

STATE OF MICHIGAN

IN THE CIRCUIT COURT FOR THE COUNTY OF OAKLAND

DOMESTIC UNIFORM RENTAL,

Plaintiff,

Case No: 2014-144690-CZ

v.

Hon. Wendy Potts

MARKHAM PLACE, LLC, et al,

Defendants.

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OPINION AND ORDER RE:  
DEFENDANTS' MOTION FOR CHANGE OF VENUE IMPROPERLY LAID  
AND  
PLAINTIFF'S MOTION TO COMPEL ARBITRATION

At a session of Court  
Held in Pontiac, Michigan

JUL 07 2015

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In February 2010, Plaintiff Domestic Uniform Rental entered into written agreements to provide linen services to "Plymouth Crossing" and "Markham Properties." The agreements were signed by Defendant Jan Baker as "Administrator/Manager" of the companies. Both agreements contain provisions stating that

In the event of any controversy or claim in excess of \$10,000 arising out of or relating to this agreement, including but not limited to questions regarding the authority of the persons who have executed this agreement, the question, controversy or dispute shall be submitted to and settled by arbitration to be held in the city closest to the city in which the branch office of the Company which serves the Customer is located.

Defendants Markham Place, LLC and the Plymouth Crossing, Ltd. deny that they have any contractual obligation to Domestic or that they agreed to arbitrate the claims. Markham Place

claims that it purchased the assets of John and Virginia Thomas and Markham Properties in August 2013, however, it did not acquire its liabilities. Plymouth Crossing, Ltd. similarly claims it purchased the assets, but not the liabilities, of Defendant The Plymouth Crossing, Inc. Markham Place and Plymouth Crossing, Ltd. also dispute whether venue is proper in Oakland County given that the Defendants all live in or maintain their businesses in Wayne County.

The Court will first address the venue dispute. Domestic has the burden of establishing that the county it chose is a proper venue. *Johnson v Simongton*, 184 Mich App 186, 190; 457 NW2d 129 (1990). Domestic asserts that venue is governed by the Michigan Arbitration Act, which states that

A motion under section 5 shall be made in the court of the county in which the agreement to arbitrate specifies the arbitration hearing is to be held or, if the hearing has been held, in the court of the county in which it was held. Otherwise, the motion may be made in the court of any county in which an adverse party resides or has a place of business or, if no adverse party has a residence or place of business in this state, in the court of any county in this state. All subsequent motions shall be made in the court that heard the initial motion unless the court otherwise directs. [MCL 691.1707]

Defendants claim that “section 5” refers to MCL 691.1705, which governs orders confirming, vacating, modifying, or correcting an arbitration award, and because this is an action to compel arbitration, the venue provision of MCL 691.1707 is inapplicable. However, Domestic asserts, and the Court agrees, that “section 5” refers to MCL 691.1685 governing any request for judicial relief regarding arbitration, which would include a complaint or motion to compel arbitration. Domestic’s Administrative General Manager Mark Colton asserts in an affidavit that the only branch office servicing the customers at issue here was Domestic’s Farmington Hills office. Because there is a question of fact whether the customers were serviced by an Oakland County

or a Wayne County location, Domestic cannot demonstrate that venue for its request to compel arbitration is proper in Oakland County.

However, since Defendants filed their motion to change venue, the matter was submitted to arbitration in Bloomfield Hills. As Domestic notes, MCL 691.1707 states that if an arbitration hearing has already been held, venue is proper where the hearing was held. Because the arbitration hearing took place in Oakland County, venue for this action is proper in Oakland County under MCL 691.1707.

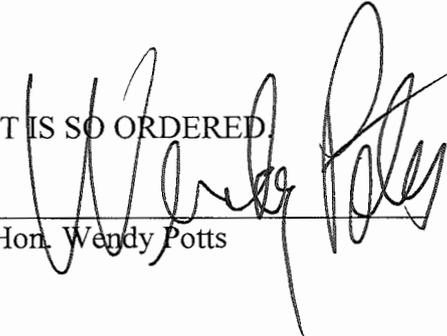
Regarding Domestic's motion to compel arbitration, because the arbitration has already occurred and an award was issued, the motion is moot.

For all of these reasons, the Court denies Defendants' motion to change venue and Domestic's motion to compel arbitration. Domestic may renote its pending motion to confirm the arbitration award on or after July 22, 2015. The case management conference scheduled for July 21, 2015 is adjourned pending the result of Domestic's motion to confirm the arbitration award.

Dated:

JUL 07 2015

IT IS SO ORDERED.

  
Hon. Wendy Potts