

**STATE OF MICHIGAN
IN THE CIRCUIT COURT FOR THE COUNTY OF OAKLAND
BUSINESS COURT**

TRILLAMED, LLC,
Plaintiff,

Case No. 2024-211158-CB

Hon. Victoria A. Valentine

v.

**MICHAEL KAVANAUGH,
WILLIAM TICE,
CHARLES (CHAD) SUDLOW,
AIRBORNE MEDICAL, LLC,**
an Alabama limited liability company, and
AIRBORNE MEDICAL, LLC,
a Wyoming limited liability company,
Defendants.

and

MICHAEL KAVANAUGH,
Counter-Plaintiff,

v

**TRILLAMED, LLC,
FRANK CAMPANARO, and
MARTIN SUDZ,**
Counter-Defendants.

**OPINION AND ORDER REGARDING DEFENDANTS'
MOTION FOR SUMMARY DISPOSITION UNDER MCR 2.116(C)(1)**

At a session of said Court held on
the 13th day of May 2025
in the County of Oakland, State of Michigan
PRESENT: HON. VICTORIA A. VALENTINE

This matter is before the Court on Defendants' Motion for Summary Disposition under MCR 2.116(C)(1). This Court has reviewed the pleadings as well as the motion, response, and reply brief. Oral argument was held on the motion.

FACTUAL OVERVIEW

Trillamed, LLC (“Trillamed”) is a certified service-disabled veteran-owned small business that is a contractor for the U.S. Government. Trillamed is a Michigan limited liability company that was formed in 2008. It provides healthcare products and services to federal agencies by supplying premier medical equipment and supplies through the robust partnerships it has established with original equipment manufacturers and medical vendors and suppliers.

Defendants William Tice (“Tice”), Charles Sudlow (“Sudlow”), Airborne Medical, LLC, an Alabama limited liability company (“Alabama Airborne”), and Airborne Medical, LLC, a Wyoming limited liability company (“Wyoming Airborne”), have filed for summary disposition under MCR 2.116(C)(1), arguing that this Court does not have personal jurisdiction over the moving Defendants.

Defendant Tice is part-owner of a company called Integrity Medical Capital (Affidavit, ¶ 4, Exhibit 1 to Response). Tice consulted with Trillamed regarding packaging medical equipment leases for Trillamed’s benefit. Tice was never an employee of Trillamed (*Id.* ¶ 3). Defendant Tice does not do business in Michigan, does not own property in Michigan, and has never traveled to Michigan (except for a possible layover during a flight). *Id.*, ¶ 4, 5.

Defendant Sudlow was the Director of Clinical Sales for Trillamed from April 2017 through June 2024. Sudlow worked from his home in Tennessee and attended meetings in Michigan on two occasions.

Defendant Alabama Airborne is an Alabama limited liability company that was formed in 2009 (Affidavit, ¶ 4, Exhibit 3 to Response). Alabama Airborne alleges that it has not operated for more than six years and has no property, assets, or business in Michigan (*Id.*, ¶ 5).

Defendant Wyoming Airborne is a Wyoming limited liability company formed in 2019 (Affidavit, ¶ 5, Exhibit 4 to Response). Wyoming Airborne has no property, assets, or business in Michigan (*Id.*, ¶ 5).

STANDARD OF REVIEW

Summary disposition may be granted where “[t]he court lacks jurisdiction over the person or property.” MCR 2.116(C)(1). A motion for summary disposition based on the lack of personal jurisdiction is resolved based on the pleadings and the evidence, including affidavits. *Lease Acceptance Corp v Adams*, 272 Mich App 209, 218 (2006). “The plaintiff bears the burden of establishing [personal] jurisdiction over the defendant[.]” *Yoost v Caspari*, 295 Mich App 209, 221 (2012) (citations and quotation marks omitted); *Lease Acceptance Corp*, 272 Mich App at 218. To succeed against a pretrial motion to dismiss for lack of personal jurisdiction, a plaintiff need only make a *prima facie* showing. *Yoost v Caspari*, 295 Mich App at 221. “The plaintiff’s complaint must be accepted as true unless specifically contradicted by affidavits or other evidence submitted by the parties.” *Id.* “[W]hen allegations in the pleadings are contradicted by documentary evidence, the plaintiff . . . must produce admissible evidence of his or her *prima facie* case establishing jurisdiction.” *Id.* (emphasis added).

