

NEW YORK COURT OF APPEALS

Anna Aybar, et al. v. Jose A. Aybar, Jr., et al.; Ford Motor Company et al., Respondents; U.S. Tires and Wheels of Queens, LLC, Nonparty-Respondent

Anna Aybar, et al. v. Jose A. Aybar, Jr., et al., 37 N.Y.3d 274 (2021) · No. No. 54 · Decided October 7, 2021

SUMMARY

The New York Court of Appeals held that a foreign corporation's registration to do business in New York and designation of an in-state agent for service of process do not, under New York law, constitute consent to general personal jurisdiction. The court distinguished its earlier decision in *Bagdon v Philadelphia & Reading Coal & Iron Co.*, explaining that the case concerned the effect of service of process rather than consent to general jurisdiction. The court affirmed dismissal of the claims against Ford Motor Company and The Goodyear Tire & Rubber Company for lack of personal jurisdiction.

CASE DETAILS

COURT	New York Court of Appeals
WRITING FOR THE COURT	Singas, J.; DiFiore, Chief Judge; Fahey, J.; Garcia, J.; Cannataro, J.; Wilson, J.; Rivera, J.
JURISDICTION	New York
DECIDED	October 7, 2021
DOCKET	No. 54
DISPOSITION	affirmed
PROCEDURAL POSTURE	Plaintiffs appealed from an Appellate Division order reversing Supreme Court orders that denied Ford's and Goodyear's CPLR 3211(a)(8) motions to dismiss for lack of personal jurisdiction. The Court of Appeals affirmed the Appellate Division.
STANDARD OF REVIEW	De novo review of personal-jurisdiction and statutory-interpretation issues; the Court considered the preserved jurisdictional theory as a matter of New York law.
PRECEDENTIAL VALUE	published precedential opinion of the New York Court of Appeals

PARTIES

Anna Aybar, et al., surviving passengers and representatives of deceased passengers' estates v. Ford Motor Company, The Goodyear Tire & Rubber Co.

TOPICS

personal jurisdiction

civil procedure

statutory interpretation

products liability

PRACTICE AREAS

civil procedure

torts

constitutional law

statutory interpretation

QUESTIONS PRESENTED

1. Whether Ford and Goodyear consented to general personal jurisdiction in New York by registering to do business in New York and designating an in-state agent for service of process under the Business Corporation Law.
2. Whether the plaintiffs could rely on specific jurisdiction under CPLR 302 or general jurisdiction under Goodyear and Daimler, where those theories were not preserved or had been abandoned.

HOLDINGS

1. Under New York law, a foreign corporation's registration to do business in New York and designation of an in-state agent for service of process do not constitute consent to general jurisdiction in New York courts.

KEY QUOTATIONS

"We conclude that a foreign corporation's compliance with the relevant statutory provisions constitutes consent to accept service of process in New York; that compliance does not constitute consent to general jurisdiction in New York courts." (37 N.Y.3d at 276)

"The statutes do not, however, condition the right to do business on consent to the general jurisdiction of New York courts or otherwise afford general jurisdiction to New York courts over foreign corporations that comply with these conditions." (37 N.Y.3d at 280)

"We have never conflated statutory consent to service with consent to general jurisdiction, and the fact remains that, under existing New York law, a foreign corporation does not consent to general jurisdiction in this state merely by complying with the Business Corporation Law's registration provisions." (37 N.Y.3d at 288)

"Instead, as we reject the only basis for jurisdiction preserved below and presented here, namely plaintiffs' theory that Ford and Goodyear consented to general jurisdiction under New York law, we conclude that the motions to dismiss were properly granted." (37 N.Y.3d at 291)

FACTUAL BACKGROUND

Jose Aybar, a New York resident, was driving a Ford Explorer on an interstate highway in Virginia when the vehicle overturned after its Goodyear tire allegedly failed. Three passengers died and three others were injured. Ford was incorporated in Delaware and principally based in Michigan; Goodyear was incorporated and principally based in Ohio. Neither company designed, manufactured, or initially sold the relevant vehicle or tire in New York, although both were registered as foreign corporations authorized to do business in New York and had designated in-state agents for service of process.

PROCEDURAL HISTORY

After a Virginia automobile accident, plaintiffs sued Jose Aybar, Ford, and Goodyear in New York, asserting products-liability claims among others. Ford and Goodyear moved to dismiss for lack of personal jurisdiction, and Supreme Court denied the motions, finding general jurisdiction based on the companies' registration to do business in New York and appointment of in-state agents for service. The Appellate Division reversed and dismissed the claims against Ford and Goodyear. The Court of Appeals granted leave to appeal and affirmed.

DISPOSITION

affirmed

CASES CITED

- Bagdon v. Philadelphia & Reading Coal & Iron Co., 217 N.Y. 432 (1916)
- Goodyear Dunlop Tires Operations, S.A. v. Brown, 564 U.S. 915 (2011)
- Daimler AG v. Bauman, 571 U.S. 117 (2014)
- Chufen Chen v. Dunkin' Brands, Inc., 954 F.3d 492 (2d Cir. 2020)
- Neirbo Co. v. Bethlehem Shipbuilding Corp., 308 U.S. 165 (1939)
- Pennsylvania Fire Insurance Co. of Philadelphia v. Gold Issue Mining & Milling Co., 243 U.S. 93 (1917)
- International Shoe Co. v. State of Washington, International Shoe Co. v. Washington, 326 U.S. 310 (1945)
- World-Wide Volkswagen Corp. v. Woodson, 444 U.S. 286 (1980)
- Bristol-Myers Squibb Co. v. Superior Court of California, 582 U.S. 255 (2017)
- Ford Motor Co. v. Montana Eighth Judicial District Court, 592 U.S. 351 (2021)
- Tauza v. Susquehanna Coal Co., 220 N.Y. 259 (1917)
- Kuzmich v. 50 Murray St. Acquisition LLC, 34 N.Y.3d 84 (2019)
- American Tr. Insurance Co. v. Sartor, 3 N.Y.3d 71 (2004)
- Matter of Chemical Specialties Manufacturers Association v. Jorling, 85 N.Y.2d 382 (1995)
- Insurance Corp. of Ireland v. Compagnie des Bauxites de Guinee, 456 U.S. 694 (1982)
- Burger King Corp. v. Rudzewicz, Burger King Corp. v. Rudzewicz, 471 U.S. 462 (1985)
- Flick v. Stewart-Warner Corp., 76 N.Y.2d 50 (1990)
- Keane v. Kamin, 94 N.Y.2d 263 (1999)
- Landoil Resources Corp. v. Alexander & Alexander Services, 77 N.Y.2d 28 (1990)

