

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA

CASE NO.: 15-81346-MC-DIMITROULEAS

743809 Ontario, Inc. d/b/a Foch Leasing,

Plaintiff,

vs.

CARS OF MANHEIM, LLC d/b/a
MOTORGROUP,

Defendant.

OMNIBUS ORDER CONFIRMING ARBITRATION AWARD;
DENYING MOTION TO VACATE ARBITRATION AWARD;
REFERRING MOTION FOR SANCTIONS TO MAGISTRATE JUDGE

THIS CAUSE came before the Court on Plaintiff 743809 Ontario, Inc. d/b/a Foch Leasing (“Plaintiff”)’s Motion to Confirm Arbitration Award [DE 1], filed on September 29, 2015, Plaintiff’s Motion to Confirm Arbitration Award [DE 5], filed on October 23, 2015, and Defendant Cars of Manheim, LLC d/b/a Motorgroup (“Defendant”)’s Motion to Vacate Arbitration Award and to Deny Request to Affirm Arbitration Award [DE 10], filed on December 24, 2015. The Court has considered Plaintiff’s Petition [DE 1] and Motion [DE 5], Defendant’s Motion [DE 10], Plaintiff’s Response in Opposition to Defendant’s Motion to Vacate Arbitration Award and Its Request for Sanctions [DE 11], and is otherwise fully advised in the premises.

By its Petition and Motion, Plaintiff seeks the Court to confirm the final arbitration award dated September 24, 2015 in the American Arbitration Association Case No.: 01-14-0002-1896 (the “Award”), and to enter a judgment against Defendant in the amount of \$91,689.48, plus post

judgment interest. By its Motion, Defendant seeks the Court to vacate the Award and to deny the motion to confirm the Award.

Pursuant to 9 U.S.C § 9, a motion to confirm an arbitration award can be made within one year after the award. Upon application of any party to the arbitration, the court must confirm the arbitrator's award unless it is vacated, modified, or corrected in accordance with sections 10 and 11 of the Federal Arbitration Act ("FAA").

The FAA "imposes a heavy presumption in favor of confirming arbitration awards," *Riccard v. Prudential Ins. Co. of Am.*, 307 F.3d 1277, 1288 (11th Cir. 2002), and "federal courts should defer to an arbitrator's decision whenever possible." *Frazier v. CitiFinancial Corp., LLC*, 604 F.3d 1313, 1321 (11th Cir.2010) (citation omitted). The Eleventh Circuit has described courts' confirmations of arbitration awards as "usually routine or summary." *Riccard*, 307 F.3d at 1288.

"Judicial review of commercial arbitration awards is narrowly limited under the Federal Arbitration Act." *B.L. Harbert Int'l, LLC v. Hercules Steel Co.*, 441 F.3d 905, 909 (11th Cir. 2006) (citing 9 U.S.C. §§ 10–11), *reversed on other grounds*, *Frazier v. CitiFinancial Corp.*, 604 F.3d 1313 (11th Cir. 2010). Previously recognized non-statutory grounds for vacatur—such as, that the arbitration decision was arbitrary and capricious, violated public policy, or evidenced manifest disregard for the law—are no longer viable. *Frazier*, 610 F.3d at 1321–24 (discussing *Hall Street Assocs., L.L.C. v. Mattel, Inc.*, 552 U.S. 576, (2008)). Instead, a court's authority to vacate an arbitration award is limited to the four circumstances provided in the FAA. *See* 9 U.S.C. § 10(a). *White Springs Agric. Chemicals, Inc. v. Glawson Investments Corp.*, 660 F.3d 1277, 1280 (11th Cir. 2011) ("Sections 10 and 11 of the FAA, 9 U.S.C. §§ 10, 11, provide the exclusive means by which a federal court may upset an arbitration panel's award."); *Pochat v.*

Lynch, 2013 WL 4496548, at *6 (S.D. Fla. Aug. 22, 2013) (“In the Eleventh Circuit, Sections 10 and 11 of the FAA set forth the exclusive grounds for vacating, correcting, or modifying an arbitration award.”)

In the instant matter, Defendant argues that the Court should vacate the Award because “(1) the Arbitrator exceeded his powers; (2) the Arbitrator manifestly disregarded the law; (3) the Award is arbitrary and capricious; and (4) the Award violates public policy.” *See* [DE 10] at p. 12. Three of the four grounds (manifest disregard of the law, arbitrary and capricious, or public policy) that Defendant raises in its motion to vacate the Award are legally meritless grounds for a motion to vacate an arbitration award in the Eleventh Circuit. *See Frazier*, 610 F.3d at 1313; *White Springs*, 660 F.3d at 1280.


As for its argument that the arbitrator exceeded its powers in violation of § 10(a)(4) of the FAA, Defendant contends that the arbitrator exceeded his powers because he misconstrued provisions of the parties’ contract as well as applicable law regarding risk of loss, resulting in a decision that not consistent with the parties’ contract. *See* [DE 10] at pp. 12-15. The Court finds Defendant’s arguments unavailing. Section 10(a)(4) “permits courts to vacate an arbitral decision only when the arbitrator strayed from his delegated task of interpreting a contract, not when he performed that task poorly.” *Oxford Health Plans LLC v. Sutter*, 133 S. Ct. 2064, 2070, 186 L. Ed. 2d 113 (2013). “So long as the arbitrator was ‘arguably construing’ the contract—which this one was—a court may not correct his mistakes under § 10(a)(4).” *Id.*

Accordingly, the Court it is **ORDERED AND ADJUDGED** as follows:

1. Plaintiff’s Petition [DE 1] and Motion [DE 5] to confirm the Award are **GRANTED**;
2. Defendant’s Motion [DE 10] to vacate the Award is **DENIED**;

3. The Court hereby **CONFIRMS** the September 24, 2015 Reasoned Award [DE 1-2];
4. The Court will enter a separate Final Judgment Confirming the Arbitration Award pursuant to Rule 58(a);
5. PURSUANT to 28 U.S.C. § 636 and the Magistrate Rules of the Local Rules of the Southern District of Florida, the Court **REFERS** Plaintiff's Motion for Sanctions to United States Magistrate Judge Lurana S. Snow for appropriate disposition or report and recommendation.

DONE AND ORDERED in Chambers at Fort Lauderdale, Broward County, Florida,
this 27th day of January, 2016.


WILLIAM P. DIMITROULEAS
United States District Judge

Copies to:
Counsel of Record