ANALYSIS

At issue is whether under Michigan’s long arm statute, this Court has limited personal jurisdiction over each of the Moving Defendants, none of whom are Michigan residents. Limited personal jurisdiction “involves a two-fold inquiry: (1) does defendant’s acts fall within the applicable long-arm statute, and (2) does the exercise of jurisdiction over defendant comport with the requirements of due process.” *W. H Froh, Inc v Domanski*, 252 Mich App 220, 226 (2002). “Both prongs of this analysis must be satisfied for a Michigan court to properly

exercise limited personal jurisdiction over a nonresident.” *Yoost v Caspari*, 295 Mich App at 222. In its analysis, the Court must keep in mind that Plaintiff “bears the burden of establishing jurisdiction over” Defendants, but Plaintiff “need only make a prima facie showing of jurisdiction to defeat a motion for summary disposition.” *WH Froh*, 252 Mich App at 226.

1st Prong- Long Arm Statute

This Court has limited jurisdiction over individuals where any of the following relationships exist between an individual and the state and may render personal judgments against an individual arising out of an act that creates any of the following relationships:

- (1) The transaction of any business within the state.
- (2) The doing or causing an act to be done, or consequences to occur, in the state resulting in an action for tort.
- (3) The ownership, use, or possession of real or tangible personal property situated within the state.
- (4) Contracting to insure a person, property, or risk located within this state at the time of contracting.
- (5) Entering into a contract for services to be rendered or for materials to be furnished in the state by the defendant.
- (6) Acting as a director, manager, trustee, or other officer of a corporation incorporated under the laws of, or having its principal place of business within this state.
- (7) Maintaining a domicile in this state while subject to a marital or family relationship which is the basis of the claim for divorce, alimony, separate maintenance, property settlement, child support, or child custody.

MCL 600.705.

Trillamed alleges sections (1) and (2) are applicable to Defendant Sudlow, and section (2) is applicable to Defendant Tice.

Similarly, this Court has limited jurisdiction over corporations where any of the following relationships exist between the corporation and the state and may render personal judgments against the corporation arising out of an act that creates any of the following relationships:

- (1) The transaction of any business within the state.
- (2) The doing or causing any act to be done, or consequences to occur, in the state resulting in an action for tort.
- (3) The ownership, use, or possession of any real or tangible personal property situated within the state.
- (4) Contracting to insure any person, property, or risk located within this state at the time of contracting. MCL 600.715.
- (5) Entering into a contract for services to be performed or for materials to be furnished in the state by the defendant.

MCL 600.715.

Trillamed alleges that both Alabama Airborne and Wyoming Airborne are subject to this Court's jurisdiction under subsection (2).

Subsections (1) and (2) under MCL 600.705 and MCL 600.715 have been analyzed and interpreted in the same manner. For example, when interpreting MCL 600.705, the Court in *Oberlies v Searchmont Resort, Inc*, 246 Mich App 424, 430 (2001) relied upon the holding in *Sifers v Horen*, 385 Mich. 195, 199, n. 2 (1971), which was analyzing the similar subsection in MCL 600.715.

Transacting Business

Plaintiff alleges that Defendant Sudlow is subject to this Court's jurisdiction because he transacted business in the state.

In *Oberlies v Searchmont Resort, Inc*, 246 Mich App 424, 430 (2001), the Court of Appeals found that under the purview of MCL 600.715(1), "[t]he phrase 'transaction of any business' is not defined in the statute. Therefore, it is proper to rely on dictionary definitions in determining the meaning of that provision. 'Transact' is defined as 'to carry on or conduct (business, negotiations, etc.) to a conclusion or settlement.' *Random House Webster's College Dictionary* (1997). 'Business' is defined as "an occupation, profession, or trade ... the purchase and sale of goods in an attempt to make a profit.' *Id.*" (internal citations omitted).

