

Les Cheneaux, LLC,

Plaintiff

v.

DECISION AND ORDER
(Motion to Dismiss)

LL Bean, Inc.,

Defendant

This matter is before the Court on Defendant's Motion to Dismiss Count I and To Dismiss and Compel Arbitration of Count II of Plaintiff's Complaint.

In this action, Plaintiff seeks to recover damages that it suffered as the result of Defendant's alleged breach of a lease for certain property located in Oxford, Maine. Defendant contends that dismissal is appropriate because Defendant never signed the purported agreement upon Plaintiff relies was relies and, therefore, the agreement is not enforceable.¹

According to Plaintiff's Complaint, in August 2005, Defendant and Plaintiff's predecessor in title entered into a lease for the subject premises. In November 2006, Plaintiff purchased the property, and assumed all benefits and responsibilities under the lease. The lease granted to Defendant an option to renew the lease. Plaintiff alleges that Defendant exercised the option for an additional three-year term, and that Defendant is in default of the lease as renewed.

¹ Defendant also asserts that with the dismissal of Count I of Plaintiff's Complaint, Count II, in which Plaintiff alleges that Defendant failed to maintain the HVAC system of the leased premises, is subject to the arbitration provision of the parties' agreement. Accordingly, Defendant requests that the Court dismiss Count II, and order the parties to submit that claim to arbitration.

Discussion

A motion to dismiss pursuant to M.R. Civ. P. 12(b)(6) “tests the legal sufficiency of the complaint and, on such a challenge, ‘the material allegations of the complaint must be taken as admitted.’” *Shaw v. Southern Aroostook Comm. Sch. Dist.*, 683 A.2d 502, 503 (Me. 1996) (quoting *McAfee v. Cole*, 637 A.2d 463, 465 (Me.1994)). When reviewing a motion to dismiss, the court examines “the complaint in the light most favorable to the plaintiff to determine whether it sets forth elements of a cause of action or alleges facts that would entitle the plaintiff to relief pursuant to some legal theory.” *Id.* A dismissal under M.R. Civ. P. 12(b)(6) will be granted only “when it appears beyond a doubt that the plaintiff is entitled to no relief under any set of facts that he might prove in support of his claim.” *Id.* (quoting *Hall v. Bd. of Env'tl. Prot.*, 498 A.2d 260, 266 (Me. 1985)). “The legal sufficiency of a complaint challenged pursuant to M.R. Civ. P. 12(b)(6) is a question of law.” *Bean v. Cummings*, 2008 ME 18, ¶7, 2008 ME 18, 939 A.2d 676, 679 (citations and internal quotation marks omitted).

Through its motion, Defendant contends that it did not exercise the option to renew in accordance with the lease terms in part because Defendant expressed a desire for a new three-year lease, and the original lease authorized a renewal for a five-year term. Defendant argues, therefore, that the parties’ communications constituted negotiations for a new lease, and cannot be considered a renewal of the existing lease. Because the negotiations did not result in a signed agreement for a new lease, Defendant asserts that the parties do not have a binding, enforceable agreement.

As explained above, at this stage of the proceedings, the Court must view “the complaint in the light most favorable to the plaintiff to determine whether it sets forth elements of a cause of action or alleges facts that would entitle the plaintiff to relief pursuant to some legal theory.” *Shaw v. Southern Aroostook Comm. Sch. Dist.*, 683 A.2d 502, 503 (Me. 1996) (quoting *McAfee v. Cole*, 637 A.2d 463, 465 (Me.1994)). Here, Plaintiff asserts that the original lease contained an option to renew, and that Defendant exercised the option. Whether Defendant exercised the option in accordance with the lease terms, and/or whether another signed lease was required under the

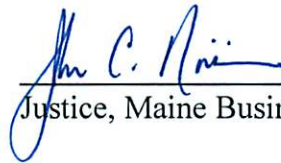
circumstances are issues that the Court cannot resolve on a motion to dismiss. The resolution of those issues would necessarily require the Court to go beyond the allegations made in Plaintiff's Complaint. Accordingly, dismissal is not appropriate.

Conclusion

Based on the foregoing analysis, the Court denies Defendant's Motion to Dismiss.²

Pursuant to M.R. Civ. P. 79(a), the Clerk shall incorporate this Decision and Order into the docket by reference.

Date: 12/23/09



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² Under the terms of the arbitration clause of the original lease agreement, Defendant must be current in its obligations under the terms of the lease as a condition precedent to arbitration. Because Plaintiff alleges that Defendant is not current in its lease obligations, and because the Court has denied Defendant's motion to dismiss that claim, Defendant's motion to compel arbitration is also denied.