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H & D Tire and Automotive-Hardware, Inc. v. Pitney Bowes, Inc.

227 F.3d 326 (5th Cir. (Tex.) Sept. 27, 2000)

CALCULATION OF AMOUNT-IN-CONTROVERSY FOR PURPOSES OF DIVERSITY JURISDICTION ó The customers of a mailing equipment company filed suit against the company in state court, alleging violations of the Connecticut Unfair Trade Practices Act. After the case was removed on diversity grounds, the federal district court granted defendant's motion for summary judgment. On appeal, the court ruled that summary judgment was proper if the district court did, in fact, have jurisdiction.

When considering whether the amount-in-controversy was sufficient for federal jurisdiction, the appellate court found that such amount was not satisfied by the damages of any individual plaintiff. Second, analyzing the relevant case law, the court held that punitive damages could not be aggregated amongst multiple plaintiffs for the purpose of satisfying the amount-in-controversy requirement. Third, the court found that although attorney's fees awarded pursuant to statute may be attributed to the named plaintiff as the representative party for purposes of satisfying the amount-in-controversy requirement, the claim at bar did not involve such a statute, and thus, attorney's fees were attributed equally to each individual plaintiff. As such, the amount-in-controversy was not fulfilled at the time of removal or at the time that summary judgment was entered. Consequently, the appellate court remanded the case to state court for further proceedings.



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