

# Cheap escape v. haddox and tessman



**Brief: Cheap Escape v. Haddox and Tessman Parties** The parties are Cheap Escape Company, inc., D. B. A. JB Dollar Stretcher (Appellant) v. Haddox, L. L. C.; Tessman (Appellee). **Facts** Cheap Escape (publishes a magazine) entered into two contractual agreements to provide business ads for Haddix (construction company) and Tessman (signed guarantor). Haddix and Tessman allegedly defaulted on the Agreements. The Agreements contained a litigation forum selection clause in preference of Franklin County Municipal Court, although the relevant events did not occur in Franklin County (Cheap Escape Co., Inc. v. Haddox, L. L. C., 2008, p. 1). **Prior Proceedings** This case was brought before the Franklin County Municipal Court, State of Ohio. The municipal court awarded a default judgment, in favor of Cheap Escape. The municipal court denied Tessman's motion to vacate. Tessman appealed. **Judgment** was reversed by the appeals court and remanded for dismissal (p. 1, 2). **Issues Presented or Questions of Law** Does the municipal court have jurisdiction over subject matter when relevant events occurred outside the county (Cheap Escape Co., Inc. v. Haddox, L. L. C., 2008)? **Arguments or Objectives of the Parties** Appellant argues that " the municipal court has subject-matter jurisdiction over any statutorily prescribed action, regardless of where underlying events occurred. Conversely, Appellee argues that the phrase (original jurisdiction within its territory), limits subject-matter jurisdiction to those actions which occurred within the territorial limits of the court" (p. 3). **Holding/Rule of Law** " R. C. 1901. 18(A) limits municipal court subject-matter jurisdiction to actions or proceedings that have a territorial connection to the court" (p. 6). " The parties admittedly did not have territorial connections to the Franklin County Municipal Court", (so) the court lacked subject matter jurisdiction" (p. 6). **Judgment** of the municipal court is <https://assignbuster.com/cheap-escape-v-haddox-and-tessman/>

void for lack of jurisdiction and the holding of the court of appeals is affirmed (p. 6). Rationale “ Within its territory does not refer to areas in which a municipal court may sit”, but to “ types of actions that a court may hear” (p. 4, 5), “ that have a territorial connection to the court” (p. 5). Secondly, R. C. 1901. 19(B) would be unnecessary with an alternate meaning (p. 4). Thirdly, R. C. 1901. 20, would not imply a meaning of territorial connection inconsistent with that used in R. C. 1901. 18 (p. 5). Fourthly, the removal of former R. C. 1901. 19(A)(4) does not suggest an intention to expand jurisdiction, such intention being inconsistent with the statute’s focus on ancillary jurisdictional powers, and neither clarifies the ambiguity nor invalidates the in pari materia review conclusion (p. 6). Conclusion On discretionary appeal, the municipal court judgment was voided and the appeals court judgment was affirmed by the Supreme Court of Ohio. References Cheap Escape Co., Inc. v. Haddox, L. L. C., (2008), 120 Ohio St. 3d 493-Ohio-6323.