

CIVIL PROCEDURE QUESTION

A woman attended a corporation's sales presentation in State A. At this presentation, the corporation's salespeople spoke to prospective buyers about purchasing so-called "super solar panels," rooftop solar panels that the corporation's salespeople said were 100 times as efficient as traditional solar panels. The salespeople distributed brochures that purported to show that the solar panels had performed successfully in multiple rigorous tests. The brochures had been prepared by an independent engineer pursuant to a consulting contract with the corporation.

Based on what she was told at this presentation and the brochure she received, the woman decided to purchase solar panels from the corporation for \$20,000. The corporation shipped the panels to the woman from its manufacturing facility in State B. The woman had the panels installed on the roof of her house in State A. The panels failed to work as promised, even though they were properly installed.

A federal statute prohibits "material misstatements or omissions of fact in connection with the sale or purchase of solar panels" and provides an exclusive civil remedy for individuals harmed by such statements. This remedy preempts all state-law claims that would otherwise apply to this purchase.

Relying on this federal statute, the woman has sued the corporation and the independent engineer in the U.S. District Court for the district of State A. She alleges that the statements made by the engineer in the brochure and the statements made by the corporation's salespeople at the presentation were false and misleading with respect to the solar panels' performance and value. She seeks damages of \$30,000 (the cost of the solar panels plus the expense of installing them).

The woman is a State A resident. The corporation is incorporated in State B and has its principal place of business in State B. The engineer, who has never been in State A, is a State B resident with his principal place of business in State B. He prepared the brochures in State B and delivered them to the corporation there. He knew that the brochures would be distributed to prospective buyers at sales presentations around the country.

The federal statute has no provision on personal jurisdiction. State A's long-arm statute has been interpreted to extend personal jurisdiction as far as the U.S. Constitution allows.

The engineer has timely moved to dismiss the complaint against him for lack of subject-matter and personal jurisdiction. The engineer has also filed an answer (subject to his motion to dismiss) denying the claims against him and asserting a cross-claim against the corporation. The engineer's cross-claim alleges that the corporation must indemnify the engineer for any damages he may have to pay the woman. The indemnity claim is based on the terms of the consulting contract between the corporation and the engineer.

The corporation has filed timely motions to dismiss the woman's complaint for lack of subject-matter and personal jurisdiction and to dismiss the engineer's cross-claim for lack of subject-matter jurisdiction.

1. Does the State A federal district court have personal jurisdiction over
 - (a) the corporation? Explain.
 - (b) the engineer? Explain.

2. Assuming that there is personal jurisdiction over both defendants, does the State A federal district court have subject-matter jurisdiction over
 - (a) the woman's claim against the corporation and the engineer? Explain.
 - (b) the engineer's cross-claim against the corporation? Explain.