## IN THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF RHODE ISLAND

**TONYA WILLIAMS**, as Executrix of the Estate of David Williams, *Plaintiff*, v.

Case No: 1:21-cv-0625

GOODWHEEL TIRE COMPANY, INC.,

Defendant,

# PLAINTIFF'S OPPOSITION TO DEFENDANT'S RULE 12(b)(2) MOTION TO DISMISS

Plaintiff Tonya Williams, as Executrix for the Estate of David Williams, hereby opposes the motion to dismiss filed by Defendant Goodwheel Tire Company, Inc., under Federal Rule of Civil Procedure 12(b)(2). As set forth below, this Court has personal jurisdiction over the Defendant for this claim and the motion must be denied.

#### **Introduction**

David Williams died because his company purchased a defective tire designed, manufactured, and sold by Goodwheel that the tire company marketed to consumers in the State of Rhode Island, including the late Mr. Williams himself. After seeing advertising by Goodwheel in Rhode Island for its MV225 tire, and learning that replacement tires could be purchased in Rhode Island as needed, Mr. Williams had his Rhode Island business order the Goodwheel MV225 tire by name for installation in a new dump truck. Tragically, as Mr. Williams was driving the new truck only months after it was delivered to him in Rhode Island, Goodwheel's tire failed. The tread on the Goodwheel tire on the rear left wheel shredded and separated as Mr. Williams was driving on the highway just north of the Rhode Island State line, sending his truck out of control and causing an accident and ensuing fire in which he suffered fatal burns. He died in the Rhode Island Hospital three weeks later from the burns suffered in the fire.

Despite the clear connections between Goodwheel's purposeful business activities in Rhode Island, Mr. Williams' purchase of the tire on behalf of his Rhode Island business, and his fatal accident two miles from the Rhode Island border, Goodwheel argues that the Estate of David Williams may not bring its products liability claim against Goodwheel in this State to seek damages for Mr. Williams' wrongful death. As set forth more fully below, Goodwheel's position is incorrect and untenable. Personal jurisdiction over Defendant Goodwheel Tire Company exists in Rhode Island to hear this case.

Plaintiff does not contend that Goodwheel has sufficient contacts with the forum to establish general jurisdiction, given recent Supreme Court precedent limiting that doctrine. *See Daimler AG v. Bauman*, 134 S. Ct. 746, 754 (2014). By the same token, however, other recent Supreme Court decisions make equally clear that personal jurisdiction is proper here as a matter of specific jurisdiction. *See Ford Motor Company v. Montana Eighth Judicial District Court*, 141 S. Ct. 1017 (2021); *Bristol-Myers Squibb Co. v. Superior Court of Cal. San Francisco Cty.*, 137 S. Ct. 1773, 1779 (2017).

Inexplicably, Defendant Goodwheel ignores decades of valid United States Supreme Court precedent concerning personal jurisdiction in cases alleging injuries suffered after a defendant has placed defective goods in the "stream of commerce," starting with the landmark case of *Worldwide Volkswagen v. Woodson*, 444 U.S. 286 (1980), and culminating in the recent Supreme Court decision in *Ford Motors v. Montana Eighth Judicial District Court*, 141 S. Ct. 1017 (2021). The *Ford Motors* decision, in particular, emphasizes that where a defendant has marketed a product in a State, and a resident of that State is injured by defects in that product, it is not a proper objection to argue that the *particular* product that failed was not actually sold in the State (the precise argument made by the Defendant here). To the contrary, *Ford Motors* makes clear that there are a variety of factors that can establish a connection between the forum State, the defendant and the claim sufficient for personal jurisdiction. The crown jewel of the Defendant's argument, *Bristol-Myers Squihb Co. v. Superior Court*, 137 S. Ct. 1773 (2017), did not overturn *Worldwide VW*, is readily distinguishable from the facts here, and actually supports jurisdiction in Rhode Island under the facts of this case. The Defendant misinterprets *Bristol-Myers Squibb* by reading it for the proposition that specific jurisdiction exists over Goodwheel only in the particular State in which it sold the tire at issue (here, North Carolina). That interpretation is NOT consistent with the United States Supreme Court's actual ruling in *Bristol-Myers Squibb*, let alone with the recent Supreme Court decision in *Ford Motors*, or with decades of valid stream of commerce precedent. To the contrary, the Court in *Bristol-Myers Squibb* ruled that there must simply and loosely be a "connection between the forum and the specific claims at issue", which easily exists under the facts of this case.

