DISTRICT COURT OF APPEAL OF FLORIDA, FOURTH DISTRICT

American Financial Trading Corp. v. Bauer

828 So. 2d 1071 (Fla. 4th DCA 2002) · No. No. 4D01-4339 · Decided October 23, 2002

SUMMARY

The Florida Fourth District Court of Appeal reversed the dismissal of a Florida corporation's breach-of-settlement-agreement action against a Texas resident for lack of personal jurisdiction. The court held that the defendant's extensive commodities transactions through Florida businesses constituted substantial business activity and sufficient minimum contacts under Florida's long-arm statute and due process requirements.

CASE DETAILS

COURT	District Court of Appeal of Florida, Fourth District
WRITING FOR THE COURT	Hazouri, J.; Stone, J.; May, J.
JURISDICTION	Florida
DECIDED	October 23, 2002
DOCKET	No. 4D01-4339
DISPOSITION	reversed
PROCEDURAL POSTURE	Appellants sought review of a circuit court order dismissing their breach-of-settlement-agreement action for lack of personal jurisdiction over the nonresident defendant.
STANDARD OF REVIEW	De novo review of a trial court's ruling on a motion to dismiss for lack of personal jurisdiction.
PRECEDENTIAL VALUE	Published Florida Fourth District Court of Appeal opinion
PARTIES	American Financial Trading Corp., National Commodities Corp., Inc. v. Andrew Bauer

TOPICS

personal jurisdiction · civil procedure · breach of contract · commercial litigation · contracts

PRACTICE AREAS

civil procedure · personal jurisdiction · commercial litigation · contracts

QUESTIONS PRESENTED

1. Whether Bauer's Florida business activities were sufficient to subject him to personal jurisdiction under section 48.193(1)(a), Florida Statutes.
2. Whether Bauer's activities constituted substantial and not isolated activity sufficient for general jurisdiction under section 48.193(2), Florida Statutes.
3. Whether exercising personal jurisdiction over Bauer satisfied federal due process requirements.
4. Whether the court needed to decide whether jurisdiction existed under section 48.193(1)(g), Florida Statutes.

HOLDINGS

1. Bauer's activities fell within section 48.193(1)(a) because he engaged the appellants' Florida-based services and initiated and conducted numerous commodities transactions in Florida for pecuniary benefit.
2. Bauer's initiation and maintenance of continuous and systematic business contacts in Florida for pecuniary gain constituted substantial and not isolated activity under section 48.193(2).
3. Exercising personal jurisdiction over Bauer satisfied due process because he purposefully availed himself of the privilege of conducting business in Florida and had sufficient minimum contacts with the state.
4. The court did not reach whether Bauer was subject to personal jurisdiction under section 48.193(1)(g) because jurisdiction was established under sections 48.193(1)(a) and 48.193(2).

KEY QUOTATIONS

> *"The court must first determine whether the party has alleged facts sufficient to fall within the scope of section 48.193, Florida Statutes, and second, whether the federal constitutional due process requirements of minimum contacts have been met."* (828 So. 2d at 1073-74)

> *"Dr. Bauer purposely availed himself of the privilege of carrying on business activities in Florida."* (828 So. 2d at 1074)

> *"The maintenance of this suit does not offend traditional notions of fair play and substantial justice."* (828 So. 2d at 1075)

FACTUAL BACKGROUND

Andrew Bauer, a Texas resident, learned of American Financial Trading Corp. through Texas radio advertisements and contacted the company regarding commodities investments. He entered an account agreement with National Commodities Corp., wired funds to Florida, and initiated more than 120 commodities transactions through the appellants over approximately one year, involving approximately $465,000. After disputes arose, the parties entered into a settlement agreement that American Financial Trading signed in Florida and faxed to Bauer in Texas; the appellants later sued Bauer in Florida for breach of that agreement.

PROCEDURAL HISTORY

Bauer sued American Financial Trading Corp. and National Commodities Corp. in Texas. The appellants then filed a Florida circuit-court action in Broward County alleging that Bauer breached a settlement agreement. Bauer moved to dismiss for lack of personal jurisdiction, and the circuit court granted the motion. The Fourth District Court of Appeal reversed.

DISPOSITION

reversed

REMAND INSTRUCTIONS

The dismissal for lack of personal jurisdiction was reversed. The opinion does not state additional remand instructions.

CASES CITED

- Execu-Tech Bus. Sys., Inc. v. New Oji Paper Co., 752 So. 2d 582 (Fla. 2000)
- Venetian Salami Company v. Parthenais, Venetian Salami Co. v. Parthenais, 554 So. 2d 499 (Fla. 1989)
- Woods v. Nova Co. Belize Ltd., 739 So. 2d 617 (Fla. 4th DCA 1999)
- Bank of Wessington v. Winters Gov't Sec. Corp., 361 So. 2d 757 (Fla. 4th DCA 1978)
- Mears v. Int'l Precious Metals Corp., 421 So. 2d 743 (Fla. 4th DCA 1982)
- Travel Opportunities of Fort Lauderdale, Inc. v. Walter Karl List Mgmt., Inc., 726 So. 2d 313 (Fla. 4th DCA 1999)
- Citicorp Ins. Brokers (Marine), Ltd. v. Charman, 635 So. 2d 79 (Fla. 1st DCA 1994)
- International Shoe Co. v. State of Washington, International Shoe Co. v. Washington, 326 U.S. 310 (1945)
- Georgia Insurers Insolvency Pool v. Brewer, 602 So. 2d 1264 (Fla. 1992)
- Industrial Cas. Ins. Co. v. Consultant Assocs., Inc., 603 So. 2d 1355 (Fla. 3d DCA 1992)