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2004

100 S.Ct. 559 Supreme Court of the United States

WORLD-WIDE VOLKSWAGEN CORPORATION et al., Petitioners,

 \mathbf{v}

Charles S. WOODSON, District Judge of Creek County, Oklahoma, et al.

No. 78–1078. | Argued Oct. 3, 1979. | Decided Jan. 21, 1980.

Synopsis

In a products liability suit in Oklahoma, a claim by defendants of want of jurisdiction under the Oklahoma long-arm statute by reason of constitutional limitations was denied by the Supreme Court of Oklahoma, 585 P.2d 351, by way of denial of a writ of prohibition to restrain the trial court from exercising in personam jurisdiction. Certiorari was granted, and the Supreme Court, Mr. Justice White, held that where corporate defendants, automobile wholesaler and retailer, carried on no activity whatsoever in Oklahoma and availed themselves of no privileges or benefits of Oklahoma law, mere fortuitous circumstance that a single automobile sold in New York to New York residents happened to suffer an accident while passing through Oklahoma did not constitute "minimum contacts" with Oklahoma so as to permit Oklahoma courts to exercise jurisdiction consistently with due process under state long-arm statute interpreted by Oklahoma courts as conferring jurisdiction to limits permitted by United States Constitution.

Reversed.

Mr. Justice Marshall dissented and filed opinion in which Mr. Justice Blackmun joined.

Mr. Justice Blackmun dissented and filed opinion.

Mr. Justice Brennan dissented.

See, also, dissenting opinion, 100 S.Ct. 580.

West Headnotes (16)

[1] Constitutional Law Pon-residents in general

Due process clause of Fourteenth Amendment limits power of state court to render valid personal judgment against nonresident defendant, U.S.C.A.Const. Amend. 14.

202 Cases that cite this headnote

[2] **Judgment** \hookrightarrow Adjudications operative in other states; full faith and credit

Judgment rendered in violation of due process is void in rendering state and is not entitled to full faith and credit elsewhere. U.S.C.A.Const. Amend. 14.

25 Cases that cite this headnote

[3] Constitutional Law Personal jurisdiction in general

Constitutional Law Process or Other Notice

Due process requires that defendant be given adequate notice of suit and be subject to personal jurisdiction of the court. U.S.C.A.Const. Amend. 14.

62 Cases that cite this headnote

[4] Courts • Contacts with forum state in general

State court may exercise personal jurisdiction over nonresident defendant only so long as there exist "minimum contacts" between defendant and forum state.

3153 Cases that cite this headnote

[5] Courts Contacts with forum state in general

Concept of "minimum contacts" protects defendant against burdens of litigating in distant or inconvenient forum and acts to insure that states, through their courts, do not reach out beyond limits imposed on them by their status as coequal sovereigns in federal system.

1155 Cases that cite this headnote

[6] Courts ← Corporations and business organizations

Relationship between corporate defendant and forum must be such that it is reasonable to require corporation to defend particular suit where it is brought.

92 Cases that cite this headnote

[7] Courts 🌦 Factors Considered in General

Burden on defendant, while always primary concern in determining jurisdiction of a nonresident defendant, will in appropriate case be considered in light of other relevant factors, including interest of forum state in adjudicating disputes, plaintiff's interest in obtaining convenient and effective relief, at least when such interest is not adequately protected by plaintiff's power to choose forum, interstate judicial system's interest in obtaining most efficient resolution of controversies, and shared interest of the several states in furthering fundamental, substantive, social policies.

1272 Cases that cite this headnote

[8] States • Nature, status, and sovereignty in general

Sovereignty of each state implies limitation on sovereignty of all sister states, a limitation express or implicit in both original scheme of Constitution and Fourteenth Amendment. U.S.C.A.Const. Amend. 14.

8 Cases that cite this headnote

[9] Constitutional Law Mon-residents in general

Constitutional Law Business, business organizations, and corporations in general

Due process clause does not contemplate that state may make binding judgment in personam against individual or corporate defendant with which state has no contacts, ties or relations. U.S.C.A.Const. Amend. 14.

127 Cases that cite this headnote

[10] Constitutional Law Pon-residents in general

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

111 Cases that cite this headnote

[11] Constitutional Law • Manufacture, distribution, and sale

Where corporate defendants, automobile wholesaler and retailer, carried on no activity whatsoever in Oklahoma and availed themselves of no privileges or benefits of Oklahoma law, mere fortuitous circumstance that single automobile sold in New York to New York residents happened to suffer accident while passing through Oklahoma did not constitute "minimum contacts" with Oklahoma so as to permit Oklahoma courts to exercise jurisdiction consistently with due process under state longarm statute interpreted by Oklahoma courts as conferring jurisdiction to limits permitted by United States Constitution. 12 O.S.1971, § 1701.03(a)(3, 4); U.S.C.A.Const. Amend. 14.

519 Cases that cite this headnote

[12] Constitutional Law Pon-residents in general

Element of "foreseeability" has never alone been sufficient benchmark for personal jurisdiction under due process clause. U.S.C.A.Const. Amend. 14.

272 Cases that cite this headnote

[13] Constitutional Law Mon-residents in general

As bearing upon "minimal contacts" required for exercise of personal jurisdiction of state courts consistent with due process clause, there is no difference between automobile and any other chattel, and "dangerous instrumentality" concept has relevance as bearing not upon jurisdiction but on possible desirability of imposing substantive principles of tort law such as strict liability.

