

SUPREME COURT OF THE UNITED STATES

Hanson v. Denckla

357 U.S. 235 (1958) · No. No. 107; No. 117 · Decided October 13, 1958

SUMMARY

The Supreme Court held that Florida lacked personal jurisdiction over the Delaware trustee and in rem jurisdiction over trust assets located in Delaware. Because the Florida court lacked jurisdiction over an indispensable party, its judgment was not entitled to full faith and credit, and the Delaware judgment was affirmed. The decision also explains the minimum-contacts requirement for personal jurisdiction and the limits of jurisdiction over out-of-state intangible property.

CASE DETAILS

COURT	Supreme Court of the United States
WRITING FOR THE COURT	Chief Justice Warren; Justice Black; Justice Brennan; Justice Burton; Justice Douglas
JURISDICTION	Federal
DECIDED	October 13, 1958
DOCKET	No. 107; No. 117
DISPOSITION	reversed_and_remanded
PROCEDURAL POSTURE	The Supreme Court considered an appeal from the Supreme Court of Florida and a certiorari petition involving the Supreme Court of Delaware. The Court dismissed the direct appeal for want of jurisdiction, treated the papers as a petition for certiorari, granted certiorari, affirmed the Delaware judgment, and reversed and remanded the Florida judgment.
STANDARD OF REVIEW	Constitutional review of state-court personal and in rem jurisdiction under the Due Process Clause of the Fourteenth Amendment, and review of the constitutional obligation to give full faith and credit to a judgment rendered without jurisdiction.
PRECEDENTIAL VALUE	binding
PARTIES	Hanson, Executrix, et al., Appellants in No. 107 v. Denckla et al., Appellees in No. 107

TOPICS

personal jurisdiction

subject matter jurisdiction

full faith and credit

trusts

probate procedure

PRACTICE AREAS

civil procedure

trusts

probate

constitutional law

conflict of laws

QUESTIONS PRESENTED

1. Whether Florida had in rem jurisdiction over trust assets held in Delaware based on the settlor's Florida domicile, Florida probate proceedings, or the possibility that the assets would pass under a Florida will.
2. Whether Florida had in personam jurisdiction over the nonresident Delaware trustee consistent with the Due Process Clause of the Fourteenth Amendment.
3. Whether the Delaware courts were required by the Full Faith and Credit Clause and 28 U.S.C. § 1738 to recognize the Florida judgment.
4. Whether the Supreme Court had appellate jurisdiction over the Florida judgment when the federal jurisdictional objection had not been properly presented below.

HOLDINGS

1. The Court lacked appellate jurisdiction because the federal constitutional challenge presented in the Supreme Court was not raised below in the manner required for appellate review. The appeal was therefore dismissed, but the papers were treated as a petition for certiorari, which was granted.
2. Florida lacked in rem or quasi in rem jurisdiction over trust assets located in Delaware. A Florida probate proceeding, the settlor's Florida domicile, or the possibility that the assets might pass under a Florida will did not create the necessary territorial affiliation with property held in Delaware.
3. Florida lacked personal jurisdiction over the Delaware trustee because the trustee lacked the minimum contacts with Florida required by the Due Process Clause.
4. Because Florida law required the trustee to be an indispensable party in litigation affecting the validity of the trust, and Florida lacked jurisdiction over the trustee, the Florida court could not adjudicate the controversy even as to parties over whom it otherwise had jurisdiction.
5. Delaware was not required to give full faith and credit to the Florida judgment because the Florida judgment was constitutionally invalid for lack of jurisdiction over the Delaware trustee and the trust res.

KEY QUOTATIONS

"The unilateral activity of those who claim some relationship with a nonresident defendant cannot satisfy the requirement of contact with the forum State." (253)

"It does not acquire that jurisdiction by being the "center of gravity" of the controversy, or the most convenient location for litigation." (254)

"The rule of primacy to the first final judgment is a necessary incident to the requirement of full faith and credit." (256)

FACTUAL BACKGROUND

Dora Browning Donner created a trust in Delaware in 1935 with Wilmington Trust Co. as trustee while she was domiciled in Pennsylvania. She later became domiciled in Florida, executed a will and an inter vivos power of appointment there, and died in Florida in 1952. The trust assets were held and administered in Delaware, and the Delaware trustee had no office or business operations in Florida. After her death, competing claimants disputed whether approximately \$400,000 passed under the power of appointment to Delaware trusts or under the residuary clause of her will.

