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**STATE OF MINNESOTA
IN COURT OF APPEALS
A07-1274**

International Parts Supply Corporation,
Appellant,

vs.

B & B Devices, Inc.,
Respondent.

**Filed July 1, 2008
Affirmed
Toussaint, Chief Judge**

Hennepin County District Court
File No. 27-CV-07-1677

Paul W. Chamberlain, Chamberlain Law Firm, 1907 Wayzata Boulevard, Suite 130,
Wayzata, MN 55391 (for appellant)

Caryn A. Boisen, Louise Dovre Bjorkman, Larson • King, LLP, 2800 Wells Fargo Place,
30 East Seventh Street, St. Paul, MN 55101 (for respondent)

Considered and decided by Peterson, Presiding Judge; Toussaint, Chief Judge; and
Crippen, Judge.*

* Retired judge of the Minnesota Court of Appeals, serving by appointment pursuant to
Minn. Const. art. VI, § 10.

UNPUBLISHED OPINION

TOUSSAINT, Chief Judge

Appellant Minnesota-based International Parts Supply Corporation challenges the district court's order granting the motion of respondent New York-based B & B Devices, Inc. to dismiss the complaint on the grounds that respondent is not subject to the personal jurisdiction of the court. Because we agree that respondent lacks the requisite minimum contacts with Minnesota, we affirm.

DECISION

Appellant brought this breach-of-contract action against respondent based on two purchase orders for barrel-support assemblies that were submitted by appellant and accepted by respondent. The district court determined that it did not have personal jurisdiction over respondent because respondent had limited contacts with Minnesota and did not avail itself of the privilege of conducting business in Minnesota.

The existence of personal jurisdiction is a determination of law subject to de novo review. *Juelich v. Yamazaki MAZAK Optonics Corp.*, 682 N.W.2d 565, 569 (Minn. 2004). Once a defendant has challenged the existence of personal jurisdiction, the plaintiff has the burden to show that the defendant has sufficient contacts with Minnesota to support the district court's exercise of jurisdiction. *Id.* at 569-70. At the pretrial stage, plaintiff's allegations are taken as true for the purposes of determining jurisdiction. *Id.* Any doubts about jurisdiction should be "resolved in favor of retention of jurisdiction." *Hardrives, Inc. v. City of LaCrosse, Wis.*, 307 Minn. 290, 296, 240 N.W.2d 814, 818 (1976).

The determination of personal jurisdiction technically involves two layers of analysis. *See Domtar, Inc. v. Niagara Fire Ins. Co.*, 533 N.W.2d 25, 29 (Minn. 1995). First, jurisdiction must be authorized by Minnesota law, typically through the state’s long-arm statute, Minn. Stat. § 543.19 (2006). *Id.* Second, jurisdiction must be consistent with due process. *Id.* Because Minnesota’s long-arm statute is intended to extend jurisdiction to the “maximum limits permitted by due process,” the due process analysis is generally determinative of personal jurisdiction. *Franklin Mfg. Co. v. Union Pac. R.R.*, 297 Minn. 181, 183, 210 N.W.2d 227, 229 (1973) (explaining that “crucial issue” is whether assertion of jurisdiction is consistent with due process).

“Due process requires that the defendant have ‘certain minimum contacts’ with the forum state and that the exercise of jurisdiction over the defendant does not offend ‘traditional notions of fair play and substantial justice.’” *Juelich*, 682 N.W.2d at 570 (quoting *Burnham v. Superior Court of Cal.*, 495 U.S. 604, 618, 110 S. Ct. 2105, 2115 (1990)). Minnesota courts apply a five-factor test to determine whether the exercise of jurisdiction is consistent with due process, evaluating: (1) “the quantity of contacts” with Minnesota; (2) “the nature and quality of those contacts”; (3) “the connection of the cause of action with these contacts”; (4) “the interest of the state providing a forum”; and (5) “the convenience of the parties.” *Id.*

Applying these factors, we agree that respondent is not subject to the jurisdiction of the district court in this matter. Contact between the parties in this case was initiated by appellant, and respondent has no other customers in Minnesota, nor does it have offices, hold property, or maintain bank accounts in Minnesota. There is no indication in

the record that respondent maintains a website or otherwise advertises in a manner directed toward Minnesota. Indeed, respondent's sole contacts with Minnesota involve responding to appellant's inquiries and accepting its purchase orders.