106 Cases that cite this headnote

[14] Constitutional Law Manufacture, distribution, and sale

Foreseeability that is critical to due process analysis of state court's jurisdiction of a nonresident defendant is not mere likelihood that product will find its way into forum state but rather it is that defendant's conduct and connection with forum state are such that he should reasonably anticipate being haled into court there, U.S.C.A.Const. Amend. 14.

6113 Cases that cite this headnote

[15] Constitutional Law - Jurisdiction and Venue

Due process clause by insuring orderly administration of laws gives degree of predictability to 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. U.S.C.A.Const. Amend. 14.

339 Cases that cite this headnote

[16] Constitutional Law - Non-residents in general

Financial benefits accruing to defendant from collateral relation to forum state will not support jurisdiction over defendant if they do not stem from constitutionally cognizable contact with that state. U.S.C.A.Const. Amend. 14.

807 Cases that cite this headnote

**561 *286 Syllabus*

A products-liability action was instituted in an Oklahoma state court by respondents husband and wife to recover for personal injuries sustained in Oklahoma in an accident involving an automobile that had been purchased by them in New York while they were New York residents and that was being driven through Oklahoma at the time of the accident. The defendants included the automobile retailer and its wholesaler (petitioners), New York corporations that did no business in Oklahoma. Petitioners entered special appearances, claiming that Oklahoma's exercise of jurisdiction over them would offend limitations on the State's jurisdiction imposed by the Due Process Clause of the Fourteenth Amendment. The trial court rejected petitioners' claims and they then sought, but were denied a writ of prohibition in the Oklahoma Supreme Court to restrain respondent trial judge from exercising in personam iurisdiction over them.

Held: Consistently with the Due Process Clause, the Oklahoma trial court may not exercise *in personam* jurisdiction over petitioners. Pp. 564–568.

(a) A state court may exercise personal jurisdiction over a nonresident defendant only so long as there exist "minimum contacts" between the defendant and the forum State. *International Shoe Co. v. Washington*, 326 U.S. 310, 66 S.Ct. 154, 90 L.Ed. 95. The defendant's contacts with the forum State must be such that maintenance of the suit does not offend traditional **562 notions of fair play and substantial justice, *id.*, at 316, 66 S.Ct., at 158, and the relationship between the defendant and the forum must be such that it is "reasonable . . . to require the corporation to defend the particular suit which is brought there," *id.*, at 317, 66 S.Ct., at 158. The Due Process Clause "does not contemplate that a state may make binding a judgment *in personam* against an individual or corporate defendant with which the state has no

contacts, ties, or relations." *Id.*, at 319, 66 S.Ct., at 159. Pp. 564–566.

(b) Here, there is a total absence in the record of those affiliating circumstances that are a necessary predicate to any exercise of state-court jurisdiction. Petitioners carry on no activity whatsoever in Oklahoma; they close no sales and perform no services there, avail *287 themselves of none of the benefits of Oklahoma law, and solicit no business there either through salespersons or through advertising reasonably calculated to reach that State. Nor does the record show that they regularly sell cars to Oklahoma residents or that they indirectly, through others, serve or seek to serve the Oklahoma market. Although it is foreseeable that automobiles sold by petitioners would travel to Oklahoma and that the automobile here might cause injury in Oklahoma, "foreseeability" alone is not a sufficient benchmark for personal jurisdiction under the Due Process Clause. The foreseeability that is critical to due process analysis is not the mere likelihood that a product will find its way into the forum State, but rather is that the defendant's conduct and connection with the forum are such that he should reasonably anticipate being haled into court there. Nor can jurisdiction be supported on the theory that petitioners earn substantial revenue from goods used in Oklahoma. Pp. 566-568.

Okl., 585 P.2d 351, reversed.

Attorneys and Law Firms

Herbert Rubin, New York City, for petitioners.

Jefferson G. Greer, Tulsa, Okl., for respondents.

Opinion

Mr. Justice WHITE delivered the opinion of the Court.

The issue before us is whether, consistently with the Due Process Clause of the Fourteenth Amendment, an Oklahoma court may exercise *in personam* jurisdiction over a nonresident automobile retailer and its wholesale distributor in a products-liability action, when the defendants' only connection with Oklahoma is the fact that an automobile sold in New York to New York residents became involved in an accident in Oklahoma.

*288 I

Respondents Harry and Kay Robinson purchased a new Audi automobile from petitioner Seaway Volkswagen, Inc. (Seaway), in Massena, N. Y., in 1976. The following year the Robinson family, who resided in New York, left that State for a new home in Arizona. As they passed through the State of Oklahoma, another car struck their Audi in the rear, causing a fire which severely burned Kay Robinson and her two children.¹

The Robinsons² subsequently brought a products-liability action in the District Court for Creek County, Okla., claiming that their injuries resulted from defective design and placement of the Audi's gas tank and fuel system. They joined as defendants the automobile's manufacturer, Audi NSU Auto Union Aktiengesellschaft (Audi); its importer Volkswagen of America, Inc. (Volkswagen); its regional distributor, petitioner World-Wide Volkswagen Corp. (World-Wide); and its retail dealer, petitioner Seaway. Seaway and World-Wide entered special appearances,³ claiming **563 that Oklahoma's exercise of jurisdiction over them would offend the limitations on the State's jurisdiction imposed by the Due Process Clause of the Fourteenth Amendment.⁴