Finally, Defendant Goodwheel's claim of excessive burden to litigate this case in Rhode Island is ridiculous. The Defendant is one of the largest manufacturers of tire and rubber products in the United States. In recent years, by its own account, Goodwheel has sold some 10 million car and truck tires annually across the United States, generating \$200 million a year in revenue. *See* Complaint, ¶2. A significant volume of those sales have taken place in Rhode Island. For a major company such as Goodwheel to complain to this Court that the "burden . . . to litigate this case in Rhode Island would be considerable," Defendant's Motion at 10, flies in the face of common sense. The burden on the Defendant to litigate in Rhode Island is nonexistent or miniscule at best, nor is there anything unfair or unreasonable about requiring Goodwheel to appear in Rhode Island to defend a products liability suit concerning a product it has advertised and sold in this jurisdiction. As set forth more fully below, the Defendants' Motion to Dismiss should be denied.

### **Countervailing Statement of Facts**

In its selective account of the facts alleged in the Plaintiff's complaint, set forth in Defendant Goodwheel's motion to dismiss, the Defendant leaves out and/or minimizes some the most critical facts concerning personal jurisdiction. A fuller and more complete account is set forth below.

#### (a) The Goodwheel Tire's Failure and David William's Death

On September 3, 2021, as David Williams was driving home from a job in Western Massachusetts in his new dump truck equipped with Goodwheel MV225 tires, he was on Interstate Highway 95 two miles north of the Rhode Island border when one of the Goodwheel tires suddenly failed. *See* Complaint, ¶16.

The tire tread on the left rear Goodwheel tire shredded and separated, causing Mr. Williams to lose control of the vehicle. *Id.* The dump truck left the highway and crashed into a tree. *Id.* With the impact, the diesel fuel tank exploded and caught fire, causing Mr. Williams to suffer first-degree burns over most of his body. *Id.* He was airlifted to the Rhode Island Hospital nearby, where he was treated for close to three weeks. *Id.*, ¶17. However, his injuries were too grave, and Mr. Williams died in the Rhode Island Hospital's burn unit on September 23, 2021, as a result of the severe burns suffered in the crash. He was 56 years old. *Id.* 

#### (b) Rhode Island, the Dump Truck Purchase, and the Goodwheel Tire

The history of how the dump truck was purchased and why it came to have Goodwheel tires installed is crucial to understanding why this Court has personal jurisdiction in this case. For over twenty-five years, since 1995, Mr. Williams owned and operated Williams Trucking Services Company as a Rhode Island-based business, incorporated in Rhode Island with its only location in Pawtucket, Rhode Island. *See* Complaint, ¶6.

In early 2021, Williams Trucking placed an order for a new dump truck. *Id.*, ¶7. It ordered the new truck from Kenbuilt Trucks, a North Carolina truck assembly and sales company with which it had a longstanding relationship (Williams Trucking had purchased all four of the trucks in its fleet from Kenbuilt). *Id.* Kenbuilt does not manufacture or design any truck components, but instead purchases the truck body, engine, and other parts according to the specifications provided by its clients and assembles them into a truck for sale to the individual client. *Id.* 

Significantly, when Williams Trucking submitted its specifications, the company expressly requested Kenbuilt to equip the new dump truck with Goodwheel MV225 tires. *See id.*, ¶8. It requested these particular tires as a result of Goodwheel's advertising, marketing and product sales activities in the State of Rhode Island. Mr. Williams' decision to request Goodwheel tires –and this model tire in particular – was directly influenced by his review of Goodwheel's advertising for the MV225 tires in trade magazines distributed to him in Rhode Island. *Id*, ¶12. He was motivated as well by the widespread availability of replacement tires locally in Rhode Island, where Goodwheel had designated as "Goodwheel-approved tire sellers" some fifteen tire sales outlets in Rhode Island authorized to sell Goodwheel tires, including the MV225. *Id.*, ¶¶10, 11.

