

15-1406 GOODYEAR TIRE V. HAEGER

DECISION BELOW: 813 F.3d 1233

LOWER COURT CASE NUMBER: 12-17718, 13-16801, 13-16861, 13-16862

QUESTION PRESENTED:

1. In *Int'l Union v. Bagwell*, 512 U.S. 821 (1994), this Court ruled that sanctioned parties must be afforded the protections of criminal due process where sanctions are punitive, but not where they are compensatory. In this case, in a divided decision, the Ninth Circuit affirmed a \$2.7 million sanction award imposed under inherent powers as a compensatory sanction. The majority held that sanctions can be compensatory even if the specific amount of sanctions is not directly caused by the alleged misconduct.

The first question presented is:

Is a federal court required to tailor compensatory civil sanctions imposed under inherent powers to harm directly caused by sanctionable misconduct when the court does not afford sanctioned parties the protections of criminal due process?

2. In *Roadway Express v. Piper*, 447 U.S. 752, 766 (1980) and *Chambers v. NASCO, Inc.*, 501 U.S. 32, 50 (1991), this Court held that a finding of subjective bad faith is required to award attorneys' fees as sanctions under inherent powers. In this context, the court of appeals held that a client is deemed bound by the acts of its attorneys and can suffer attorneys' fees as sanctions for its attorneys' alleged misconduct.

The second question presented is:

May a court award attorneys' fees under its inherent powers as sanctions against a client for actions by its attorney that are not fairly attributable to the client's own subjective bad faith?

LIMITED TO QUESTION 1 PRESENTED BY THE PETITION. CONSOLIDATED WITH 15-1491 FOR ONE HOUR ORAL ARGUMENT.

15-1491 DISMISSED PURSUANT TO RULE 46.

CERT. GRANTED 9/29/2016