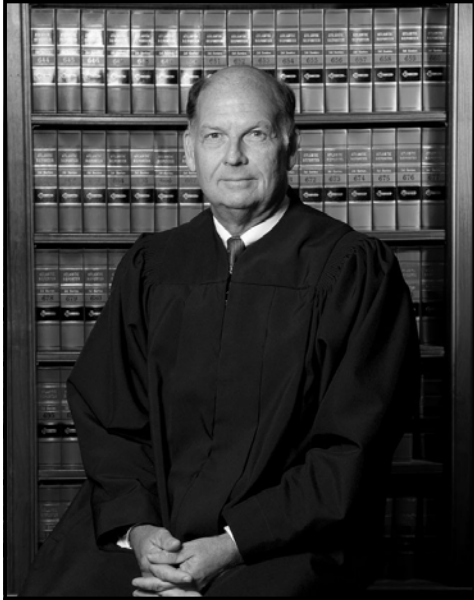


MESSAGE FROM THE CHIEF JUSTICE



HONORABLE MYRON T. STEELE

On behalf of the Delaware Supreme Court, I am pleased to present the 2008 Annual Report of the Judiciary. During the past year, the Judicial Branch focused on many new initiatives and challenges. As this Annual Report of the Judiciary highlights the importance of Delaware case law, I would like to draw attention to a recent case of historic significance -- *CA, Inc. v. AFSCME Employees Pension Plan*. This case marked the first time that the Securities and Exchange Commission (SEC) certified questions of Delaware law to the Delaware Supreme Court under the jurisdiction granted by a recent Delaware Constitutional amendment. The SEC's decision to use the new certification process demonstrates the importance of Delaware corporate law on a national level, as well as the ability of Delaware courts to resolve corporate disputes within an expedited time frame. We are proud of the benefits, including financial, that flow to the State as a result of our preeminence in corporate law. Former SEC Commissioner Paul S. Atkins, in a speech before the U.S. Chamber of Commerce on July 22, 2008, highlighted the *CA, Inc. v. AFSCME Employees Pension Plan* opinion and praised the Delaware Supreme Court for the role it played:

"[T]his year [the SEC] used our new ability to certify questions to the Delaware Supreme Court and it accepted. . . . Perhaps it is only in Delaware that the judicial system can provide a final decision in such a timely manner. . . . This speed shows the seriousness with which the Delaware Supreme Court takes the issue of federalism and its role in guiding the federal government in its application of state law. I salute the court in helping us define our respective roles."

Another important event occurred in May when the Judicial Branch, along with the Delaware Law Related Education Center, sponsored the 2008 National High School Mock Trial Championship which brought over 1,000 participants and observers from throughout the country to the New Castle County Courthouse. Contributions of numerous groups and individuals, including members of each of our courts, who gave generously of their time and money, made the event possible. I would like to thank all of those involved for making the project a resounding success, showcasing Wilmington, and the dedicated legal community, and others, that make Delaware unique.

This year also marked the start of several new Judicial Branch-wide initiatives bringing the Judicial Branch together with others to explore creative ways in which the court system can best serve the needs of all Delaware citizens. In September 2007, the Judicial Branch and the Delaware Criminal Justice Council co-sponsored a two day Summit on Racial and Ethnic Fairness in the Criminal Justice System designed to bring together key decision makers in the criminal justice system, state and local policymakers, and community leaders, to identify and develop a consensus on strategies for improving racial and ethnic fairness, and the perception of fairness in the Delaware criminal justice system. Justice Henry duPont Ridgely of the Supreme Court and Chief Judge Alex J. Smalls of the Court of Common Pleas served as co-chairs for the Summit and are spearheading on-going Judicial Branch-wide follow up efforts. A new committee, Delaware Courts: Fairness for All, established in accordance with Administrative Directive 168, will involve each of the courts in exploring ways that the court system can move to the next level in assisting self-represented civil litigants, and will seek to further the perception of fairness for all civil litigants.

