UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION

JEFF LUKASAK, Plaintiff,	)	No. 1:19-cv-450
-v-	)	Honorable Paul L. Maloney
PREMIER SPORTS EVENTS, LLC, et al., Defendants.	)	

OPINION

This matter is before the Court on Defendants Premier Sports Events, LLC, Legacy Global Sports LP, and Stephen Griffin's motion to dismiss Plaintiff Jeff Lukasak's complaint, or in the alternative, to transfer this case to the United States District Court for the District of Maine (ECF No. 9). For the reasons to be explained, the Court will grant Defendants' motion and transfer the case.

I. Factual Background

Plaintiff Jeff Lukasak founded Premier Sports Events, Inc., a business that provided managed housing services for youth sports teams and other events. In 2014, Lukasak structured a buyout deal with Defendant Legacy Global Sports, LLC. The terms of the buyout were memorialized in a Purchase & Sale Agreement ("P&S Agreement"), signed on February 1, 2014 (ECF No. 9-1). The P&S Agreement states that it is governed by Maine law and contains a forum-selection clause which provides that the

> parties recognize the State Courts for York County, Maine, or the U.S. District Court for the District of Maine, as being the sole forum having jurisdiction over any disputes between the parties.

(*Id.* at ¶ 21(c)).

As part of the buyout transaction, Defendant Premier Sports Events, LLC, was created to operate the business, replacing Premier Sports Events, Inc. Lukasak continued to work for Premier Sports Events, LLC, as the "division president" or "division leader." The terms of Lukasak's employment were memorialized in an Employment Agreement, which was signed at the same time as the P&S Agreement and attached to that Agreement as Exhibit D (ECF No. 3-1). The Employment Agreement provided that Premier Sports Events, LLC, could only terminate Lukasak's employment for cause as defined in the agreement (*Id.* at ¶ 6(d)). Lukasak also entered into a Bonus Incentive Agreement, which was signed at the same time as the P&S Agreement and attached to that Agreement as Exhibit E (ECF No. 3-2). Both supplemental agreements are governed by Maine law (ECF No. 3-1 at ¶ 10(c); ECF No. 3-2 at ¶ 8(c)). Neither agreement contains a separate forum-selection clause or any language regarding the parties' choice of forum.

In October 2018, Lukasak entered into an agreement with Defendant Legacy Global Sports LP that granted him a certain number of Class C units of Legacy Global Sports LP. The agreement provided that Lukasak's units would vest gradually, beginning in October 2019. It also provided that if Lukasak was terminated before October 2019, he would not receive any Class C units.

In December 2018, a new group of investors took control of Premier Sports Events, LLC, and Legacy Global Sports LP. After the ownership change, Defendant Stephen Griffin was appointed president and CEO of the Legacy companies. Griffin and Lukasak evidently did not get along well: Lukasak alleges that at Griffin's direction, Premier Sports Events,

LLC, terminated his employment on May 20, 2019. Premier Sports Events, LLC, allegedly believed it had cause to terminate Lukasak's employment based on a prior report of harassment from a female employee against Lukasak.

Lukasak filed this lawsuit in June 2019, bringing several claims related to his allegation that Defendants terminated his employment without cause, contrary to the terms of his employment agreement. Defendants now move to dismiss the complaint, arguing that Lukasak brought his claims in the wrong forum given the broad, unambiguous, and mandatory forum-selection clause in the P&S Agreement. In response, Lukasak argues that he is not bound by the P&S Agreement because he did not sign the P&S Agreement in his personal capacity, so this forum is appropriate, and dismissal would be improper.

II. Legal Standard

A complaint may be dismissed based on the existence of a binding contractual forum selection clause under the doctrine of *forum non conveniens* and/or a motion to dismiss under Rule 12(b)(6) for failure to state a claim. *Atlantic Marine Construction Co. v. United States District Court for Western District of Texas*, 571 U.S. 49, 60-61 (2013); *Langley v. Prudential Mortg. Capital Co., LLC*, 546 F.3d 365, 369 (6th Cir. 2008). When a forum-selection clause points to a court in the federal system, the remedy is transfer, rather than outright dismissal. 28 U.S.C. § 1404(a); *Atlantic Marine*, 571 U.S. at 60.

