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WHAT IS A JUDGMENT?

The Missouri Supreme Court issued two decisions this year to clarify "persistent confusion surrounding the issues of what a judgment is, what form it takes, and when it is entered." *State ex rel. Henderson v. Asel,* 566 S.W.3d 596, 598 (Mo. banc 2019). The two cases are *Henderson* and *Meadowfresh Solutions United States v. Maple Grove Farms*, 2019 Mo. LEXIS 313 (Mo. banc Aug. 13, 2019). This article explains the holdings in *Henderson* and *Meadowfresh Solutions* and how the Supreme Court resolved what is often a thorny question for appellate purposes: What is a judgment?

The general rule is that a party may only appeal from a judgment denominated as such under Rule 74.01(a). The trial court in *Henderson* sustained a motion to dismiss filed by the defendants in a case for lack of subject matter jurisdiction. *State ex rel. Henderson v. Asel,* 566 S.W.3d 596, 598 (Mo. banc 2019). The lawsuit raised claims over a sales tax election. The trial court declared in its docket entry that the cause was "dismissed in its entirety without prejudice." But the dismissal order was not denominated as a judgment. Henderson petitioned the Western District and the Supreme Court for an extraordinary writ. Both petitions were denied. Henderson nonetheless filed a notice of appeal to the Supreme Court under its exclusive jurisdiction. The Supreme dismissed the appeal for want of an appealable judgment. Henderson then went back to the trial court and asked that the dismissal order be denominated as a judgment. The trial court refused. Henderson then petitioned the Supreme Court for a writ of mandamus seeking the same relief. This time the Supreme Court granted the extraordinary writ. *Id.* at 598.

In issuing the writ, Judge Paul C. Wilson, writing for the unanimous Supreme Court, made clear that the order of dismissal was a judgment. The Court defined a judgment as "a legally enforceable judicial order that fully resolves at least one claim in a lawsuit and establishes all the rights and liabilities of the parties with respect to that claim." *Id.* at 598. Because the dismissal order in *Henderson* was intended to resolve all of Henderson's claims against all the defendants, Judge Wilson ruled that it was a judgment and should have been so denominated. *Id.* at 599. The Court left open the question of whether the trial court intended the judgment to be "with prejudice" or "without prejudice." And the Court understood that this distinction could still affect whether the judgment was appealable. But the Court ruled that the distinction did not change the trial court's obligation to denominate the dismissal order as a judgment *Id.* at 600.

The Supreme Court again confronted the question of what constitutes a judgment in *Meadowfresh Solutions United States v. Maple Grove Farms*, 2019 Mo. LEXIS 313*1 (Mo. banc Aug. 13, 2019). Relying on the rule that a judgment had to be so denominated, the Southern District dismissed an appeal from an order denying a motion to revoke an interlocutory order appointing a receiver. See, *Meadowfresh Sols. USA, LLC v. Maple Grove Farms, LLC*, 2019 Mo. App. LEXIS 105 (Mo.App. S.D. Feb. 4, 2019). The Southern District reached this conclusion even though the order denying the motion was explicitly appealable under §515.665 RSMo (2016) and §512.020 RSMo (2016). Judge Nancy Steffen Rahmeyer dissented and certified the case for transfer to the Missouri Supreme Court under Rule 83.03.

On transfer, Chief Justice George W. Draper, III, writing again for a unanimous Supreme Court, ruled that the interlocutory order denying the motion to revoke the receivership indeed was appealable. *Meadowfresh Solutions United States v. Maple Grove Farms*, 2019 Mo. LEXIS 313*1 (Mo. banc Aug. 13, 2019). And because the interlocutory order did not resolve at least one claim and establish all the rights and liabilities for such a claim, it was not a "judgment" and did not have to be so denominated. *Id.* *1. So, the Court ruled that the order under review was only interlocutory because it "is not final and decides some point or matter between the commencement and the end of the suit but does not end the end the entire controversy." *Id.* *5-6. Yet this distinction did not cause the appeal to be dismissed.

In allowing the appeal from the order denying the revocation of the receivership to go forward, the Court relied largely on its precedent in allowing a similar appeal from an order denying arbitration. *Meadowfresh Solutions, supra,* * 8, citing *Sanford v. CenturyTel of Missouri, LLC*, 490 S.W.3d 717 (Mo. banc 2016). The Court held in *Sanford* that the interlocutory order denying the arbitration did not become a judgment just because a statute made it subject to an interlocutory appeal. *Id.* at 721. Applying the same reasoning, the Court ruled that "[r]equiring a circuit court to inaccurately label its clearly interlocutory order as a judgment for the sole purpose of allowing Maple Grove to perfect an appeal, which is authorized by two different statutes, defies reason and elevates form over substance." *Meadowfresh Solutions, supra,* * 8. The Court retransferred *Meadowfresh Solutions* to the Southern District to consider the underlying merits of the appeal. *Id* *11. In reaching this decision, the Court cautioned the opinion did not eliminate the normal rules for when an actual "judgment" resolves at least one claim under the "distinct judicial unit" rule and is certified for appeal under Rule 74.01(b). *Id.* *9.

So, in the end, the Supreme Court was consistent in defining a judgment as "a legally enforceable judicial order that fully resolves at least once claim in a lawsuit and established all the rights and liabilities of the parties with respect to that claim." *Henderson, 566* S.W.3d at 598; *Meadowfresh Solutions, supra,* * 1. Yet the Supreme Court reached opposition conclusions in deciding whether the particular orders under review met this definition and how this affected the right of appeal.