The facts presented to the District Court showed that World-Wide is incorporated and has its business office in New *289 York. It distributes vehicles, parts, and accessories, under contract with Volkswagen, to retail dealers in New York, New Jersey, and Connecticut. Seaway, one of these retail dealers, is incorporated and has its place of business in New York. Insofar as the record reveals, Seaway and World-Wide are fully independent corporations whose relations with each other and with Volkswagen and Audi are contractual only. Respondents adduced no evidence that either World-Wide or Seaway does any business in Oklahoma, ships or sells any products to or in that State, has an agent to receive process there, or purchases advertisements in any media calculated to reach Oklahoma. In fact, as respondents' counsel conceded at oral argument, Tr. of Oral Arg. 32, there was no showing that any automobile sold by World-Wide or Seaway has ever entered Oklahoma with the single exception of the vehicle involved in the present case.

Despite the apparent paucity of contacts between petitioners and Oklahoma, the District Court rejected their constitutional claim and reaffirmed that ruling in denying petitioners' motion for reconsideration.⁵ Petitioners then sought a writ of prohibition in the Supreme Court of Oklahoma to restrain the District Judge, respondent Charles S. Woodson, from

exercising in personam jurisdiction over them. They renewed their contention that, because they had no "minimal contacts," App. 32, with the State of Oklahoma, the actions of the District Judge were in violation of their rights under the Due Process Clause.

The Supreme Court of Oklahoma denied the writ, 585 P.2d 351 (1978),⁶ holding that personal jurisdiction over petitioners was authorized by Oklahoma's "long-arm" statute *290 Okla. Stat., Tit. 12, § 1701.03(a)(4) (1971). Although the court noted that the proper approach was to test jurisdiction against both statutory and constitutional standards, its analysis did not distinguish these questions, probably because § 1701.03(a)(4) has been interpreted as conferring jurisdiction to the limits permitted by the United States Constitution.⁸ The court's rationale was contained in the following paragraph, 585 P.2d, at 354:

"In the case before us, the product being sold and distributed by the petitioners is by its very design and purpose so mobile that petitioners can foresee its possible use in Oklahoma. This is especially true of the distributor, who has the exclusive right to distribute such automobile in New York, New Jersey and Connecticut. The evidence presented below demonstrated that goods sold and distributed by the petitioners were used in the State of Oklahoma, and under the facts we believe it reasonable to infer, given **564 the retail value of the automobile, that the petitioners derive substantial income from automobiles which from time to time are used in the State of Oklahoma. This being the case, we hold that under the facts presented, the trial court was justified in concluding *291 that the petitioners derive substantial revenue from goods used or consumed in this State."

We granted certiorari, 440 U.S. 907, 99 S.Ct. 1212, 59 L.Ed.2d 453 (1979), to consider an important constitutional question with respect to state-court jurisdiction and to resolve a conflict between the Supreme Court of Oklahoma and the highest courts of at least four other States. 9 We reverse.

Π

[1] [2] Amendment limits the power of a state court to render a valid personal judgment against a nonresident defendant. Kulko v. California Superior Court, 436 U.S. 84, 91, 98 S.Ct. 1690, 1696, 56 L.Ed.2d 132 (1978). A judgment rendered in violation of due process is void in the rendering State and is not entitled to full faith and credit elsewhere. Pennoyer v. Neff, 95 U.S. 714, 732–733, 24 L.Ed. 565 (1878). Due process requires that the defendant be given adequate notice of the suit, Mullane v. Central Hanover Trust Co., 339 U.S. 306, 313-314, 70 S.Ct. 652, 657, 94 L.Ed. 865 (1950), and be subject to the personal jurisdiction of the court, *International* Shoe Co. v. Washington, 326 U.S. 310, 66 S.Ct. 154, 90 L.Ed. 95 (1945). In the present case, it is not contended that notice was inadequate; the only question is whether these particular petitioners were subject to the jurisdiction of the Oklahoma courts.

As has long been settled, and as we [4] [6] [7] reaffirm today, a state court may exercise personal jurisdiction over a nonresident defendant only so long as there exist "minimum contacts" between the defendant and the forum State. International Shoe Co. v. Washington, supra, at 316, 66 S.Ct., at 158. The concept of minimum contacts, in turn, can be seen to perform two related, but *292 distinguishable, functions. It protects the defendant against the burdens of litigating in a distant or inconvenient forum. And it acts to ensure that the States through their courts, do not reach out beyond the limits imposed on them by their status as coequal sovereigns in a federal system.

