

**BLOGS**

Choice of Forum/Venue

## Michigan Federal Court Concludes Forum Selection Clause Is Enforceable Despite Absence of the Word “Venue”

A federal court granted a motion to transfer venue of a distributor’s claims from the Eastern District of Michigan to the Central District of California. *Complete Med. Sales, Inc. v. Genoray Am., Inc.*, 2020 WL 4013306 (E.D. Mich. July 16, 2020). Complete Medical Services had entered into a distribution agreement with Genoray America to sell Genoray America’s manufactured medical diagnostic equipment. The parties also entered into a dealer policy which, among other things, specified that “any case of dispute or legal cases will follow the law of the state of California, specifically under jurisdiction of [Defendant’s] office at Orange, CA.” After Complete Medical Sales sued Genoray America for breach of contract and related claims, Genoray America sought to transfer the case from Michigan federal court to California federal court pursuant to the dealer policy between the parties.

The court’s reasoning for granting the transfer turned on the principle that forum selection clauses generally are given “controlling weight” with few exceptions. Complete Medical Services argued that because the dealer policy did not include the word “venue” and only used the word “jurisdiction” that the provision was invalid, yet courts routinely enforce forum selection clauses which contain the word “jurisdiction” as opposed to “venue.” The clause as a whole contained mandatory language, and the court indicated that the language “any case of dispute or legal cases . . . will follow under Jurisdiction of Defendant’s office at Orange,” provides exclusive jurisdiction for disputes to be litigated in Orange. The precision of the location, Orange, was unambiguous with regard to the appropriate venue. Noting that commercial forum selection clauses between for-profit businesses are valid on their face, the court ordered the case to be transferred to California.

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