Davis v. Cranfield Aero. Sols., Ltd.

United States Court of Appeals for the Ninth Circuit

No. 22-35099

Idaho District Court lacked personal jurisdiction over an English aerospace company in an action brought by plaintiffs from Louisiana and Indiana that stemmed from a plane crash in Indiana.

FACTS/PROCEDURE

Representatives for the three decedents of a plane crash in Indiana brought a wrongful death and product liability suit against Cranfield Aerospace Solutions, Limited, in the District of Idaho. The representatives for the two decedents are residents of Indiana, while the third decedent's representatives reside in Louisiana. Cranfield is incorporated in and has its principal place of business in England. Appellants alleged that a load alleviation system, the Tamarack Active Winglet Load System caused the plane crash by causing the plane to deviate from its flight path and hit trees and the ground. Cranfield helped Tamarack obtain the Federal Aviation Administration supplemental type certification for the ATLAS system.

Appellants first sued Tamarack and Cranfield in the Eastern District of Washington, alleging both companies were liable for the crash. Cranfield was dismissed from the action for lack of personal jurisdiction. That case against Tamarack is still pending. Appellants alleged three causes of action under Idaho state law: (1) liability under Idaho's Product Liability Reform Act; (2) negligence; and (3) willful and reckless misconduct. Cranfield moved to dismiss for lack of jurisdiction. The district court granted Cranfield's motion to dismiss for lack of jurisdiction because Appellants could not establish specific jurisdiction over Cranfield. Appellants appealed.

HOLDING/DISCUSSION

According to the United States Court of Appeals for the Ninth Circuit, the central question was whether a federal court in Idaho may exercise personal jurisdiction over Cranfield, an English corporation, in an action brought by plaintiffs from Louisiana and Indiana for an accident that occurred in Indiana. The court held no.

In reaching its conclusion, the court found that only specific jurisdiction was at issue because Cranfield was neither incorporated nor had its principal place of business in Idaho. To determine this, the court used a three-part test to determine whether specific jurisdiction exists: (1) the non-resident defendant must purposefully direct his activities or consummate some transaction with the forum or resident thereof; or perform some act by which he purposefully avails himself of the privilege of conducting activities in the forum, thereby invoking the benefits and protections of its laws; (2) the claim must arise out of or relates to the defendant's forum-related activities; and (3) the exercise of jurisdiction must comport with fair play and substantial justice, i.e., it must be reasonable.

The court noted that when considering specific jurisdiction under the first prong, courts should comprehensively evaluate the extent of the defendant's contacts with the forum state and those contacts' relationship to the plaintiffs' claims—which may mean looking at both purposeful availment and

purposeful direction. The court held that under either approach, jurisdiction over Cranfield in Idaho was lacking.

According to the court, the purposeful direction test could not support jurisdiction because Appellants failed to allege that Cranfield injured them in Idaho. In addition, the court held that Appellants failed to establish that Cranfield purposefully availed itself of the benefits and protections of Idaho. Because, although Tamarack was an Idaho resident, there was no evidence that Cranfield sought out Tamarack in Idaho or benefitted from Tamarack's residence in Idaho. Nor did the contract's negotiation terms establish that Cranfield formed a substantial connection with Idaho. Moreover, the Appellants' attempt to persuade the court that Cranfield had sufficient minimum contacts with Idaho because of two trips by Cranfield employees to the Tamaracks, Idaho facility, was unsuccessful. The Appellant's attempt to persuade the court was unsuccessful because, according to the court, the two visits were too attenuated, and none of Cranfield's actual dealings in Idaho were so substantial or widespread as to reflect Cranfield's attempt to gain the "benefits and protections" of the forum state.

Accordingly, the court declined to proceed with the remaining two prongs of the specific jurisdiction test, holding that Appellants' allegations failed to establish that Cranfield had sufficient minimum contacts with Idaho. As such, the district court ruling was affirmed because this case involved an out-of-state accident, out-of-state plaintiffs, and an out-of-state defendant with no minimum contact with the state of Idaho.