

UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

CIVIL MINUTES - GENERAL

Case No.	CV 17-2067 FMO (AFMx)	Date	April 4, 2017
Title	Beachbody, LLC v. Jadee Investments Corp., et al.		

Present: The Honorable		Fernando M. Olguin, United States District Judge	
Vanessa Figueroa	None	None	
Deputy Clerk	Court Reporter / Recorder	Tape No.	
Attorney Present for Plaintiff(s):		Attorney Present for Defendant(s):	
None Present		None Present	

Proceedings: (In Chambers) Order to Show Cause Re: Personal Jurisdiction and Venue

On March 15, 2017, plaintiff Beachbody, LLC (“plaintiff” or “Beachbody”) filed a Complaint against defendants Jadee Investments Corp., William Lee, and Kayo Cleveland (“defendants”) alleging various trademark and copyright infringement claims. (See Dkt. 1, Complaint at ¶¶ 50-91). Jadee Investments is incorporated in Hawaii with a principal place of business in Anniston, Alabama. (See *id.* at ¶ 2). Lee and Cleveland are residents of Anniston, Alabama. (See *id.* at ¶¶ 3-4).

The court may assert specific personal jurisdiction over nonresident defendants if three requirements are met: “(1) [t]he non-resident defendant must purposefully direct his activities or consummate some transaction with the forum or resident thereof; or perform some act by which he purposefully avails himself of the privilege of conducting activities in the forum, thereby invoking the benefits and protections of its laws; (2) the claim must be one which arises out of or relates to the defendant's forum-related activities; and (3) the exercise of jurisdiction must comport with fair play and substantial justice, i.e. it must be reasonable.” Schwarzenegger v. Fred Martin Motor Co., 374 F.3d 797, 802 (9th Cir. 2004). The court engages in “purposeful availment” analysis for contract cases and “purposeful direction” analysis for tort cases. See *id.* The court’s analysis “looks to the defendant’s contacts with the forum State itself, not the defendant’s contacts with persons who reside there.” Walden v. Fiore, 134 S.Ct. 1115, 1122 (2014). “[T]he plaintiff cannot be the only link between the defendant and the forum.” *Id.*

Plaintiff alleges that defendants have “advertise[d] for sale” and “have sold and distributed . . . counterfeit” Beachbody products “through www.LNinvestmentcorporation.com and www.jadeemarketplace.com.” (See Dkt. 1, Complaint at ¶¶ 32-33). Plaintiff, however, does not allege any specific contacts between defendants’ websites and the state of California, nor does plaintiff allege how its causes of action arise out of or relate to those contacts. (See, generally, Dkt. 1, Complaint); see, e.g., Mission Trading Co., Inc. v. Lewis, 2016 WL 6679556, *3 (N.D. Cal. 2016) (maintenance of a passive website, alone, cannot satisfy specific personal jurisdiction).

Plaintiff alleges that defendants “register[ed] and operate accounts” on eBay.com and

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Bonanza.com “to advertise, sell, and distribute counterfeit Beachbody” products, (Dkt. 1, Complaint at ¶¶ 34 & 38), and process payments from those sales through Paypal. (See id. at ¶ 35). eBay.com and PayPal, however, are headquartered within the Northern District of California – not the Central District of California. (See, e.g., eBay’s February 6, 2017 Form 10K at 1 (eBay is a Delaware corporation headquartered in San Jose, California); PayPal Holdings February 8, 2017 Form 10K at 1 (PayPal Holdings is a Delaware corporation headquartered in San Jose, California). Bonanza.com is incorporated and has a principal place of business in Washington. (See Washington Secretary of State Website, available at www.sos.wa.gov/corps) (last accessed on April 3, 2017). Moreover, plaintiff contends that it “authorized the purchase of” purported Beachbody products from defendants, (see Dkt. 1, Complaint at ¶¶ 40-41), but when assessing specific personal jurisdiction, “the plaintiff cannot be the only link between the defendant and the forum.” Walden, 134 S.Ct. at 1122 (2014).

Accordingly, IT IS ORDERED that no later than **April 11, 2017**, plaintiff shall file a response, not to exceed five (5) pages, why this action should not be dismissed for lack of personal jurisdiction or transferred for lack of proper venue. Should the court transfer the action, plaintiff must specify in its response the venue(s) where the action should be transferred. **Failure to respond to this order to show cause by the deadline set forth above shall be deemed as consent to either: (1) the dismissal of the action without prejudice for lack of personal jurisdiction and/or failure to comply with a court order, see Fed. R. Civ. P. 41(b); Link v. Wabash R. Co., 370 U.S. 626, 629-30, 82 S.Ct. 1386, 1388 (1962); or (2) transfer of the instant action to the appropriate venue.**

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