

A motorcyclist was involved in a collision with a truck. The motorcyclist sued the truck driver in state court for damage to the motorcycle. The jury returned a verdict for the truck driver, and the court entered judgment. The motorcyclist then sued the company that employed the driver and owned the truck in federal court for personal-injury damages, and the company moved to dismiss based on the state court judgment.

If the court grants the company's motion, what is the likely explanation?

- A. Claim preclusion (res judicata) bars the motorcyclist's action against the company.
- B. Issue preclusion (collateral estoppel) establishes the company's lack of negligence.
- C. The motorcyclist violated the doctrine of election of remedies.
- D. The state court judgment is the law of the case.

Explanation:

Claim preclusion (ie, res judicata) provides that a valid final judgment on the merits precludes relitigation of an identical claim between identical parties in a subsequent action.* **Claims are identical** when they arise from the **same transaction or occurrence**. **Parties are identical** if they (or **those in privity** with them) occupy the **same roles** in both actions. Employers are in privity with their employees since they are vicariously liable for their employees' actions.

Here, the state court entered a valid final judgment consistent with the jury's verdict (ie, on the merits) in the motorcyclist's suit against the truck driver. The motorcyclist then sued the truck driver's employer in federal court. The claims in both suits are identical because they arose from the same collision. The parties are also identical since the defendants in both actions—company (employer) and driver (employee), respectively—are in privity. Therefore, the company's motion would likely be granted because claim preclusion bars the action.

*If the plaintiff wins in the first action, the claim merges with the judgment. If the plaintiff loses in the first action, the claim is barred by the judgment. Both preclude the plaintiff from asserting the same claim against the same party in future litigation.

(Choice B) Issue preclusion (ie, collateral estoppel) prohibits relitigating issues of law or fact that were actually litigated, determined, and essential to a valid final judgment. Here, the truck driver's negligence is the issue in both actions. But the jury may not have determined this issue in the first action since it could have found in the driver's favor based on the motorcyclist's contributory negligence.

(Choice C) The election-of-remedies doctrine was a common law rule that forbade plaintiffs from asserting alternative or inconsistent remedies. However, this doctrine does not apply in federal court.

(Choice D) The [law-of-the-case doctrine](#) prohibits the relitigation of legal issues decided at successive stages of the same case—eg, a trial court must apply an appellate court's legal determinations when a case is remanded. This doctrine does not apply here since there are two *different* cases.

Educational objective:

Under claim preclusion, a valid final judgment on the merits prohibits relitigating identical claims between identical parties. Claims are identical when they arise from the same transaction or occurrence. Parties are identical if they (or their privies) occupy the same roles in both actions.

References

- Restatement (Second) of Judgments § 24 (Am. Law Inst. 1982) (explaining identical claims).

- Restatement (Second) of Judgments § 51 (Am. Law Inst. 1982) (explaining that employers are in privity with their employees and are identical parties for preclusion purposes).

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Identical parties for claim preclusion

1st judgment	2nd action	
Party A v. Party C	Party A v. Party C	= identical
Party A v. Party C	Party A v. Party C's employer	= identical
Party A v. Party C	Party C v. Party A	= different (no claim preclusion)

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