

**STATE OF MICHIGAN
IN THE CIRCUIT COURT FOR THE COUNTY OF OAKLAND
BUSINESS COURT**

**CYCLING SPORTS GROUP, INC.,
Plaintiff,**

v.

**Case No. 16-152534-CB
Hon. James M. Alexander**

**PAINT CREEK BICYCLES, LLC, and
KEITH RIEGE,
Defendants.**

OPINION AND ORDER OF DISMISSAL FOR LACK OF JURISDICTION

On April 18, 2016, Plaintiff filed the present Complaint, seeking damages in the amount of \$18,936.34, plus costs, interest, and attorney fees, for Defendants’ alleged breach of a written guaranty agreement for credit sales of merchandise. Contemporaneous with the filing of the Complaint, Plaintiff filed 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” in which the amount in controversy exceeds \$25,000.00. See MCL 600.8035(1) and (3).

The phrase “amount in controversy” refers to the amount of damages claimed. *Szyslo v Akowitz*, 296 Mich App 40, 51; 818 NW2d 424 (2012).

In its Complaint, Plaintiff alleges that Defendants owe \$18,936.34 in addition to accrued interest in the amount of \$4,986.74 and \$3,750.00 in attorney fees. As such, this case does not involve a claim for monetary damages exceeding \$25,000.00 as required by MCL 600.8035(1). Moreover, the Court finds that this action does not qualify as a business or commercial dispute as defined by MCL 600.8035(1).

Additionally, circuit court jurisdiction generally involves only claims seeking damages exceeding \$25,000.00. MCL 600.605; MCL 600.8301. The Court of Appeals has held that costs, attorney fees, and interest are not considered when determining the amount in controversy under MCL 600.8301. *Krawczyk v Detroit Auto Inter-Ins Exch*, 117 Mich App 155, 163; 323 NW2d 633 (1982), rev'd in part on other grounds 418 Mich 231, 341 NW2d 110 (1983); *Affiliated Medial of Dearborn v Liberty Mutual Insurance Company*, unpublished opinion per curiam of the Court of Appeals, issued December 23, 2014 (Docket No. 314179). As noted previously, Plaintiff seeks money damages in the amount of \$18,936.34, exclusive of attorney fees, costs, and interest, which falls below both Circuit Court and Business Court jurisdiction.

As a result, the case is hereby DISMISSED without prejudice for lack of jurisdiction.

IT IS SO ORDERED.

May 10, 2016
Date

/s/ James M. Alexander
Hon. James M. Alexander, Circuit Court Judge