Under similar circumstances—involving isolated sales initiated by a Minnesota entity with an out-of-state entity whose representatives have not entered Minnesota—Minnesota courts have routinely found jurisdiction lacking. *See Jarvis & Sons, Inc. v. Freeport Shipbuilding & Marine Repair, Inc.*, 966 F.2d 1247, 1250 (8th Cir. 1992) (affirming dismissal for lack of personal jurisdiction over Florida defendant who negotiated, executed, and performed contract in Florida because Minnesota plaintiff solicited bid and defendant never entered Minnesota); *Bellboy Seafood Corp. v. Kent Trading Corp.*, 484 N.W.2d 796, 796 (Minn. 1992) (reversing district court's assertion of personal jurisdiction over New York defendant based on single sales transaction because transaction was negotiated by Florida broker and New York defendant conducted no business activities in Minnesota); *Dent-Air, Inc. v. Beech Mountain Air Serv., Inc.*, 332 N.W.2d 904, 907-08 (Minn. 1983) (reversing district court's assertion of personal jurisdiction over North Carolina defendant because Minnesota plaintiff solicited transaction and traveled to North Carolina to negotiate it); *Walker Mgmt., Inc. v. FHC Enters., Inc.*, 446 N.W.2d 913, 915-16 (Minn. App. 1989) (reversing district court's assertion of personal jurisdiction over Illinois defendant because Minnesota plaintiff solicited business and traveled to Illinois to present proposal, and defendant's employees were present in Minnesota on only one occasion in course of 18-month contract), *review denied* (Minn. Dec. 15, 1989).

Appellant relies on a 1969 decision in which the United States Court of Appeals for the Eighth Circuit found a single sales transaction sufficient to support the exercise of personal jurisdiction. *See Electro-Craft Corp. v. Maxwell Elecs. Corp.*, 417 F.2d 365, 369-70 (D. Minn. 1969). But the *Electro-Craft* decision pre-dates much of the United States Supreme Court's modern jurisprudence on personal jurisdiction. *See, e.g., Burnham*, 495 U.S. 604, 110 S. Ct. 2105; *Asahi Metal Ind. Co. v. Super. Court*, 480 U.S. 102, 107 S. Ct. 1026 (1987); *Helicopteros Nacionales de Colombia, S.A. v. Hall*, 466 U.S. 408, 104 S. Ct. 1868 (1984); *World-Wide Volkswagen Corp. v. Woodson*, 444 U.S. 286, 100 S. Ct. 559 (1980). These decisions emphasize the importance of defendant's purposeful availment "of the privilege of conducting activities within the forum State, thus invoking the benefits and protections of its laws." *Asahi*, 480 U.S. at 109, 107 S. Ct. at 1030; *see also Jarvis & Sons*, 966 F.2d at 1249 (summarizing current jurisprudence). Particularly given the Eighth Circuit's more recent decision in *Jarvis & Sons* holding that personal jurisdiction did not exist on similar facts, we conclude that the reasoning of *Electro-Craft* is no longer viable and does not control our decision here. *See Jarvis & Sons*, 966 F.2d at 1250.

Appellant also asserts that jurisdiction is appropriately exercised because it is a Minnesota purchaser. While Minnesota cases have distinguished between the contacts necessary to support jurisdiction over a buyer versus a seller, the "distinction is based primarily on the traditional scenario in which the seller is the aggressor in the interstate relationship." *Dent-Air*, 332 N.W.2d at 907. Because appellant was the aggressor in its transactions with respondent, "its buyer status will not protect it." *Id.*

Appellant finally asserts that jurisdiction exists in this case under Minn. Stat. § 5.25. In particular, appellant relies on language in the statute providing that a “foreign corporation is considered to be doing business in Minnesota if it makes a contract with a resident of Minnesota to be performed in whole or in part by either party in Minnesota.” Minn. Stat. § 5.25, subd. 4(b) (2006). But this language relates to the circumstances under which substitute service, i.e., service on the secretary of state, is available in suits against foreign corporations. *See id.*, subd. 4 (2006). Because appellant did not attempt to effect service through the secretary of state, section 5.25 has no application in this case.

Affirmed.