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UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

IN THE MATTER OF AN)	Case No. CV 13-08314 DDP (Ex)
APPLICATION TO ENFORCE)	
ADMINISTRATIVE SUBPOENAS OF)	ORDER DENYING MOTIONS FOR CHANGE
THE SECURITIES AND EXCHANGE)	OF VENUE
COMMISSION,)	
)	[DKT Nos. 14, 16, 17, 18, 19, 20]
Petitioner,)	
)	
v.)	
)	
BOBBY JONES, RAYMON)	
CHADWICK, TERRY JOHNSON,)	
INNOVATIVE GROUP, REDWATER)	
FUNDING GROUP, LLC and)	
EXPECTRUM, LLC,)	
)	
Respondents.)	
)	
_____)	

Before the court are motions for change of venue filed by Respondents Bobby Jones, Raymon Chadwick, Terry Johnson, Innovative Group, Redwater Funding Group, LLC, and Expectrum, LLC. The motions are briefed and suitable for adjudication without oral argument. Having considered the parties' submissions, the court now adopts the following order.

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1 **I. BACKGROUND**

2 On November 8, 2013, the Securities and Exchange Commission
3 (SEC) applied for an order compelling compliance by Respondents
4 with administrative subpoenas served on Respondents on August 26,
5 2013. (DKT No. 1.) The court will address this application in a
6 separate order.

7 During November 22 through 27, Respondents filed *pro se*
8 motions for change of venue to the United States District Court for
9 the Northern District of Texas. (DKT Nos. 14, 16-20.) With the
10 exception of the Respondents' names, each of the six motions
11 contain identical text.

12 The only relevant fact alleged by Respondent is that "the
13 majority of defendant's/parties reside in the Northern District of
14 Texas." (Mots. at 2.) Five of the six Respondents list addresses in
15 various Texas cities in their moving papers, (DKT Nos. 16-20),
16 while the sixth, Bobby Jones, lists an address in Phoenix, Arizona
17 (DKT No. 14).

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19 **II. LEGAL STANDARD**

20 28 U.S.C. § 1404(a) provides that "[f]or the convenience of
21 parties and witnesses, in the interest of justice, a district court
22 may transfer any civil action to any other district or division
23 where it might have been brought." In considering a motion for a
24 change of venue, the court must consider, as a threshold matter, if
25 venue in the requested district would have been proper. If so, the
26 Court must then balance the convenience of the parties, the
27 convenience of the witnesses, and the interests of justice. E. &

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1 J. Gallo Winery v. F. & P. S.p.A., 899 F. Supp. 465, 466 (E.D.
2 Cal. 1994).

3 The moving party bears the burden of showing the balance of
4 inconveniences to it. E. & J. Gallo Winery, 899 F. Supp. at 466.
5 "The defendant must make a strong showing of inconvenience to
6 warrant upsetting the plaintiff's choice of forum." Decker Coal Co.
7 v. Commonwealth Edison Co., 805 F.2d 834, 843 (9th Cir. 1986).

9 **III. DISCUSSION**

10 The Court first considers whether this suit could have been
11 brought in the district to which Respondents seek to transfer this
12 action. Venue in a federal question case such as this one is
13 governed by 28 U.S.C. § 1391(b). Subsection (b) provides that venue
14 is proper only in a judicial district: (1) where any defendant
15 resides; (2) where a substantial part of the events or omissions
16 giving rise to the claim occurred; or (3) where any defendant may
17 be found, if there is no district in which the action may otherwise
18 be brought. See 28 U.S.C. § 1391(b)(1)-(3).

19 Respondents assert, in conclusory fashion, that this action
20 could have been brought in the Northern District of Texas. (Mots.
21 at 2.) The SEC does not appear to contest this assertion. The court
22 does not have the facts before it necessary to reach a finding on
23 this question. Nevertheless, because it will not affect the outcome
24 of its analysis, the court assumes for the purposes of this motion
25 that the action could have been brought in the Northern District of
26 Texas.

27 The Court is next tasked with determining whether Respondents
28 have demonstrated that the transfer is warranted. The first

1 consideration under § 1404(a) is convenience to the parties and
2 witnesses. The SEC asserts, and the court agrees, that such
3 convenience factors carry little weight in the context of a summary
4 enforcement proceeding such as the present one. (Opp. at 3.) As the
5 SEC notes, federal securities laws authorize the SEC to seek to
6 enforce its administrative subpoenas in streamlined enforcement
7 proceedings. See SEC v. McCarthy, 322 F.3d 650, 655-59 (9th Cir.
8 2003) (explaining that the Exchange Act authorizes summary
9 proceedings to enforce SEC subpoenas).¹ Unlike civil lawsuits,
10 summary enforcement proceedings do not typically involve discovery,
11 testimony from parties or witnesses, or the presentation of
12 evidence. See U.S. v. Firestone Tire & Rubber Co., 455 F. Supp.
13 1072, 1078 (D.D.C. 1978) ("A proceeding to enforce a subpoena or a
14 special order is summary in nature, and except in the most
15 extraordinary circumstances, discovery and testimony are not
16 allowed."). As a result, the inconvenience to parties and witnesses
17 associated with litigation, as may be considered under § 1404(a),
18 is largely eliminated. See, e.g., FTC v. Carter, 464 F. Supp. 633,
19 637 (D.D.C. 1979 ("in summary proceedings such as this testimony
20 from parties or witnesses is rarely necessary," thereby
21 "eliminat[ing] a significant convenience factor involved in the §
22 1404(a) determinations"). In the case at bar, Respondents have made
23 no attempt to explain how the minimal burdens placed on them by

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25 ¹ McCarthy also explained that "summary proceedings may be
26 'conducted without formal pleadings, on short notice, without
27 summons and complaints, generally on affidavits, and sometimes even
28 *ex parte*.'" McCarthy, 322 F.3d at 655 (9th Cir. 2003) (quoting
New Hampshire Fire Ins. Co. v. Scanlon, 362 U.S. 404, 406 (1960)).

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1 this summary enforcement proceeding constitutes undue inconvenience
2 so as to justify a transfer of venue.

3 Nor have Respondents explained how the interests of justice
4 are in any way served by a change in venue to the Northern District
5 of Texas. Respondents merely assert, with no explanation, that a
6 change in venue would serve the interests of justice. (Mots. at 3.)

7 In sum, the court finds that Respondents have failed to meet
8 their burden of demonstrating why Plaintiff's choice of venue
9 should be disturbed.

10

11 **III. CONCLUSION**

12 For the foregoing reasons, the Court DENIES Respondent's
13 motion to transfer.

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15 IT IS SO ORDERED.

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Dated: December 13, 2013

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DEAN D. PREGERSON
United States District Judge

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