

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

**POWERHOUSE LICENSING, LLC
d/b/a POWERHOUSE GYMS INTERNATIONAL,
Plaintiff,**

v.

**Case No. 20-182323-CB
Hon. James M. Alexander**

**SIX PACK FITNESS INC.
d/b/a SIX PACK BAGS,
Defendant.**

OPINION AND ORDER OF DISMISSAL FOR LACK OF JURISDICTION

On July 14, 2020, Plaintiff filed the present Complaint, alleging that Defendant has failed to make payments that are due and owing under the parties' contract. The Court observes that Plaintiff has not filed a Notice of Assignment to the Business Court in this matter.

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).

In this lawsuit, Plaintiff alleges that Defendant currently owes \$20,822.20 as well as \$6,940.73 in attorney fees. While Plaintiff contends that this lawsuit falls within the Court's jurisdiction because Plaintiff's damages exceed more than \$25,000.00, the Court notes that Plaintiff is including the attorney fees as part of its damages claim.

Pursuant to MCL 600.8035(1), "[a] business court has jurisdiction over business or commercial disputes in which equitable or declaratory relief is sought or in which the matter

otherwise meets circuit court jurisdictional requirements.” 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on other grounds 418 Mich 231, 341 NW2d 110 (1983); *Affiliated Medial of Dearborn v Liberty Mutual Insurance Company*, unpublished opinion per curiam of the Court of Appeals, issued December 23, 2014 (Docket No. 314179).

Here, the amount in controversy is less than \$25,000.00 because Plaintiff is seeking damages in the amount of \$20,822.20, plus attorney fees in the amount of \$6,940.73, as well as costs and interest. Accordingly, the Court finds that this matter does not qualify for either Business Court or Circuit Court jurisdiction.

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

IT IS SO ORDERED.

July 21, 2020
Date

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