

STATEMENT OF THE ISSUE

WHETHER SOUTH DAKOTA LAW AND THE DUE PROCESS CLAUSE OF THE FOURTEENTH AMENDMENT OF THE U.S. CONSTITUTION PERMIT THE EXERCISE OF PERSONAL JURISDICTION OVER A NONRESIDENT BECAUSE INGREDIENTS IT SELLS TO THIRD PARTIES OUTSIDE OF THE STATE ARE USED BY THOSE THIRD PARTIES OUTSIDE OF THE STATE TO MANUFACTURE FINAL PRODUCTS THAT THOSE THIRD PARTIES OR OTHER THIRD PARTIES SELL IN SOUTH DAKOTA.

The Circuit Court held in the affirmative.

STATEMENT OF ISSUE PRESENTED

Can a court, consistent with South Dakota law and the Due Process Clause of the Fourteenth Amendment of the United States Constitution, exercise personal jurisdiction over a nonresident defendant whose rubber chemicals products – which are neither sold, delivered to, manufactured, or marketed in South Dakota for the purpose of tire manufacturing – may have been incorporated as an ingredient in automobile tires sold (but not manufactured) in that state by third parties?

The trial court held that it could exercise such personal jurisdiction.