The protection against inconvenient litigation is typically described in terms of "reasonableness" or "fairness." We have said that the defendant's contacts with the forum State must be such that maintenance of the suit "does not offend 'traditional notions of fair play and substantial justice.' " International Shoe Co. v. Washington, supra, at 316, 66 S.Ct., at 158, quoting Milliken v. Meyer, 311 U.S. 457, 463, 61 S.Ct. 339, 342, 85 L.Ed. 278 (1940). The relationship between the defendant and the forum must be such that it is "reasonable . . . to require the corporation to defend the particular suit which is brought there." 326 U.S., at 317, 66 S.Ct., at 158. Implicit in this emphasis on reasonableness is the understanding that the burden on the defendant, while always a primary concern, will in an appropriate case be considered in light of other relevant factors, including the forum State's interest in adjudicating the dispute, see McGee v. International Life Ins. Co., 355 U.S. 220, 223, 78 S.Ct. 199, 201, 2 L.Ed.2d 223 (1957); the plaintiff's interest in obtaining convenient and effective relief, [3] The Due Process Clause of the Fourteenth see Kulko v. California Superior Court, supra, 436 U.S., at 92, 98 S.Ct., at 1697, at least when that interest is not adequately protected by the plaintiff's power to choose the forum, cf. Shaffer v. Heitner, 433 U.S. 186, 211, n. 37, 97 S.Ct. 2569,

2583, n. 37, 53 L.Ed.2d 683 (1977); 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, see *Kulko v. California Superior Court,* **565 *supra*, 436 U.S., at 93, 98, 98 S.Ct., at 1697, 1700.

The limits imposed on state jurisdiction by the Due Process Clause, in its role as a guarantor against inconvenient litigation, have been substantially relaxed over the years. As we noted in *McGee v. International Life Ins. Co., supra*, 355 U.S., at 222–223, Y *293 78 S.Ct., at 201, this trend is largely attributable to a fundamental transformation in the American economy:

"Today many commercial transactions touch two or more States and may involve parties separated by the full continent. With this increasing nationalization of commerce has come a great increase in the amount of business conducted by mail across state lines. At the same time modern transportation and communication have made it much less burdensome for a party sued to defend himself in a State where he engages in economic activity."

The historical developments noted in *McGee*, of course, have only accelerated in the generation since that case was decided.

Nevertheless, we have never accepted the proposition that state lines are irrelevant for jurisdictional purposes, nor could we, and remain faithful to the principles of interstate federalism embodied in the Constitution. The economic interdependence of the States was foreseen and desired by the Framers. In the Commerce Clause, they provided that the Nation was to be a common market, a "free trade unit" in which the States are debarred from acting as separable economic entities. H. P. Hood & Sons, Inc. v. Du Mond, 336 U.S. 525, 538, 69 S.Ct. 657, 665, 93 L.Ed. 865 (1949). But the Framers also intended that the States retain many essential attributes of sovereignty, including, in particular, the sovereign power to try causes in their courts. The sovereignty of each State, in turn, implied a limitation on the sovereignty of all of its sister States—a limitation express or implicit in both the original scheme of the Constitution and the Fourteenth Amendment.

Hence, even while abandoning the shibboleth that "[t]he authority of every tribunal is necessarily restricted by the territorial limits of the State in which it is established," *Pennoyer v. Neff, supra*, 95 U.S., at 720, we emphasized that the reasonableness of asserting jurisdiction over the defendant must be assessed "in the context of our federal system of

government," *294 International Shoe Co. v. Washington, 326 U.S., at 317, 66 S.Ct., at 158, and stressed that the Due Process Clause ensures not only fairness, but also the "orderly administration of the laws," *id.*, at 319, 66 S.Ct., at 159. As we noted in *Hanson v. Denckla*, 357 U.S. 235, 250–251, 78 S.Ct. 1228, 2 L.Ed.2d 1283 (1958):

"As technological progress has increased the flow of commerce between the States, the need for jurisdiction over nonresidents has undergone a similar increase. At the same time, progress in communications and transportation has made the defense of a suit in a foreign tribunal less burdensome. In response to these changes, the requirements for personal jurisdiction over nonresidents have evolved from the rigid rule of *Pennover v. Neff*, 95 U.S. 714, 24 L.Ed. 565, to the flexible standard of International Shoe Co. v. Washington, 326 U.S. 310, 66 S.Ct. 154, 90 L.Ed. 95. But it is a mistake to assume that this trend heralds the eventual demise of all restrictions on the personal jurisdiction of state courts. [Citation omitted.] Those restrictions 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."

[9] [10]Thus, the Due Process Clause "does not contemplate that a state may make binding a judgment in personam against an individual or corporate defendant with which the state has no contacts, ties, or relations." International Shoe Co. v. Washington, 326 U.S., at 319, 66 S.Ct., at 159. Even if the defendant would suffer minimal or no inconvenience from being forced to litigate before the tribunals of **566 another State; even if the forum State has a strong interest in applying 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. Hanson v. Denckla, supra, 357 U.S., at 251, 254, 78 S.Ct., at 1238, 1240.

*295 III

[11] Applying these principles to the case at hand, ¹⁰ we find in the record before us a total absence of those affiliating circumstances that are a necessary predicate to any exercise of state-court jurisdiction. Petitioners carry on no activity whatsoever in Oklahoma. They close no sales and perform no services there. They avail themselves of none of the privileges

and benefits of Oklahoma law. They solicit no business there either through salespersons or through advertising reasonably calculated to reach the State. Nor does the record show that they regularly sell cars at wholesale or retail to Oklahoma customers or residents or that they indirectly, through others, serve or seek to serve the Oklahoma market. In short, respondents seek to base jurisdiction on one, isolated occurrence and whatever inferences can be drawn therefrom: the fortuitous circumstance that a single Audi automobile, sold in New York to New York residents, happened to suffer an accident while passing through Oklahoma.

