

*This opinion is nonprecedential except as provided by
Minn. R. Civ. App. P. 136.01, subd. 1(c).*

**STATE OF MINNESOTA
IN COURT OF APPEALS
A25-1345**

Bay & Bay Transfer Co. Inc.,
d/b/a Bay @ Bay Transportation,
Respondent,

vs.

Antonio Raetz,
Defendant,

DeGroot Logistics Inc.,
Appellant.

**Filed June 1, 2026
Affirmed
Harris, Judge**

Dakota County District Court
File No. 19HA-CV-24-5755

Brandon J. Wheeler, Brian T. Benkstein, Felhaber Larson, Minneapolis, Minnesota (for respondent)

Daniel J. Cragg, Bailey T. Stubbe, Eckland & Blando, LLP, Minneapolis, Minnesota; and

Timothy S. McGovern (pro hac vice), Floyd Zadkovich (US), LLP, Chicago, Illinois (for appellant)

Considered and decided by Bond, Presiding Judge; Harris, Judge; and Florey, Judge*.

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

NONPRECEDENTIAL OPINION

HARRIS, Judge

In this appeal challenging the district court’s denial of its motion for summary judgment, appellant argues that the district court lacks personal jurisdiction. Appellant argues that (1) it was not closely related to the dispute such that it is bound by a forum-selection clause contained in the employment agreement between respondent and its former employee, (2) respondent did not make a prima facie showing that the district court had personal jurisdiction over appellant, and (3) appellant did not expressly aim its tortious conduct at the forum state. Because we conclude that personal jurisdiction exists under the closely-related-party doctrine, we affirm.

FACTS

The following facts derive from the evidence in the summary-judgment record and are framed in the light most favorable to the appellant as the nonmoving party.¹

Respondent Bay & Bay Transportation Services Inc.² is a Minnesota corporation with its principal place of business in Minnesota. Appellant DeGroot Logistics Inc. is an

¹ See *Schroeder v. Simon*, 985 N.W.2d 529, 535-36 (Minn. 2023) (“In evaluating a grant of summary judgment, we must view the evidence in the light most favorable to the nonmoving party.” (quotation omitted)).

² The case caption in the district court identified respondent as “Bay & Bay Transfer Co., Inc., d/b/a Bay @ Bay Transportation.” But respondent is identified in its appellate brief as “Bay & Bay Transportation Services, Inc., d/b/a Bay & Bay Transportation.” The caption of this opinion conforms to the caption used in the district court. See Minn. R. Civ. App. P. 143.01. But we use respondent’s preferred name throughout the body of the opinion.

Illinois corporation with its principal place of business in Illinois. Bay & Bay and DeGroot are competitors in the field of trucking logistics.

Defendant Antonio Raetz worked as a senior sales executive for Bay & Bay from March 2019 through September 2024.³ While working for Bay & Bay, Raetz entered into an employment agreement. The agreement prohibited Raetz from using or disclosing Bay & Bay's confidential information outside the scope of employment. The agreement also contained non-compete and non-solicitation clauses. The clauses provided that Raetz could not work for a competitor of Bay & Bay or solicit actual or perspective customers of Bay & Bay for a 12-month period following the end of his employment. The agreement also contained a forum-selection clause, subjecting Raetz to personal jurisdiction in Dakota County State District Court or, if applicable, in the United States District Court for the District of Minnesota.

Raetz ended his employment with Bay & Bay in September 2024. Shortly thereafter, Bay & Bay had reason to believe that Raetz entered into employment with DeGroot. Bay & Bay received a calendar invitation from a current customer (customer one), that was sent to Raetz's former Bay & Bay email address. Raetz was customer one's direct point of contact while he was employed with Bay & Bay. The calendar invitation indicated that Raetz and customer one intended to discuss business with DeGroot.

Two days after receiving the calendar invitation, Bay & Bay sent Raetz a cease-and-desist letter demanding that Raetz refrain from working for DeGroot and to stop soliciting

³Antonio Raetz is a named defendant in Bay & Bay's complaint. However, DeGroot is the only party pursuing an appeal.

Bay & Bay's customers. Raetz did not respond to the letter. On October 1, 2024, Bay & Bay sent Raetz a follow-up letter. Bay & Bay indicated that Raetz was in fact working for DeGroot and soliciting its customers on DeGroot's behalf. Bay & Bay demanded that Raetz cease all activity in direct violation of their employment agreement. Raetz did not respond to the follow-up letter.

On October 4, 2024, Bay & Bay received a calendar invitation from a different customer (customer two), which was sent to Raetz's former Bay & Bay email address. Raetz frequently worked with customer two during his employment with Bay & Bay.

