

UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

CIVIL MINUTES - GENERAL

Case No. CV 16-6682-GW (MRW) Date October 12, 2016

Title *State Farm General Insurance Company v. Best Buy Stores, L.P. et al.*

Present: The Honorable GEORGE H. WU, UNITED STATES DISTRICT JUDGE

Javier Gonzalez

None Present

Deputy Clerk

Court Reporter / Recorder

Tape No.

Attorneys Present for Plaintiffs:

Attorneys Present for Defendants:

None Present

None Present

**PROCEEDINGS (IN CHAMBERS): ORDER TO SHOW CAUSE RE SUBJECT MATTER
JURISDICTION**

I. Background

On August 3, 2016, Plaintiff State Farm General Insurance Company (“State Farm”) filed a complaint for subrogation against Defendants Best Buy Stores, L.P. (“Best Buy”) and Does 1-40. *See generally* Notice of Removal, Ex. A (“Complaint”); Docket No. 1. On September 6, 2016, Best Buy removed this action to this Court on the basis of diversity jurisdiction under 28 U.S.C. § 1332. *See id.*

II. Diversity Jurisdiction

In order for a court to have jurisdiction under 28 U.S.C. § 1332, the parties must be completely diverse. *See Exxon Mobil Corp. v. Allapattah Servs., Inc.*, 545 U.S. 546, 553 (2005) (“[T]he presence . . . of a single plaintiff from the same [s]tate as a single defendant deprives the district court of original diversity jurisdiction.”). For the purposes of determining diversity, a partnership is a citizen of every state of which its members are citizens. *Carden v. Arkoma Assocs.*, 494 U.S. 185, 195-96 (1990); *see also* Schwarzer, Tashima & Wagstaffe, *Cal. Prac. Guide: Fed. Civ. Proc. Before Trial* (The Rutter Group 2016) (“Schwarzer”) §§ 2:1353 (“[U]nincorporated associations and partnerships are treated as a citizen of each state of which its members are citizens.”), 2:1353 (“In suits by or against a partnership, the citizenship of all partners – general and limited – is attributed to the partnership for diversity purposes.”) (citing *Carden*, 494 U.S. at 195-95).

The burden of proving jurisdictional facts falls on the party invoking federal jurisdiction. *See Kanter v. Warner-Lambert Co.*, 265 F.3d 853, 857-58 (9th Cir. 2001). Because Defendant Best Buy invoked the Court’s diversity jurisdiction here when it removed this action (*see* Notice of Removal ¶¶ 3-4), it must prove

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that jurisdiction is proper, in particular that the citizenships of the parties are completely diverse.

In support of jurisdiction, Best Buy states only that it is “a Virginia Limited Partnership with its principal place of business and nerve center in Minnesota.” *Id.* ¶ 4. Because it does not plead the citizenship of all of its members (*see Carden*, 494 U.S. at 195-95), it does not satisfy its burden to show that citizenships of the parties are completely diverse (*see Kanter*, 265 F.3d at 857-58).

III. Conclusion

The Court orders Defendant Best Buy to show cause in writing no later than **October 20, 2016** why this action should not be dismissed for lack of subject matter jurisdiction. Defendant is reminded that courtesy copies are to be delivered to Chambers. The Court will also entertain any argument the parties wish to present on the issue at the Scheduled Conference.

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