Section 1404(a) provides that "[f]or the convenience of parties and witnesses, in the interest of justice, a district court may transfer any civil action to any other district or division where it might have been brought or to any district or division to which all parties have consented." Thus, in a standard § 1404(a) motion, a court must evaluate both the

convenience of the parties and various public- and private-interest considerations. *Id.* at 62. However, when a forum-selection clause exists, it must be given controlling weight and the analysis changes in three ways. *Id.* at 63. First, plaintiff's choice of forum carries no weight; plaintiff must instead bear the burden of showing why the court should not transfer the case to the forum to which the parties agreed. *Id.* at 63-64. Second, the court need not consider arguments about the parties' private interests; the court can consider that the relevant private-interest factors weigh entirely in favor of the preselected forum. *Id.* at 64. But because the remaining public-interest factors will "rarely defeat a transfer motion," the forum-selection clause should control "except in unusual cases." *Id.* Third and finally, the court in the contractually selected venue need not apply the law of the transferor venue, which may affect some public-interest considerations. *Id.* at 65-66. In sum, "[w]hen parties have contracted in advance to litigate disputes in a particular forum, courts should not unnecessarily disrupt the parties' settled expectations." *Id.* at 66. "In all but the most unusual cases, therefore, 'the interest of justice' is served by holding parties to their bargain." *Id.*

III. Analysis

Given that the forum-selection clause at issue here identifies the United States District Court for the District of Maine as a proper transferee forum, the Court considers Defendants' motion as a motion to transfer under 28 U.S.C. § 1404(a), rather than a motion to dismiss. *Id.* at 60. However, before reaching the merits of the motion under § 1404(a), the Court must determine whether Lukasak is personally bound by the forum-selection clause.

As a threshold matter, in a diversity suit, the enforceability of the forum selection clause is governed by federal law. *Wong v. PartyGaming Ltd.*, 589 F.3d 821, 826 (6th Cir. 2009). Federal law also governs this Court's decision whether to give effect to the forum selection clause and transfer the case under § 1404(a). *Stewart Org., Inc. v. Ricoh Corp.*, 487 U.S. 22, 32 (1988).

"It is well-settled law that several writings executed between the same parties substantially at the same time, and relating to the same subject-matter, can be read together as forming parts of one transaction." *Lillard v. Kentucky Distilleries & Warehouse Co.*, 134 F. 168, 180 (6th Cir. 1904). Thus, federal courts routinely hold that where nonparties are closely related to a contractual relationship, a range of transaction participants—both parties and nonparties—should benefit from and be subject to forum selection clauses. *See, e.g., Magi XXI, Inc. v. Stato della Citta del Vaticano*, 714 F.3d 714, 722 (2d Cir. 2013); *Holland America Line Inc. v. Wartsila North America, Inc.*, 485 F.3d 450, 456 (9th Cir. 2007); *Baker v. LeBoeuf, Lamb, Leiby & Macrae*, 105 F.3d 1102, 1006 (6th Cir. 1997); *Hugel v. Corp. of Lloyd's*, 999 F.2d 206, 209-10 (7th Cir. 1993). To bind a non-party to a forum selection clause, the party must be so closely related to the subject matter of the contract such that it becomes foreseeable that the party will be bound. *Baker*, 105 F.3d at 1106.

