

Mid-Term Exam

McAndrews Plywood, Inc. (MPI) is an Arkansas corporation, located in Helena, Arkansas. It purchased some machinery in the State of Washington, but the machinery needed to be modified before it could be used in the Helena factory. Through the use of a business directory, MPI located Adams Machinery Company (Adams), an Oregon corporation that had both experience and the capability to modify the machinery. Through telephone communications, MPI reviewed the references of Adams and then made arrangements with Adams.

Before Adams would undertake the work, it required a down payment and a financial statement. MPI mailed (to Adams in Oregon) a financial statement on its letterhead and a check for \$33,800 written on a bank in Arkansas. The machinery was shipped from Washington to Oregon, and the modifications began.

Adams did the work, which took approximately one year, and delivered the machinery to Arkansas. It forwarded a bill for the remaining \$14,000. Adams has never been paid.

Adams brought suit against MPI in a court of proper subject matter jurisdiction in Oregon. Service was made on MPI by use of Federal Express. The Federal Express package was received and signed for by the President of MPI in Arkansas. The signed acceptance was subsequently filed in the Oregon court.

Upon advice of counsel, MPI ignored the lawsuit in Oregon. After passage of 30 days, Adams obtained a default judgment in the amount of \$14,000. Adams has now brought the judgment to Arkansas and is attempting to register it as an Arkansas judgment.

Adams argues that cases such as Burger King, Hess, McGee and Perkins gave Oregon jurisdiction, and therefore this judgment should be registered in Arkansas.

You represent the defendant MPI. You are standing in front of the Arkansas trial judge. Make the best argument you can on behalf of your client MPI. Be organized, be logical, be thorough. Use authority. Be an advocate. Refute the obvious arguments of the plaintiff.

Notes:

- 1) The Oregon long arm statute is identical to the Rhode Island statute, found on page 285 of the supplement.
- 2) Do not waste time repeating the facts at the beginning of your argument. Work them into the opinion as needed and when appropriate.
- 3) This question is based generally on Williams Machine & Fabrication, Inc. v. McKnight Plywood, Inc., 64 Ark. App. 287, 983 S.W.3d 453 (1998).