

SUPREME COURT OF ALABAMA

Frye v. Smith

67 So. 3d 882 (Ala. 2011) · Decided January 14, 2011

SUMMARY

The Alabama Supreme Court reviewed the dismissal of claims against former General Motors executives for lack of personal jurisdiction arising from an allegedly defective 1998 Chevrolet Blazer. The court also considered the plaintiffs’ motion to supplement the appellate record with interrogatory answers. It affirmed both the denial of supplementation and the dismissal, concluding that the individual defendants lacked sufficient minimum contacts with Alabama.

CASE DETAILS

COURT	Supreme Court of Alabama
WRITING FOR THE COURT	Cobb, Chief Justice; Cobb, C.J.; Woodall, J.; Smith, J.; Parker, J.; Shaw, J.
JURISDICTION	Alabama
DECIDED	January 14, 2011
DISPOSITION	affirmed
PROCEDURAL POSTURE	Plaintiffs appealed a Rule 54(b)-certified order of the Calhoun Circuit Court dismissing claims against three former General Motors officers for lack of personal jurisdiction. They also challenged the denial of their motion to supplement the appellate record with interrogatory answers.
STANDARD OF REVIEW	The denial of a motion to supplement the appellate record under Rule 10(f), Ala. R. App. P., is reviewed for excess of discretion. A judgment on a motion to dismiss for lack of personal jurisdiction is reviewed de novo.
PRECEDENTIAL VALUE	Published opinion of the Supreme Court of Alabama; precedential
PARTIES	Wesley Frye, as personal representative of the estate of Rhonda Rainey, deceased, Roderick Stacy Arthur, as father and next friend of Ryan Arthur and Roderick Arthur, minors v. John F. Smith, Jr., Harry J. Pearce, J. Michael Losh

TOPICS

personal jurisdiction

motions to dismiss

appellate procedure

standard of review

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PRACTICE AREAS

civil procedure

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QUESTIONS PRESENTED

1. Whether the trial court abused its discretion by denying the plaintiffs' motion to supplement the appellate record with the individual defendants' answers to interrogatories.
2. Whether Alabama courts could exercise specific or general personal jurisdiction over the former GM officers based on their corporate positions and GM's placement of the Blazer into the stream of commerce.

HOLDINGS

1. The trial court did not exceed its discretion by denying the plaintiffs' motion to supplement the appellate record because the interrogatory answers were not part of the evidence before the trial court when it ruled and, even as described by the plaintiffs, did not conflict with the defendants' affidavits or materially affect the jurisdictional analysis.
2. Alabama courts may not exercise specific personal jurisdiction over individual corporate officers merely because the corporation placed a product into the stream of commerce or because the officers held senior corporate positions. The plaintiff must show that each individual defendant personally engaged in activity purposefully directed toward or purposefully availing the defendant of conducting activities in Alabama.
3. General personal jurisdiction was unavailable because the individual defendants did not have continuous and systematic contacts with Alabama.

KEY QUOTATIONS

“The plaintiffs point to no action on the part of the individual defendants indicating that the individual defendants themselves participated in the design, engineering, testing, marketing, safety, or recall decisions or activities involving the 1998 Chevrolet Blazer sport-utility vehicle, or that they were personally involved in placing the 1998 Chevrolet Blazer into the stream of commerce.” (at 893)

“On this record, the evidence is not sufficient to support the exercise of personal jurisdiction over the individual defendants. Therefore, the judgment of the circuit court is affirmed.” (at 894-95)

FACTUAL BACKGROUND

On June 19, 2006, Rhonda Rainey and minors Roderick Arthur and Ryan Arthur were passengers in a 1998 Chevrolet Blazer involved in an automobile accident in which Rainey died and the children were injured. The plaintiffs alleged that the Blazer was defective and unreasonably dangerous because of design defects. They added former GM executives John F. Smith, Jr., Harry J. Pearce, and J. Michael Losh as defendants, alleging that the executives had responsibility for GM's corporate operations and knew or should have known of the alleged

defects. The executives submitted affidavits stating that they had not personally participated in the Blazer's design, engineering, testing, marketing, safety, recall, or placement into the stream of commerce and had few or no Alabama contacts.

PROCEDURAL HISTORY

The plaintiffs initially sued General Motors Corporation and Massey Chevrolet-Olds-Geo, Inc. after a fatal automobile accident involving a 1998 Chevrolet Blazer. They later amended the complaint to add former GM officers Smith, Pearce, and Losh. The individual defendants moved to dismiss for lack of personal jurisdiction, supported by affidavits disclaiming Alabama contacts and personal involvement with the Blazer. The circuit court dismissed the claims, certified the order as final under Rule 54(b), denied the plaintiffs' motion to supplement the appellate record, and the plaintiffs appealed.

DISPOSITION

affirmed

CASES CITED

- Prattville Mem'l Chapel v. Parker, 10 So. 3d 546 (Ala. 2008)
- Greene v. Connelly, 628 So. 2d 346 (Ala. 1993)
- Williams v. Skysite Communications Corp., 781 So. 2d 241 (Ala. Civ. App. 2000)
- Elliott v. Van Kleef, 830 So. 2d 726 (Ala. 2002)
- Wenger Tree Serv. v. Royal Truck & Equip., Inc., 853 So. 2d 888 (Ala. 2003)
- Ex parte McInnis, 820 So. 2d 795 (Ala. 2001)
- Mercantile Capital, LP v. Federal Transtel, Inc., 193 F. Supp. 2d 1243 (N.D. Ala. 2002)
- Future Tech. Today, Inc. v. OSF Healthcare Sys., 218 F.3d 1247 (11th Cir. 2000)
- Hansen v. Neumueller GmbH, 163 F.R.D. 471 (D. Del. 1995)
- Time Share Vacation Club v. Atlantic Resorts, Ltd., 735 F.2d 61 (3d Cir. 1984)
- Ex parte Covington Pike Dodge, Inc., 904 So. 2d 226 (Ala. 2004)
- Cowen v. M.S. Enters., Inc., 642 So. 2d 453 (Ala. 1994)
- Ex parte DBI, Inc., 23 So. 3d 635 (Ala. 2009)
- International Shoe Co. v. State of Washington, International Shoe Co. v. Washington, 326 U.S. 310 (1945)
- Helicopteros Nacionales de Colombia, S.A. v. Hall, 466 U.S. 408 (1984)
- Burger King Corp. v. Rudzewicz, Burger King Corp. v. Rudzewicz, 471 U.S. 462 (1985)
- World-Wide Volkswagen Corp. v. Woodson, 444 U.S. 286 (1980)
- Ex parte Alloy Wheels International, Ltd., 882 So. 2d 819 (Ala. 2003)
- Asahi Metal Indus. Co. v. Superior Court of California, 480 U.S. 102 (1987)
- Hanson, Executrix, et al. v. Denckla et al., Hanson v. Denckla, 357 U.S. 235 (1958)
- Thames v. Gunter-Dunn, Inc., 373 So. 2d 640 (Ala. 1979)

