

SUPREME COURT OF THE STATE OF NEW YORK, APPELLATE DIVISION,  
FOURTH JUDICIAL DEPARTMENT

**Stonewell Bodies & Machine, Inc. v. All Area Fire & Rescue  
Apparatus Sales, LLC**

Stonewell Bodies & Mach., Inc. v. All Area Fire & Rescue Apparatus Sales, LLC, 2023 NY Slip Op 00564 (App. Div. 2023) · No. 848 CA 21-01254 · Decided February 3, 2023

SUMMARY

The New York Appellate Division, Fourth Department affirmed an order denying the defendant's motion to vacate a default judgment arising from an agreement concerning the manufacture and purchase of emergency service vehicles. The court held that the defendant failed to establish a reasonable excuse for its default based on alleged law office failure and COVID-19-related hardships. Because no reasonable excuse was shown, the court did not address whether the defendant had a potentially meritorious defense.

CASE DETAILS

|                       |                                                                                                                    |
|-----------------------|--------------------------------------------------------------------------------------------------------------------|
| COURT                 | Supreme Court of the State of New York, Appellate Division, Fourth Judicial Department                             |
| WRITING FOR THE COURT | Smith, J.P.; Lindley, J.; Curran, J.; Bannister, J.; Montour, J.                                                   |
| JURISDICTION          | New York                                                                                                           |
| DECIDED               | February 3, 2023                                                                                                   |
| DOCKET                | 848 CA 21-01254                                                                                                    |
| DISPOSITION           | affirmed                                                                                                           |
| PROCEDURAL POSTURE    | Defendant appealed from an order denying its motion to vacate a default judgment.                                  |
| STANDARD OF REVIEW    | The denial of a motion to vacate a default judgment is reviewed for abuse of discretion.                           |
| PRECEDENTIAL VALUE    | Published New York Appellate Division memorandum; precedential within the applicable New York appellate hierarchy. |
| PARTIES               | All Area Fire & Rescue Apparatus Sales, LLC v. Stonewell Bodies & Machine, Inc.                                    |

TOPICS

default judgment

default

civil procedure

appellate procedure

breach of contract

## PRACTICE AREAS

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## QUESTIONS PRESENTED

1. Whether defendant established a reasonable excuse for its failure to appear sufficient to vacate the default judgment under CPLR 2005 and 5015(a)(1).
2. Whether Executive Order 202.8 supplied a relevant basis for excusing or tolling defendant's failure to appear.
3. Whether the denial of defendant's motion to vacate the default judgment constituted an abuse of discretion.

## HOLDINGS

1. Defendant failed to establish a reasonable excuse for its failure to appear because its attorney offered only vague claims concerning pandemic-related hardships and law office failure.
2. Executive Order 202.8 did not provide a relevant excuse because it was issued after the deadline for defendant to appear had passed.
3. Because defendant failed to establish a reasonable excuse for the default, the court did not need to consider whether defendant had a potentially meritorious defense.

## KEY QUOTATIONS

*"In determining whether to vacate an order entered on default, the court should consider relevant factors, such as the extent of the delay, prejudice or lack of prejudice to the opposing party, whether there has been willfulness, and the strong public policy in favor of resolving cases on the merits"* ([\*1])

*"[W]hile CPLR 2005 allows courts to excuse a default due to law office failure, it was not the Legislature's intent to routinely excuse such defaults, and mere neglect will not be accepted as a reasonable excuse"* ([\*1])

## FACTUAL BACKGROUND

The parties entered into an agreement concerning the manufacture and purchase of three emergency service vehicles. Plaintiff sued for damages based in part on defendant's alleged breach of that agreement. Defendant failed to appear before the deadline, resulting in entry of a default judgment. Defendant later attributed the failure to appear to law office difficulties and hardships related to the COVID-19 pandemic.

## PROCEDURAL HISTORY

Plaintiff commenced an action for damages arising from defendant's alleged breach of an agreement concerning the manufacture and purchase of three emergency service vehicles. Defendant failed to appear, and a default judgment was entered. Defendant moved to vacate the default judgment, but the Supreme Court, Cayuga County, denied the motion. The Appellate Division affirmed.

## DISPOSITION

affirmed

## CASES CITED

- Butchello v. Terhaar, 176 A.D.3d 1579, 1580-1581 (4th Dep't 2019)
- Wells Fargo Bank, N.A. v. Dysinger, 149 A.D.3d 1551, 1552 (4th Dep't 2017)
- Calaci v. Allied Interstate, Inc., 108 A.D.3d 1127, 1128 (4th Dep't 2013)
- Vogt v. Eberhardt, 163 A.D.3d 1514, 1515 (4th Dep't 2018), lv dismissed, 32 N.Y.3d 1091 (2018)
- Wilmington Sav. Fund Soc'y, FSB v. Rodriguez, 197 A.D.3d 784, 786 (2d Dep't 2021)
- Matter of Maziarz v. Western Regional Off-Track Betting Corp., 207 A.D.3d 1065, 1065-1066 (4th Dep't 2022)
- Little v. Steelcase, Inc., 206 A.D.3d 1597, 1599-1600 (4th Dep't 2022)
- Brehm v. Patton, 55 A.D.3d 1362, 1363 (4th Dep't 2008)
- City of Utica v. Mallette, 200 A.D.3d 1614, 1616-1617 (4th Dep't 2021)

## OPINION

### PER CURIAM.

Stonewell Bodies & Mach., Inc. v All Area Fire & Rescue Apparatus Sales, LLC (2023 NY Slip Op 00564) Stonewell Bodies & Mach., Inc. v All Area Fire & Rescue Apparatus Sales, LLC 2023 NY Slip Op 00564 Decided on February 3, 2023 Appellate Division, Fourth Department Published by New York State Law Reporting Bureau pursuant to Judiciary Law § 431. This opinion is uncorrected and subject to revision before publication in the Official Reports.

