

STATE OF MICHIGAN

IN THE CIRCUIT COURT FOR THE COUNTY OF OAKLAND

EDWARDS, ELLIS, STANLEY, ARMSTRONG,  
BOWREN & CO., PC,

Plaintiffs,

v

Case No. 2015-149344-CB  
Hon. Wendy Potts

CHRISTOPHER WARDLE, individually and  
Doing business under the unregistered assumed  
Names of Sage Watch Co. and Bozeman Watch Co.,

Defendant.

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**OPINION AND ORDER RE: BUSINESS COURT JURISDICTION**

At a session of Court  
Held in Pontiac, Michigan On  
OCT 16 2015

On September 29, 2015, Plaintiff Edwards, Ellis, Stanley, Armstrong, Bowren & Co., PC filed the present Complaint, alleging that Defendant breached the parties' contract by failing to pay Plaintiff the full amount owed for accounting services. Plaintiff submitted with its Complaint a Notice of Assignment to the Business Court, claiming that this is a business or commercial dispute because "one or more of the parties is a business enterprise and the other parties are its or their present or former owners, managers, shareholders, members, directors, officers, agents, employees, suppliers, or competitors, and the claims arise out of those relationships." See MCL 600.8031(1)(c)(ii).

This Court has an obligation to question sua sponte its jurisdiction over the subject matter of an action. *Yee v Shiawassee Co Bd of Comm'rs*, 251 Mich App 379, 399; 651 NW2d 756

(2002). Subject matter jurisdiction is determined by the allegations in the pleadings. *Trost v Buckstop Lure Co, Inc*, 249 Mich App 580, 587-588; 644 NW2d 54 (2002).

Business court jurisdiction is limited to actions involving a “business or commercial dispute.” MCL 600.8035(3). The statute defines a business or commercial dispute as:

- (i) An action in which all of the parties are business enterprises.
- (ii) An action in which 1 or more of the parties is a business enterprise and the other parties are its or their present or former owners, managers, shareholders, members, directors, officers, agents, employees, suppliers, or competitors, and the claims arise out of those relationships.
- (iii) An action in which 1 of the parties is a nonprofit organization, and the claims arise out of that party's organizational structure, governance, or finances.
- (iv) An action involving the sale, merger, purchase, combination, dissolution, liquidation, organizational structure, governance, or finances of a business enterprise. [MCL 600.8031(1)(c)].

In the present action, Plaintiff has not provided any factual allegations to support the contention that Defendant is a present or former owner, manager, shareholder, member, director, officer, agent, employee, supplier, or competitor of Edwards, Ellis, Stanley, Armstrong, Bowren & Co., PC. The parties simply entered into a contract regarding professional accounting services.

Further, Plaintiff alleges that Defendant does business under the *unregistered* assumed names of Sage Watch Co. and Bozeman Watch Co. Pursuant to MCL 445.1(1), a person shall not conduct or transact business under an assumed name in Michigan unless that person files a certificate in the appropriate county that sets forth “the name under which the business owned is, or is to be, conducted or transacted, and the true or real full name and address of the person owning, conducting, or transacting the business.” Here, Defendant appears to be operating under unregistered, assumed names and therefore, Sage Watch Co. and Bozeman Watch Co. do not qualify as legal business entities within the meaning of MCL 445.1(1). As a result, Sage Watch

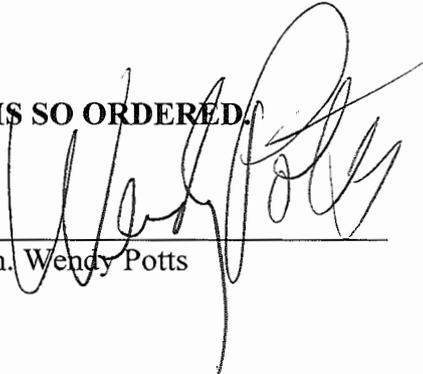
Co. or Bozeman Watch Co. do not fall within the definition of “business enterprises” as set forth in MCL 600.8031(1)(b).

The Court finds that this action does not involve a business or commercial dispute as defined by MCL 600.8035(1) or as claimed by Plaintiff under MCL 600.8031(1)(c)(ii). Moreover, there are no allegations in the Complaint from which the Court could conclude that jurisdiction is proper under § 8031(1)(c)(i), (iii) or (iv).

For all of these reasons, this action is excluded from business court jurisdiction and the Court orders the case reassigned to the general civil docket.

The case code will be changed to CZ unless the parties stipulate otherwise.

**IT IS SO ORDERED.**

  
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Hon. Wendy Potts

Dated:

**OCT 16 2015**