The Michigan Supreme Court has given that phrase 'transaction of any business' a broad

interpretation, stating that “use of the word ‘any’ to define the amount of business that must be transacted establishes that even the slightest transaction is sufficient to bring a corporation within Michigan's long-arm jurisdiction. *See, Sifers v Horen*, 385 Mich. 195, 199, n. 2 (1971) (stating that M.C.L. § 600.715(1) refers to ‘each’ and ‘every’ business transaction and contemplates even ‘the slightest’ act of business in Michigan), and *Viches v MLT, Inc.*, 127 F Supp2d 828, 830 (ED Mich, 2000) (Judge Paul Gadola stating: ‘The standard for deciding whether a party has transacted any business under § 600.715[1] is extraordinarily easy to meet. ‘The only real limitation placed on this long arm statute is the due process clause.’” [citation omitted]). *Oberlies*, 246 Mich App at 430. The court in *Oberlies* concluded that a “nonresident corporation’s advertising by itself can constitute the ‘transaction of any business’” required under the statute. *Id.* at 431.

Defendant Sudlow is a resident of Tennessee who worked for Trillamed through June 2024. Trillamed is a Michigan limited liability company. By his own admission, Sudlow came to Michigan for business at least twice. Sudlow argues that he has no employment contract, and therefore, his employment with a Michigan company does not mean he conducts business in Michigan. Sudlow does not provide any authority to support his position. As an employee of a company based in Michigan, subject to the due process requirements discussed below, Sudlow transacts business in Michigan sufficient to satisfy the requirements of the statute.

Causing Consequences to Occur in Michigan

Trillamed alleges that Defendants Sudlow, Tice, Alabama Airborne and Wyoming Airborne, are all subject to this Court’s jurisdiction under subsection (2), causing consequences to occur in the state resulting in an action for tort. Trillamed alleges that the Moving Defendants conspired with Defendant Kavanaugh to Trillamed’s detriment.

Under the “conspiracy theory” of limited personal jurisdiction, an out-of-state conspirator

may nevertheless be subject to the jurisdiction of the forum state based upon the acts of a coconspirator committed there. *Yoost v Caspari*, 295 Mich App 209, 224-225 (2012), citing *Chrysler Corp v Fedders Corp*, 643 F2d 1229, 1236-1237 (CA 6, 1981). The court's rationale for this rule is that when one member of a conspiracy "inflicts an actionable wrong in one jurisdiction, the other member should not be allowed to escape being sued there by hiding in another jurisdiction." *Id.*, citing *Stauffacher v Bennett*, 969 F2d 455, 459 (CA 7, 1992). "But mere allegations that a conspiracy exists between the defendant and another over whom the court has jurisdiction are insufficient." *Id.* at 225. Rather, if conspiracy is denied by the out-of-state defendant, evidence or facts must support the allegations to establish jurisdiction. *Id.* at 225, citing *Chrysler Corp*, 643 F2d at 1236-1237; *Ecclesiastical Order of the Ism of Am, Inc v Chasin*, 845 F.2d 113, 116 (CA 6, 1988), and *Coronet Development Co. v. F. S. W., Inc.*, 3 Mich. App. 364, 369, 142 N.W.2d 499 (1966).

Trillamed's First Amended Complaint contains multiple allegations regarding Sudlow and Tice conspiring with and acting in concert with each other individually and on behalf of Airborne to interfere with Plaintiff's business (See, for example, ¶¶ 40-42, 60-61, 66, etc.). Defendants filed this dispositive motion in lieu of filing an Answer to the Complaint. The Affidavits attached to the Motion do not deny the conspiracy allegations. Therefore, this Court must take those allegations as true for purposes of this Motion.

As described above, a co-conspirator cannot escape the jurisdiction of this Court simply because they are out-of-state. Taking the allegations in the First Amended Complaint as true, Defendants Sudlow, Tice, Alabama Airborne, and Wyoming Airborne, conspired to interfere with Trillamed's business in Michigan. Therefore, subject to the due process clause below, they are each subject to this Court's jurisdiction.