It is argued, however, that because an automobile is mobile by its very design and purpose it was "foreseeable" that the Robinsons' Audi would cause injury in Oklahoma. Yet "foreseeability" alone has never been a sufficient benchmark for personal jurisdiction under the Due Process Clause. In Hanson v. Denckla, supra, it was no doubt foreseeable that the settlor of a Delaware trust would subsequently move to Florida and seek to exercise a power of appointment there; yet we held that Florida courts could not constitutionally *296 exercise jurisdiction over a Delaware trustee that had no other contacts with the forum State. In Kulko v. California Superior Court, 436 U.S. 84, 98 S.Ct. 1690, 56 L.Ed.2d 132 (1978), it was surely "foreseeable" that a divorced wife would move to California from New York, the domicile of the marriage, and that a minor daughter would live with the mother. Yet we held that California could not exercise jurisdiction in a childsupport action over the former husband who had remained in New York.

If foreseeability were the criterion, a [13] [14] [15] local California tire retailer could be forced to defend in Pennsylvania when a blowout occurs there, see Erlanger Mills, Inc. v. Cohoes Fibre Mills, Inc., 239 F.2d 502, 507 (CA4 1956); a Wisconsin seller of a defective automobile jack could be haled before a distant court for damage caused in New Jersey, Reilly v. Phil Tolkan Pontiac, Inc., 372 F.Supp. 1205 (N.J.1974); or a Florida soft-drink concessionaire could be summoned to Alaska to account for injuries happening there, see Uppgren v. Executive Aviation Services, Inc., 304 F.Supp. 165, 170–171 (Minn. 1969). Every seller of chattels would in effect appoint the chattel his agent for service of process. His amenability to suit would travel with the chattel. We recently abandoned the outworn rule of *Harris v. Balk*, 198 U.S. 215, 25 S.Ct. 625, 49 L.Ed. 1023 (1905), that the interest of a creditor in a debt could be extinguished or otherwise affected by any State having transitory jurisdiction over the debtor. Shaffer v. Heitner, 433 U.S. 186, 97 S.Ct.

2569, 53 L.Ed.2d 683 (1977). Having inferred the mechanical rule that a creditor's amenability to a *quasi in rem* action travels **567 with his debtor, we are unwilling to endorse an analogous principle in the present case. ¹¹

*297 This is not to say, of course, that foreseeability is wholly irrelevant. But the foreseeability that is critical to due process analysis is not the mere likelihood that a product will find its way into the forum State. Rather, it is that the defendant's conduct and connection with the forum State are such that he should reasonably anticipate being haled into court there. See Kulko v. California Superior Court, supra, 436 U.S., at 97-98, 98 S.Ct., at 1699-1700; Shaffer v. Heitner, 433 U.S., at 216, 97 S.Ct., at 2586, and see id., at 217-219, 97 S.Ct., at 2586-2587 (Stevens, J., concurring in judgment). The Due Process Clause, by ensuring the "orderly administration of the laws," *International Shoe Co.* v. Washington, 326 U.S., at 319, 66 S.Ct., at 159, 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.

When a corporation "purposefully avails itself of the privilege of conducting activities within the forum State," Hanson v. Denckla, 357 U.S., at 253, 78 S.Ct., at 1240, it has clear notice that it is subject to suit there, and can act to alleviate the risk of burdensome litigation by procuring insurance, passing the expected costs on to customers, or, if the risks are too great, severing its connection with the State. Hence if 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 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. The forum State does not *298 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. Cf. Gray v. American Radiator & Standard Sanitary Corp., 22 III.2d 432, 176 N.E.2d 761 (1961).

But there is no such or similar basis for Oklahoma jurisdiction over World-Wide or Seaway in this case. Seaway's sales are made in Massena, N. Y. World-Wide's market, although substantially larger, is limited to dealers in New York, New Jersey, and Connecticut. There is no evidence of record that

any automobiles distributed by World-Wide are sold to retail customers outside this tristate area. It is foreseeable that the purchasers of automobiles sold by World-Wide and Seaway may take them to Oklahoma. But the mere "unilateral activity of those who claim some relationship with a nonresident defendant cannot satisfy the requirement of contact with the forum State." *Hanson v. Denckla, supra*, at 253, 78 S.Ct., at 1239–1240.

In a variant on the previous argument, it is contended that jurisdiction can be supported by the fact that petitioners earn substantial revenue from goods used in Oklahoma. The Oklahoma Supreme Court so found, 585 P.2d, at 354–355, drawing the **568 inference that because one automobile sold by petitioners had been used in Oklahoma, others might have been used there also. While this inference seems less than compelling on the facts of the instant case, we need not question the court's factual findings in order to reject its reasoning.

[16] This argument seems to make the point that the purchase of automobiles in New York, from which the petitioners earn substantial revenue, would not occur but for the fact that the automobiles are capable of use in distant States like Oklahoma. Respondents observe that the very purpose of an automobile is to travel, and that travel of automobiles sold by petitioners is facilitated by an extensive chain of Volkswagen service centers throughout the country, including some in Oklahoma. *299 ¹² However, financial benefits accruing to the defendant from a collateral relation to the forum State will not support jurisdiction if they do not stem from a constitutionally cognizable contact with that State. See Kulko v. California Superior Court, 436 U.S., at 94-95, 98 S.Ct., at 1698-1699. In our view, whatever marginal revenues petitioners may receive by virtue of the fact that their products are capable of use in Oklahoma is far too attenuated a contact to justify that State's exercise of in personam jurisdiction over them.

