

UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA

**CIVIL MINUTES – GENERAL**

**‘O’**

Case No.	2:16-cv-01307-CAS (AJWx)	Date	July 13, 2017
Title	PHL VARIABLE INSURANCE COMPANY V. CRESCENT FINANCIAL & INSURANCE AGENCY, INC. ET AL.		

Present: The Honorable	CHRISTINA A. SNYDER	
Catherine Jeang	Not Present	N/A
Deputy Clerk	Court Reporter / Recorder	Tape No.
Attorneys Present for Plaintiffs:	Attorneys Present for Defendants:	
Not Present	Not Present	

**Proceedings:** (IN CHAMBERS) - ORDER TO SHOW CAUSE WHY CRESCENT FINANCIAL & INSURANCE AGENCY, INC.’s ANSWER SHOULD NOT BE STRICKEN

PLAINTIFF’S MOTION TO CONTINUE SCHEDULING DATES  
(Filed May 20, 2017, Dkt. 28)

**I. ORDER TO SHOW CAUSE**

On February 25, 2016, plaintiff PHL Variable Insurance Company (“PHL”) brought this action against defendants Crescent Financial & Insurance Agency, Inc. (“Crescent”) and Michael C. Monday. Dkt. 1.

On May 16, 2017, the Court found good cause to permit counsel for both Crescent and Monday to withdraw. Dkt. 27. In its May 16, 2017 order, the Court noted that Crescent, which is a corporate entity, cannot appear pro se. See L.R. 83-2.2.2. Accordingly, the Court ordered the following:

Counsel shall serve a copy of this minute order on Crescent forthwith, notifying Chrescent of its obligation to obtain counsel within thirty (30) days of the date of this order. C.D. Cal. L.R. 83-2.3.4. Counsel shall advise Crescent that its failure to retain new counsel or otherwise respond within

UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA

CIVIL MINUTES – GENERAL

‘O’

Case No.	2:16-cv-01307-CAS (AJWx)	Date	July 13, 2017
Title	PHL VARIABLE INSURANCE COMPANY V. CRESCENT FINANCIAL & INSURANCE AGENCY, INC. ET AL.		

thirty (30) days may result in the imposition of sanctions or the entry of default.

Dkt. 27 at 2.

“District courts have inherent power to control their dockets. In the exercise of that power they may impose sanctions including, where appropriate, default or dismissal.” Thompson v. Hous. Auth. of City of Los Angeles, 782 F.2d 829, 831 (9th Cir. 1986). “When a corporation fails to retain counsel to represent it in an action, its answer may be stricken and a default judgment entered against it.” Rojas v. Hawgs Seafood Bar, Inc., Case No. 08-cv-03819-JF, 2009 WL 1255538, at \*1 (N.D. Cal. May 5, 2009); see also Sec. & Exch. Comm’n v. Neman, Case No. 12-cv-03142-BRO, 2016 WL 6953455, at \*2 (C.D. Cal. Apr. 26, 2016) (striking a corporation’s answer for failure to retain new counsel after prior counsel withdrew); Myers v. LHR, Inc., 543 F. Supp. 2d 1215, 1217 (S.D. Cal. 2008) (same).

To date no attorney has appeared on behalf of either defendant. Accordingly, Crescent has failed to comply with the Court’s May 16, 2017 order by retaining counsel to defend this action. Crescent is hereby **ORDERED TO SHOW CAUSE no later than July 28, 2017**, why its answer should not be stricken and default entered against it.

## II. PHL’S REQUESTED CONTINUANCE

On May 30, 2017, PHL filed the instant motion to continue trial and dates set by the Court’s scheduling order. Dkt. 28. Having reviewed plaintiff’s motion, it appears that defendants’ former counsel agreed to the requested continuance just before the Court granted counsel’s request to withdraw from this matter. Thus, it appears that defendants agreed that a continuance was appropriate, but plaintiff was unable to obtain a signed stipulation after defense counsel withdrew. PHL’s motion is currently scheduled for a hearing on July 24, 2017, thus if either defendant opposed the motion they were obligated to file an opposition no later than July 3, 2017. See C.D. Cal. L.R. 7–9. Defendants have not filed any opposition.

UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA

**CIVIL MINUTES – GENERAL**

**‘O’**

Case No.	2:16-cv-01307-CAS (AJWx)	Date	July 13, 2017
Title	PHL VARIABLE INSURANCE COMPANY V. CRESCENT FINANCIAL & INSURANCE AGENCY, INC. ET AL.		

The Court finds the above-captioned motion appropriate for decision without oral argument. Fed. R. Civ. P. 78; C.D. Cal. L.R. 7-15. Accordingly, the hearing date of July 24, 2017 is vacated and the matter is hereby taken under submission.

In light of defendants’ failure to file any opposition, and good cause being shown, PHL’s motion to continue trial and other dates is **GRANTED**. It is hereby ordered that:

1. The Discovery Cut-off is continued from May 31, 2017 to August 29, 2017;
2. The last day to file motions is continued from June 9, 2017 to September 7, 2017;
3. The Pretrial Conference, currently set on August 14, 2017, is continued to November 13, 2017 at 11:00 a.m.; and
4. The Trial, currently set on August 22, 2017, is continued to November 21, 2017, at 9:30 a.m.

IT IS SO ORDERED.

Initials of Preparer 00 00  
CMJ