On October 15, 2024, Bay & Bay was notified that it had lost a substantial portion of its business with customer one. The loss exceeded over \$1 million in revenue. Customer one explained that Raetz was "very eager" to contact their team, and that Raetz solicited their business on behalf of DeGroot. Bay & Bay knew that Raetz gained a deep understanding of customer one's business because Raetz "had worked with this customer on behalf of [Bay & Bay] for years." Bay & Bay also discovered that Raetz used its confidential information to solicit this customer. DeGroot would not have access to this confidential information but for Raetz's employment.

In November 2024, Bay & Bay commenced this action against Raetz alleging breach of contract and against DeGroot alleging tortious interference with Bay & Bay's employment contract with Raetz. Bay & Bay also requested injunctive relief and an award of attorney fees against both parties. DeGroot and Raetz filed a joint motion to dismiss for failure to state a claim upon which relief can be granted and DeGroot also sought dismissal for lack of personal jurisdiction under Minnesota Rule of Civil Procedure 12.02(b).

DeGroot and Raetz were represented by the same attorney. In support of its motion to dismiss, DeGroot submitted five exhibits that were not referenced in Bay & Bay's complaint and therefore outside the pleadings. Pursuant to Minnesota Rule of Civil Procedure 12.02, DeGroot asked the district court to treat its motion to dismiss for failure to state a claim upon which relief can be granted as a motion for summary judgment if the district court accepted its exhibits that were outside the pleadings.⁴ The district court did not exclude DeGroot's exhibits, thereby implicitly converting DeGroot's motion to dismiss for failure to state a claim upon which relief can be granted as a motion for summary judgment.

In its memorandum in opposition to DeGroot's motion, Bay & Bay argued that the district court had personal jurisdiction over DeGroot under the closely-related-party doctrine. Bay & Bay argued that although DeGroot was not a party to the employment agreement with Raetz, it could still be bound by the agreement's forum-selection clause because DeGroot was closely related to the dispute.

In August 2025, the district court filed an order denying DeGroot's motion for summary judgment. In denying summary judgment, the district court held that the exercise of personal jurisdiction was proper because Raetz "solicited some of [Bay & Bay]'s long-standing customers for the financial benefit of DeGroot"; conduct the district court identified as "specific activity indicating that [DeGroot] expressly aimed its tortious

⁴ Minnesota Rule of Civil Procedure 12.02 provides that, "[i]f, on a motion asserting the defense that the pleading fails to state a claim upon which relief can be granted, matters outside the pleading are presented to and not excluded by the court, the motion shall be treated as one for summary judgment."

conduct at the forum.” The district court further relied on calendar invitations sent to Raetz’s former company email as well as Bay & Bay’s communication to DeGroot regarding Raetz’s alleged violation of the employment agreement as evidence that DeGroot “knew that [Bay & Bay] would suffer the brunt of the harm caused by the tortious conduct in the forum.” The district court reasoned that there were genuine issues of material facts in dispute as to whether DeGroot engaged in tortious inference. The district court also determined that the parties fundamentally disagreed as to the behavior and actions of Raetz regarding whether he violated the employment contract, and whether DeGroot engaged in tortious interference, which the district court believed would be best resolved by a jury acting as the factfinder.

DeGroot appeals.

DECISION

DeGroot argues that personal jurisdiction does not exist under the closely-related-party doctrine, as to bind it to the forum-selection clause contained in Raetz’s employment agreement with Bay & Bay.⁵

Minnesota’s long-arm statute permits our courts to exercise personal jurisdiction “over any foreign corporation or any nonresident individual” so long as the out-of-state defendant has an interest in real property within the state, transacts business in the state, commits an act in the state that causes injury or property damage, or commits an act outside

⁵ Because we conclude that personal jurisdiction exists under the closely-related-party doctrine, we need not address whether personal jurisdiction exists under the traditional minimum-contacts analysis.

the state that causes injury or property damage in the state. Minn. Stat. § 543.19, subd. 1 (2024). The supreme court has interpreted the statute to be broad enough to authorize any exercise of personal jurisdiction that is permitted by the Due Process Clause of the Fourteenth Amendment to the United States Constitution. *Valspar Corp. v. Lukken Color Corp.*, 495 N.W.2d 408, 410-11 (Minn. 1992). Therefore, “Minnesota courts may simply apply the federal case law” to determine whether a district court has personal jurisdiction over a nonresident defendant. *Rilley v. MoneyMutual, LLC*, 884 N.W.2d 321, 327 (Minn. 2016) (quotation omitted).

