

the benefits of reconciling both the Fetzer and the Ashbacker applications, if the hearing should develop considerations not disclosed by the prior scrutiny of the Commission. Not only that, but the Commission, in its opinion on hearing the Ashbacker complaint, construed its own action in granting the Fetzer application to be conditional, so as to have room for any action which it may find will serve the public interest after the hearing on the Ashbacker

330

application. Such a practice of conditional grant by the Commission ought not to be deemed outside the range of the procedural discretion allowed to it by Congress.³

In this case, however, the restrictions of the hearing granted to Ashbacker do make of it a mere formality, for the Commission put upon Ashbacker the burden of establishing that the grant of a license to it would not interfere with the simultaneous operations of the proposed Fetzer station. But since the Commission had apparently already concluded that the simultaneous operation of the two stations would result in "intolerable interference," its order for a hearing seems to foreclose the opportunity that should still be open to Ashbacker. It is entitled to show the superiority of its claim over that of Fetzer, even though the Commission, on the basis of its administrative inquiry, was entitled to grant Fetzer the license in the qualified way in which the statute authorized, and the Commission made, the grant. In my view, therefore, the proper disposition of the case is to return it to the Commission with direction that it modify its order so as to assure an appropriate hearing of the Ashbacker application. It may be wise policy to require that the Communications Commission should give a public hearing for all multiple applications before granting any. But to my reading of the Communications Act, Congress has not expressed this policy.

Mr. Justice RUTLEDGE joins in this opinion.

Act or of any treaty ratified by the United States will be more fully complied with . . ." Cf. 47 Code Fed. Reg. § 1.402.

³ Cf. Berks Broadcasting Company (WEEU), Reading, Pennsylvania, 8 F.

326 U.S. 310

INTERNATIONAL SHOE CO. v. STATE OF WASHINGTON, OFFICE OF UNEMPLOYMENT COMPENSATION AND PLACEMENT et al.

No. 107.

Decided Dec. 3, 1945.

1. Commerce ⇨72

The Washington Unemployment Compensation Act, as applied to foreign corporation having employees within state, does not impose an unconstitutional burden on interstate commerce. 26 U.S.C.A. Int. Rev.Code, § 1606(a); Rem.Supp.Wash.1941, §§ 9998—103a to 9998—123a.

2. Commerce ⇨9

Congress, in exercise of commerce power, may authorize states, in specified ways, to regulate interstate commerce or impose burdens upon it.

3. Constitutional law ⇨315

"Due process of law" requires only that in order to subject a defendant to a judgment in personam, if he be not present within territory of forum, he have certain minimum contacts with it such that maintenance of the suit does not offend traditional notions of fair play and substantial justice. U.S.C.A.Const. Amend. 14.

See Words and Phrases, Permanent Edition, for all other definitions of "Due Process of Law".

4. Constitutional law ⇨283, 305

The "presence" of a corporation without or within state of its origin for purposes of taxation or maintenance of suits against it in courts of state can be manifested only by activities carried on in corporation's behalf by those who are authorized to act for it. U.S.C.A.Const. Amend. 14.

5. Constitutional law ⇨305

The demand that corporation be "present" in state to satisfy due process of law requirement for purpose of maintenance of suit against it in courts of state may be

C.C. 427; The Evening News Association (WWJ), Detroit, Michigan, 8 F. C.C. 552; Merced Broadcasting Company (KYOS), Merced, California, 9 F. C.C. 118, 120.

relieved from compliance therewith on the ground that he is engaged in interstate or foreign commerce, or that the State law does not distinguish between employees engaged in interstate or foreign commerce and those engaged in intrastate commerce." It is no longer debatable that Congress, in the exercise of the commerce power, may authorize the states, in specified ways, to regulate interstate commerce or impose burdens upon it. *Kentucky Whip & Collar Co. v. Illinois Central R. Co.*, 299 U.S. 334, 57 S.Ct. 277, 81 L.Ed. 270; *Perkins v. Pennsylvania*, 314 U.S. 586, 62 S.Ct. 484, 86 L.Ed. 473; *Standard Dredging Corp. v. Murphy*, 319 U.S. 306, 308, 63 S.Ct. 1067, 1068, 87 L.Ed. 1416; *Hooven & Allison v. Evatt*, 324 U.S. 652, 679, 65 S.Ct. 870, 883; *Southern Pacific Co. v. Arizona*, 325 U.S. 761, 769, 65 S.Ct. 1515, 1520.

