

COURT OF APPEALS OF MARYLAND

White et ux. v. Friel et al., trading as Friel Lumber Company, 210 Md. 274

123 A.2d 303 (1956) · No. No. 149, October Term, 1955 · Decided June 14, 1956

SUMMARY

The Maryland Court of Appeals reviewed a summary judgment holding a husband and wife personally liable for building materials allegedly sold on an open account. The court held that the evidence created genuine factual questions concerning whether the materials were purchased by the individuals or their corporation and whether the corporation acted as the wife's agent. The judgment was reversed and the case remanded for trial.

CASE DETAILS

COURT	Court of Appeals of Maryland
WRITING FOR THE COURT	Brune, C.J.; Delaplaine, J.; Collins, J.; Henderson, J.; Hammond, J.
JURISDICTION	Maryland
DECIDED	June 14, 1956
DOCKET	No. 149, October Term, 1955
DISPOSITION	reversed_and_remanded
PROCEDURAL POSTURE	Defendants appealed from a summary judgment entered against them in an action to recover the price of building materials allegedly sold to them individually.
STANDARD OF REVIEW	The propriety of summary judgment is reviewed by determining whether there is any genuine dispute as to a material fact and whether the moving party is entitled to judgment as a matter of law. Where undisputed facts support different reasonable inferences, the nonmoving party is entitled to the inference favorable to that party's position, and factual or credibility issues cannot be resolved on summary judgment.
PRECEDENTIAL VALUE	Published opinion of the Court of Appeals of Maryland; precedential.
PARTIES	Elmer J. White, Sr., Augusta M. White v. Friel Lumber Company

TOPICS

summary judgment

civil procedure

standard of review

corporate law

commercial litigation

PRACTICE AREAS

civil procedure

corporate law

commercial litigation

QUESTIONS PRESENTED

1. Whether the plaintiffs' motion and supporting affidavit were sufficient to support summary judgment under the Maryland Summary Judgment Rules.
2. Whether the depositions established, without a genuine dispute of material fact, that the Whites were individually liable for the building materials.
3. Whether the evidence conclusively established that the corporation acted as Augusta White's express or implied agent, or that agency by estoppel applied.

HOLDINGS

1. Summary judgment was improper because the evidence did not conclusively establish whether the husband purchased the materials for himself, for the corporation, or in some other capacity, and the wife's liability depended on unresolved agency questions.
2. When different inferences may reasonably be drawn from undisputed facts, the party against whom the inferences are sought to be drawn is entitled to the inferences more favorable to that party's contentions.
3. Agency by estoppel did not provide a basis for summary judgment because the record showed no action by the alleged principals that could have misled the plaintiffs into believing that a nonexistent agency existed.

KEY QUOTATIONS

"It is essential to the entry of a summary judgment under our Rule 4 that there be no genuine dispute as to any material fact and that the moving party be entitled to judgment as a matter of law." (286)

"The court does not, of course, attempt to decide any issue of fact or of credibility, but only whether such issues exist." (286)

"Thus the proposed procedure is not a substitute for a trial, but only a hearing to decide whether a trial is necessary." (286)

FACTUAL BACKGROUND

Elmer and Augusta White owned a farm as tenants by the entirety and, with their son, owned all stock of the E.J. White Engineering Corporation. Friel Lumber Company supplied materials used in repairing or constructing buildings on the farm, but the account had generally been billed to the corporation. The husband testified that the corporation made the purchases, while the record left uncertain whether he acted individually, for the corporation, or as an agent for his wife. The plaintiffs nevertheless sued both spouses individually and obtained summary judgment.

PROCEDURAL HISTORY

Friel Lumber Company sued the Whites individually on an open account for building supplies. The Circuit Court for Queen Anne's County granted the plaintiffs' motion for summary judgment for \$2,849.71 and costs, relying on the motion papers and the defendants' depositions. The Court of Appeals of Maryland reversed and remanded for trial because the record presented material uncertainties concerning the capacity in which the purchases were made and whether the corporation acted as the wife's agent.

DISPOSITION

reversed_and_remanded

REMAND INSTRUCTIONS

The case was remanded for trial to resolve the factual uncertainties concerning who ordered the materials, in what capacity the orders were made, and whether the corporation acted as Augusta White's agent.

CASES CITED

- Fletcher v. Flournoy, 198 Md. 53, 81 A.2d 232 (1951)
- Frush v. Brooks, 204 Md. 315, 104 A.2d 624 (1954)
- Hamburger v. Standard Lime and Stone Co., 198 Md. 336, 84 A.2d 74 (1951)
- Abuc Trading Corp. v. Jennings, 151 Md. 392, 135 A. 166 (1926)
- Houston v. Monumental Radio, Inc., 158 Md. 292, 148 A. 536 (1930)
- Powers v. Malach, 199 Md. 110, 85 A.2d 478 (1952)
- Twilley v. Bromley, 192 Md. 465, 64 A.2d 553 (1949)
- Bukowitz v. Maryland Lumber Co., 210 Md. 148, 122 A.2d 486 (1956)
- Ramsouer v. Midland Valley R. Co., 135 F.2d 101 (8th Cir. 1943)
- Blakeney v. United Insurance Co., 87 A.2d 532 (D.C. Mun. App. 1952)