

Bell Atlantic v. Twombly
Telephone subscribers (P) v. Telephone companies (D)
127 S. Ct. 1955 (2007).

NATURE OF CASE: Appeal of judgment on the pleadings.

RULE OF LAW: In order for a complaint to survive dismissal on the pleadings, the complaint must include enough facts to state a claim to relief that is plausible on its face.

FACTS: [Telephone and internet subscribers alleged in a complaint that local telephone companies were violating antitrust laws by agreeing not to compete with each other and by agreeing to exclude other potential competitors, which allowed monopoly power in the market. The district court dismissed the complaint for failure to state a claim, and the Second Circuit Court of Appeals reversed.]

ISSUE: In order for a complaint to survive dismissal on the pleadings, must the complaint include enough facts to state a claim to relief that is plausible on its face?

HOLDING AND DECISION: (Souter, J.) Yes. In order for a complaint to survive dismissal on the pleadings, the complaint must include enough facts to state a claim to relief that is plausible on its face. In this case, in order to state an antitrust claim under the Sherman Act, the complaint must state enough factual matter to suggest that an agreement between the alleged conspirators was made. The complaint fails to show a plausible claim. The holding in *Conley v. Gibson*, which stated that a "complaint should not be dismissed for failure to state a claim unless it appears beyond doubt that the plaintiff can prove no set of facts in support of his claim which would entitle him to relief" must have been read by the Court of Appeals to say that any statement showing the theory of a claim will suffice, unless its factual impossibility may be shown from the face of the pleadings. But the standard interpreted by the *Conley* case should now be set aside, insofar as it has been held up as a minimum standard of adequate pleading for a complaint to survive dismissal. Because antitrust conspiracy was not suggested by the facts in the complaint, the complaint failed to state a claim and must be dismissed. Enough facts to state a claim to relief that is plausible on its face is required for a complaint to survive. That the claim is conceivable is not enough. It must be plausible. Reversed.

DISSENT: (Stevens, J.) This case alleges that the telephone companies acted in concert to cheat customers. Plaintiffs alleged the conspiracy, and because the complaint was dismissed in advance of the answer, the allegation has not even been denied. The case should therefore proceed. The departure from settled procedural law seems to stem from the enormous expense of private antitrust litigation, and the risk that jurors may mistakenly conclude that evidence of parallel conduct proves that the parties acted in accordance with agreement when they in fact merely made similar independent decisions. These concerns do not justify the dismissal of an adequately pleaded complaint. The court seems to have appraised the plausibility of the ultimate factual allegation, rather than its legal sufficiency.

ANALYSIS: The court was careful to say, in the text of the opinion and in footnotes, that it did not apply a heightened pleading standard or broaden the scope of Rule 9. The risk of abusive litigation in certain subjects, like antitrust, requires the plaintiff to state factual allegations with greater particularity than Rule 8 requires, and the court's concern in this case was not that the allegations in the complaint were insufficiently particularized, but that the complaint failed to show a plausible claim to relief. It is the totality of the claim in the complaint that the court says must indicate a plausible claim, which is beyond merely conceivable.