RPAC Racing, LLC v. JSG Partners, LLC, 2017 NCBC Order 8.

STATE OF NORTH CAROLINA	IN THE GENERAL COURT OF JUSTICE SUPERIOR COURT DIVISION
MECKLENBURG COUNTY	16  CVS  12896
RPAC RACING, LLC d/b/a Richard Petty Motorsports and ALC MANUFACTURING, INC. d/b/a Rocky Ridge Custom Trucks,	
Plaintiffs,	
V.	
JSG PARTNERS, LLC; J. STREICHER & CO., LLC; J. STREICHER GROUP, LLC; J. STREICHER CAPITAL, LLC; J. STREICHER ASSET MANAGEMENT, LLC; J. STREICHER ADVISORY, LLC; JEFFREY JAMES MAYO PRIEBE and PATRICK POWER, Defendants.	ORDER CONCERNING NON-COMPLIANCE WITH COURT RULES
Detenuants.	

1. **THIS MATTER** is before the Court *sua sponte* to address non-compliance with the North Carolina Business Court Rules by counsel for JSG Partners, LLC; J. Streicher Asset Management, LLC; J. Streicher Advisory, LLC; and Jeffery James Mayo Priebe (collectively, the "Priebe Defendants"). The Court issues this order to put counsel for the Priebe Defendants on notice that further non-compliance with the Court's Rules will not be tolerated.

2. First, despite reminders from the Court, representatives of counsel for the Priebe Defendants have e-mailed Court personnel without copying opposing counsel as required by Rule 6.4 of the Business Court Rules.

3. Second, on May 15, 2017, lead, out-of-state counsel for the Priebe Defendants served their Answer and Separate Defenses (i) "by U.S. Mail and

electronic mail" on the undersigned, both at the North Carolina Business Court's physical office address in Greensboro and through e-mail to the Court's law clerk assigned to this case, after counsel filed the Answer and Separate Defenses through the Court's e-filing system. Under the Business Court Rules, "filings must be made electronically through the Court's electronic-filing system," BCR 3.1, and "[s]ervice by other means is not required," BCR 3.9. In addition, "[f]iling is not complete until issuance of the Notice of Filing" through the e-filing system. As such, it was not necessary or proper to submit the Answer and Separate Defenses to the Court either by e-mail or by U.S. Mail (and certainly not by U.S. Mail to the undersigned at the Court's Greensboro location, given that the undersigned, as clearly set forth on the Business Court's website, is located at the Business Court's Charlotte address).

4. In addition, it further appears from counsel's certificate of service, that lead, out-of-state counsel served the Answer and Separate Defenses "by U.S. Mail and electronic mail" on counsel for each party at the physical and email addresses on file with the Court. For the reasons set forth above, it was not necessary to do so.

5. Last, it appears from counsel's certificate of service, that lead, out-of-state counsel also served the Answer and Separate Defenses by "electronic mail" on the Chief Justice of the North Carolina Supreme Court through email to the Deputy Director of the North Carolina Administrative Office of the Courts. Nowhere in the North Carolina Rules of Civil Procedure or the North Carolina Business Court

 $\mathbf{2}$ 

Rules is such service required or contemplated in the procedural circumstances here.

6. The Court is aware that both lead, out-of-state counsel for the Priebe Defendants as well as local counsel for the Priebe Defendants have filed motions to withdraw as counsel in this action. The Court reminds all such counsel that they remain counsel for the Priebe Defendants, with all the duties of counsel under the applicable rules of professional conduct and applicable law, until such time as they are permitted to withdraw. Such counsel, out-of-state and local counsel alike, have an affirmative duty and obligation to assure that the papers and communications they or their representatives submit or file in this case are in proper form, are properly filed and served, and reflect proper notice to opposing counsel.

7. WHEREFORE, the Court hereby puts lead, out-of-state counsel for the Priebe Defendants and local counsel for the Priebe Defendants on notice that further failure to follow the North Carolina Rules of Civil Procedure or the North Carolina Business Court Rules will result in sanctions.

SO ORDERED, this the 16th day of May, 2017.

<u>/s/ Louis A. Bledsoe, III</u> Louis A. Bledsoe, III Special Superior Court Judge for Complex Business Cases