


Lexis Advance™

515 U.S. 277

 **Wilton v. Seven Falls Co., 515 U.S. 277** (Copy citation)

Supreme Court of the United States
March 27, 1995, Argued ; June 12, 1995, Decided
No. 94-562

Reporter: **515 U.S. 277** | [115 S. Ct. 2137](#) | [132 L. Ed. 2d 214](#) | [1995 U.S. LEXIS 3908](#) | 63 U.S.L.W. 4544 | 95 Cal. Daily Op. Service 4406 | 95 Daily Journal DAR 7487

LESLIE WILTON, ETC., ET AL., PETITIONERS v. SEVEN FALLS COMPANY ET AL.

Prior History: ON WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE FIFTH CIRCUIT.

Disposition: [41 F.3d 934](#), affirmed.

Core Terms

district court, declaratory judgment, proceed, stay, party, declaratory judgment action, jurisdiction, underwriter, law, exceptional circumstances, litigation, district, state court, review, court of appeals, court's decision, federal court, governing, exercise, standard, cone, decision, relief, test, declaratory, judicial, question, declare, claims, abuse

Case Summary

Procedural Posture

Petitioner sought certiorari from decision of the U.S. Court of Appeals for the Fifth Circuit, which had affirmed a stay on motion from respondents in an action brought by petitioners seeking a declaration under the Declaratory Judgment Act, [28 U.S.C.S. § 2201\(a\)](#). Certiorari was granted to resolve conflicts concerning district court decisions to stay declaratory judgment actions in favor of parallel state litigation.

Overview

Petitioner filed proceeding seeking a declaration under the Declaratory Judgment Act, [28 U.S.C.S. § 2201\(a\)](#), that their commercial liability insurance policies did not cover respondent's liability concerning the ownership and operation of oil and gas properties. The district court entered a stay and observed that a state lawsuit encompassed the same coverage issues raised in the declaratory judgment action and determined that a stay was warranted in order to avoid piecemeal litigation and to bar forum shopping. The court of appeals reviewed the district court's decision for abuse of discretion, and found none and affirmed the stay. Petitioner argued that district courts must point to "exceptional circumstances" to justify staying or dismissing proceedings. The court held that distinct features of the Act justified a standard vesting district courts with greater discretion in declaratory judgment actions than that permitted under the "exceptional circumstances" test. The court held that district court's decisions about the propriety of hearing declaratory judgment actions should be reviewed only for abuse of discretion and found that the district court acted properly.

Outcome

The court affirmed the judgment.

LexisNexis® Headnotes

 Hide