Because we find that petitioners have no "contacts, ties, or relations" with the State of Oklahoma, *International Shoe Co. v. Washington, supra*, 326 U.S., at 319, 66 S.Ct., at 159, the judgment of the Supreme Court of Oklahoma is

Reversed.

*313 Mr. Justice MARSHALL, with whom Mr. Justice BLACKMUN joins, dissenting.

For over 30 years the standard by which to measure the constitutionally permissible reach of state-court jurisdiction has been well established:

"[D]ue process requires only that in order to subject a defendant to a judgment *in personam*, if he be not present within the territory of the forum, he have certain minimum contacts with it such that the maintenance of the suit does not offend 'traditional notions of fair play and substantial justice.' "*International Shoe, Co. v. Washington*, 326 U.S. 310, 316, 66 S.Ct. 154, 158, 90 L.Ed. 95 (1945), quoting *Milliken v. Meyer*, 311 U.S. 457, 463, 61 S.Ct. 339, 342, 85 L.Ed. 278 (1940).

The corollary, that the Due Process Clause forbids the assertion of jurisdiction over a defendant "with which the state has no contacts, ties, or relations," 326 U.S., at 319, 66 S.Ct., at 160, is equally clear. The concepts of fairness and substantial justice as applied to an evaluation of "the quality and nature of the [defendant's] activity," *ibid.*, are not readily susceptible of further definition, however, and it is not surprising that the constitutional standard is easier to state than to apply.

This is a difficult case, and reasonable minds may differ as to whether respondents have alleged a sufficient "relationship among the defendant[s], the forum, and the litigation," Shaffer v. Heitner, 433 U.S. 186, 204, 97 S.Ct. 2569, 2580, 53 L.Ed.2d 683 (1977), to satisfy the requirements of *International Shoe*. I am concerned, however, that the majority has reached its result by taking an unnecessarily narrow view of petitioners' forum-related conduct. The majority asserts that "respondents seek to base jurisdiction on one, isolated occurrence and whatever inferences can be drawn therefrom: the fortuitous circumstance that a single Audi automobile, sold in New York to New York *314 residents, happened to suffer an accident while passing through Oklahoma." Ante, at 566. If that were the case, I would readily agree that the minimum contacts necessary to sustain jurisdiction are not present. But the basis for the assertion of jurisdiction is not the happenstance that an individual over whom petitioner had no control made a unilateral decision to take a chattel with him to a distant State. Rather, jurisdiction is premised on the deliberate **569 and purposeful actions of the defendants themselves in choosing to become part of a nationwide, indeed a global, network for marketing and servicing automobiles.

Petitioners are sellers of a product whose utility derives from its mobility. The unique importance of the automobile in today's society, which is discussed in Mr. Justice BLACKMUN'S dissenting opinion, *post*, at 571, needs no

further elaboration. Petitioners know that their customers buy cars not only to make short trips, but also to travel long distances. In fact, the nationwide service network with which they are affiliated was designed to facilitate and encourage such travel. Seaway would be unlikely to sell many cars if authorized service were available only in Massena, N. Y. Moreover, local dealers normally derive a substantial portion of their revenues from their service operations and thereby obtain a further economic benefit from the opportunity to service cars which were sold in other States. It is apparent that petitioners have not attempted to minimize the chance that their activities will have effects in other States; on the contrary, they have chosen to do business in a way that increases that chance, because it is to their economic advantage to do so.

To be sure, petitioners could not know in advance that this particular automobile would be driven to Oklahoma. They must have anticipated, however, that a substantial portion of the cars they sold would travel out of New York. Seaway, a local dealer in the second most populous State, and World-Wide, *315 one of only seven regional Audi distributors in the entire country, see Brief for Respondents 2, would scarcely have been surprised to learn that a car sold by them had been driven in Oklahoma on Interstate 44, a heavily traveled transcontinental highway. In the case of the distributor, in particular, the probability that some of the cars it sells will be driven in every one of the contiguous States must amount to a virtual certainty. This knowledge should alert a reasonable businessman to the likelihood that a defect in the product might manifest itself in the forum State—not because of some unpredictable, aberrant, unilateral action by a single buyer, but in the normal course of the operation of the vehicles for their intended purpose.

It is misleading for the majority to characterize the argument in favor of jurisdiction as one of "foreseeability' alone." *Ante*, at 566. As economic entities petitioners reach out from New York, knowingly causing effects in other States and receiving economic advantage both from the ability to cause such effects themselves and from the activities of dealers and distributors in other States. While they did not receive revenue from making direct sales in Oklahoma, they intentionally became part of an interstate economic network, which included dealerships in Oklahoma, for pecuniary gain. In light of this purposeful conduct I do not believe it can be said that petitioners "had no reason to expect to be haled before a[n Oklahoma] court." *Shaffer v. Heitner, supra*, 433 U.S., at 216, 97 S.Ct., at 2586; see *ante*, at 566–567, and *Kulko*

v. California Superior Court, 436 U.S. 84, 97–98, 98 S.Ct. 1690, 1699–1700, 94 L.Ed.2d 132 (1978).

