

UNITED STATES COURT OF APPEALS FOR THE FOURTH CIRCUIT

Cabell v. Petty

6 Fed. R. Serv. 3d 1078 (4th Cir. 1987) · No. No. 86-2509 · Decided February 5, 1987

SUMMARY

The Fourth Circuit held that plaintiffs' attorney violated Federal Rule of Civil Procedure 11 by filing a civil rights action without an objectively reasonable factual or legal basis. The court reversed the denial of sanctions and remanded for the district court to impose an appropriate sanction, while emphasizing that the sanction need not automatically include attorney's fees. A dissent argued that the attorney's filing was reasonable under the circumstances and that no Rule 11 violation occurred.

CASE DETAILS

COURT	United States Court of Appeals for the Fourth Circuit
WRITING FOR THE COURT	K.K. Hall; K.K. Hall, Circuit Judge; Butzner, Senior Circuit Judge; Doumar, United States District Judge for the Eastern District of Virginia, sitting by designation
JURISDICTION	Federal
DECIDED	February 5, 1987
DOCKET	No. 86-2509
DISPOSITION	reversed_and_remanded
PROCEDURAL POSTURE	Petty appealed the district court's denial of his motion for sanctions and attorney fees under Federal Rule of Civil Procedure 11 after the plaintiffs voluntarily dismissed their civil-rights action without prejudice.
STANDARD OF REVIEW	The existence of a Rule 11 violation is reviewed under an objective-reasonableness standard; the choice of an appropriate sanction is committed to the district court's sound discretion.
PRECEDENTIAL VALUE	Published and precedential Fourth Circuit opinion
PARTIES	William G. Petty v. Joan F. Cabell, Administratrix of the Estate of Charles Leslie Fitz, deceased, Walter W. Cabell, Kelly E. Fitz, Dominique L. Fitz

TOPICS

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attorney fees

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QUESTIONS PRESENTED

1. Whether the district court improperly considered the plaintiff's attorney's subjective intent and absence of bad faith in determining whether the complaint violated Rule 11.
2. Whether a Rule 11 violation requires the imposition of a sanction even when attorney fees are not necessarily warranted.
3. Whether the district court retains discretion to select the least severe sanction adequate to serve Rule 11's purposes after finding a violation.

HOLDINGS

1. A Rule 11 violation is determined by whether a reasonable attorney in like circumstances could have believed that the pleading was factually and legally justified after reasonable prefiling inquiry. The plaintiffs' complaint violated Rule 11 because existing law overwhelmingly favored the defendants and the record showed no adequate factual or legal investigation supporting an alternative theory.
2. Once a Rule 11 infraction is established, the district court must impose some sanction; the absence of subjective bad faith or deliberate harassment is not a basis for imposing no sanction.
3. A finding of a Rule 11 violation does not automatically entitle the opposing party to attorney fees. The district court must exercise discretion in selecting an appropriate sanction, ordinarily imposing the least severe sanction adequate to educate and deter.

KEY QUOTATIONS

"If an attorney's conduct appears to fall within the scope of Rule 11, the court must first examine the actions at issue according to a standard of objective reasonableness." (810 F.2d at 465)

"While some sanction is required when an infraction occurs, the determination of what is 'appropriate' is still a matter left to the sound discretion of the district court." (810 F.2d at 466)

FACTUAL BACKGROUND

Harvey G. Watson, Jr. was convicted of assault with a firearm, and the shotgun used in that offense was apparently returned to him. Watson later used the shotgun in an attack that killed Charles Leslie Fitz and injured Walter Cabell, Kellie Fitz, and Dominique Fitz. The plaintiffs sued Petty, alleging that his failure to seek confiscation of the weapon caused constitutional injuries, but their counsel filed the action without an adequate factual or legal basis for overcoming substantial defenses.

PROCEDURAL HISTORY

The plaintiffs filed an action under 42 U.S.C. §§ 1981 and 1983 against Petty, the Commonwealth of Virginia, and Harvey Gray Watson, alleging constitutional injury arising from Watson's murder and assaults. After Petty moved to dismiss, the plaintiffs took a voluntary nonsuit. The district court dismissed the action without prejudice, reserved Petty's right to seek sanctions, and later denied his Rule 11 motion. The Fourth Circuit reversed and remanded for the district court to impose an appropriate sanction.

DISPOSITION

reversed_and_remanded

REMAND INSTRUCTIONS

The district court must impose some sanction for the clear Rule 11 violation and determine, in its discretion, the appropriate sanction, using the least severe sanction adequate to serve Rule 11's educational and deterrent purposes.

CASES CITED

- Pierson v. Ray, 386 U.S. 547, 87 S. Ct. 1213, 18 L. Ed. 2d 288 (1967)
- Monell v. Department of Social Services, 436 U.S. 658, 98 S. Ct. 2018, 56 L. Ed. 2d 611 (1978)
- Imbler v. Pachtman, 424 U.S. 409, 96 S. Ct. 984, 47 L. Ed. 2d 128 (1976)
- Kadivar v. Stone, 804 F.2d 635, 637 (11th Cir. 1986)
- Semler v. Psychiatric Institute of Washington, D.C., 538 F.2d 121, 127 (4th Cir. 1976)