

A football team entered into a 10-year lease with a city for use of the city's athletic stadium. Five years into the lease, the team threatened to leave the stadium and move to another city.

The city sued the team in federal court, seeking a permanent injunction to prevent the team from breaching its lease and leaving. In its answer, the team included a counterclaim seeking \$10 million in damages for losses caused by the city's alleged failure to properly maintain the stadium, as the lease required. The team demanded a jury trial on the counterclaim.

The city moved to try its claim for a permanent injunction before the trial on the team's counterclaim. The team objected and moved that the jury trial of its counterclaim be held before the trial of the city's injunction claim.

How should the court rule on the parties' motions?

- A. The court should first hold a jury trial of the team's counterclaim, and then a nonjury trial of the issues remaining in the city's claim.
- B. The court should first hold a nonjury trial of the city's claim, and then a jury trial of the issues remaining in the team's counterclaim.
- C. The court should first hold a nonjury trial of the city's claim without giving binding effect to its findings or conclusions in the later jury trial of the team's counterclaim.
- D. The court should schedule a jury trial of both the city's claim and the team's counterclaim.

Explanation:

Right to jury trial in civil case

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|-----------------|---|
| Right | <ul style="list-style-type: none">• Legal claim – seeks monetary remedy to compensate for loss (eg, tort/contract damages) |
| | AND |
| No right | <ul style="list-style-type: none">• > \$20 in controversy• Equitable claim – seeks nonmonetary remedy (eg, injunction, specific performance) since legal remedy is inadequate |
| | OR |
| | <ul style="list-style-type: none">• ≤ \$20 in controversy |

The Seventh Amendment guarantees the **right to a jury trial** in civil cases where the amount in controversy exceeds 20 dollars. But this right only **applies to legal claims** (eg, the team's \$10 million counterclaim)—**not equitable claims** (eg, the city's permanent injunction claim). And when, as here, a case involves both legal and equitable claims that share **common issues of fact** (eg, obligations under the stadium lease), the court must **first** hold a **jury trial on the legal claim (Choice B)**. The judge must then hold a **nonjury trial on the equitable claim**, relying on the jury's findings of fact on the legal claim to do so (Choices C & D).

Educational objective:

When a case involves legal and equitable claims that share common fact issues, the court should hold a jury trial on the legal claim before holding a nonjury trial on the equitable claim.

References

- U.S. Const. amend. VII (right to a jury trial).
- *Beacon Theatres v. Westover*, 359 U.S. 500, 510–11 (1959) (stating that legal claims must be decided by a jury before the court determines related equitable claims).

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