Appellant also insists that its activities within the state were not sufficient to manifest its "presence" there and that in its absence the state courts were without jurisdiction, that consequently it was a denial of due process for the state to subject appellant to suit. It refers to those cases in which it was said that the mere solicitation of orders for the purchase of goods within a state, to be accepted without the state and filled by shipment of the purchased goods interstate, does not render the corporation seller amenable to suit within the state. See *Green v. Chicago, Burlington & Quincy R. Co.*, 205 U.S. 530, 533, 27 S.Ct. 595, 596, 51 L.Ed. 916; *International Harvester Co. v. Kentucky*, supra, 234 U.S. 586, 587, 34 S.Ct. 946, 58 L.Ed. 1479; Philadelphia

316

& Reading R. Co. v. McKibbin, 243 U.S. 264, 268, 37 S.Ct. 280, 61 L.Ed. 710; *People's Tobacco Co. v. American Tobacco Co.*, supra, 246 U.S. 87, 38 S.Ct. 235, 62 L.Ed. 587, Ann. Cas.1918C, 537. And appellant further argues that since it was not present within the state, it is a denial of due process to subject it to taxation or other money exaction. It thus denies the power of the state to lay the tax or to subject appellant to a suit for its collection.

[3] Historically the jurisdiction of courts to render judgment in personam is grounded on their de facto power over the defendant's person. Hence his presence within the territorial jurisdiction of a court was prerequisite to its rendition of a judgment personally binding him. *Pennoyer v.*

Neff, 95 U.S. 714, 733, 24 L.Ed. 565. But now that the *capias ad respondendum* has given way to personal service of summons or other form of notice, due process requires only that in order to subject a defendant to a judgment in personam, if he be not present within the territory of the forum, he have certain minimum contacts with it such that the maintenance of the suit does not offend "traditional notions of fair play and substantial justice." *Milliken v. Meyer*, 311 U.S. 457, 463, 61 S.Ct. 339, 343, 85 L.Ed. 278, 132 A.L.R. 1357. See *Holmes, J.*, in *McDonald v. Mabee*, 243 U.S. 90, 91, 37 S.Ct. 343, 61 L.Ed. 608, L.R.A. 1917F, 458. Compare *Hoopston Canning Co. v. Cullen*, 318 U.S. 313, 316, 319, 63 S.Ct. 602, 604, 606, 87 L.Ed. 777, 145 A.L.R. 1113. See *Blackmer v. United States*, 284 U.S. 421, 52 S.Ct. 252, 76 L.Ed. 375; *Hess v. Pawloski*, 274 U.S. 352, 47 S.Ct. 632, 71 L.Ed. 1091; *Young v. Masci*, 289 U.S. 253, 53 S.Ct. 599, 77 L.Ed. 1158, 88 A.L.R. 170.

[4, 5] Since the corporate personality is a fiction, although a fiction intended to be acted upon as though it were a fact, *Klein v. Board of Tax Supervisors*, 282 U.S. 19, 24, 51 S.Ct. 15, 16, 75 L.Ed. 140, 73 A.L.R. 679, it is clear that unlike an individual its "presence" without, as well as within, the state of its origin can be manifested only by activities carried on in its behalf by those who are authorized to act for it. To say that the corporation is so far "present" there as to satisfy due process requirements, for purposes of taxation or the maintenance of suits against it in the courts of the state, is to beg the question to be decided. For the terms "present" or "presence" are

317

used merely to symbolize those activities of the corporation's agent within the state which courts will deem to be sufficient to satisfy the demands of due process. *L. Hand, J.*, in *Hutchinson v. Chase & Gilbert*, 2 Cir., 45 F.2d 139, 141. Those demands may be met by such contacts of the corporation with the state of the forum as make it reasonable, in the context of our federal system of government, to require the corporation to defend the particular suit which is brought there. An "estimate of the inconveniences" which would result to the corporation from a trial away from its "home" or principal place of business is relevant in this connection. *Hutchinson v. Chase & Gilbert*, supra, 45 F.2d 141.