The majority apparently acknowledges that if a product is purchased in the forum State by a consumer, that State may assert jurisdiction over everyone in the chain of distribution. See ante, at 567. With this I agree. But I cannot agree that jurisdiction is necessarily lacking if the product enters the State not through the channels of distribution but in the course of its intended use by the consumer. We have recognized *316 the role played by the automobile in the expansion of our notions of personal jurisdiction. See Shaffer v. Heitner, supra, 433 U.S., at 204, 97 S.Ct., at 2579; Hess v. Pawloski, 274 U.S. 352, 47 S.Ct. 632, 71 L.Ed. 1091 (1927). Unlike most other chattels, which may find their way into States far from where they were purchased because their owner takes them there, the intended use of the automobile is precisely as a means of traveling from one place to another. In such a case, it is highly artificial to restrict the concept of the "stream of commerce" to the chain of **570 distribution from the manufacturer to the ultimate consumer.

I sympathize with the majority's concern that the persons ought to be able to structure their conduct so as not to be subject to suit in distant forums. But that may not always be possible. Some activities by their very nature may foreclose the option of conducting them in such a way as to avoid subjecting oneself to jurisdiction in multiple forums. This is by no means to say that all sellers of automobiles should be subject to suit everywhere; but a distributor of automobiles to a multistate market and a local automobile dealer who makes himself part of a nationwide network of dealerships can fairly expect that the cars they sell may cause injury in distant States and that they may be called on to defend a resulting lawsuit there.

In light of the quality and nature of petitioners' activity, the majority's reliance on *Kulko v. California Superior Court, supra*, is misplaced. *Kulko* involved the assertion of state-court jurisdiction over a nonresident individual in connection with an action to modify his child custody rights and support obligations. His only contact with the forum State was that he gave his minor child permission to live there with her mother. In holding that exercise of jurisdiction violated the Due Process Clause, we emphasized that the cause of action as well as the defendant's actions in relation to the forum State arose "not from the defendant's commercial transactions in interstate commerce, but rather from his personal, *317 domestic relations," 436 U.S., at 97, 98 S.Ct., at 1699

(emphasis supplied), contrasting Kulko's actions with those of the insurance company in *McGee v. International Life Ins. Co.*, 355 U.S. 220, 78 S.Ct. 199, 2 L.Ed.2d 223 (1957), which were undertaken for commercial benefit.*

Manifestly, the "quality and nature" of commercial activity is different, for purposes of the *International Shoe* test, from actions from which a defendant obtains no economic advantage. Commercial activity is more likely to cause effects in a larger sphere, and the actor derives an economic benefit from the activity that makes it fair to require him to answer for his conduct where its effects are felt. The profits may be used to pay the costs of suit, and knowing that the activity is likely to have effects in other States the defendant can readily insure against the costs of those effects, thereby sparing himself much of the inconvenience of defending in a distant forum.

Of course, the Constitution forbids the exercise of jurisdiction if the defendant had no judicially cognizable contacts with the forum. But as the majority acknowledges, if such contacts are present the jurisdictional inquiry requires a balancing of various interests and policies. See *ante*, at 564; *Rush v. Savchuk*, 444 U.S., at 332, 100 S.Ct., at 579. I believe such contacts are to be found here and that, considering all of the interests and policies at stake, requiring petitioners to defend this action in Oklahoma is not beyond the bounds of the Constitution. Accordingly, I dissent.

Mr. Justice BLACKMUN, dissenting.

I confess that I am somewhat puzzled why the plaintiffs in this litigation are so insistent that the regional distributor and the retail dealer, the petitioners here, who handled the ill-fated Audi automobile involved in this litigation, be named defendants. It would appear that the manufacturer and the *318 importer, whose subjectability to Oklahoma jurisdiction is not challenged before this Court, ought not to be judgment-proof. It may, of course, ultimately amount to a contest between insurance companies that, once begun, is not easily brought to a termination. Having made this much of an observation, I pursue it no further.

For me, a critical factor in the disposition of the litigation is the nature of the instrumentality **571 under consideration. It has been said that we are a nation on wheels. What we are concerned with here is the automobile and its peripatetic character. One need only examine our national network of interstate highways, or make an appearance on one of them, or observe the variety of license plates present not only on

those highways but in any metropolitan area, to realize that any automobile is likely to wander far from its place of licensure or from its place of distribution and retail sale. Miles per gallon on the highway (as well as in the city) and mileage per tankful are familiar allegations in manufacturers' advertisements today. To expect that any new automobile will remain in the vicinity of its retail sale—like the 1914 electric driven car by the proverbial "little old lady"—is to blink at reality. The automobile is intended for distance as well as for transportation within a limited area.

It therefore seems to me not unreasonable—and certainly not unconstitutional and beyond the reach of the principles laid down in International Shoe Co. v. Washington, 326 U.S. 310, 66 S.Ct. 154, 90 L.Ed. 95 (1945), and its progeny—to uphold Oklahoma jurisdiction over this New York distributor and this New York dealer when the accident happened in Oklahoma. I see nothing more unfair for them than for the manufacturer and the importer. All are in the business of providing vehicles that spread out over the highways of our several States. It is not too much to anticipate at the time of distribution and at the time of retail sale that this Audi would be in Oklahoma. Moreover, in assessing "minimum contacts," foreseeable use in another State seems to me to be little different from foreseeable resale *319 in another State. Yet the Court declares this distinction determinative. Ante, at 567-568.

