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Gibson Dunn Wins Complete Victory for Vale S.A. in $500 Million Iron Mining Dispute in Texas

Firm News | June 15, 2026

On June 11, 2026, Gibson Dunn won a precedent-setting and case-ending victory in the Texas Court of Appeals, which reversed the denial of our client Vale S.A.'s special appearance and dismissed all claims brought by plaintiff Itabiriçu Nacional de Pesquisa Mineral Ltda. against Vale for lack of personal jurisdiction.

Based in Brazil, Vale is the world's largest producer of iron ore. Itabiriçu, also a Brazilian company, sued Vale in Nueces County, Texas in October 2023, asserting claims for conversion, unjust enrichment, and conspiracy arising from Vale's extraction of iron ore from an area known as the "Polygonal" within Vale's Itabira Mining Complex in Brazil. Itabiriçu alleged that it possessed superior rights over the iron ore in the Polygonal and that Vale's extraction of the iron ore therefore was conversion.

Itabiriçu further alleged that Vale processed the disputed ore and shipped it to a factory in Corpus Christi, Texas operated by two European steel manufacturing companies. Itabiriçu sought to collect more than $500 million, which it claimed represented Vale's profits from selling the disputed ore. Vale filed a special appearance contesting personal jurisdiction. After two years of litigation and jurisdictional discovery on the special appearance issue alone, the trial court denied Vale's special appearance on October 3, 2025 without issuing an opinion.

Vale appealed the trial court's denial of the special appearance and moved for an emergency stay of proceedings pending the appeal. Such stay motions are rarely granted, but the Texas Court of Appeals granted Vale's motion one day after Itabiriçu filed its opposition brief and before Vale even filed its reply brief—a victory that protected Vale from being forced to furnish expansive discovery to which Itabiriçu would have no right under the laws of Brazil (the proper forum for the dispute).

On June 11, just six days after merits briefing was complete, the court granted Vale an unconditional and complete win. In a memorandum opinion, the court held that "there is no 'substantial connection' between Vale's contacts with Texas and the operative facts of Itabiriçu's claims." The court held that none of the acts Itabiriçu alleged Vale performed in Texas "are related in any substantial way to the actual conduct which Itabiriçu complains about in its suit" and concluded that "a trial on Itabiriçu's conversion claim would focus predominantly—if not exclusively—on Vale's activities in Brazil." The court further found that even if a substantial connection existed between Vale's alleged Texas contacts and Itabiriçu's claims, exercising jurisdiction over Vale would not comport with traditional notions of fair play and substantial justice under the U.S. Constitution. The court ordered the dismissal of all claims against Vale.

In rejecting jurisdiction over Itabiriçu's $500 million claims against Vale, the Texas Court of Appeal set important precedent for out-of-state defendants sued in Texas. Absent the Texas Supreme Court exercising its discretionary review authority, Vale's victory in Texas is final and complete.

Related People

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In a statement to the press, Executive Vice President of Legal Affairs at Vale, Sami Arap, highlighted both the performance of partners Chris Joralemon and David Kusnetz and the importance of vigorous defense and sovereignty in cases in which the matter must be exclusively decided in Brazil. The cross-office Gibson Dunn team representing Vale S.A. includes partners Christopher Joralemon, David Kusnetz, Sydney Scott, and Brad Hubbard, of counsel Benjamin D. Wilson, and associates Michael Klurfeld, Jack DiSorbo, Arjun Ogale, Hayato Watanabe, John Ito, Warren Bloom, Jon Greenberg, and Michelle Gery.

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