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## Docket: SUCV2018-01499-BLS2 Date: November 5, 2018 Parties: RENOVA PARTNERS LLC, Plaintiff vs. MICHAEL SINGER & GREENLIGHT DEVELOPMENT PARTNERS, LLC, Defendants Judge: Janet L. Sanders, Justice of the Superior Court

MEMORANDUM OF DECISION AND ORDER ON DEFENDANT GREENLIGHT DEVELOPMENT PARTNERS LLC'S MOTION TO DISMISS PURSUANT TO MASS. R. CIV. P. 12(b)(2)

Renova Partners LLC (Renova), brought this action against Michael Singer and Greenlight Development Partners, LLC (Greenlight), claiming that its former employee (Singer) usurped a \$1.32 million business opportunity from Renova. The case is now before this Court on defendant Greenlight's motion to dismiss for lack of personal jurisdiction. After careful review of the materials submitted by the parties, this Court concludes that Greenlight's Motion must be Allowed.

## BACKGROUND

For purposes of this motion, this Court takes as true the factual allegations in the Complaint. Because the motion raisew an issue of personal jurisdiction, I also take into account facts set forth in affidavits and exhibits submitted by the parties.

Renova is a Delaware limited liability company with a principal place of business in Wellesley, Massachusetts. Its business is the restoration and redevelopment of environmentally-impaired land and buildings throughout the United States. Singer is a resident of West Hartford,

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Connecticut. He became an employee of Renova in 2005 and before his resignation this year,

served as Renova's President. He worked onsite at Renova's Wellesley office approximately three to four days a week (staying with his parents in Wellesley on those days). Singer does not dispute that this Court has personal jurisdiction over him.

PGIM Real Estate (PGIMRE) is the global real estate investment branch of PGIM, Inc, an asset management arm of Prudential Financial. Renova worked with PGIMRE on a number of projects involving the redevelopment of contaminated properties throughout the country. PGIMRE owns 418 acres of land along the Raritan River in Sayreville, New Jersey. It decided to remediate and develop that land as a \$2.5 billion mixed-use development called Riverton. In January of 2018, PGIMRE's Managing Director Darin Bright called Singer about hiring Renova for the Riverton Project. Singer informed Renova's Chief Financial Officer and also its Managing Principal about the Riverton opportunity and was told to pursue it. Instead, Singer decided to pursue this opportunity for himself.

On January 31, 2018, Singer traveled to New Jersey for a meeting related to the Riverton job. On February 2, 2018, he sent a written proposal to Bright at PGIMRE on behalf of "Greenlight Development Partners, LLC," or some variation thereof. At the time, Greenlight was not formally incorporated. On February 26, 2018, PGIMRE informed Singer that it would hire Greenlight as the Site Development Construction Manager on the Riverton project. On February 28, 2018, Singer notified Renova that he was resigning. On March 9, 2018, he registered Greenlight Development Partners, LLC as a Connecticut corporation, with its principal office address in West Hartford. This lawsuit ensued.

## DISCUSSION

As noted, Singer concedes that this Court has jurisdiction over him. The question is whether this Court can exercise personal jurisdiction over Greenlight. Greenlight was formed on March 9, 2018 after Singer entered into a deal with PGIMRE to work on the Riverton matter and after he notified Renova that he was leaving. Greenlight has no business relationship of any kind with any Massachusetts individual or entity. It owns no real estate and maintains no bank accounts in Massachusetts. Although Greenlight is wholly owned by Singer, the Complaint contains no allegations that would support piercing the corporate veil. Compare Patin v. Thoroughbred Power Boats, Inc., 294 F.3d 640, 653 (5th Cir. 2002) (where one corporation consented to personal jurisdiction, that consent may be imputed to its successor corporation, which was found to be its alter ego). This Court must therefore determine whether there is an independent basis to assert personal jurisdiction over Greenlight.

"For a nonresident to be subject to the authority of a Massachusetts court, the exercise of jurisdiction must satisfy both Massachusetts's longarm statute, G.L. c. 223A, § 3, and the requirements of the due process clause of the Fourteenth Amendment to the United States Constitution." Exxon Mobil Corp. v. Attorney General, <u>479 Mass. 312</u>, 314 (2018). See SCVNGR, Inc. v. Punch, Inc., <u>478 Mass. 324</u>, 328 (2017). A business is a "resident," and is subject to the forum's general jurisdiction, if the business is domiciled or incorporated or has its principal place of business in the Forum State. Exxon Mobil Corp. v. Attorney General, 479 Mass. at 314. See Goodyear Dunlop Tires Operations, S.A. v. Brown, 564 U.S. 915, 924 (2011). Clearly, this Court does not have general jurisdiction over Greenlight. The Massachusetts long-arm statute sets forth eight grounds for the exercise of specific jurisdiction over a nonresident defendant. SCVNGR, Inc. v. Punch, Inc., 478 Mass. at 328. The only grounds of the eight that

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could conceivably apply here is set forth at subsection 3(c) of the statute which permits a Court to assert jurisdiction over one who causes tortious injury as a result of an act or omission committed in this Commonwealth. The problem is that the wrongdoing alleged in the Complaint (the usurpation of the Riverton opportunity) was committed only by Singer, at a time when Greenlight was not even in existence.

In opposing the motion, Renova relies almost exclusively on a previous decision issued by this judge. Crane & Co., Inc. v. Jordan, SUCV2016-00560-BLS2, 33 Mass. L. Rptr. 551, 2016 WL 5898463, at \*5 (Mass. Super. Ct. Sept. 1, 2016) (Sanders, J.). Putting aside the fact that this decision has no precedential value, this Court agrees with the defendant that Crane is readily distinguishable from the instant case. In Crane, the individual defendant (Jordan) was at all times operating through his own consulting firm Ad Lucem and was alleged to have misappropriated the plaintiff's trade secrets when he and his firm were doing consulting work for the plaintiff. Here, Greenlight was created after Singer engaged in the tortious conduct which is the subject of the Complaint. Unlike the instant motion, the motion to dismiss in Crane was focused on the defendants' assertion that this Court had no jurisdiction over Jordan, with little attention paid to whether there was jurisdiction over Ad Lucem. Here, Singer does not contest this Court's jurisdiction, with the motion focusing exclusively on Greenlight. In Crane, this Court concluded that, because Jordan was essentially an agent of the corporate defendant, it followed that tortious acts that he committed in the scope of his employment for Ad Lucem could be imputed to the corporation for jurisdictional purposes. Here, Greenlight was not even in existence when Singer was alleged to have usurped the Riverton opportunity. As the defendant notes, there is no precedent for the proposition that a court can

exercise jurisdiction over a foreign business corporation based solely on the prior in-state dealings of one of its

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members before the corporation itself was even formed. Greenlight's Motion to Dismiss is therefore ALLOWED and as to Greenlight, the Complaint is hereby DISMISSED pursuant to Rule 12(b)(2), Mass.R.Civ.P.

Janet L. Sanders, Justice of the Superior Court

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