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Traub Lieberman Partner Lisa M. Rolle Obtains Pre-Answer Motion to Dismiss in Favor of Defendant

Related Attorneys: Lisa M. Rolle

Traub Lieberman Partner Lisa M. Rolle obtained a motion to dismiss in favor of an international hotel chain. In the case brought before the U.S. District Court, Southern District of New York, the Plaintiff sustained a slip and fall injury in a Portuguese hotel (“Hotel”), which was allegedly caused by violations of building codes and New York and Portuguese negligence laws. The Plaintiff notes that the Hotel utilized the branding affiliated with the international hotel chain, and the named corporate entities are subsidiaries of the parent company of the international hotel chain. Further, Plaintiff alleged that the named corporate entities “owned, operated, maintained, and controlled” the Hotel where the accident occurred, as the international hotel had previously acquired the entity which owned the spa branding utilized.

In moving for pre-answer dismissal, Traub Lieberman acknowledged purchase of the managing agent of the Hotel, which became a subsidiary of their operations. However, Traub Lieberman asserted that the international hotel chain had not owned, operated, maintained, or managed the Hotel. Under New York law, parent corporations cannot be held liable for the actions of their subsidiaries, except in cases that support piercing the corporate veil. Traub Lieberman argued that the motion should be granted as a parent company cannot be held liable for acts committed by its subsidiary and further claimed that the parent company has never owned or operated the Hotel.

The claims against the international hotel chain were dismissed, as there was not sufficient cause to support a veil-piercing claim. The Plaintiffs allegations were insufficient to establish that the international hotel chain bears any liability with respect to negligence at the Hotel. As a result of these findings, the case was dismissed.