

480 U.S. 102, 94 L.Ed.2d 92

1102ASAHI METAL INDUSTRY CO.,  
LTD., Petitioner

v.

SUPERIOR COURT OF CALIFORNIA,  
SOLANO COUNTY (Cheng Shin Rubber Industrial Co., Ltd., Real Party in Interest).

No. 85-693.

Argued Nov. 5, 1986.

Decided Feb. 24, 1987.

Japanese manufacturer of valve stems, cross-claimed defendant, sought by petition for writ of mandate to compel Superior Court to quash summons upon it in state products liability action. The Superior Court, Solano County, denied petition. On appeal, the Court of Appeal issued peremptory writ of mandate commanding Superior Court to quash service of summons, and review was granted. The Supreme Court of California, 39 Cal.3d 35, 216 Cal.Rptr. 385, 702 P.2d 543, reversed and discharged the writ, and certiorari was granted. The Supreme Court, Justice O'Connor, held that exercise of jurisdiction by California court over Japanese manufacturer would be unreasonable and unfair.

Reversed and remanded.

Justice Brennan concurred in part and in the judgment and filed opinion in which Justices White, Marshall and Blackmun joined.

Justice Stevens concurred in part and in the judgment and filed opinion in which Justices White and Blackmun joined.

Order on remand, 236 Cal.Rptr. 153, 734 P.2d 989.

### 1. Courts ⇐12(2.10)

Substantial connection between defendant and forum state necessary for finding of minimum contacts must come about by action of defendant purposefully directed toward forum state; placement of product in stream of commerce, without more, is not such an act. (Per Justice O'Connor

\* The syllabus constitutes no part of the opinion of the Court but has been prepared by the Reporter of Decisions for the convenience of the

with the Chief Justice and two Justices concurring.) U.S.C.A. Const.Amend. 14.

### 2. Constitutional Law ⇐305(6)

Assuming that Japanese manufacturer of valve stems for tire tubes manufactured in Taiwan was aware that some valves would be incorporated into tire tubes sold in California, California's exertion of personal jurisdiction over Japanese manufacturer would exceed limits of due process, absent action by manufacturer to purposefully avail itself of California market. (Per Justice O'Connor with the Chief Justice and two Justices concurring.) West's Ann. Cal.C.C.P. § 410.10; U.S.C.A. Const. Amend. 14.

### 3. Corporations ⇐665(1)

Exercise of personal jurisdiction by California court over Japanese manufacturer of valve stems for tire tubes manufactured in Taiwan would be unreasonable and unfair with respect to Taiwanese manufacturer's indemnification claim against Japanese manufacturer, considering international contacts, heavy burden on alien defendant and slight interests of plaintiff and forum state. West's Ann. Cal.C.C.P. § 410.10; U.S.C.A. Const.Amend. 14.

### Syllabus \*

Petitioner manufactures tire valve assemblies in Japan and sells them to several tire manufacturers, including Cheng Shin Rubber Industrial Co. (Cheng Shin). The sales to Cheng Shin, which amounted to at least 100,000 assemblies annually from 1978 to 1982, took place in Taiwan, to which the assemblies were shipped from Japan. Cheng Shin incorporates the assemblies into its finished tires, which it sells throughout the world, including the United States, where 20 percent of its sales take place in California. Affidavits indicated that petitioner was aware that tires incorporating its assemblies would end up in California, but, on the other hand, that it never contemplated that its sales to Cheng Shin in Taiwan would subject it to lawsuits in California. Nevertheless, in 1979, a

reader. See *United States v. Detroit Lumber Co.*, 200 U.S. 321, 337, 26 S.Ct. 282, 287, 50 L.Ed. 499.

Primarily on the basis of the above information, the Superior Court denied the motion to quash summons, stating: "Asahi obviously does business on an international scale. It is not unreasonable that they defend claims of defect in their product on an international scale." Order Denying Motion to Quash Summons, *Zurcher v. Dunlop Tire & Rubber Co.*, No. 76180 (Super.Ct., Solano County, Cal., Apr. 20, 1983).

The Court of Appeal of the State of California issued a peremptory writ of mandate commanding the Superior Court to quash service of summons. The court concluded that "it 1108would be unreasonable to require Asahi to respond in California solely on the basis of ultimately realized foreseeability that the product into which its component was embodied would be sold all over the world including California." App. to Pet. for Cert. B5-B6.

The Supreme Court of the State of California reversed and discharged the writ issued by the Court of Appeal. 39 Cal.3d 35, 216 Cal.Rptr. 385, 702 P.2d 543 (1985). The court observed: "Asahi has no offices, property or agents in California. It solicits no business in California and has made no direct sales [in California]." *Id.*, at 48, 216 Cal.Rptr., at 392, n. 4, 702 P.2d, at 549. Moreover, "Asahi did not design or control the system of distribution that carried its valve assemblies into California." *Id.*, at 49, 216 Cal.Rptr., at 392, 702 P.2d, at 549. Nevertheless, the court found the exercise of jurisdiction over Asahi to be consistent with the Due Process Clause. It concluded that Asahi knew that some of the valve assemblies sold to Cheng Shin would be incorporated into tire tubes sold in California, and that Asahi benefited indirectly from the sale in California of products incorporating its components. The court considered Asahi's intentional act of placing its components into the stream of commerce—that is, by delivering the components to Cheng Shin in Taiwan—coupled with Asahi's awareness that some of the components would eventually find their way into California, sufficient to form the basis for

state court jurisdiction under the Due Process Clause.