The Due Process Clause “prohibits a state court from exercising personal jurisdiction over a nonresident defendant unless that defendant has ‘minimum contacts’ with the state and maintaining the lawsuit ‘does not offend traditional notions of fair play and substantial justice.’” *Id.* (quoting *Int’l Shoe Co. v. Washington*, 326 U.S. 310, 316 (1945)). To satisfy the minimum-contacts requirement, a nonresident defendant must have “purposefully availed” itself of the privilege of conducting activities within the forum state such that the nonresident “should reasonably anticipate being haled into court there.” *Burger King Corp. v. Rudzewicz*, 471 U.S. 462, 474-82 (1985) (quotations omitted).

Personal jurisdiction over a nonresident defendant may also be obtained by consent. *Rykoff-Sexton, Inc. v. Am. Appraisal Assocs., Inc.*, 469 N.W.2d 88, 89-90 (Minn. 1991). “A party can submit to a court’s jurisdiction through express or implied consent.” *Blume Law Firm PC v. Pierce*, 741 N.W.2d 921, 925 (Minn. App. 2007), *rev. denied* (Minn. Feb. 19, 2008). Consent to personal jurisdiction can “occur by entering into a contract containing a valid forum selection clause.” *TRWL Fin. Establishment v. Select Int’l, Inc.*,

527 N.W.2d 573, 578 (Minn. App. 1995). A nonparty may consent to a forum-selection clause when it is “closely related to the dispute such that it becomes foreseeable that it will be bound.” *C.H. Robinson Worldwide, Inc. v. FLS Transp., Inc.*, 772 N.W.2d 528, 534 (Minn. App. 2009). “Whether personal jurisdiction exists is a question of law, which [appellate courts] review de novo.” *Rilley*, 884 N.W.2d at 326 (quotation omitted). We also review whether a forum-selection clause applies de novo. *Alpha Sys. Integration, Inc. v. Silicon Graphics, Inc.*, 646 N.W.2d 904, 907 (Minn. App. 2002), *rev. denied* (Minn. Oct. 15, 2002).

“Once a defendant challenges personal jurisdiction, the burden of proof is on the plaintiff to show the jurisdiction exists.” *C.H. Robinson*, 772 N.W.2d at 533. “At the pretrial stage, a plaintiff need only make a prima facie showing of jurisdiction, and the complaint and supporting evidence will be taken as true.” *Id.*; *Rilley*, 884 N.W.2d at 326. “[I]n doubtful cases, doubts should be resolved in favor of retention of jurisdiction.” *Hardrives, Inc. v. City of LaCrosse*, 240 N.W.2d 814, 818 (Minn. 1976); *see also C.H. Robinson*, 772 N.W.2d at 533 (quotation omitted).

DeGroot makes two arguments concerning the closely-related-party doctrine. First, the doctrine should be interpreted narrowly, consistent with federal constitutional caselaw concerning personal jurisdiction. Second, DeGroot argues that Bay & Bay has not established that DeGroot is sufficiently closely related so as to be bound by the forum-selection clause in Raetz’s employment agreement with Bay & Bay. We will address each argument in turn.

I. Following our precedential decision in *C.H. Robinson*, we decline DeGroot’s request to narrow the closely-related-party doctrine.

Relying on two federal district court decisions, DeGroot urges this court to narrow the scope of the closely-related-party doctrine to individuals working for a corporation that hold executive positions. *See Marano Enters. of Kan. v. Z-Teca Rests., L.P.*, 254 F.3d 753, 757 (8th Cir. 2001) (holding that a nonparty plaintiff was bound by a forum-selection clause because the plaintiff was a shareholder, officer, and director of the company that was party to the agreement); *see also The Toro Company v. Sutterlin*, No. 23-3873, 2024 WL 965238, at *4 (D. Minn. 2024) (stating that “[t]he purpose of the closely-related doctrine is to give parties who have come to an agreement the ability to enforce that agreement against the universe of entities who should expect as much—successors-in-interest, executive officers, and the like” (quotation omitted)).

We are not bound by federal district court decisions. *See Scheffler v. City of Anoka*, 890 N.W.2d 437, 445 (Minn. App. 2017), *rev. denied* (Minn. Apr. 26, 2017) (“Federal district courts do not bind this court.”). Furthermore, this court has applied the closely-related-party doctrine to other corporations which are not parties to the forum-selection clause in at least three nonprecedential opinions. *See U.S. Holdings, Inc. v. Williston Holding Co.*, No. A24-0795, 2025 WL 440351, at *6-7 (Minn. App. Feb. 10, 2025)⁶; *Fair Isaac Corp. v. Gordon*, No. A16-0274, 2016 WL 7439084, at *2-3 (Minn. App. Dec. 27, 2016), *rev. granted* (Minn. Mar. 28, 2017), *rev. dismissed* (Minn. Aug. 21, 2017); *C.H.*

⁶ *See* Minn. R. Civ. App. P. 136.01, subd. 1(c) (“Nonprecedential opinions . . . are not binding authority . . . but nonprecedential opinions may be cited as persuasive authority.”).