Also, the Delaware Judicial Branch successfully obtained a competitive grant from the Council of State Governments to establish a task force through which the Judicial Branch will work with the Legislative and Executive branches of government and others under Justice Ridgely's leadership, to explore ways to improve the handling of the mentally ill in the criminal justice system. It is anticipated that the task force, which will receive technical assistance from the Council of State Governments and the federal government, will build upon efforts of the successful mental health courts already in existence in the Superior Court, Court of Common Pleas, and Family Court.

In addition to these branch-wide efforts, each of the courts has undertaken new initiatives to continue their ongoing efforts to best serve court system users. During the past year, the Court of Chancery expanded its e-filing initiative to additional case types and both the Superior Court and Court of Common Pleas made sweeping changes to their alternative dispute resolution rules to provide further time savings for litigants. In January 2008, the Family Court provided a new mechanism for holding respondents accountable through the institution of Protection From Abuse (PFA) review hearings which are scheduled when a respondent has not complied with the conditions of an active PFA order. In the Justice of the Peace Court, a new civil court consolidation project in northern New Castle County is expected to provide efficiencies in the handling of civil cases and to allow for the development of a self-help center.

During the past year, the Judicial Branch has worked cooperatively with the other branches of government to address head-on the serious fiscal challenges facing the State. We have limited our expenditures and the filling of vacant positions, enacted cutbacks, and taken all steps possible to manage growing caseloads with diminishing resources. While these efforts have been necessary, we are at a critical juncture where the extent of the cutbacks are impacting the courts' ability to provide core services in a reasonably timely and effective manner. We are grateful that, in developing the State's FY 2009 budget, Governor Minner and the General Assembly recognized the desperate operational need to move forward with additional judicial resources in New Castle County for Superior Court, and the Kent County Courthouse project, which will provide professional, secure facilities for those who use Superior Court, Court of Chancery and Court of Common Pleas in Kent County. Taking advantage of the court security assessment legislation, which was enacted in FY 2007, Delaware Courts began enhancing the security and safety of the public and staff who use the courthouses.

Finally, I would like to thank all of our judicial officers and staff for their ongoing commitment to providing outstanding service to the individual and corporate citizens of Delaware in the face of tremendous obstacles. Working together, we will meet these challenges and continue our tradition of excellence in service to the public.

Preeminence of Delaware Judiciary

"The Judiciary in Delaware continues to play a unique and expanding role of a national and international importance. In the commercial world, major corporations rely on the quality, consistency and speed with which the Delaware Supreme Court, Court of Chancery and Superior Court render decisions that affect corporate governance, stockholders' rights and the business marketplace in the United States and the world. In this capacity of domestic and international leadership, the Delaware Judiciary has been the keystone of corporate law in the last century and is widely recognized as the nation's preeminent forum for the determination of disputes involving the internal affairs of more than 846,000 Delaware corporations and other business entities through which a vast amount of the world's commercial affairs are conducted. . . . The confidence of 61% of the Fortune 500 companies is firmly rooted in the quality of the Delaware Judiciary. Delaware is home to half of all U.S. firms trading in the NYSE and NASDAQ. The growing strength of Delaware's national reputation is evidenced by the fact that, in 2007, more than 90% of initial public offerings in the United States were on behalf of corporations incorporated in Delaware. The reward for the State of Delaware from the Court system is the annual taxes, fees and abandoned property from business entities registered in Delaware paid to the State, as well as the substantial economic activity generated by those in the private sector who represent Delaware business entities. The annual taxes and fees in FY2007 from corporate, LLC, and business entities totaled \$687.8 million. UCC filings added an additional \$13 million. Together, these amounts represent 22% of the State Operating Budget. Abandoned property of business entities registered in Delaware provided \$370 million to the Division of Revenue, representing an additional 11% contribution to the State Operating Budget attributable to Delaware business entities. Additionally, the Delaware Court System makes significant annual contributions in excess of \$24.1 million through filing fees, cost payments and assessments paid by litigants."

Excerpt from Report prepared by the Delaware State Bar Association to the Delaware Compensation Commission, December 2008