

The Burger Court Opinion Writing Database

Gould v. Riefenacht

471 U.S. 701 (1985)

Paul J. Wahlbeck, George Washington University
James F. Spriggs, II, Washington University in St. Louis
Forrest Maltzman, George Washington University





CHAMBERS OF
THE CHIEF JUSTICE

Supreme Court of the United States
Washington, D. C. 20543

May 6, 1985

Re: No. 84-165 - Gould v. Ruefenacht

Dear Lewis:

I join.

Regards,

Justice Powell

Copies to the Conference

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Supreme Court of the United States
Washington, D. C. 20543

3
CHAMBERS OF
JUSTICE Wm. J. BRENNAN, JR.

✓
April 26, 1985

No. 84-165

Gould v. Ruefenacht, et al.

Dear Lewis,

I agree.

Sincerely,

Bill

Justice Powell

Copies to the Conference

Supreme Court of the United States
Washington, D. C. 20543

CHAMBERS OF
JUSTICE BYRON R. WHITE

April 25, 1985

84-165 - Gould v. Rufenacht

Dear Lewis,

I agree.

Sincerely yours,



Justice Powell

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Supreme Court of the United States
Washington, D. C. 20543


CHAMBERS OF
JUSTICE THURGOOD MARSHALL

April 25, 1985

Re: No. 84-165 - Gould v. Ruefenacht

Dear Lewis:

Please join me.

Sincerely,


T.M.

Justice Powell

cc: The Conference

Supreme Court of the United States
Washington, D. C. 20543

CHAMBERS OF
JUSTICE HARRY A. BLACKMUN

April 26, 1985

Re: No. 84-165, Gould v. Rufenacht

Dear Lewis:

Please join me.

Sincerely,



Justice Powell

cc: The Conference

04/24

To: The Chief Justice
Justice Brennan
Justice White
Justice Marshall ✓
Justice Blackmun
Justice Rehnquist
Justice Stevens
Justice O'Connor

From: Justice Powell

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LFP
Please join me
[Signature]

1st DRAFT

SUPREME COURT OF THE UNITED STATES

No. 84-165

W. GEORGE GOULD, PETITIONER *v.* MAX A.
RUEFENACHT ET AL.

ON WRIT OF CERTIORARI TO THE UNITED STATES COURT OF
APPEALS FOR THE THIRD CIRCUIT

[April —, 1985]

JUSTICE POWELL delivered the opinion of the Court.

This case presents the question whether the sale of 50% of the stock of a company is a securities transaction subject to the antifraud provisions of the federal securities laws (the Acts).

I

In 1980, respondent purchased 2500 shares of the stock of Continental Import & Export, Inc., an importer of wine and spirits, from Joachim Birkle. Birkle was Continental's president and had owned 100% of the company's stock prior to the time of the sale. The 2500 shares, for which respondent paid \$250,000, represented 50% of Continental's outstanding stock.

According to respondent, he purchased the stock in reliance on financial documents and oral representations made by Birkle; Christopher O'Halloran, a certified public accountant; and petitioner Gould, Continental's corporate counsel. Part of the consideration for the deal was a promise by respondent that he would participate in the firm's management. The record reveals that he helped solicit contracts for the firm, participated in some hiring decisions, signed a banking resolution so that he could endorse corporate checks in Birkle's absence, and engaged in other more minor pursuits. All the while, however, respondent remained a full-time em-

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05/02

To: The Chief Justice
Justice Brennan
Justice White
Justice Marshall ✓
Justice Blackmun
Justice Rehnquist
Justice Stevens
Justice O'Connor

Stylistic Changes Throughout

From: Justice Powell

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2nd DRAFT

SUPREME COURT OF THE UNITED STATES

No. 84-165

W. GEORGE GOULD, PETITIONER *v.* MAX A.
RUEFENACHT ET AL.

ON WRIT OF CERTIORARI TO THE UNITED STATES COURT OF
APPEALS FOR THE THIRD CIRCUIT

[May —, 1985]

JUSTICE POWELL delivered the opinion of the Court.

This case presents the question whether the sale of 50% of the stock of a company is a securities transaction subject to the antifraud provisions of the federal securities laws (the Acts).

I

In 1980, respondent purchased 2,500 shares of the stock of Continental Import & Export, Inc., an importer of wine and spirits, from Joachim Birkle. Birkle was Continental's president and had owned 100% of the company's stock prior to the time of the sale. The 2,500 shares, for which respondent paid \$250,000, represented 50% of Continental's outstanding stock.

According to respondent, he purchased the stock in reliance on financial documents and oral representations made by Birkle; Christopher O'Halloran, a certified public accountant; and petitioner Gould, Continental's corporate counsel. Part of the consideration for the deal was a promise by respondent that he would participate in the firm's management. The record reveals that he helped solicit contracts for the firm, participated in some hiring decisions, signed a banking resolution so that he could endorse corporate checks in Birkle's absence, and engaged in other more minor pursuits. All the while, however, respondent remained a full-time em-

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Supreme Court of the United States
Washington, D. C. 20543

CHAMBERS OF
JUSTICE WILLIAM H. REHNQUIST

April 29, 1985

Re: 84-165 - Gould v. Ruefenacht

Dear Lewis:

Please join me.

Sincerely,



Justice Powell

cc: The Conference

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Supreme Court of the United States
Washington, D. C. 20543

CHAMBERS OF
JUSTICE SANDRA DAY O'CONNOR

April 25, 1985

No. 84-165 Gould v. Ruefenacht

Dear Lewis,

Please join me.

Sincerely,



Justice Powell

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