Robinson Worldwide, Inc. v. XPO Logistics, Inc., No. A13-1797, 2014 WL 2565690, at *7-8 (Minn. App. June 9, 2014), *rev. denied* (Minn. Aug. 19, 2014). Accordingly, we reject DeGroot’s request to narrow the application of this doctrine.

DeGroot’s argument is similar to those raised in the nonprecedential decision *Medtronic, Inc. v. AlphaTec Spine, Inc.*, No. A25-1009, 2026 WL 570489 (Minn. App. Mar. 2, 2026), *petition for rev. filed* (Minn. Apr. 1, 2026). There, Medtronic sued AlphaTec Spine, a nonresident competitor, in Minnesota, alleging tortious interference with employment agreements that contained forum-selection and consent-to-jurisdiction clauses. *Id.* at *1. The district court denied AlphaTec’s motion to dismiss for lack of personal jurisdiction, and we affirmed, concluding that jurisdiction existed under the closely-related-party doctrine. *Id.* at *2-3. Relying on *C.H. Robinson*, we held that a nonparty may be bound by such clauses if it is “closely related to the dispute such that it becomes foreseeable that it will be bound.” *Id.* at *3 (quoting *C.H. Robinson*, 772 N.W.2d at 534-35). Applying that principle, we noted, in part, that AlphaTec shared counsel with the employees and had aligned interests in defeating Medtronic’s claims. *Id.* at *4. We explained that the argument was, in substance, a request to overrule *C.H. Robinson*. *Id.* We reiterated that *C.H. Robinson* is a precedential decision binding on this court and that the doctrine of stare decisis precluded such relief. *Id.* We further noted that any request to revisit or overrule *C.H. Robinson* must be directed to the Minnesota Supreme Court, not this court. *Id.*

For the same reasons, we likewise reject DeGroot’s contention that the closely-related-party doctrine should be narrowed or disregarded. DeGroot’s argument mirrors the

one we previously declined to entertain because it effectively asks this court to depart from binding precedent. Under settled principles of stare decisis, we cannot disregard that precedent. Accordingly, we adhere to *C.H. Robinson* and decline DeGroot's invitation to revisit or limit that decision.

II. The district court did not err by concluding it has personal jurisdiction over DeGroot under the closely-related-party doctrine.

DeGroot next contends that it is not sufficiently closely related to the dispute so as to be bound by the forum-selection clause in Raetz's employment agreement with Bay & Bay.

This court has previously applied the consent theory to a foreign corporation that was not a party to an employment agreement containing a forum-selection clause. In *C.H. Robinson*, C.H. Robinson sued eight former employees and their new employer, FLS Transportation. 772 N.W.2d at 532. C.H. Robinson alleged that the former employees breached their noncompete agreements by working for a direct competitor and by soliciting C.H. Robinson's clients on FLS's behalf. *Id.* The district court determined that FLS and two former employees "undertook a concerted effort to solicit" other C.H. Robinson employees to join FLS, despite knowing those employees were subject to the same noncompete agreements. *Id.* at 535. The court also found that FLS and the former employees were represented by common counsel and "share[d] a common interest in asserting that neither improper use of C.H. Robinson information nor improper solicitation of C.H. Robinson customers occurred." *Id.* We explained that a forum-selection clause subjecting a party to personal jurisdiction in a forum state may also extend to a nonparty

when the nonparty is “closely related to the dispute such that it becomes foreseeable that [it] would be bound by the clauses.” *Id.* at 535-36. Applying that principle, and relying on the district court’s findings, we concluded that FLS was closely related to the dispute and therefore bound by the forum-selection clauses. *Id.*

Like the parties in *C.H. Robinson*, the record demonstrates that DeGroot and Raetz are represented by the same attorneys in this case. DeGroot and Raetz also share a common interest in asserting that neither party engaged in any wrongdoing against Bay & Bay. Consequently, DeGroot is just as closely related to the dispute in this case as the nonparty defendant in *C.H. Robinson* in a way that it “should reasonably anticipate defending [itself] in a Minnesota court.” *Id.* Therefore, we conclude that DeGroot is bound by the forum-selection clause contained in Raetz’s employment agreement with Bay & Bay under the closely-related-party doctrine.

On this record, the district court properly exercised personal jurisdiction over DeGroot because DeGroot is closely related to Raetz and to the underlying dispute, justifying the court’s jurisdictional determination. Therefore, the district court did not err in denying DeGroot’s motion to dismiss for lack of personal jurisdiction.

Affirmed.