Decided on February 3, 2023 SUPREME COURT OF THE STATE OF NEW YORK Appellate Division, Fourth Judicial Department PRESENT: SMITH, J.P., LINDLEY, CURRAN, BANNISTER, AND MONTOUR, JJ. 848 CA 21-01254 [\*1]STONEWELL BODIES & MACHINE, INC., PLAINTIFF-RESPONDENT, vALL AREA FIRE & RESCUE APPARATUS SALES, LLC, DEFENDANT-APPELLANT. JAMES F. MISIANO, P.C., BRENTWOOD (JAMES F. MISIANO OF COUNSEL), FOR DEFENDANT-APPELLANT.

THE CROSSMORE LAW OFFICE, ITHACA (MARISSA A. JOHNSON OF COUNSEL), FOR PLAINTIFF-RESPONDENT. Appeal from an order of the Supreme Court, Cayuga County (Thomas G. Leone, A.J.), entered August 4, 2021. The order denied the motion of defendant to vacate a default judgment. It is hereby ORDERED that the order so appealed from is unanimously affirmed without costs.

Memorandum: Plaintiff and defendant entered into an agreement relating to the manufacture and purchase of three emergency service vehicles. Plaintiff commenced this action seeking damages

for, inter alia, defendant's alleged breach of the agreement. Defendant failed to appear in the action and a default judgment was entered against it. Defendant moved to vacate the default judgment and now appeals from an order that denied its motion.

We affirm. We conclude that Supreme Court did not abuse its discretion in denying defendant's motion. To establish an excusable default under CPLR 2005 and 5015 (a) (1), defendant was required to establish a reasonable excuse for the default as well as a meritorious defense to the action (see *Butchello v Terhaar*, 176 AD3d 1579, 1580 [4th Dept 2019]; *Wells Fargo Bank, N.A. v Dysinger*, 149 AD3d 1551, 1552 [4th Dept 2017]).

"In determining whether to vacate an order entered on default, the court should consider relevant factors, such as the extent of the delay, prejudice or lack of prejudice to the opposing party, whether there has been willfulness, and the strong public policy in favor of resolving cases on the merits" (*Calaci v Allied Interstate, Inc.*, 108 AD3d 1127, 1128 [4th Dept 2013] [internal quotation marks omitted]).

The decision to grant or deny a motion to vacate a default judgment lies within the sound discretion of the court (see *Vogt v Eberhardt*, 163 AD3d 1514, 1515 [4th Dept 2018], lv dismissed 32 NY3d 1091 [2018]). Here, defendant asserted on the motion to vacate the default that the failure to appear in the action was due to law office failure. "[W]hile CPLR 2005 allows courts to excuse a default due to law office failure, it was not the Legislature's intent to routinely excuse such defaults, and mere neglect will not be accepted as a reasonable excuse" (*Wilmington Sav.*

*Fund Socy., FSB v Rodriguez*, 197 AD3d 784, 786 [2d Dept 2021]). In support of its motion, defendant submitted the affirmation of its attorney who stated that an answer was not filed due to hardships related to the COVID-19 pandemic and in light of Executive Order [A. Cuomo] 202.8 (9 NYCRR 8.202.8) (Executive Order 202.8), issued in response to the pandemic, which affected court filings and in-person workforce.

However, even assuming *arguendo* that Executive Order 202.8 tolled a defendant's time to answer (cf. generally *Matter of Maziarz v Western Regional Off-Track Betting Corp.*, 207 AD3d 1065, 1065-1066 [4th Dept 2022]; *Little v Steelcase, Inc.*, 206 AD3d 1597, 1599-1600 [4th Dept 2022]), it has no relevance to the delay here because it was not issued [\*2]until after the deadline for appearing in the action had passed.

Further, defendant's attorney submitted only vague claims that hardships related to the pandemic resulted in defendant's not being able to appear in the action before the deadline (see generally *Brehm v Patton*, 55 AD3d 1362, 1363 [4th Dept 2008]).

We thus conclude that defendant presented insufficient evidence of the events surrounding the default and failed to establish a reasonable excuse for the default based on law office failure (see generally *id.*). In light of that conclusion, we need not consider whether defendant established a

potentially meritorious defense (see *City of Utica v Mallette*, 200 AD3d 1614, 1616-1617 [4th Dept 2021]; *Butchello*, 176 AD3d at 1581).

We have reviewed defendant's remaining contention and conclude that it does not warrant modification or reversal of the order. Entered: February 3, 2023 Ann Dillon Flynn Clerk of the Court

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