

Wiley Rein Succeeds in Overturning District Court Decision Blocking Review of Coors Brewing Company's Challenge to Puerto Rico's Beer Tax Scheme

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On March 30, 2009, the U.S. Court of Appeals for the First Circuit unanimously reversed the federal district court for Puerto Rico's dismissal of Coors Brewing Company's challenge to the Commonwealth's beer tax scheme under the dormant Commerce Clause. The First Circuit held that there were no jurisdictional or other barriers to federal court review of Coors' suit, reversing the lower court on all grounds.

Coors' suit alleges that Puerto Rico's beer tax laws discriminate against off-island brewers in violation of the Commerce Clause and Federal Relations Act. The district court accepted the Commonwealth's arguments that the suit was barred for lack of jurisdiction and otherwise precluded due to prior litigation regarding the beer tax scheme. The First Circuit's decision now clears the way for the lower court to hear the merits of Coors' claims, thereby allowing for the first federal court review of the constitutionality of the beer tax scheme in its thirty-year history.

The case is *Coors Brewing Co. v. Mendez-Torres*, No. 07-2682 (1st Cir.). Coors is represented in this case by Wiley Rein Partner Helgi C. Walker, who argued the case on appeal. With her on the briefs were William S. Consovoy and Suzzette R. Hurley.

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