

FLORIDA FIFTH DISTRICT COURT OF APPEAL

AP Atlantic, Inc. v. Silver Creek St. Augustine, LLLP

266 So. 3d 865 (Fla. 5th DCA 2019) · Decided March 15, 2019

SUMMARY

The Florida Fifth District Court of Appeal held that a non-signatory to a construction contract may enforce the contract's arbitration provision when a signatory asserts claims against the non-signatory that arise directly from the contract. The court reversed the denial of the motion to compel arbitration and remanded with directions to grant the motion.

CASE DETAILS

COURT	Florida Fifth District Court of Appeal
WRITING FOR THE COURT	Evander, C.J.; Eisnaugle, J.; Harris, J.
JURISDICTION	Florida
DECIDED	March 15, 2019
DISPOSITION	reversed_and_remanded
PROCEDURAL POSTURE	AP Atlantic, Inc., a nonsignatory to a construction contract, appealed the denial of its motion to compel arbitration.
PRECEDENTIAL VALUE	precedential
PARTIES	AP Atlantic, Inc. v. Silver Creek St. Augustine, LLLP

TOPICS

arbitration

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PRACTICE AREAS

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QUESTIONS PRESENTED

1. Whether a nonsignatory to a construction contract may enforce the contract's arbitration provision when a signatory asserts claims against the nonsignatory that arise directly from the contract.

HOLDINGS

1. A nonsignatory to a contract may enforce the contract's arbitration provision against a signatory when the signatory's claims against the nonsignatory relate directly to the contract and rely on the contract.

KEY QUOTATIONS

"We reverse because a non-signatory may enforce an arbitration provision when a signatory makes a claim against the non-signatory that arises out of the contract." (865-66)

"However, an exception to this rule is "when the claims relate directly to the contract and the signatory is relying on the contract to assert its claims against the non-signatory."" (865)

FACTUAL BACKGROUND

Silver Creek St. Augustine, LLLP, and AP Gulf States, Inc., an affiliate of AP Atlantic, Inc., signed a construction contract containing an arbitration provision. AP Atlantic was not a signatory to the contract. Silver Creek asserted claims against AP Atlantic that directly concerned performance and payment under the contract.

PROCEDURAL HISTORY

Silver Creek, a signatory to the construction contract, asserted claims against AP Atlantic relating directly to performance and payment under the contract. The trial court denied AP Atlantic's motion to compel arbitration on the ground that the arbitration provision did not apply to nonsignatories. The Fifth District Court of Appeal reversed and remanded with directions to grant the motion.

DISPOSITION

reversed_and_remanded

REMAND INSTRUCTIONS

The trial court was directed to grant AP Atlantic's motion to compel arbitration.

CASES CITED

- Koechli v. BIP Int'l, Inc., 870 So. 2d 940 (Fla. 1st DCA 2004)
- Roman v. Atl. Coast Constr. & Dev., Inc., 44 So. 3d 222 (Fla. 4th DCA 2010)
- Cuningham Hamilton Quiter, P.A. v. B.L. of Miami, Inc., 776 So. 2d 940 (Fla. 3d DCA 2000)