹⁶⁷ See *Epic*.

¹⁶⁸ See *Southland* ____; MacNeil § 8.6. But see [O'Connor's dissent] (saying that the legislative history plainly does not suggest that congress intended the FAA to preempt state law).

¹⁶⁹ See *supra* [notes discussing Siegel]; MacNeil § 8.6 ("Underlying this pro-arbitration stance appears to be the desire to help clear court dockets, not as a simple consequence of party choice to use arbitration, but as a policy in its own right."). Writing in 1994, MacNeil noted that *Volt Information Sciences v. Stanford University* (1986) provided a potential exception to this trend because it permitted parties to direct that state law would govern their arbitration agreements, but *DIRECTV, Inc. v. Imburgia*, 577 U.S. ____ (2015) has undermined that holding.

¹⁷⁰ See *Epic*.

¹⁷¹ See *infra* discussion of *Concepcion* and *Epic*.

promoting trade, orderliness, and predictability in international commerce. Indeed, in the international commercial context, the argument in favor of arbitration is especially strong.¹⁷² Enforcement of arbitration agreements not only supports freedom of contract and avoiding litigation in potentially biased national courts (which international business operators seem justified in wanting to avoid).¹⁷³ At its best, it also enables parties from different nations to choose a neutral and expert arbiter for potential disputes and, if the arbitration clause will be enforced, to create some much-desired predictability.¹⁷⁴ In the international commercial context, the Supreme Court has sensibly acknowledged, the success of international trade and commerce requires the United States to recognize the validity of laws and dispute resolution outside of U.S. courts.¹⁷⁵

It is no wonder that the Supreme Court's major shifts to enforcing arbitration and forum selection clauses occurred in cases involving international commercial contracts, with the Court explaining that the international context weighed heavily in favor of enforcing the parties' choices in those contracts.¹⁷⁶ As discussed in Part I, *The Bremen* and *Scherk* explicitly relied on the particular circumstances in international business transactions to justify enforcement of such clauses.

In the 1980s, the Court acknowledged the important role that national courts play in supporting the institution of international commercial arbitration. It played that role by prioritizing private-law and international business values over essentialist ones. In *Mitsubishi Motors Corp. v. Soler Chrysler-Plymouth*, the Court noted:

If they are to take a central place in the international legal order, national courts will need to "shake off the old judicial

¹⁷² In the investment arbitration context, there is also a strong argument in favor of arbitration, but the calculus about judicial review is somewhat different. See Roberts & Trahanas, *supra* note ____.

¹⁷³ See *supra* Part I.B. (discussing *The Bremen* and *Scherk*).

¹⁷⁴ See, e.g., Bermann, *supra* note ____; Cuniberti, *supra* note ____; Sussman, *supra* note ____; There are also arguments in favor of arbitration that go beyond its role as a dispute resolution mechanism. See Helfand, *supra* note ____ (questioning that that's arbitration's only purpose); Markovits, *supra* note ____ (similar). But see Dammann & Hansmann, *supra* note ____ (arguing that arbitration affords less predictable results because arbitrators want to provide a resolution that pleases both sides rather than following more predictable legal reasoning).

¹⁷⁵ *Scherk*, 417 U.S. at 519 (invalidating the arbitration clause "would ... reflect a 'parochial concept that all disputes must be resolved under our laws and in our courts.' ... We cannot have trade and commerce in world markets and international waters exclusively on our terms, governed by our laws, and resolved in our courts."); *M/S Bremen v. Zapata Off-Shore Co.*, 407 U.S. 1, 9.

¹⁷⁶ See *Bremen*, 407 U.S. at 11-12 (enforcing forum selection clauses "accords with ancient concepts of freedom of contract and reflects an appreciation of the expanding horizons of American contractors who seek business in all parts of the world"); *Scherk*, 417 U.S. at 515 (finding it "significant ... and ... crucial" that the contract involved was a "truly international agreement"); Main, *supra* note ____ (discussing *Bremen* as the "taproot of [the] kudzu vine" that is arbitration).

hostility to arbitration," and also their customary and understandable unwillingness to cede jurisdiction of a claim arising under domestic law to a foreign or transnational tribunal. To this extent, at least, it will be necessary for national courts to subordinate domestic notions of arbitrability to the international policy favoring commercial arbitration.¹⁷⁷

There, the Court asserted that arbitration's "hallmarks" were its "adaptability and access to expertise," rather than its contrasts to litigation. Indeed, had the Court prioritized the differences between arbitration and litigation and sought to safeguard arbitration's "essential" characteristics, it might have reached a different result. The claimants had argued that the Court should not enforce the agreement to arbitrate antitrust claims because arbitration was less equipped than litigation to handle such complex disputes and important federal statutory rights.¹⁷⁸ The Court rejected this argument. Instead, it found that arbitration was up to the challenge and recognized the importance of courts' support for arbitration in the context of international trade.¹⁷⁹

Key to the Court's decision in *Mitsubishi* was recognizing this conflict of values and then subordinating essentialist concerns to the more important considerations of private-law values and supporting international business. As discussed below, the essentialist view has serious flaws—for example not valuing arbitration's adaptability and capacity for complexity, as *Mitsubishi* understood. *Mitsubishi* provides an example of the Court not only prioritizing other arbitration values over essentialist ones, but also acknowledging that the multiple values underlying arbitration can conflict, considering courts' important role in supporting international commercial arbitration system, and balancing the different competing values.

In the past few decades, however, the Court has shifted to prioritize arbitration's essentialist values over its private-law or international-business ones, either without recognizing the possibility of a conflict, or discounting its

¹⁷⁷ *Mitsubishi Motors Corp. v. Soler Chrysler-Plymouth, Inc.*, 473 U.S. 614, 638–39 (1985).

¹⁷⁸ *Id.* at 633. Notably, the Court in *Mitsubishi* was not as enthusiastic about arbitration as it seemed. In dicta, *Mitsubishi* assumed that courts could invalidate an arbitral award as against public policy if they interpreted a foreign choice-of-law clause to preclude the effective vindication of federal statutory rights. *Id.* at 637 n.19 ("We ... note that in the event the choice-of-forum and choice-of-law clauses operated in tandem as a prospective waiver of a party's right to pursue statutory remedies for antitrust violations, we would have little hesitation in condemning the agreement as against public policy."). But subsequent Supreme Court decisions have all but eliminated the public policy defense in public cases, and this dictum has "proven to be largely an empty threat." Rogers, *supra* note __, at 367 n.154. U.S. courts do not decline to enforce arbitral awards based on the public policy considerations in *Mitsubishi*. Sweet & Grisel, *supra* note __, at 178 n.38 ("We are not aware of any" U.S. court refusing "to enforce awards based on public policy considerations after *Mitsubishi*").

¹⁷⁹ *Id.*

importance. In this shift, there is rarely balancing analysis or even consideration of the possibility that these different values could conflict in theory or do conflict in practice.¹⁸⁰ As discussed in Part IV, this development has important consequences for many unresolved legal issues concerning international commercial arbitration in U.S. courts. The next section discusses the Court's recent embrace of arbitration's essentialist values and hostility to litigation, to the exclusion of other values that are critically important to international commercial arbitration.