

Perkins v. Benguet Consolidated Mining Co.  
Stockholder (P) v. Philippine corporation (D)  
342 U.S. 437 (1952).

**NATURE OF CASE:** Certiorari from a judgment quashing service of summons.

**RULE OF LAW:** Whenever a foreign corporation carries on “continuous and systematic” corporate activities within a state, that state may subject such corporation to the jurisdiction of its courts in personam on any transitory cause of action, even if such cause of action did not arise within its borders and was not related to the business activities of the corporation within its borders.

**FACTS:** Perkins (P), a nonresident of Ohio, filed an action in personam in Ohio against the Benguet Consolidated Mining Co. (D) for dividends due to her as a stockholder and for damages resulting from the company's (D) failure to issue her certificates for 120,000 shares of its stock. Although this mining company (D) is a Philippine Islands corporation, it carries on a continuous and systematic part of its business in Ohio, and Perkins (P) served summons on its president while he was in Ohio for business. The mining company (D), however, brought a motion to quash service of summons on the basis that, since the cause of action did not arise in Ohio but in the Philippines and did not relate to its corporate activities in Ohio, Ohio has no jurisdiction. After the trial court sustained the motion, the Court of Appeals of Ohio and the Supreme Court of Ohio affirmed. Thereafter, this court granted certiorari.

**ISSUE:** When a foreign corporation carries on “continuous and systematic” corporate activities within a state, may that state, under the Due Process Clause, subject it to in personam jurisdiction for any transitory cause of action?

**HOLDING AND DECISION:** (Burton, J.) Yes. Whenever a foreign corporation carries on “continuous and systematic” corporate activities within a state, the Due Process Clause of the Fourteenth Amendment does not preclude that state from subjecting such corporation to the jurisdiction of its courts in personam on any transitory cause of action, even if such cause of action did not arise within its borders and was not related to the business activities of the corporation within its borders. On the other hand, the Due Process Clause does not compel a state to exercise in personam jurisdiction when the cause of action did not arise within its borders and was not related to the business activities of the corporation within its borders. The Due Process Clause only requires that the activities of a corporation within the forum state are of such a nature that it is reasonable and just for the state to subject it to in personam jurisdiction. Of course, whenever a corporation is conducting “continuous and systematic” corporate activities within a state, it is reasonable and just for that state to subject it to in personam jurisdiction for any transitory cause of action. Here, the mining company (D) was conducting “continuous and systematic” activities within Ohio, and it was properly served within Ohio. As such, Ohio may or may not provide that the company (D) has subjected itself to the in personam jurisdiction of its courts on any transitory action. Reversed and remanded to be decided by Ohio law.

ANALYSIS: This case illustrates the basic standard first set down in 1954 in *International Shoe v. Washington*, 326 U.S. 310 (1945). That case stated that a corporate defendant who is not a resident of the forum state must have certain “minimum” contacts with the forum state “so that maintenance of a suit against him does not offend traditional notions of fair play and substantial justice.” Note also that this is the basic constitutional standard which any long-arm statute must meet. Whenever a state cannot give personal service within its territory to a nonresident individual, to obtain personal jurisdiction over him it must have a long-arm statute which authorizes it to have power over absentee defendants. But such a statute can only authorize personal jurisdiction over a nonresident through substituted service outside of the territory of the forum state if such nonresident has sufficient minimum contacts with the forum state.