We granted certiorari, 475 U.S. 1044, 106 S.Ct. 1258, 89 L.Ed.2d 569 (1986), and now reverse.

## II

### A

The Due Process Clause of the Fourteenth Amendment limits the power of a state court to exert personal jurisdiction over a nonresident defendant. "[T]he constitutional touchstone" of the determination whether an exercise of personal jurisdiction comports with due process "remains whether the defendant purposefully established 'minimum contacts' in the 1109forum State." *Burger King Corp. v. Rudzewicz*, 471 U.S. 462, 474, 105 S.Ct. 2174, 2183, 85 L.Ed.2d 528 (1985), quoting *International Shoe Co. v. Washington*, 326 U.S., at 316, 66 S.Ct., at 158. Most recently we have reaffirmed the oft-quoted reasoning of *Hanson v. Denckla*, 357 U.S. 235, 253, 78 S.Ct. 1228, 1239, 2 L.Ed.2d 1283 (1958), that minimum contacts must have a basis in "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." *Burger King*, 471 U.S., at 475, 105 S.Ct., at 2183. "Jurisdiction is proper . . . where the contacts proximately result from actions by the defendant *himself* that create a 'substantial connection' with the forum State." *Ibid.*, quoting *McGee v. International Life Insurance Co.*, 355 U.S. 220, 223, 78 S.Ct. 199, 201, 2 L.Ed.2d 223 (1957) (emphasis in original).

Applying the principle that minimum contacts must be based on an act of the defendant, the Court in *World-Wide Volkswagen Corp. v. Woodson*, 444 U.S. 286, 100 S.Ct. 559, 62 L.Ed.2d 490 (1980), rejected the assertion that a *consumer's* unilateral act of bringing the defendant's product into the forum State was a sufficient constitutional basis for personal jurisdiction over the defendant. It had been argued in *World-Wide Volkswagen* that because an automobile retailer and its wholesale dis-

tributor sold a product mobile by design and purpose, they could foresee being haled into court in the distant States into which their customers might drive. The Court rejected this concept of foreseeability as an insufficient basis for jurisdiction under the Due Process Clause. *Id.*, at 295-296, 100 S.Ct., at 566. The Court disclaimed, however, the idea that "foreseeability is wholly irrelevant" to personal jurisdiction, concluding that "[t]he forum State does not exceed its powers under the Due Process Clause if it asserts personal jurisdiction over a corporation that delivers its products into the stream of commerce with the expectation that they will be purchased by consumers in the forum State." *Id.*, at 297-298, 100 S.Ct., at 567 (citation omitted). The Court reasoned:

¶110 "When a corporation 'purposefully avails itself of the privilege of conducting activities within the forum State,' *Hanson v. Denckla*, 357 U.S. [235,] 253 [78 S.Ct. 1228, 1239, 2 L.Ed.2d 1283 (1958)], it has clear notice that it is subject to suit there, and can act to alleviate the risk of burdensome litigation by procuring insurance, passing the expected costs on to customers, or, if the risks are too great, severing its connection with the State. Hence if the sale of a product of a manufacturer or distributor . . . is not simply an isolated occurrence, but arises from the efforts of the manufacturer or distributor to serve, directly or indirectly, the market for its product in other States, it is not unreasonable to subject it to suit in one of those States if its allegedly defective merchandise has there been the source of injury to its owners or to others." *Id.*, at 297, 100 S.Ct., at 567.

In *World-Wide Volkswagen* itself, the state court sought to base jurisdiction not on any act of the defendant, but on the foreseeable unilateral actions of the consumer. Since *World-Wide Volkswagen*, lower courts have been confronted with cases in which the defendant acted by placing a product in the stream of commerce, and the stream eventually swept defen-

dant's product into the forum State, but the defendant did nothing else to purposefully avail itself of the market in the forum State. Some courts have understood the Due Process Clause, as interpreted in *World-Wide Volkswagen*, to allow an exercise of personal jurisdiction to be based on no more than the defendant's act of placing the product in the stream of commerce. Other courts have understood the Due Process Clause and the above-quoted language in *World-Wide Volkswagen* to require the action of the defendant to be more purposefully directed at the forum State than the mere act of placing a product in the stream of commerce.

The reasoning of the Supreme Court of California in the present case illustrates the former interpretation of *World-Wide Volkswagen*. The Supreme Court of California held that, because the stream of commerce eventually brought ¶111 some valves Asahi sold Cheng Shin into California, Asahi's awareness that its valves would be sold in California was sufficient to permit California to exercise jurisdiction over Asahi consistent with the requirements of the Due Process Clause. The Supreme Court of California's position was consistent with those courts that have held that mere foreseeability or awareness was a constitutionally sufficient basis for personal jurisdiction if the defendant's product made its way into the forum State while still in the stream of commerce. See *Bean Dredging Corp. v. Dredge Technology Corp.*, 744 F.2d 1081 (CA5 1984); *Hedrick v. Daiko Shoji Co.*, 715 F.2d 1355 (CA9 1983).

Other courts, however, have understood the Due Process Clause to require something more than that the defendant was aware of its product's entry into the forum State through the stream of commerce in order for the State to exert jurisdiction over the defendant. In the present case, for example, the State Court of Appeal did not read the Due Process Clause, as interpreted by *World-Wide Volkswagen*, to allow "mere foreseeability that the product