

SUPREME COURT OF MISSOURI

Moore Automotive Group, Inc. v. Goffstein

301 S.W.3d 49 (Mo. banc 2009) · No. SC 89795 · Decided December 22, 2009

SUMMARY

The Supreme Court of Missouri held that a garnishor's failure to file exceptions to a garnishee's interrogatory answers makes those answers conclusively binding in the garnishment proceeding but does not bind the garnishor in a separate civil action. The court reversed summary judgment for Sandy Goffstein and his law firm in Moore Automotive's claims arising from funds transferred by an embezzling former employee and remanded the case.

CASE DETAILS

COURT	Supreme Court of Missouri
WRITING FOR THE COURT	Patricia Breckenridge; Price, C.J.; Russell, J.; Fischer, J.; Laura Denvir Stith, J.; Richard B. Teitelman, J.; Wolff, J.
JURISDICTION	Missouri
DECIDED	December 22, 2009
DOCKET	SC 89795
DISPOSITION	reversed_and_remanded
PROCEDURAL POSTURE	Moore Automotive appealed a summary judgment entered for Sandy Goffstein and his law firm in Moore Automotive's action asserting conversion, constructive trust, fraud, monies-had-and-received, and civil conspiracy claims. After an opinion by the court of appeals, the Supreme Court of Missouri accepted transfer.
STANDARD OF REVIEW	Summary judgment is reviewed essentially de novo because its propriety is purely an issue of law; the appellate court need not defer to the trial court's order.
PRECEDENTIAL VALUE	Published en banc opinion of the Supreme Court of Missouri; precedential.
PARTIES	Moore Automotive Group, Inc. v. Sandy Goffstein, Goffstein, Raskas, Pomerantz, Kraus & Sherman, LLC

TOPICS

summary judgment

civil procedure

evidence

appellate procedure

commercial litigation

PRACTICE AREAS

Civil procedure

Appellate procedure

Evidence

Commercial litigation

QUESTIONS PRESENTED

1. Whether Rule 90.07(c) and section 525.210 make a garnishor's failure to file exceptions to a garnishee's interrogatory answers conclusively binding in a separate, non-garnishment civil action.
2. Whether the trial court properly granted summary judgment on the basis of Moore Automotive's failure to object to the firm's interrogatory answers in the prior garnishment proceeding.

HOLDINGS

1. Rule 90.07(c) and section 525.210 make the garnishee's answers conclusively binding on the garnishor in the garnishment proceeding, but do not make those answers conclusively binding in a separate non-garnishment action. In the later action, the answers are admissible only as ordinary admissions against interest and may be explained or contradicted.
2. The trial court erred in granting summary judgment based on Moore Automotive's failure to file exceptions in the prior garnishment proceeding.

KEY QUOTATIONS

“Because the provision of Rule 90.07(c), making a garnishee's answers to interrogatories conclusively binding on the garnishor if the garnishor does not file timely exceptions, does not bind a party in a separate non-garnishment proceeding, the trial court's judgment is reversed, and the cause is remanded.” (49)

“Although binding in the garnishment proceeding, Moore Automotive's admission is an admission against interest in the present suit and is not binding on it and may be explained or contradicted by it.” (54-55)

FACTUAL BACKGROUND

Julie Lewis, Moore Automotive's former chief financial officer, embezzled more than \$2 million from the company and transferred \$286,790.17 to Goffstein's law firm after retaining it. Moore Automotive obtained attachment and attempted to garnish the funds, but the firm answered that it possessed no property belonging to Lewis and that the funds were for legal fees and litigation costs. Moore Automotive did not file exceptions to those answers, later obtained no relief in the garnishment proceeding, and then brought a separate civil action against Goffstein and the firm.

PROCEDURAL HISTORY

Moore Automotive previously attempted to garnish funds held by Goffstein's firm and did not file exceptions to the firm's interrogatory answers. In the later civil action, the trial court treated those answers as conclusively binding and granted summary judgment to Goffstein and the firm. The Supreme Court of Missouri reversed and remanded, holding that the answers were binding only in the garnishment proceeding and could be used in the later action only as ordinary admissions against interest.

DISPOSITION

reversed_and_remanded

REMAND INSTRUCTIONS

The cause was remanded for further proceedings because the trial court could not grant summary judgment on the basis that the prior garnishment interrogatory answers were conclusively binding in the present action.

CASES CITED

- ITT Commercial Fin. Corp. v. Mid-Am. Marine Supply Corp., 854 S.W.2d 371 (Mo. banc 1993)
- State ex rel. Eagle Bank and Trust Co. by Roderman v. Corcoran, 659 S.W.2d 775 (Mo. banc 1983)
- Nacy v. Le Page, 111 S.W.2d 25 (Mo. 1937)
- State ex rel. Auchincloss, Parker & Redpath v. Harris, 159 S.W.2d 799 (Mo. 1942)
- Lutsky v. Blue Cross Hosp. Serv., Inc., of Missouri, 695 S.W.2d 870 (Mo. banc 1985)
- Hewitt v. Masters, 406 S.W.2d 60 (Mo. 1966)
- Sebree v. Rosen, 393 S.W.2d 590 (Mo. 1965)
- Munday v. Austin, 218 S.W.2d 624 (Mo. 1949)
- Shervin v. Huntleigh Sec. Corp., 85 S.W.3d 737 (Mo. App. E.D. 2002)
- Kansas City v. Keene Corp., 855 S.W.2d 360 (Mo. banc 1993)
- Barr v. KAMO Electric Corp., 648 S.W.2d 616 (Mo. App. 1983)
- Mitchell Eng'g Co. v. Summit Realty Co., 647 S.W.2d 130 (Mo. App. 1982)
- State ex rel. Bagnell Inv. Co. v. Luten, 647 S.W.2d 539 (Mo. banc 1983)
- State ex rel. Johns v. Kays, 181 S.W.3d 565 (Mo. banc 2006)
- Healthcare Servs. of the Ozarks, Inc. v. Copeland, 198 S.W.3d 604 (Mo. banc 2006)
- Wayland v. Nationsbank, N.A., 46 S.W.3d 21 (Mo. App. 2001)