PROCEDURAL HISTORY

Residuary legatees brought a Florida declaratory-judgment action seeking a determination that property from a Delaware trust passed under the settlor's Florida-probated will. The Florida trial court ruled that the power of appointment was ineffective and that the property passed under the will; the Florida Supreme Court reversed the trial court's jurisdictional ruling but affirmed the substantive result. In parallel, the executrix brought a Delaware action, where the Delaware courts held the trust and power of appointment valid and refused to give the Florida judgment full faith and credit. The Supreme Court dismissed the appeal in No. 107 for lack of jurisdiction, granted certiorari, reversed the Florida judgment, and affirmed the Delaware judgment.

DISPOSITION

reversed_and_remanded

REMAND INSTRUCTIONS

The Florida judgment was reversed and the cause remanded for proceedings not inconsistent with the opinion. The Delaware Supreme Court judgment was affirmed.

CASES CITED

- Radio Station WOW v. Johnson, 326 U.S. 120, 128 (1945)
- Wilson v. Cook, 327 U.S. 474, 482 (1946)
- Charleston Fed. Sav. & L. Assn. v. Alderson, 324 U.S. 182 (1945)
- Chicago v. Atchison, T. & S. F. R. Co., 357 U.S. 77 (1958)
- McDonald v. Mabey, 243 U.S. 90, 91 (1917)
- Rose v. Himely, 4 Cranch 241, 277 (1808)
- Overby v. Gordon, 177 U.S. 214, 221-222 (1900)
- Tax Commission v. Aldrich, 316 U.S. 174 (1942)
- Curry v. McCanless, 307 U.S. 357 (1939)
- Green v. Van Buskirk, 7 Wall. 139, 150 (1869)
- Riley v. New York Trust Co., 315 U.S. 343, 353 (1942)
- Baker v. Baker, Eccles & Co., 242 U.S. 394, 400-403 (1917)
- Pennoyer v. Neff, 95 U.S. 714 (1878)

- Sadler v. Industrial Trust Co., 327 Mass. 10, 97 N.E.2d 169 (1951)
- McGee v. International Life Ins. Co., 355 U.S. 220 (1957)
- International Shoe Co. v. State of Washington, International Shoe Co. v. Washington, 326 U.S. 310, 316, 319 (1945)
- Vanderbilt v. Vanderbilt, 354 U.S. 416, 418 (1957)
- Travelers Health Assn. v. Virginia, 339 U.S. 643, 647-649 (1950)
- Doherty & Co. v. Goodman, 294 U.S. 623, 627 (1935)
- Hess v. Pawloski, 274 U.S. 352 (1927)
- Home Insurance Co. v. Dick, 281 U.S. 397 (1930)
- D'Arcy v. Ketchum, 11 How. 165 (1850)
- Hall v. Lanning, 91 U.S. 160 (1875)
- Herb v. Pitcairn, 324 U.S. 117 (1945)
- Mullane v. Central Hanover Bank & Trust Co., 339 U.S. 306, 312-317 (1950)
- Walker v. City of Hutchinson, 352 U.S. 112 (1957)
- Roller v. Holly, 176 U.S. 398 (1900)
- Williams v. North Carolina, 317 U.S. 287, 297 (1942)
- Atkinson v. Superior Court, 49 Cal. 2d 338, 316 P.2d 960 (1957)
- Watson v. Employers Liability Assurance Corp., 348 U.S. 66 (1954)
- Osborn v. Ozlin, 310 U.S. 53 (1940)
- Milliken v. Meyer, 311 U.S. 457, 463 (1940)
- Hansberry v. Lee, 311 U.S. 32 (1940)
- Trueman Fertilizer Co. v. Allison, 81 So. 2d 734 (Fla. 1955)