

ARKANSAS COURT OF APPEALS, DIVISION III

Motion Industries, Inc. v. Robert Gilbert, Individually and Doing Business as Ashdown Machine & Supply

Motion Industries, Inc., 2026 Ark. App. 216 (Ark. Ct. App. 2026) · No. CV-25-305 · Decided April 8, 2026

SUMMARY

The Arkansas Court of Appeals reversed and remanded a default judgment involving an unpaid commercial account and a returned check. The court held that prejudgment interest is available when damages are ascertainable by mathematical computation, regardless of whether the claim sounds in contract or tort, and that Arkansas Code Annotated section 4-60-103(b)(1)(A) mandates double damages for a qualifying dishonored check. The circuit court was directed to enter a judgment consistent with those holdings while considering limits on double recovery and prejudgment interest.

CASE DETAILS

COURT	Arkansas Court of Appeals, Division III
WRITING FOR THE COURT	Raymond R. Abramson; Hixson; Murphy
JURISDICTION	Arkansas Court of Appeals, Division III
DECIDED	April 8, 2026
DOCKET	CV-25-305
DISPOSITION	reversed_and_remanded
PROCEDURAL POSTURE	Motion Industries appealed a final judgment entered after a default-judgment hearing in which the circuit court declined to award full statutory double damages for a returned check and prejudgment interest.
STANDARD OF REVIEW	Issues of statutory interpretation are reviewed de novo. Prejudgment-interest entitlement is determined under the rules governing whether damages are definitely ascertainable by mathematical computation.
PRECEDENTIAL VALUE	published Arkansas Court of Appeals opinion
PARTIES	Motion Industries, Inc. v. Robert Gilbert, individually and doing business as Ashdown Machine & Supply

TOPICS

- commercial litigation
- contracts
- damages
- statutory interpretation
- appellate procedure

PRACTICE AREAS

commercial litigation

contracts

remedies

statutory interpretation

appellate procedure

QUESTIONS PRESENTED

1. Whether prejudgment interest was required when the amount owed was ascertainable by mathematical computation, notwithstanding the nature of the underlying claim.
2. Whether Arkansas Code Annotated section 4-60-103(b)(1)(A) requires an award of twice the amount of a qualifying dishonored check when the statutory prerequisites are satisfied.

HOLDINGS

1. Prejudgment interest must be awarded when the damages are definitely ascertainable by mathematical computation or can be computed from evidence without reliance on opinion or discretion; entitlement does not depend on whether the action is characterized as contractual or tortious.
2. When the statutory prerequisites are satisfied, section 4-60-103(b)(1)(A) requires liability for twice the amount of the dishonored check, subject to the statutory minimum; the double-damages amount is not discretionary and the statutory minimum is not a maximum.

KEY QUOTATIONS

“Where prejudgment interest may be collected under the above rules, a party is entitled to it as a matter of law.” (at 3)

“The statute is plain and unambiguous that a person who fails to make restitution for a returned check for insufficient funds is liable for twice the amount of the check.” (at 5)

“The language is not permissive, and it includes a minimum, not a maximum.” (at 5)

FACTUAL BACKGROUND

Motion Industries, an industrial supply distributor, sold maintenance and repair parts to Gilbert after he executed a credit application. Gilbert owed \$24,795.73 for goods and was also responsible for a \$35,721.91 check returned for insufficient funds. Motion mailed a written demand for restitution, but Gilbert did not pay. The circuit court found that Motion complied with the returned-check statute but declined to award full statutory double damages and prejudgment interest.

PROCEDURAL HISTORY

Motion Industries sued Gilbert in the Little River County Circuit Court for claims arising from unpaid goods and a returned check, including statutory returned-check liability, breach of contract, open account, and account stated. After Gilbert failed to answer, the circuit court granted a default judgment but awarded only \$500 in double damages and denied prejudgment interest. The court denied reconsideration, and Motion appealed.

DISPOSITION

reversed_and_remanded

REMAND INSTRUCTIONS

The circuit court must enter a judgment awarding appropriate prejudgment interest under Arkansas Code Annotated section 16-65-114(a) and imposing the statutory double-damages award for the returned check, while considering the law governing double recovery and prejudgment interest.

CASES CITED

- Conway Com. Warehousing, LLC v. FedEx Freight E., Inc., 2011 Ark. App. 51, 381 S.W.3d 94
- Bonds v. Hunt, 2010 Ark. App. 415, 379 S.W.3d 57
- Woodline Motor Freight, Inc. v. Troutman Oil Co., 327 Ark. 448, 938 S.W.2d 565 (1997)
- Travis Lumber Co. v. Deichman, 2009 Ark. 299, 319 S.W.3d 239
- S. Bldg. Servs., Inc. v. City of Fort Smith, 2014 Ark. App. 437, 440 S.W.3d 346
- Ark. Dep't of Fin. & Admin. v. Trotter Ford, Inc., 2024 Ark. 31, 685 S.W.3d 889
- Meadow Lake Farms, Inc. v. Cooper, 360 Ark. 164, 200 S.W.3d 399 (2004)