Thus, while the specific tires at issue were not purchased in Rhode Island, the facts show a clear and direct connection between Goodwheel's sales and marketing activities in the State of Rhode Island and Mr. William's decision to purchase Goodwheel tires for his Rhode Island company's new truck. The Defendant argues that its extensive sales, advertising, and marketing activities in Rhode Island should be disregarded here because the particular tires on the truck driven by Mr. Williams at the time of his accident were not purchased in Rhode Island (though the company does not dispute that Goodwheel tires of the same model were sold in Rhode Island). The facts show, however, that Goodwheel's marketing and sales activities in Rhode Island had a direct causal effect in inducing Williams Trucking to request the purchase and installation of the Goodwheel MV225 tires that later failed.

Further, the known facts also support the inference, alleged on information and belief in Plaintiff's complaint, that Goodwheel's corporate sales representative knew at the time Kenbuilt ordered the tires from Goodwheel in North Carolina, that they would be installed on a truck destined for use in Rhode Island by a Rhode Island business. *See* Complaint, ¶13. Given the longstanding client relationship between Kenbuilt and Williams Trucking, and the fact that Kenbuilt undoubtedly purchases tires from Goodwheel's representative in North Carolina on a regular basis, Plaintiff expects to be able to prove, through discovery, that Goodwheel knew that the tires were destined for use in Rhode Island at the time of the sale. In short, it is a serious distortion of the facts alleged to argue, as Defendant does in its motion, that the facts alleged show "no connection" between Goodwheel's purposeful business activities in Rhode Island, the decision by a Rhode Island business to purchase Goodwheel tires, and the accident that gave rise to the claim in this case. There is a clear, direct, and sufficient connection alleged on the facts set forth here. These connections are clearly sufficient to support personal jurisdiction under the relevant legal precedents.

## <u>Argument</u>

In cases such as this one, the federal court determines whether personal jurisdiction is present by looking to the principles that would apply in a Rhode Island State court of general jurisdiction. See Fed. R. Civ. P. 4(k)(1)(A). In Rhode Island, the exercise of personal jurisdiction over foreign corporations is determined by the limits of the United States Constitution. *See* R.I. Gen. Laws § 9-5-33(a). This provision states that:

Every foreign corporation ... that shall have the necessary minimum contacts with the state of Rhode Island, shall be subject to the jurisdiction of the state of Rhode Island, and the courts of this state shall hold such foreign corporations ... amenable to suit in Rhode Island in every case not contrary to the provisions of the constitution or laws of the United States.

In other words, Rhode Island's "long arm" statute authorizing jurisdiction over foreign corporations extends to the full constitutional limits established by case law under the Due Process Clause.

Due process under the United States Constitution requires that before a forum state exercises jurisdiction over a defendant, that defendant "have certain minimum contacts contacts with [the forum state] such that the maintenance of the suit does not offend 'traditional notions of fair play and substantial justice."" *International Shoe Co. v. Washington*, 326 U.S. 310,316 (1945) (citation omitted). As a general rule, a court's exercise of power "requires some act by which the defendant 'purposefully avails itself of the privilege of conducting activities within the forum State, thus invoking the benefits and protections of its laws[.]" *Hanson v. Denckla*, 357 U.S. 235, 253 (1958). To evaluate whether a defendant is subject to personal jurisdiction in Rhode Island, there are two types of personal jurisdiction to consider: specific and general jurisdiction. *See Bristol-Myers Squibb Co.*, 137 S. Ct. at 1779-1780. As noted above, the Plaintiff does not claim that Defendant Goodwheel would be subject to general jurisdiction in Rhode Island. At the same time, it is clear that the Rhode Island courts would have personal jurisdiction to hear this case as a matter of specific jurisdiction.

