

STATE OF MICHIGAN  
COURT OF APPEALS

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JILLIAN BOGATER,

Plaintiff-Appellant,

v

HOMETOWN COMMUNICATIONS  
NETWORK, INC.,

Defendant-Appellee.

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UNPUBLISHED  
December 2, 2003

No. 241476  
Oakland Circuit Court  
LC No. 01-035672-NZ

Before: Murray, P.J., and Gage and Kelly, JJ.

MEMORANDUM.

Plaintiff appeals as of right from an opinion and order granting defendant's motion for summary disposition under MCR 2.116(C)(10). We affirm. This appeal is being decided without oral argument pursuant to MCR 7.214(E).

After she was discharged from her position at the Milford Times, plaintiff brought this action claiming that she had been discriminated against because of a handicap or perceived handicap. Plaintiff alleged that she went on sick leave due to a depressive condition and upon her return she was "summarily dismissed." Defendant sought summary disposition on the ground that it was not plaintiff's employer. Defendant asserted that its subsidiary, HomeTown Newspapers, Inc., doing business as the Milford Times, was plaintiff's employer. Plaintiff has never disputed that Hometown Newspapers is a subsidiary of defendant, but has maintained that since defendant in effect owns the Milford Times, it can be held liable.

In essence, plaintiff claims that the corporate veil between the parent and the subsidiary should be pierced because defendant is an owner "either directly or indirectly." In *Seasword v Hilti, Inc.*, 449 Mich 542, 547-548; 537 NW2d 221 (1995)(footnote omitted), the Court stated:

It is a well-recognized principle that separate corporate entities will be respected. *Wells v Firestone*, 421 Mich 641, 650; 364 NW2d 670 (1984). Michigan law presumes that, absent some abuse of corporate form, parent and subsidiary corporations are separate and distinct entities. See, e.g., *Herman v Mobile Homes Corp*, 317 Mich 233, 243; 26 NW2d 757 (1947); *Gledhill v Fisher & Co*, 272 Mich 353, 357-358; 262 NW 371 (1935). This presumption, often referred to as a "corporate veil," may be pierced only where an otherwise separate corporate existence has been used to "subvert justice or cause a result that [is]

contrary to some other clearly overriding public policy." *Wells, supra* at 650; *Helzer v F Joseph Lamb Co*, 171 Mich App 6, 9; 429 NW2d 835 (1988). More specifically, Michigan courts have generally required that a subsidiary must "become 'a mere instrumentality' of the parent" before its separate corporate existence will be disregarded. *Maki v Copper Range Co*, 121 Mich App 518, 524; 328 NW2d 430 (1982). See also *Shirley v Drackett Products Co*, 26 Mich App 644; 182 NW2d 726 (1970).

This law makes it clear that in order to state a claim for tort liability based on an alleged parent-subsidiary relationship, a plaintiff would have to allege: (1) the existence of a parent-subsidiary relationship, and (2) facts that justify piercing the corporate veil. . . .

Plaintiff has not suggested that there are any facts that could establish the criteria necessary for piercing the corporate veil. The mere assertion that the parent is in effect the owner of the subsidiary will not suffice.

We note that plaintiff indicates on appeal that it could accommodate defendant by amending the defendant name if defendant wished for financial considerations or accounting purposes. However, plaintiff never requested the opportunity to amend her complaint in the court below, and we will not entertain such a request on this appeal.

Affirmed.

/s/ Christopher M. Murray

/s/ Hilda R. Gage

/s/ Kirsten Frank Kelly