

SUPREME COURT OF ALABAMA

Clanton v. Tahsin Industrial Corp., U.S.A.

4 So. 3d 1121 (Ala. 2008) · Decided August 22, 2008

SUMMARY

The Alabama Supreme Court denied Tahsin Industrial Corporation’s petition for a writ of mandamus seeking to reinstate a defense asserting that Alabama’s Sales Representative’s Commission Contracts Act applied only to transactions or shipments within Alabama. The court held that the circuit court had subject-matter jurisdiction over the breach-of-contract action and that any error concerning the statute’s application or extraterritorial effect could be reviewed on appeal from a final judgment.

CASE DETAILS

COURT	Supreme Court of Alabama
WRITING FOR THE COURT	Lyons, Justice; Cobb, C.J.; See, J.; Woodall, J.; Stuart, J.; Smith, J.; Bolin, J.; Parker, J.; Murdock, J.; Lyons, J.
JURISDICTION	Alabama
DECIDED	August 22, 2008
DISPOSITION	writ_denied
PROCEDURAL POSTURE	Tahsin petitioned the Supreme Court of Alabama for a writ of mandamus directing the Jefferson Circuit Court to vacate an order striking Tahsin's fifth defense concerning the territorial application of Alabama's Sales Representative's Commission Contracts Act and to reinstate that defense.
STANDARD OF REVIEW	Mandamus requires a clear legal right to the requested relief. The Supreme Court considered de novo whether the circuit court lacked subject-matter jurisdiction and whether mandamus was an appropriate remedy for the challenged interlocutory order.
PRECEDENTIAL VALUE	Published Alabama Supreme Court opinion; precedential.
PARTIES	Tahsin Industrial Corporation, U.S.A. v. John W. Clanton

TOPICS

- writ of certiorari
- subject matter jurisdiction
- affirmative defenses
- appellate procedure
- contracts

PRACTICE AREAS

QUESTIONS PRESENTED

1. Whether mandamus was available to review the circuit court's order striking Tahsin's affirmative defense concerning the territorial application of the Sales Representative's Commission Contracts Act.
2. Whether the alleged extraterritorial application of the Commission Act deprived the Alabama circuit court of subject-matter jurisdiction.
3. Whether the asserted limitation on the damages recoverable under the Commission Act was an issue requiring correction by mandamus or instead an issue reviewable on appeal from a final judgment.

HOLDINGS

1. Mandamus relief was unavailable on the asserted affirmative-defense theory because Tahsin's defense, even if successful, would only partially avoid judgment and would not be determinative of the action.
2. The Alabama circuit court had subject-matter jurisdiction over Clanton's breach-of-contract action, including the dispute concerning damages under the Commission Act.
3. If the trial court erroneously rejects the contention that the United States Constitution prevents an award of a particular form of damages authorized by state statute, the remedy is an appeal from the final judgment rather than mandamus.

KEY QUOTATIONS

“*Subject-matter jurisdiction concerns a court’s power to decide certain types of cases.*” (4 So. 3d at 1124)

“*If a trial court erroneously rejects a contention that the United States Constitution requires it to refrain from awarding a certain form of damages, notwithstanding a state statute authorizing such damages, the remedy is appeal from the final judgment.*” (4 So. 3d at 1124)

FACTUAL BACKGROUND

Tahsin, a New Jersey corporation, entered into a sales-representation agreement with Alabama resident John W. Clanton in 1996. Clanton was assigned Alabama and sixteen other states and was entitled to commissions on sales to customers in the assigned territory. Clanton alleged that Tahsin made direct sales and used other representatives within his territory while failing to provide required invoices and commissions, and he sought treble damages and attorney fees under Alabama's Sales Representative's Commission Contracts Act.

PROCEDURAL HISTORY

Clanton sued Tahsin in the Jefferson Circuit Court for breach of a sales-representation agreement and sought treble damages and attorney fees under the Sales Representative's Commission Contracts Act. Tahsin asserted that the Act applied only to commissions arising from transactions or shipments within Alabama. The circuit court struck that defense, and Tahsin sought mandamus relief in the Supreme Court of Alabama. The Supreme Court denied the petition.

DISPOSITION

writ_denied

CASES CITED

- Ex parte Buffalo Rock Co., 941 So. 2d 273, 277 (Ala. 2006)
- Ex parte Wilson, 984 So. 2d 1161, 1172 (Ala. 2007)
- Ex parte Employers Mutual Casualty Co., 845 So. 2d 773, 776 (Ala. 2002)
- Ex parte Davidson, 782 So. 2d 287 (Ala. 2000)
- Ex parte Alabama Department of Mental Health, 837 So. 2d 808, 810-811 (Ala. 2002)
- Ex parte Fluor Contractors International, 772 So. 2d 1157, 1159-1160 (Ala. 2000)
- Ex parte Blankenship, 893 So. 2d 303, 307 (Ala. 2004)
- Ex parte Punturo, 928 So. 2d 1030, 1035 (Ala. 2002)
- Ex parte Seymour, 946 So. 2d 536, 538 (Ala. 2006)
- Rose v. Delaney, 576 So. 2d 232, 233 (Ala. 1991)