

Anza et al. v. Ideal Steel Supply Corp., No. 04-433 (U.S. June 5, 2006)

Date: 06/14/06

On June 5, 2006, the Supreme Court of the United States decided *Anza v. Ideal Steel Supply Corp.* Applying principles that it had earlier set forth in *Holmes v. Securities Investor Protection Corp.*, the Court emphasized the importance of the proximate-cause requirement in respect of civil actions under the Racketeer Influenced and Corrupt Organization Act ("RICO"). Stating that "[w]hen a court evaluates a RICO claim for proximate causation, the central question it must ask is whether the alleged violation led directly to the plaintiff's injuries," the Court vacated the judgment of the United States Court of Appeals for the Second Circuit sustaining plaintiff's complaint because it found that the alleged violation did not directly lead to plaintiff's injuries.

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