

## IRAC CASE ANALYSIS

To analyze the case using the IRAC method, break down the facts into the Issue, Rule, Analysis/Application, and Conclusion components shown below.

CASE: *United States v Park*

### **Step One – Issue: What is the legal question?**

The issue is whether John R. Park, as president of Acme Markets, Inc., can be held personally liable for violations of the Federal Food, Drug, and Cosmetic Act (FDCA) based on his position, despite not having personally engaged in or aware of the issues involving the rodent infestation in the warehouse facilities.

### **Step Two – Rule: What is the relevant legal principle?**

Under the Federal Food, Drug, and Cosmetic Act, an individual in a position of authority within a corporation can be held liable for violations of the Act if they have a responsible relationship to the issue. Liability does not require personal participation or direct knowledge of the wrongdoing, but the individual must have had sufficient authority and responsibility to correct the issue.

A responsible corporate officer can be held accountable for violations when they have the ability to prevent or correct the violations due to their position within the company.

### **Step Three – Application/Analysis: How does the rule apply to the facts of the case?**

John R. Park was the president of Acme Markets, Inc., which was responsible for operating several warehouses with significant food storage. Given his high-ranking position, he held substantial authority and responsibility over the company's operations, including compliance with FDA regulations. The FDA's communications and inspections documented the rodent infestation issues in both the Philadelphia and Baltimore warehouses. Mr. Park was informed about the infestation and assured that corrective action would be taken. However, no actions were taken, and subsequent inspections confirmed the ongoing issues. Mr. Park testified that he relied various employees to correct the issue, but evidence shows that he had knowledge that the problem was not being addressed or corrected and yet did nothing about it. Mr. Park could be held liable based on his position, even if he did not personally engage in the wrongdoing.

### **Step Four – Conclusion: What is the outcome based on the application of the rule to the facts?**

Mr. Park had the responsibility and authority to address the rodent infestation issues. Under the FDCA, he will be held liable for the violations as the responsible corporate officer.

## Case Questions

1. What problems did the FDA find in the Acme warehouses, and over what period?

Rodent infestation. Repeated violations were the problems the FDA uncovered from 1970–1972.

2. Was Mr. Park warned about the problem? What action did he take?

Yes, a letter from the FDA's chief of compliance was sent to Mr. Park to make him aware of the problem that his subordinates were not taking appropriate action. Mr. Park met with his vice president and asked that action be taken.

3. What standard of liability did the instruction given by the judge impose?

The issue was whether Park had a responsible relationship to the situation and the instruction did not make all corporate officers automatically liable on the basis of their position but in that there was liability on the basis of responsibility.