A scientist domiciled in State A brought a federal civil action against his former employer, a company incorporated and headquartered in State A, alleging retaliatory discharge under federal and state law and seeking damages under federal and state law.

The company moved to dismiss the federal claim, and the court granted the motion. The court's written order read in its entirety: "[The company's] motion to dismiss the federal claim is granted." The scientist immediately appealed this decision to the court of appeals.

## Is the appeal proper?

- A. No, because there is no final judgment.
- B. No, because there is no subject-matter jurisdiction over the state-law claim.
- C. Yes, as a discretionary interlocutory appeal.
- D. Yes, because the decision on the federal claim is final.

Incorrect

Correct answer A

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#### **Explanation:**

## Final-judgment rule

**Rule** Appeal only allowed after final judgment

If multiple claims/parties, final judgment as to fewer than all claims/parties appropriate if court expressly determines no justifiable reason for delay

**Exceptions** Interlocutory appeals\* concerning:

Injunction (grant/denial)Certification by district courtClass action certificationAppointment of receiver

**A**dmiralty case

**C**ollateral-order doctrine

Bankruptcy cases (certain orders)Mandamus (petition for writ)

Patent infringement order (only accounting left)

Mnemonic: In Certain Circumstances, An Appeal Can Be Made Prematurely

Absent limited exceptions, a party may appeal only after the district court has entered a final judgment. However, when an action involves multiple claims or parties, a district court may enter **final judgment** as to **fewer than all claims or parties** if it **expressly determines** that there is **no just reason for delay**. Unless this express determination is made, any court order that disposes of those claims or parties is not an **immediately appealable** final judgment and may be revised before final judgment is entered on all claims or parties.

Here, the scientist sued the company in federal court for violating federal and state employment laws. In response to the scientist's motion to dismiss the federal claim, the court issued an order that only stated, "[The company's] motion to dismiss the federal claim is granted." Since this order did not include an express determination that there was no just reason for delay in entering judgment on the federal claim, the decision on that claim is not a final judgment that is immediately appealable **(Choice D)**. As a result, the scientist's immediate appeal is improper.

**(Choice B)** The court has subject-matter jurisdiction over the scientist's state-law claim through supplemental jurisdiction. That is because the state-law claim arises from the same alleged retaliatory discharge as his federal-law claim.

<sup>\*</sup>Appeal from trial court ruling that occurs before entry of final judgment.

**(Choice C)** An appellate court may use its discretion to hear an interlocutory appeal before the district court enters final judgment in limited circumstances—eg, when a district court certifies (ie, approves) an issue for appeal before final judgment is entered. But here, the district court did not certify an issue for appeal, so an appeal on this basis is improper.

# **Educational objective:**

When an action involves multiple claims or parties, a district court may enter final judgment as to fewer than all claims or parties if it expressly determines that there is no just reason for delay. However, if this express determination is not made, any court order that disposes of those claims or parties is not immediately appealable.

#### References

28 U.S.C. § 1291 (setting forth the final-judgment rule).

Fed. R. Civ. P. 54(b) (explaining when a district court may enter final judgment for multiple claims or parties).

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