

SUPREME COURT OF THE UNITED STATES

California Motor Transport Co. v. Trucking Unlimited

404 U.S. 508 (1972) · No. No. 70-92 · Decided January 13, 1972

SUMMARY

The Supreme Court held that the First Amendment right to petition generally protects competitors' use of administrative and judicial proceedings to oppose applications by other carriers. It recognized an exception to Noerr-Pennington immunity where a concerted pattern of baseless proceedings is used as a sham to harass competitors and deny them meaningful access to governmental tribunals. The Court affirmed the Ninth Circuit's reversal of the dismissal and remanded the case for trial.

CASE DETAILS

COURT	Supreme Court of the United States
WRITING FOR THE COURT	Justice Douglas; Chief Justice Burger; Justice Stewart; Justice Brennan; Justice Powell; Justice Rehnquist
JURISDICTION	Federal
DECIDED	January 13, 1972
DOCKET	No. 70-92
DISPOSITION	reversed_and_remanded
PROCEDURAL POSTURE	Respondents brought a civil antitrust action under § 4 of the Clayton Act seeking injunctive relief and damages. The district court dismissed the complaint for failure to state a cause of action; the Ninth Circuit reversed; the Supreme Court granted certiorari.
STANDARD OF REVIEW	De novo review of dismissal for failure to state a cause of action; the complaint's allegations were taken at face value for purposes of the motion to dismiss.
PRECEDENTIAL VALUE	Published Supreme Court opinion; binding precedent
PARTIES	California Motor Transport Co. et al. v. Trucking Unlimited et al.

TOPICS

- commercial litigation
- first amendment
- free speech
- administrative law
- appellate procedure

PRACTICE AREAS

QUESTIONS PRESENTED

1. Whether concerted efforts to use administrative and judicial proceedings to oppose competitors' operating-right applications are protected by the First Amendment right to petition and therefore immune from the antitrust laws.
2. Whether the complaint adequately alleged the sham exception to Noerr-Pennington immunity by asserting that the proceedings were used not genuinely to influence governmental decisionmaking but to harass competitors and deny them meaningful access to agencies and courts.
3. Whether dismissal for failure to state a cause of action was proper.

HOLDINGS

1. The First Amendment right to petition protects access to administrative agencies and courts, but coordinated use of those processes is not necessarily immune from the antitrust laws.
2. The complaint stated a claim because its allegations, taken as true, described a concerted and purposeful pattern of proceedings intended to harass and deter competitors and to deny them free and meaningful access to agencies and courts.

KEY QUOTATIONS

"The right of access to the courts is indeed but one aspect of the right of petition." (511)

"Misrepresentations, condoned in the political arena, are not immunized when used in the adjudicatory process." (513)

"On their face the above-quoted allegations come within the "sham" exception in the Noerr case, as adapted to the adjudicatory process." (515-516)

FACTUAL BACKGROUND

The parties were competing highway carriers operating in, into, and from California. Respondents alleged that petitioners jointly opposed nearly all applications by respondents and similarly situated carriers to acquire, transfer, or register operating rights before state and federal agencies and on judicial review. The alleged program used coordinated financing and repeated proceedings to harass and deter respondents, effectively denying them meaningful access to adjudicatory tribunals and strengthening petitioners' market and monopoly position.

PROCEDURAL HISTORY

Highway-carrier respondents alleged that competing carriers conspired to monopolize transportation commerce by systematically opposing respondents' applications for operating rights and related administrative and judicial proceedings. The United States District Court dismissed the complaint under the failure-to-state-a-claim standard. The Ninth Circuit reversed, and the Supreme Court affirmed that reversal and remanded for trial.

DISPOSITION

reversed_and_remanded

REMAND INSTRUCTIONS

The case was remanded to the district court for trial on the allegations in the complaint.

CASES CITED

- Eastern Railroad Conference v. Noerr Motor Freight, 365 U.S. 127 (1961)
- United Mine Workers v. Pennington, 381 U.S. 657, 669-671 (1965)
- Johnson v. Avery, 393 U.S. 483, 485 (1969)
- Ex parte Hull, 312 U.S. 546, 549 (1941)
- Walker Process Equipment v. Food Machinery & Chemical Corp., 382 U.S. 172, 174-177 (1965)
- Continental Ore Co. v. Union Carbide & Carbon Corp., 370 U.S. 690, 707 (1962)
- Harman v. Valley National Bank, 339 F.2d 564 (9th Cir. 1964)
- Rangen, Inc. v. Sterling Nelson & Sons, 351 F.2d 851 (9th Cir. 1965)
- Giboney v. Empire Storage Co., 336 U.S. 490, 502 (1949)
- Associated Press v. United States, 326 U.S. 1, 20 (1945)
- Citizen Publishing Co. v. United States, 394 U.S. 131, 139-140 (1969)
- Eastern States Lumber Assn. v. United States, 234 U.S. 600 (1914)
- NAACP v. Button, 371 U.S. 415, 444 (1963)
- United States v. Rock Royal Co-operative, 307 U.S. 533 (1939)
- Parker v. Brown, 317 U.S. 341 (1943)
- NAACP v. Button, 371 U.S. 415 (1963)
- Brotherhood of Railroad Trainmen v. Virginia ex rel. Virginia State Bar, 377 U.S. 1 (1964)
- United Mine Workers v. Illinois State Bar Assn., 389 U.S. 217 (1967)
- United Transportation Union v. State Bar of Michigan, 401 U.S. 576 (1971)