Syllabus

NOTE: Where it is feasible, a syllabus (headnote) will be released, as is being done in connection with this case, at the time the opinion is issued. The syllabus constitutes no part of the opinion of the Court but has been prepared by the Reporter of Decisions for the convenience of the reader. See *United States* v. *Detroit Timber & Lumber Co.*, 200 U. S. 321, 337.

SUPREME COURT OF THE UNITED STATES

Syllabus

SPRINT COMMUNICATIONS CO., L. P., ET AL. v. APCC SERVICES, INC., ET AL.

CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE DISTRICT OF COLUMBIA CIRCUIT

No. 07-552. Argued April 21, 2008—Decided June 23, 2008

A payphone customer making a long-distance call with an access code or 1-800 number issued by a long-distance carrier pays the carrier (which completes the call). The carrier then compensates the payphone operator (which connects the call to the carrier in the first place). The payphone operator can sue the long-distance carrier for any compensation that the carrier fails to pay for these "dial-around" calls. Many payphone operators assign their dial-around claims to billing and collection firms (aggregators) so that, in effect, these aggregators can bring suit on their behalf. A group of aggregators (respondents here) were assigned legal title to the claims of approximately 1,400 payphone operators. The aggregators separately agreed to remit all proceeds to those operators, who would then pay the aggregators for their services. After entering into these agreements, the aggregators filed federal-court lawsuits seeking compensation from petitioner long-distance carriers. The District Court refused to dismiss the claims, finding that the aggregators had standing, and the D.C. Circuit ultimately affirmed.

Held: An assignee of a legal claim for money owed has standing to pursue that claim in federal court, even when the assignee has promised to remit the proceeds of the litigation to the assignor. Pp. 3–23.

(a) History and precedent show that, for centuries, courts have found ways to allow assignees to bring suit; where assignment is at issue, courts—both before and after the founding—have always permitted the party with legal title alone to bring suit; and there is a strong tradition specifically of suits by assignees for collection. And while precedents of this Court, *Waite* v. *Santa Cruz*, 184 U. S. 302, *Spiller* v. *Atchison, T. & S. F. R. Co.*, 253 U. S. 117, and *Titus* v. *Wal-*

Syllabus

lick, 306 U. S. 282, do not conclusively resolve the standing question here, they offer powerful support for the proposition that suits by assignees for collection have long been seen as "amenable" to resolution by the judicial process, *Steel Co. v. Citizens for Better Environment*, 523 U. S. 83, 102. Pp. 3–16.

- (b) Petitioners offer no convincing reason to depart from the historical tradition of suits by assignees, including assignees for collection. In any event, the aggregators satisfy the Article III standing requirements articulated in this Court's more modern decisions. Petitioners argue that the aggregators have not themselves suffered an injury and that assignments for collection do not transfer the payphone operators' injuries. But the operators assigned their claims lock, stock, and barrel, and precedent makes clear that an assignee can sue based on his assignor's injuries. Vermont Agency of Natural Resources v. United States ex rel. Stevens, 529 U.S. 765. In arguing that the aggregators cannot satisfy the redressability requirement because they will remit their recovery to the payphone operators, petitioners misconstrue the nature of the redressability inquiry, which focuses on whether the *injury* that a plaintiff alleges is likely to be redressed through the litigation—not on what the plaintiff ultimately intends to do with the money recovered. See, e.g., id., at 771. Petitioners' claim that the assignments constitute nothing more than a contract for legal services is overstated. There is an important distinction between simply hiring a lawyer and assigning a claim to a lawyer. The latter confers a property right (which creditors might attach); the former does not. Finally, as a practical matter, it would be particularly unwise to abandon history and precedent in resolving the question here, for any such ruling could be overcome by, e.g., rewriting the agreement to give the aggregator a tiny portion of the assigned claim itself, perhaps only a dollar or two. Pp. 16–20
- (c) Petitioners' reasons for denying prudential standing—that the aggregators are seeking redress for third parties; that the litigation represents an effort by the aggregators and payphone operators to circumvent Federal Rule of Civil Procedure 23's class-action requirements; and that practical problems could arise because the aggregators are suing, e.g., payphone operators may not comply with discovery requests or honor judgments—are unpersuasive. And because there are no allegations that the assignments were made in bad faith and because the assignments were made for ordinary business purposes, any other prudential questions need not be considered here. Pp. 20–23.

489 F. 3d 1249, affirmed.

BREYER, J., delivered the opinion of the Court, in which STEVENS,

Syllabus

 $\label{eq:Kennedy} Kennedy, Souter, and Ginsburg, JJ., joined. Roberts, C. J., filed a dissenting opinion, in which Scalia, Thomas, and Alito, JJ., joined.$