

STATE OF MICHIGAN
SIXTEENTH JUDICIAL CIRCUIT COURTAZIZ RAHIMZADEH a/k/a
TOM RAHIM,

Plaintiff,

vs.

Case No. 2017-4242-CB

DOCTOR'S ASSOCIATES, INC.
And NIKOLAOS MOSCHOURIS.,Defendants.

OPINION AND ORDER

Defendant Doctor's Associates Inc. ("Defendant DA") has filed a motion to stay proceedings. Plaintiff has filed a response and requests that the motion be denied. In addition, Defendant DA has filed a reply brief and a supplemental brief in support of its motion. Plaintiff has also filed a supplemental brief in support of its response.

I. Factual and Procedural History

Defendant DA is a franchisor of Subway sandwich shops. Defendant Nikolaos Moschouris is one of Defendant DA's local development agents. On or about May 25, 2015, Defendant DA and Plaintiff entered into a franchise agreement that allowed Plaintiff to operate a Subway shop ("Franchise Agreement").

On November 8, 2017, Plaintiff filed his complaint in this matter ("Complaint"). In the Complaint, Plaintiff seeks declaratory relief declaring that Defendants materially breached the Franchise Agreement, thereby relieving him of his obligation to comply with the arbitration agreement within the Franchise Agreement (Count I). In addition,

the Complaint contains a claim for Breach of Contract (Count II), based upon the Franchise Agreement. Further, the Complaint contains claims for Specific Performance (Count III), Unjust Enrichment (Count IV), and Tortious Interference with a Business Expectancy (Count V).

On December 20, 2017, Defendant DA filed a petition to compel arbitration pursuant to 9 USC §4 in the Connecticut Federal District Court.

On December 28, 2017, Defendant DA filed its instant motion to stay this matter. On January 31, 2018, Plaintiff filed his response. On February 2, 2018, Defendant DA filed its reply brief. The parties have each submitted a supplemental brief in support of their respective positions. On February 22, 2018, the Court held a hearing in connection with the motion and took the matter under advisement.

III. Arguments and Analysis

Having reviewed the parties' pleadings, the Court is satisfied that a temporary stay is appropriate in this case. Defendant DA has filed a petition in the Connecticut Federal District Court to compel arbitration of the claims brought in this case. While Plaintiff contends that Defendant DA should not have filed its petition in Connecticut Federal District Court, the appropriateness of Defendant DA's action will be determined by that Court. The sole question currently before this Court is whether the facts and circumstances presented in this case warrant a temporary stay. The issue before the district court is narrow and Defendant DA has represented to the Court that a determination of that issue will likely be made within the next 90 days. If this matter is ultimately compelled to arbitration, the time and effort of both this Court and these parties will have been for naught. Accordingly, the Court is convinced that the interest

of judicial economy, as well as the financial interests of the parties, are best served by staying this matter for 90 days to allow the district court to resolve Defendant DA's motion to compel arbitration. However, the Court is also persuaded that a status conference should be scheduled shortly before the stay elapses to provide an opportunity for the parties to update this Court on the proceedings before the district court in the event that case has not been resolved.

IV. Conclusion

Based upon the reasons set forth above, Defendant Doctor's Associates, Inc.'s motion to stay this matter is GRANTED. This matter is hereby STAYED for 90 days. A status conference is scheduled for May 31, 2018 @ 8:30 am. In compliance with MCR 2.602(A)(3), the Court states this Opinion and Order neither resolves the last claim nor closes the case.

IT IS SO ORDERED.

Date: MAR 16 2018

Kathryn A. Viviano
Hon. Kathryn A. Viviano, Circuit Court Judge