

Pa. Superior Court Reopens Debate on Personal Jurisdiction for Foreign Corporations



ALERT | December 20, 2018

A. Christopher Young | youngac@pepperlaw.com
Rosemary T. Cochrane | cochraner@pepperlaw.com

On December 7, the Superior Court of Pennsylvania granted *en banc* reargument for the *Murray v. American LaFrance* case. In September, a 2-1 majority ruled in *Murray* that registering as a foreign corporation in Pennsylvania equals consent to the state court's general personal jurisdiction. *Murray v. Am. LaFrance*, LLC, No. 2105 EDA 2016, 2018 Pa. Super. LEXIS 1064. In granting reargument, the court has withdrawn its previous decision, affecting all of the consolidated cases that were considered in the appeal. The court ordered the case listed for the next available *en banc* panel.

As we discussed in an October Client Alert, the implications of the court's decision upon hearing reargument could be widespread. The *en banc* panel could come to a different conclusion on the jurisdictional issue. Similarly, the panel could overrule the *Webb-Benjamin* decision, another Superior Court decision that found foreign corporations

THIS PUBLICATION MAY CONTAIN ATTORNEY ADVERTISING

The material in this publication was created as of the date set forth above and is based on laws, court decisions, administrative rulings and congressional materials that existed at that time, and should not be construed as legal advice or legal opinions on specific facts. The information in this publication is not intended to create, and the transmission and receipt of it does not constitute, a lawyer-client relationship. Please send address corrections to phinfo@pepperlaw.com.

© 2018 Pepper Hamilton LLP. All Rights Reserved.

consent to general jurisdiction under the Pennsylvania Long Arm Statute by registering to do business in the Commonwealth. See *Webb-Benjamin, LLC v. Int'l Rug Grp.*, 2018 Pa. Super. LEXIS 742. Until the court does so, however, *Webb-Benjamin* remains good law.

While there exists a threshold legal issue of whether the *Murray* plaintiffs waived their right to argue on appeal that registration equals consent to jurisdiction, it seems unlikely that the court would address that argument *en banc*. Even if the court decided on the waiver issue alone, the general personal jurisdiction question remains ripe for final resolution by the state's highest court, either on appeal in *Murray* or in other personal jurisdiction cases winding their way through the Pennsylvania appellate system. No matter the vehicle, the justices are likely to finally resolve whether registration to do business in Pennsylvania is enough of a voluntary act to constitute consent to the general personal jurisdiction of Pennsylvania courts.

Christopher Young is a partner in the firm's Trial and Dispute Resolution Practice Group, a seasoned and trial-ready team of advocates who help clients analyze and solve their most emergent and complex problems through negotiation, arbitration and litigation. Rosemary Cochrane is an associate in the Trial and Dispute Resolution Practice Group.