In this case, Lukasak did not personally sign the P&S Agreement. However, he admits that he was intimately related to the P&S Agreement: He signed the P&S Agreement twice, in his capacity as representative of both Premier Sports Events, Inc, and Premier Sports Events, LLC. In doing so, Lukasak represented the entirety of the seller side of the agreement. He was closely involved in the buyout deal, as evidenced by the fact that he

negotiated the deal on the seller side. The buyout was the sole motivating factor for the creation of both his Employment Agreement and his Bonus Incentive Agreement: Without the buyout, the supplemental contracts that bind Lukasak personally would not exist. Taking all these facts together, it is clear to the Court that all of the contracts signed on February 1, 2014 were part of the same transaction and that they form one agreement.

Further, Lukasak played a central role in the buyout transaction. He derived substantial benefits from the P&S Agreement, and he cannot now claim that he is not bound to the burdens of the P&S Agreement. It is plainly apparent that at the time the parties entered into the agreements, Lukasak could foresee that he would be personally bound by the forum-selection clause. To hold otherwise would split claims between Lukasak's entities and Lukasak personally and require them to be adjudicated in different jurisdictions. Thus, the Court finds that it was foreseeable for Lukasak to be bound to the forum-selection clause in the P&S Agreement. As such, the Court holds that Lukasak is personally bound by the forum-selection clause.

The next necessary inquiry is whether that binding forum-selection clause is enforceable. A forum selection clause should be upheld absent a strong showing that it should be set aside. *Wong*, 589 F.3d at 828. "When evaluating the enforceability of a forum selection clause, . . . court[s] look[ ] to the following facts: (1) whether the clause was obtained by fraud, duress, or other unconscionable means; (2) whether the designated forum would ineffectively or unfairly handle the suit; and (3) whether the designated forum would be so seriously inconvenient that requiring the plaintiff to bring suit there would be unjust." *Id.* Lukasak does not advance any of these arguments with respect to the forum-selection clause,

and the Court does not find any evidence in the record that would require the clause to be struck as invalid. Therefore, the clause itself is enforceable.

Having determined that the clause binds Lukasak and that it is enforceable, the Court next finds that the forum-selection clause encompasses the entire complaint. The forum-selection clause requires "any disputes" between the parties to be heard in Maine. This language is extremely broad, and necessarily encompasses all disputes about Lukasak's termination and employment. Given that each of Lukasak's claims raises an issue stemming from his termination, all of the claims presently before the Court are within the scope of the forum-selection clause. Thus, the entire complaint is subject to transfer.

The final consideration before transfer is whether any overwhelming public-interest factors should overcome the forum-selection clause such that transfer would be inappropriate. "Public-interest factors may include 'the administrative difficulties flowing from court congestion; the local interest in having localized controversies decided at home; [and] the interest in having the trial of a diversity case in a forum that is at home with the law.' " *Atlantic Marine*, 571 U.S. at 62 n. 6 (quoting *Piper Aircraft Co. v. Reyno*, 454 U.S. 235, 241 (1981)). Lukasak has not demonstrated, in either his complaint or in his response to the motion to dismiss, that any of these public interest factors are at play. None of the factors appear to weigh against transfer; In fact, transferring the case to the District Court in Maine actually favors the public-interest factor of having a court familiar with the law apply the relevant law, given the parties' agreement that Maine law governs all contracts at issue. Therefore, no public-interest factor overwhelms the parties' agreement in the forum-

selection clause. As such, the forum-selection clause will govern, and the Court finds that transfer to the United States District Court for the District of Maine is appropriate.

IV. Conclusion

For the reasons stated in this opinion, Defendants' motion to transfer the case will be granted. Given this conclusion, the Court need not reach the remainder of Defendants' arguments regarding dismissal.

ORDER

IT IS ORDERED that Defendants' motion to transfer this case to the United States District Court for the District of Maine (ECF No. 9) is **GRANTED**.

IT IS FURTHER ORDERED that the Clerk of Court shall **TRANSFER** this case to the United States District Court for the District of Maine pursuant to 28 U.S.C. § 1404(a).

IT IS SO ORDERED.

Date: April 2, 2020

/s/ Paul L. Maloney
Paul L. Maloney
United States District Judge