

Cahill Secures Victory for Grubhub in Data-Sharing Dispute

Date: 09/26/24

Cahill secured a complete victory for Grubhub by securing an order striking down a New York City ordinance on First Amendment grounds that would have required the company to deliver customer data and ordering history to restaurants without getting express consent from those same customers.

This marks Cahill's second substantial First Amendment victory in September alone.

In 2021, New York City enacted an ordinance that required third-party delivery services, like Grubhub, DoorDash, and Uber Eats, to supply customer data and ordering history to restaurants that requested it. Under the law, Grubhub would have been required to provide customer names, telephone numbers, email addresses, addresses, and order contents of any customer that did not opt-out of sharing information with restaurants.

On behalf of Grubhub, Cahill argued that the law violated the First Amendment by compelling Grubhub to share customer information with restaurants that it would not have shared absent the law. Cahill also argued that the law violated the Takings Clause and Contracts Clause of the United States Constitution and exceeded the City's police power under the New York State Constitution. Because the court struck down the law on First Amendment grounds, it did not need to reach those other issues.

Judge Analisa Torres ruled that the data sharing ordinance violated the First Amendment because it regulates commercial speech and failed to satisfy intermediate scrutiny, delivering a total triumph for Grubhub.

The opinion and order is available here.

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