Mr. Justice BRENNAN points out in his dissent, 444 U.S., at 307, 100 S.Ct., at 585, that an automobile dealer derives substantial benefits from States other than its own. The same is true of the regional distributor. Oklahoma does its best to provide safe roads. Its police investigate accidents. It regulates driving within the State. It provides aid to the victim and thereby, it is hoped, lessens damages. Accident reports are prepared and made available. All this contributes to and enhances the business of those engaged professionally in the distribution and sale of automobiles. All this also may benefit defendants in the very lawsuits over which the State asserts jurisdiction.

My position need not now take me beyond the automobile and the professional who does business by way of distributing and retailing automobiles. Cases concerning other instrumentalities will be dealt with as they arise and in their own contexts.

I would affirm the judgment of the Supreme Court of Oklahoma. Because the Court reverses that judgment, it will

now be about parsing every variant in the myriad of motor vehicles fact situations that present themselves. Some will justify jurisdiction and others will not. All will depend on the "contact" that the Court sees fit to perceive in the individual case.

All Citations

444 U.S. 286, 100 S.Ct. 559, 62 L.Ed.2d 490

Footnotes

- * 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 Lumber Co.*, 200 U.S. 321, 337, 26 S.Ct. 282, 288, 50 L.Ed. 499.
- The driver of the other automobile does not figure in the present litigation.
- 2 Kay Robinson sued on her own behalf. The two children sued through Harry Robinson as their father and next friend.
- Volkswagen also entered a special appearance in the District Court, but unlike World-Wide and Seaway did not seek review in the Supreme Court of Oklahoma and is not a petitioner here. Both Volkswagen and Audi remain as defendants in the litigation pending before the District Court in Oklahoma.
- The papers filed by the petitioners also claimed that the District Court lacked "venue of the subject matter," App. 9, or "venue over the subject matter," *id.*, at 11.
- 5 The District Court's rulings are unreported, and appear at App. 13 and 20.
- Five judges joined in the opinion. Two concurred in the result, without opinion, and one concurred in part and dissented in part, also without opinion.
- 7 This subsection provides:
 - "A court may exercise personal jurisdiction over a person, who acts directly or by an agent, as to a cause of action or claim for relief arising from the person's . . . causing tortious injury in this state by an act or omission outside this state if he regularly does or solicits business or engages in any other persistent course of conduct, or derives substantial revenue from goods used or consumed or services rendered, in this state"
 - The State Supreme Court rejected jurisdiction based on § 1701.03(a)(3), which authorizes jurisdiction over any person "causing tortious injury in this state by an act or omission in this state." Something in addition to the infliction of tortious injury was required.
- 8 Fields v. Volkswagen of America, Inc., 555 P.2d 48 (Okla.1976); Carmack v. Chemical Bank New York Trust Co., 536 P.2d 897 (Okla.1975); Hines v. Clendenning, 465 P.2d 460 (Okla.1970).
- 9 Cf. Tilley v. Keller Truck & Implement Corp., 200 Kan. 641, 438 P.2d 128 (1968); Granite States Volkswagen, Inc. v. District Court, 177 Colo. 42, 492 P.2d 624 (1972); Pellegrini v. Sachs & Sons, 522 P.2d 704 (Utah 1974); Oliver v. American Motors Corp., 70 Wash.2d 875, 425 P.2d 647 (1967).
- 10 Respondents argue, as a threshold matter, that petitioners waived any objections to personal jurisdiction by (1) joining with their special appearances a challenge to the District Court's subject-matter jurisdiction, see n. 4, *supra*, and (2) taking depositions on the merits of the case in Oklahoma. The trial court, however, characterized the appearances as "special," and the Oklahoma Supreme Court, rather than finding jurisdiction waived, reached and decided the statutory and constitutional questions. Cf. *Kulko v. California Superior Court*, 436 U.S. 84, 91, n. 5, 98 S.Ct. 1690, 1696, n. 5, 56 L.Ed.2d 132 (1978).
- 11 Respondents' counsel, at oral argument, see Tr. of Oral Arg. 19–22, 29, sought to limit the reach of the foreseeability standard by suggesting that there is something unique about automobiles. It is true that automobiles are uniquely mobile, see *Tyson v. Whitaker & Son, Inc.*, 407 A.2d 1, 6, and n. 11 (Me.1979) (McKusick, C. J.), that they did play a crucial role in the expansion of personal jurisdiction through the fiction of implied consent, *e. g., Hess v. Pawloski*, 274 U.S. 352, 47 S.Ct. 632, 71 L.Ed. 1091 (1927), and that some of the cases have treated the automobile as a "dangerous instrumentality." But today, under the regime of *International Shoe*, we see no difference for jurisdictional purposes between an automobile and any other chattel. The "dangerous instrumentality" concept apparently was never used to support personal jurisdiction; and to the extent it has relevance today it bears not on jurisdiction but on the possible desirability of imposing substantive principles of tort law such as strict liability.
- 12 As we have noted, petitioners earn no direct revenues from these service centers. See *supra*, at 562–563.
- * Similarly, I believe the Court in *Hanson v. Denckla*, 357 U.S. 235, 78 S.Ct. 1228, 2 L.Ed.2d 1283 (1958), was influenced by the fact that trust administration has traditionally been considered a peculiarly local activity.

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