

Facts:

1. California citizens, sued Hertz Corporation for state law violations in a California State Court.
2. Hertz filed a motion to remove the case to federal court on diversity of citizenship grounds.
3. Hertz submitted a declaration stating to show that its "principal place of business" was in New Jersey, not California.
4. The District Court remanded the case to state court.
5. Hertz appealed to the United States Supreme Court.

Issue:

1. What is the correct interpretation of "principal place of business"?
2. Was Hertz appeal successful under the federal diversity jurisdiction statute?

Reasons and conclusion :

1. Despite Hertz's arguments and evidence, the District Court concluded that California was Hertz's principal place of business based on the Ninth Circuit's interpretation. The court found that a plurality of the relevant business activity occurred in California.
2. Judgment reversed, in favor of Hertz Corporation.

Relevant rules of law:

1. § 1332(c)(1), the federal diversity jurisdiction statute that "a corporation shall be deemed to be a citizen of any State by which it has been incorporated and of the State where it has its principal place of business."
2. Judge Weinfeld's approach, as applied in the Seventh Circuit.

Ambiguity: The interpretation of the "principal place of business" is controversial. The Ninth Circuit precedent focuses on whether a state's business activity "significantly larger" or "substantially predominates," leading to ambiguity in determining the principal place of business.

Ethical norms:

1. Herz disputes the verdict and is free to appeal without any restrictions.
2. Legal procedures are fair and just to protect the legitimate rights and interests of citizens from being harmed.

Legal analogies:

1. In 1928 this Court made clear that the "state of incorporation" rule was virtually absolute.
2. In 1958, Congress both codified the courts' traditional place of incorporation test and also enacted into law a slightly modified version of the Conference Committee's proposed "principal place of business" language.
3. Judge Weinfeld's approach, as applied in the Seventh Circuit.

Missing information: Detailed information about the nature and extent of Hertz's business activities in various states could provide a clearer picture of where its business operations are primarily centered.