

QUESTION 3 THE ANSWER TO THIS QUESTION SHOULD GO IN BLUEBOOK I

John Drain was a wealthy Michigan businessman who had a penchant for fast speed boats. One spring, he was in Florida and attended a boat show. While there, he saw a Runfast Turbo speedboat, and liked what he saw. He spoke with the owner of the Florida dealer, Speed Boats Florida Corporation (SBFC), and the dealer informed Drain that the boat was the fastest on the market. After talking to Drain about where he lived, the owner also told him that it would be perfect for Great Lakes boating.

Upon returning to Michigan, Drain contacted his local boat dealer and asked to buy a Runfast Turbo. The Michigan dealer did not have any in stock, so Drain suggested the dealer contact SBFC in Florida and see if they could ship one up. The Michigan dealer made the contact, and though SBFC typically sold boats only in Florida, he agreed to send one up. The Michigan dealer then facilitated the contract between Drain and SBFC, the only terms of which were price and delivery date. The following week, the owner of SBFC, who happened to have a vacation scheduled in Michigan, brought a Runfast Turbo to Michigan. While in Michigan, the owner signed the contract and the parties exchanged the consideration supporting the contract.

Once Drain ran the boat on Lake Michigan, he discovered that the Runfast Turbo was not the fastest boat on the water, and in fact was slower than what he previously owned. Furious, he sued SBFC in Michigan state court alleging breach of contract. Once SBFC was served, it filed a motion for summary disposition, arguing that the Michigan court did not have jurisdiction to proceed against it.

Should the motion be granted? Explain your answer.

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