[6,7] "Presence" in the state in this sense has never been doubted when the activities of the corporation there have not only been continuous and systematic, but also give rise to the liabilities sued on, even though no consent to be sued or authorization to an agent to accept service of process has been given. *St. Clair v. Cox*, 106 U.S. 350, 355, 1 S.Ct. 354, 359, 27 L.Ed. 222; *Connecticut Mutual Life Ins. Co. v. Spratley*, 172 U.S. 602, 610, 611, 19 S.Ct. 308, 311, 312, 43 L.Ed. 569; *Pennsylvania Lumbermen's Mut. Fire Ins. Co. v. Meyer*, 197 U.S. 407, 414, 415, 25 S.Ct. 483, 484, 485, 49 L.Ed. 810; *Commercial Mutual Accident Co. v. Davis*, 213 U.S. 245, 255, 256, 29 S.Ct. 445, 448, 53 L.Ed. 782; *International Harvester Co. v. Kentucky*, supra; cf. *St. Louis S. W. R. Co. v. Alexander*, 227 U.S. 218, 33 S.Ct. 245, 57 L.Ed. 486, Ann.Cas.1915B, 77. Conversely it has been generally recognized that the casual presence of the corporate agent or even his conduct of single or isolated items of activities in a state in the corporation's behalf are not enough to subject it to suit on causes of action unconnected with the activities there. *St. Clair v. Cox*, supra, 106 U.S. 359, 360, 1 S.Ct. 362, 363, 27 L.Ed. 222; *Old Wayne Mut. Life Ass'n v. McDonough*, 204 U.S. 8, 21, 27 S.Ct. 236, 240, 51 L.Ed. 345; *Frene v. Louisville Cement Co.*, supra, 77 U.S.App.D.C. 133, 134 F.2d 515, 146 A.L.R. 926, and cases cited. To require the corporation in such circumstances to defend the suit away from its home or other jurisdiction where it carries on more substantial activities has been thought to lay too great and unreasonable a burden on the corporation to comport with due process.

318

While it has been held in cases on which appellant relies that continuous activity of some sorts within a state is not enough to support the demand that the corporation be amenable to suits unrelated to that activity, *Old Wayne Mut. Life Ass'n v. McDonough*, supra; *Green v. Chicago, Burlington & Quincy R. Co.*, supra; *Simon v. Southern R. Co.*, 236 U.S. 115, 35 S.Ct. 255, 59 L.Ed. 492; *People's Tobacco Co. v. American Tobacco Co.*, supra; cf. *Davis v. Farmers' Co-operative Equity Co.*, 262 U.S. 312, 317, 43 S.Ct. 556, 558, 67 L.Ed. 996, there have been instances in which the continuous corporate operations within a state were thought so substantial and of

such a nature as to justify suit against it on causes of action arising from dealings entirely distinct from those activities. See *Missouri, K. & T. R. Co. v. Reynolds*, 255 U.S. 565, 41 S.Ct. 446, 65 L.Ed. 788; *Tauza v. Susquehanna Coal Co.*, 220 N.Y. 259, 115 N.E. 915; cf. *St. Louis S. W. R. Co. v. Alexander*, supra.

[8] Finally, although the commission of some single or occasional acts of the corporate agent in a state sufficient to impose an obligation or liability on the corporation has not been thought to confer upon the state authority to enforce it, *Rosenberg Bros. & Co. v. Curtis Brown Co.*, 260 U.S. 516, 43 S.Ct. 170, 67 L.Ed. 372, other such acts, because of their nature and quality and the circumstances of their commission, may be deemed sufficient to render the corporation liable to suit. Cf. *Kane v. New Jersey*, 242 U.S. 160, 37 S.Ct. 30, 61 L.Ed. 222; *Hess v. Pawloski*, supra; *Young v. Masci*, supra. True, some of the decisions holding the corporation amenable to suit have been supported by resort to the legal fiction that it has given its consent to service and suit, consent being implied from its presence in the state through the acts of its authorized agents. *Lafayette Insurance Co. v. French*, 18 How. 404, 407, 15 L.Ed. 451; *St. Clair v. Cox*, supra, 106 U.S. 356, 1 S.Ct. 359, 27 L.Ed. 222; *Commercial Mutual Accident Co. v. Davis*, supra, 213 U.S. 254, 29 S.Ct. 447, 53 L.Ed. 782; *State of Washington v. Superior Court*, 289 U.S. 361, 364, 365, 53 S.Ct. 624, 626, 627, 77 L.Ed. 1256, 89 A.L.R. 653. But more realistically it may be said that those authorized acts were of such a nature as to justify the fiction. *Smolik v. Philadelphia &*

319

R. C. & I. Co., D.C., 222 F. 148, 151. Henderson, *The Position of Foreign Corporations in American Constitutional Law*, 94, 95.

[9,10] It is evident that the criteria by which we mark the boundary line between those activities which justify the subjection of a corporation to suit, and those which do not, cannot be simply mechanical or quantitative. The test is not merely, as has sometimes been suggested, whether the activity, which the corporation has seen fit to procure through its agents in another state, is a little more or a little less. *St. Louis S. W. R. Co. v. Alexander*, supra, 227 U.S. 228, 33 S.Ct.