

QUESTION 1 – One Hour

Titan is a California corporation that manufactures and sells complex radar equipment to Flight Corporation for use in airport landing systems. The sales by Titan are all within the state of California. Flight Corporation, however, sells and installs the completed radar equipment in different states across the country. One piece of signaling equipment was installed in Eugene, Oregon, at the request of the local airport operator.

Flight Corporation is incorporated in Illinois. It assembles its radar in many different states, the largest plant being located in Nevada. The President and his staff located in Portland, Oregon, for tax reasons.

Paul is an Oregon resident on vacation in Colorado. While in Colorado, he is severely injured when a Flight Corporation radar malfunctions and two small planes collide. Paul files suit for personal injuries in the U. S. District Court in Oregon and serves the local airport and Titan and Flight Corporation in their home states. Paul's claim against the local airport is based on a federal flight safety statute he claims it alone violated. He includes in his complaint a separate claim for \$50,000 in property damage to his plane. Paul also alleged in his complaint against Titan and Flight that any defense based on compliance with Federal Aviation Administration regulations would be inapplicable. The local airport, Titan and Flight Corporation all move to dismiss claiming lack of personal jurisdiction. The Court denies the motions.

At the same time (and in the alternative) Titan moves to transfer the case to Colorado where its president lives and the engineering staff that designed the radar are located. The Court denies this motion as well. Paul opposed all motions. Would it make any difference if the parties stipulated to this motion?

Flight Corporation and the local airport next move to dismiss on the ground of lack of subject matter jurisdiction and improper venue. These motions are denied.

PLEASE ANSWER THE FOLLOWING QUESTIONS AND DISCUSS FULLY

1. Does the Court have personal jurisdiction over the local airport and Flight?
2. Does the Court have personal jurisdiction over Titan?
3. Was the Court correct in refusing to transfer the case to Colorado?
4. How should the Court rule on the motions filed by Flight and Airport regarding subject matter jurisdiction and venue? What would be the result if the parties stipulated to the motion?

QUESTION 2 – One Hour

Paula, a podiatrist living in Stockton, entered into a written contract with David, a New York advertiser, for the purpose of designing a flyer to advertise Paula's business. Through a mistake on the part of David, the website showed a picture of Lindsey Lohan, instead of Paula. As a result, Paula's business dropped significantly.

Paula got David to participate in a mediation to discuss her claim before she filed a lawsuit. Unfortunately, after two days of talks in front of a federal mediator, David walked out in a huff and nothing was settled.

Paula then sued David in California Superior Court in Stockton for breach of contract. Paula included in the complaint allegations against "Doe" defendants in an abundance of caution. David removed the case to the United States District Court in Los Angeles, where he felt more comfortable. Paula filed a petition to remand the case to the state court or, in the alternative to change venue to the District Court in San Francisco. The Court denied the petition.

David filed a Motion to Dismiss alleging that the complaint was not properly served. The motion was properly denied by the Court. David then filed an Answer to Complaint raising affirmative defenses of improper venue and failure to state a claim upon which relief could be granted. Peter moved to strike both of these defenses. The motion was granted.

At the trial David tried to call the mediator to testify as to what Paula had said at the mediation. Under state law, unless a lawsuit had been filed, there was no privilege of confidentiality. Under federal law, all mediations were considered confidential, both before and after suit had been filed. The Court admitted the evidence over the objections of Paula. Just before the jury retired to deliberate, David filed another motion to dismiss claiming that the "Doe" defendants in the complaint destroyed the federal court jurisdiction. Paula argued that the motion was untimely and asked the Court to deny the motion and to award sanctions against David. The Court granted both requests of Paula.

PLEASE ANSWER THE FOLLOWING QUESTIONS AND DISCUSS FULLY.

1. How should the Court have ruled on the petition by Paula to remand?
2. How should the Court have ruled on the motion to strike David's affirmative defenses?
3. How should the Court have ruled on Paula's objection to the mediation evidence?
4. How should the court have ruled on David's motion to dismiss at the end of the trial?