

SUPREME COURT OF IOWA

Jennifer Morris, Individually and as Administrator of the Estate of Daulton Holly, and Jason Allan Holly v. Legends Fieldhouse Bar and Grill, LLC, Pretty Women, Inc. d/b/a The Beach Girls, J.P. Parking, Inc., James E. Petry, ABC Corp., a fictitious corporation, and Ronald Paul Hauser

Morris v. Legends Fieldhouse · No. 19-1349 · Decided April 30, 2021

SUMMARY

The Iowa Supreme Court held that a strip club owed no continuing legal duty to an intoxicated patron after he refused an offered cab ride and voluntarily left the club’s parking lot. The court vacated the Iowa Court of Appeals decision and affirmed summary judgment for the defendants, concluding that the business-patron duty ended when the patron left the premises. The court distinguished cases involving injuries occurring on or immediately outside business premises and emphasized the absence of control over the patron or the later drunk-driving accident.

CASE DETAILS

COURT	Supreme Court of Iowa
WRITING FOR THE COURT	Waterman, J.; Christensen, C.J.; Mansfield, J.; McDonald, J.; Oxley, J.; McDermott, J.
JURISDICTION	Iowa
DECIDED	April 30, 2021
DOCKET	19-1349
DISPOSITION	vacated
PROCEDURAL POSTURE	Plaintiffs appealed the Iowa district court's grant of summary judgment dismissing negligence and wrongful-death claims against Beach Girls. The Iowa Court of Appeals reversed, and the Supreme Court of Iowa granted Beach Girls' application for further review.
STANDARD OF REVIEW	Summary judgment is reviewed for correction of errors at law. The facts are viewed in the light most favorable to the nonmoving party, with every legitimate inference reasonably deduced from the record considered on that party's behalf. Summary judgment is proper when no genuine issue of material fact exists and the moving party is

	entitled to judgment as a matter of law. Whether a legal duty exists is a question of law for the court.
PRECEDENTIAL VALUE	Published Iowa Supreme Court decision; binding state precedent.
PARTIES	Jennifer Morris, individually and as administrator of the Estate of Daulton Holly, Jason Allan Holly v. Legends Fieldhouse Bar and Grill, LLC, Pretty Women, Inc. d/b/a The Beach Girls, J.P. Parking, Inc., James E. Petry, ABC Corp., a fictitious corporation, Ronald Paul Hauser

TOPICS

duty of care negligence premises liability wrongful death summary judgment

PRACTICE AREAS

torts negligence wrongful death premises liability civil procedure

QUESTIONS PRESENTED

1. Whether Beach Girls owed Holly a continuing legal duty after he refused an offered cab ride and voluntarily walked away from the business's parking lot.
2. Whether the district court properly granted summary judgment on the no-duty issue despite considering foreseeability in its analysis.
3. Whether Beach Girls had a duty to detain Holly, call police, or otherwise arrange safe transportation after he left the premises.

HOLDINGS

1. Beach Girls owed no continuing legal duty to Holly after he refused the offered cab ride and chose to walk away from the club's parking lot. The business-patron duty of reasonable care under the circumstances ended when Holly left the premises.
2. Although foreseeability should not be considered in determining whether a duty exists, summary judgment was still proper because the applicable relationship and public-policy principles established that Beach Girls owed no continuing duty after Holly left.
3. Beach Girls had no legal duty to detain Holly until he became sober, call police to give him a ride, or otherwise arrange transportation after he refused the offered cab and voluntarily left.

KEY QUOTATIONS

“On our review, we hold that the defendants owed no continuing legal duty to the intoxicated patron ejected from inside the business after he refused the offer of a cab ride and chose to walk away.” (at 3)

“We hold that Beach Girls’ relationship with Holly, and its duty of care for his safety, ended after he refused its offer of a cab ride and chose to walk away from its parking lot.” (at 15-16)

"We decline to impose a legal duty on business owners to detain intoxicated customers at their premises until the individual is no longer inebriated or another caretaker arrives." (at 19)

FACTUAL BACKGROUND

Daulton Holly, who had been drinking and had a blood alcohol concentration of 0.261 at death, was ejected from the Beach Girls strip club after security personnel observed signs of intoxication and disorderly conduct. The security guard repeatedly offered Holly a cab, warned that it was unsafe to walk away in dark clothing, and did not order him to leave the parking lot; Holly refused the cab and walked away. Approximately thirty to forty minutes later and about half a mile away, Holly was struck and killed while lying in a roadway by Ronald Hauser, who had been drinking at another bar.

PROCEDURAL HISTORY

The district court granted Beach Girls summary judgment on the ground that its duty to Holly ended when he voluntarily left the premises after refusing an offered cab ride. The court of appeals reversed, concluding that the district court improperly considered foreseeability in its duty analysis. The Supreme Court of Iowa vacated the court of appeals decision and affirmed the district court's summary judgment.

DISPOSITION

vacated

CASES CITED

- McCormick v. Nikkel & Assocs., Inc., 819 N.W.2d 368, 371, 374 (Iowa 2012)
- Thompson v. Kaczinski, 774 N.W.2d 829, 834-39 (Iowa 2009)
- Hoyt v. Gutterz Bowl & Lounge, L.L.C., 829 N.W.2d 772, 773, 775-82 (Iowa 2013)
- Davis v. Kwik-Shop, Inc., 504 N.W.2d 877, 878-79 (Iowa 1993)
- Brenneman v. Stuelke, 654 N.W.2d 507, 508, 510-11 (Iowa 2002)
- Westin Operator, LLC v. Groh, 347 P.3d 606, 608-18 (Colo. 2015)
- Kelly v. Sinclair Oil Corp., 476 N.W.2d 341, 343-44, 355 (Iowa 1991) (en banc)
- Andrews v. Wells, 251 Cal. Rptr. 344, 345-49 (Ct. App. 1988)
- Regan v. Denbar, Inc., 514 N.W.2d 751, 752-53 (Iowa Ct. App. 1994) (en banc)
- Mitchell v. Cedar Rapids Community School District, 832 N.W.2d 689, 691-94, 703-04 (Iowa 2013)
- Smith v. Shaffer, 395 N.W.2d 853, 854-56 (Iowa 1986) (en banc)