

SUPREME COURT OF IDAHO

L & W Supply Corporation d.b.a. Gem State Acoustical & Drywall Supply v. The Chartrand Family Trust; Total American, Inc.; and Does I Through Z

40 P.3d 96, 136 Idaho 738 (2002) · No. No. 26541 · Decided January 17, 2002

SUMMARY

The Idaho Supreme Court held that a materials supplier was too remote from the property owner to assert a materialman's lien under Idaho Code section 45-501 because the intermediary supplier was neither a subcontractor nor an agent of the owner. The court affirmed summary judgment invalidating the lien, upheld the denial of attorney fees, and reversed the denial of taxable costs to the prevailing property owner. The case was remanded to determine the amount of costs, with costs awarded to the respondent on appeal and no appellate attorney fees.

CASE DETAILS

COURT	Supreme Court of Idaho
WRITING FOR THE COURT	Kidwell; Trout; Schroeder; Walters; Eismann
JURISDICTION	Idaho
DECIDED	January 17, 2002
DOCKET	No. 26541
DISPOSITION	reversed_and_remanded
PROCEDURAL POSTURE	Appeal from summary judgment dismissing a materialman's-lien foreclosure claim and cross-appeal from the denial of attorney fees and costs.
STANDARD OF REVIEW	The Court applies the same standard as the district court on summary judgment. When both parties move for summary judgment on the same facts and theories and the matter is to be tried to the court, the trial court may resolve conflicting inferences; review of that resolution is limited to whether the record supports the findings. Statutory interpretation and application are reviewed freely. Prevailing-party determinations are reviewed for abuse of discretion.
PRECEDENTIAL VALUE	Published Idaho Supreme Court opinion; precedential

PARTIES

L & W Supply Corporation d.b.a. Gem State Acoustical & Drywall Supply v. The Chartrand Family Trust, Total American, Inc., Does I Through Z

TOPICS

mechanics liens

construction law

summary judgment

attorney fees

costs

PRACTICE AREAS

construction law

real estate

civil procedure

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remedies

QUESTIONS PRESENTED

1. Whether Gem State was sufficiently connected to the owner or general contractor under Idaho Code section 45-501 to assert a materialman's lien.
2. Whether the open account doctrine independently supported Gem State's lien claim.
3. Whether the Court needed to decide whether Total American's tender of payment extinguished an otherwise valid lien.
4. Whether Chartrand was the prevailing party for purposes of trial costs and attorney fees.
5. Whether Chartrand was entitled to attorney fees under Idaho Code sections 45-513 or 12-120.
6. Whether Chartrand was entitled to attorney fees on appeal under Idaho Code section 12-120(1).

HOLDINGS

1. A supplier that is too remote from the property owner and that furnishes materials to a supplier rather than to an owner, agent, general contractor, or qualifying subcontractor cannot utilize Idaho's materialman's-lien statute. Total American was neither a subcontractor nor an agent of Chartrand, so Gem State's lien was invalid.
2. The open account doctrine is a defense that may bar a lien when labor or materials are furnished in reliance exclusively on the requesting contractor's general credit; it does not independently establish a lien when the doctrine is inapplicable.
3. As the prevailing party, Chartrand was entitled as a matter of right to recover allowable trial costs under Idaho Rule of Civil Procedure 54(d)(1).
4. Chartrand was not entitled to attorney fees under Idaho Code section 45-513 or section 12-120(1) or (3).
5. Chartrand was not entitled to attorney fees on appeal under Idaho Code section 12-120(1) for the same reasons fees were unavailable at trial.

KEY QUOTATIONS

“The doctrine does not provide an independent basis for a creditor to assert a lien; rather, it is a defense to be asserted by a lien debtor.” (40 P.3d at 103)

“The gravamen was the in rem enforcement of a statutory claim” (40 P.3d at 105)

FACTUAL BACKGROUND

Chartrand hired a general contractor to build a steel-frame home. The general contractor engaged Total American to prepare a steel framing package and supply materials, and Total American ordered the materials from Gem State, which obtained them from Knorr Steel and had them delivered to the construction site. Total American performed no on-site construction, did not fabricate or handle the materials, and supplied standard components that were incorporated into the house. After Total American failed to pay Gem State, Gem State filed a materialman's lien and sought to foreclose it.

PROCEDURAL HISTORY

Gem State sued to foreclose a materialman's lien against the Chartrand property. The district court denied the parties' initial cross-motions for summary judgment, later granted Chartrand's motion, declared the lien void, and dismissed Gem State's claim. The district court also denied Chartrand's motion for attorney fees and costs. The Idaho Supreme Court affirmed the summary judgment and denial of attorney fees, reversed the denial of costs, and remanded for determination of the costs to be awarded.

DISPOSITION

reversed_and_remanded

REMAND INSTRUCTIONS

Remanded for the district court to determine the amount of costs to be awarded to Chartrand.

CASES CITED

- Daugharty v. Post Falls Highway Dist., 134 Idaho 731, 9 P.3d 534 (2000)
- Killinger v. Twin Falls Highway Dist., 135 Idaho 322, 17 P.3d 266 (2000)
- Brown v. Perkins, 129 Idaho 189, 923 P.2d 434 (1996)
- Riverside Dev. Co. v. Ritchie, 103 Idaho 515, 650 P.2d 657 (1982)
- Cameron v. Neal, 130 Idaho 898, 950 P.2d 1237 (1997)
- Polk v. Larrabee, 135 Idaho 303, 17 P.3d 247 (2000)
- Great Plains Equip., Inc. v. Northwest Pipeline Corp., 132 Idaho 754, 979 P.2d 627 (1999)
- Pierson v. Sewell, 97 Idaho 38, 539 P.2d 590 (1975)
- Dybvig v. Willis, 59 Idaho 160, 82 P.2d 95 (1938)
- Boone v. P & B Logging Co., 88 Idaho 111, 397 P.2d 31 (1964)
- Hamilton v. Reeder Flying Serv., 135 Idaho 568, 21 P.3d 890 (2001)
- Struhs v. Protection Techs. Inc., 133 Idaho 715, 992 P.2d 164 (1999)
- Williamson v. City of McCall (In re Williamson), 135 Idaho 452, 19 P.3d 766 (2001)
- Acoustic Specialties v. Wright, 103 Idaho 595, 651 P.2d 529 (1982)

- Gem State Lumber Co. v. Witty, 37 Idaho 489, 217 P. 1027 (1923)
- Bouten Constr. Co. v. H.F. Magnuson Co., 133 Idaho 756, 992 P.2d 751 (1999)
- Harrington v. McCarthy, 91 Idaho 307, 420 P.2d 790 (1966)
- Thompson v. Wise Boy Mining and Milling Co., 9 Idaho 363, 74 P. 958 (1903)
- Aberdeen-Springfield Canal Co. v. Peiper, 133 Idaho 82, 982 P.2d 917 (1999)
- Cox v. Mueller, 125 Idaho 734, 874 P.2d 545 (1994)
- Bingham v. Montane Res. Assocs., 133 Idaho 420, 987 P.2d 1035 (1999)
- Shay v. Cesler, 132 Idaho 585, 977 P.2d 199 (1999)

INSTRUCTIONS FOR AN AI ASSISTANT

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