### (a) Specific Jurisdiction Exists in Rhode Island for This Lawsuit

To determine if a defendant possesses the requisite minimum contacts with Rhode Island to subject it to specific jurisdiction, the court looks to the defendant's actions directed at the forum State to see if the defendant has performed "some act by which [it] purposefully [availed] itself of the privilege of conducting activities within the forum state." *Hanson v. Denckla*, 357 U.S. 235, 253 (1958). These contacts must have been initiated by the defendant and must show that the defendant "deliberately 'reached out beyond' its home," for example by "exploiting a market" in the forum State. *Ford Motors*, 141 S. Ct. at 1025 (citation omitted).

In addition, the particular claim at issue in the suit must arise out of or relate to the actions that the defendant has purposefully undertaken in the forum State. In other words, there must be an "affiliation between the forum and the underlying controversy." *Bristol-Myers Squibb Co.*, 137 S. Ct. at 1780 (*quoting Goodyear Dunlop Tire Operations, S.A. v. Brown*, 564 U.S. 915, 919 (2011)). Finally, the exercise of personal jurisdiction must be "reasonable" and comport with fair play and substantial justice. *See generally Adelson v. Hananel*, 652 F.3d 75, 80-81 (1st Cir. 2011); (determining specific personal jurisdiction by considering the relatedness of the claim to the forum contacts, the defendant's intent to avail itself of the forum, and the reasonableness of asserting jurisdiction).

Here, it is indisputable that Goodwheel has "purposefully availed itself" of the privilege of conducting business in Rhode Island. In one recent year alone, the company sold some 75,000 of its car and truck tires in Rhode Island, and derived revenues of \$20 million from those sales. *See* Complaint, ¶11. Goodwheel has, in addition, approved at least fifteen Rhode Island independent tire outlets to be "Goodwheel-approved tire sellers." *Id.* The sales

of Goodwheel tire products in Rhode Island specifically include the precise tire model that is at the heart of the Plaintiff's product liability suit here, the Goodwheel MV225. *Id.* 

Without disputing that it makes substantial tire sales in Rhode Island, the Defendant instead focuses on two things: *first*, that the specific tire that failed here was purchased in North Carolina rather than in Rhode Island; and *second*, that the accident involving the tire in this case occurred a few miles outside the Rhode Island border. As for the first argument, the *Ford Motors* decision expressly rejected a similar argument by Ford, who argued that there should be no personal jurisdiction because "the company sold the specific cars involved in these crashes outside the forum States." *Ford Motors*, 141 S. Ct. at 1029. As this case makes clear, it is not necessary to purchase a product in a State in order to sue for products liability in that State.

As for the second argument, it is of course true that one factor that led the Supreme Court in the *Ford Motors* case to find specific jurisdiction over the products liability cases there was that the car accidents caused by the allegedly defective cars at issue occurred in the forum State. *See Ford Motors*, 141 S. Ct. at 1017 ("Each plaintiff's suit, of course, arises from a car accident in one of [the forum] States."). But the reverse cannot be said – nothing in the *Ford Motors* decision suggests that the injury caused by a defective product *must* have occurred in the forum State for personal jurisdiction to exist.

The Court's decision in *Ford Motors*, instead, makes clear that there is no single set of facts required to establish personal jurisdiction. The case must simply "arise from *or relate to* the defendant's contacts with the forum." *Ford Motors*, 141 S. Ct. at 1026. The term "relate to" is broader than the term "arise from." *Id*. ("None of our precedents has suggested that only a strict causal relationship between the defendant's in-state activity and the litigation will do."). Given the Court's intentionally flexible approach, which led the Court to reject the idea that suit can only be brought in the State where the defective product was purchased, it would make little sense to read *Ford Motors* as holding that a products liability lawsuit can only be filed in the State where an accident related to the defective product occurred.

Instead, the fundamental rationale of that decision – and the series of Supreme Court cases reaffirmed by the Court in *Ford Motors* – is that where a company chooses to do business in a particular State, the State may in turn "hold the company to account for related

misconduct." *Id.* at 1025. A company that does business in a State is "on notice" that it may be subject to the State's courts for claims related to products sold in that State. *Id.* While there is a limit to this principle –it would not, for example, allow a court to exercise personal jurisdiction for a claim brought by an out-of-State plaintiff who fails to allege any factual relationship between his claim and the forum State, *see Bristol-Myers Squibb* – the rationale of *Ford Motors* clearly supports specific jurisdiction in this case.