2nd Prong-Due Process

“The Due Process Clause of the Fourteenth Amendment ‘does not contemplate that a state may make a binding judgment in personam against an individual or a corporate defendant with which the state has no contacts, ties, or relations.’” *Witbeck v Bill Cody’s Ranch Inn*, 428 Mich 659, 666 (1987). Due process restricts permissible long-arm jurisdiction by defining the quality of contacts necessary to justify personal jurisdiction under the constitution. *Yoost v Caspari*, 295 Mich App at 222-223. “The Due Process Clause requires that the exercise of personal jurisdiction comport with ‘traditional notions of fair play and substantial justice.’” *Oberlies*, 246 Mich App at 432-433, quoting *Int’l Shoe Co v Wash Office of Unemployment Compensation & Placement*, 326 US 310, 316; 66 S Ct 154; 90 L Ed 95 (1945). “The constitutional touchstone of a due process analysis with respect to personal jurisdiction is whether the defendant purposely established the minimum contacts with the forum state necessary to make the exercise of jurisdiction over the defendant fair and reasonable.” *Oberlies*, 246 Mich App at 433 (quotation marks omitted). A three-part test is used to determine whether the exercise of limited personal jurisdiction comports with due process:

First, the defendant must have purposefully availed itself of the privilege of conducting activities in Michigan, thus invoking the benefits and protections of this state’s laws. Second, the cause of action must arise from the defendant’s activities in the state. Third, the defendant’s activities must be substantially connected with Michigan to make the exercise of jurisdiction over the defendant reasonable.

Starbrite Distributing, Inc v Excelda Manufacturing Co, 454 Mich 302, 309 (1997).

The “‘purposeful availment’ requirement ensures that a defendant will not be haled into a jurisdiction solely as a result of ‘random,’ ‘fortuitous,’ or ‘attenuated’ contacts or of the unilateral activity of another party or a third person[.]” *Burger King Corp v Rudzewicz*, 471 US 462, 475 (1985) (citations omitted). To have purposely availed itself of Michigan law, the defendant must

“deliberately engage in significant activities within a state, or create continuing obligations between himself and residents of the forum to the extent that it is presumptively not unreasonable to require him to submit to the burdens of litigation in that forum as well.” *Vargas v Hong Jin Crown Corp*, 247 Mich App 278, 285 (2001) (quotation marks omitted). There must be a degree of foreseeability to a defendant that his “conduct and connection with the forum State are such that he should reasonably anticipate being hauled into court there.” *World-Wide Volkswagen Corp v Woodson*, 444 US 286, 297 (1980). The Due Process Clause also “gives a degree of predictability to the legal system that allows potential defendants to structure their primary conduct with some minimum assurance as to where that conduct will and will not render them liable to suit.” *Id.* However, “the constitutional touchstone remains whether the defendant purposefully established ‘minimum contacts’ in the forum.” *Rudzewicz*, 471 US at 474.

The Court finds that each of the Moving Defendants have purposefully availed themselves of the privilege of transacting business in Michigan under the conspiracy theory. Defendants cannot hide behind their out-of-state status for purposes of jurisdiction where there are unrebutted allegations of a conspiracy against a Michigan entity. Alabama Airborne, through Affidavit, states that it has been defunct for more than 6 years and does not do business. Plaintiff has rebutted that argument with invoices and contracts that appear to be with Alabama Airborne in December 2020, April 29, 2021, and October 8, 2021. The Reply does not challenge these invoices with any evidence to rebut them.

Sudlow has purposefully availed himself of the privilege of transacting business in Michigan through his employment by a company in Michigan. Specifically, Sudlow had a degree of foreseeability that working for a company located in Michigan may cause him to reasonably anticipate being haled into court in Michigan. Defendants have provided no authority for their

argument that a contract is required to create limited jurisdiction. Sudlow worked for a Michigan company and traveled to Michigan for that job. It is reasonable to anticipate any issues related to that employment would be brought in court in Michigan.

Tice, Alabama Airborne, and Wyoming Airborne have no connection to Michigan outside of the conspiracy allegations. The Affidavits supplied by each Defendant claiming that they have no connections with Michigan were not rebutted by Plaintiff, other than to rely upon the conspiracy allegations. Without the conspiracy allegations, there is no limited personal jurisdiction over these Defendants. However, due to the unrebutted conspiracy allegations, this Court has jurisdiction.

ORDER

Based on the allegations in the First Amended Complaint and the preceding Opinion, the Court finds that Plaintiff has met its burden of establishing “a prima facie showing of jurisdiction to defeat a motion for summary disposition” under MCR 2.116(C)(1). This finding is made without prejudice.

IT IS HEREBY ORDERED that Defendants’ Motion for Summary Disposition is DENIED under MCR 2.116(C)(1).

IT IS SO ORDERED.

This Order does not resolve the last pending matter and does not close the case.



Judge Victoria A. Valentine
Business Court