The Defendant states, erroneously, that the only facts relied upon by the Plaintiff to connect this case to Rhode Island concern Mr. Williams' domicile in Rhode Island, specifically, the fact that he resided Rhode Island before his death, received medical treatment for his injuries in Rhode Island following the accident, and died in Rhode Island as a result of his injuries. While these are all true, they are far from the only basis of the Plaintiff's argument for specific jurisdiction.

Instead, the facts here show more broadly that the decedent harmed by the Defendant's defective tire was a Rhode Island citizen, operating a Rhode Island business, who ordered the Defendant's product for use in Rhode Island. He made the decision to order this product based both on advertising by the Defendant in Rhode Island promoting that product and on the availability of replacement parts in Rhode Island. The product was purchased for use in Rhode Island and was actually used in Rhode Island, even though the tire failed just outside the Rhode Island border. These allegations clearly provide a sufficient relationship "among the defendant, the forum and the litigation" to support specific jurisdiction. *See Ford Motors*, 141 S. Ct. at 1032. The case is distinguishable from *Bristol-Myers Squibb*, in which the plaintiffs had no connection with the forum State, and far more akin to the *Ford Motors* case, which supports a finding of specific jurisdiction here.

## (b) Specific Jurisdiction for This Lawsuit is Reasonable and Fair

Finally, should the Court find it necessary to apply the *Gestalt* factors, they do not change the conclusion that specific jurisdiction exists in this case.

As stated by the Defendant, the *Gestalt* (or "reasonableness") factors include: the burden on the defendant; the forum state's interest in adjudicating the dispute; the plaintiff's interest in obtaining the most effective resolution of the controversy; and the shared interest of the several states in furthering fundamental substantive social policies. *See, e.g., World-Wide Volkswagen Corp. v. Woodson*, 444 U.S. 286, 292 (1980).

What the Defendant omits, however, is that a heavy burden is placed on a defendant who seeks to invoke the "reasonableness" factors to argue that personal jurisdiction is unconstitutional despite the defendant's contacts with the forum State. The Supreme Court has emphasized that "[w]here a defendant who purposefully has directed is activities at forum residents seeks to defeat jurisdiction, he must present a compelling case that the presence of some other considerations would render jurisdiction unreasonable." *Burger King v. Rudciewicz,* 471 U.S. 462, 476-77 (1985).

Defendant Goodwheel fails to meet that burden here. Given that the tire failed only miles from the federal courthouse in Rhode Island, it is simply not accurate to say, as the Defendant does, that most of the key witnesses are located in States "distant" from Rhode Island. More likely, there will be relevant witnesses both close to this jurisdiction and farther away, and the same would be true if the case were filed in North Carolina.

Equally important, it strains credulity for a major national manufacturer such as Goodwheel to argue that it would present a "considerable" burden on it to litigate in Rhode Island, a state where it advertises, markets, and makes substantial sales. The interest of the State of Rhode Island in protecting its citizens' ability to enforce their rights related to products sold in this State is also a legitimate concern.

In short, there is nothing "unfair" or "unreasonable" in requiring Goodwheel to defend itself in this lawsuit in Rhode Island, given that Goodwheel has both deliberately advertised and marketed its tire products in this State and financially benefitted from those sales. It is disingenuous for the company to deliver advertising to Rhode Island citizens that induces them to buy Goodwheel products in this State, then seek to retreat to North Carolina when Mr. Williams, a Rhode Island citizen, is gravely harmed by the very product the company deliberately marketed to him here.

# **Conclusion**

As set forth above, this Court has specific jurisdiction to hear the products liability claims asserted by Plaintiff against Defendant Goodwheel here.

WHEREFORE, Plaintiff Tonya Williams, as Executrix of the Estate of David Williams, respectfully requests that this Court deny the motion to dismiss filed by Defendant Goodwheel Tire Company and schedule the case for discovery and trial.

Respectfully submitted,

<u>/s/</u>

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Date: May 23, 2022