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**UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF CALIFORNIA**

THOMAS HUDDLESTON, individually and on behalf of all others similarly situated,

Plaintiff,

v.

JOHN CHRISTNER TRUCKING, LLC,

Defendant.

1:17-cv-00925-LJO-SAB

MEMORANDUM DECISION AND ORDER RE DEFENDANT’S MOTION TO DISMISS FOR LACK OF JURISDICTION, OR, IN THE ALTERNATIVE, TO TRANSFER VENUE (ECF NO. 5)

I. INTRODUCTION

Plaintiff Thomas Huddleston brings this wage-and-hour putative class action lawsuit against defendant John Christner Trucking, LLC (“JCT”). ECF No. 1. JCT moves to dismiss based on lack of personal jurisdiction and improper venue or, in the alternative, to transfer the case to the Northern District of Oklahoma, the forum specified in the forum-selection clause of the contract between the parties. ECF No. 5 (“Mot.”). Plaintiff opposed, ECF No. 10 (“Opp.”), and JCT replied, ECF No. 12 (“Reply”). This matter is now ripe for review and is suitable for disposition without oral argument. *See* Local Rule 230(g).

II. BACKGROUND

According to the complaint, Huddleston worked as an “owner-operator” for JCT until August 2016. In that role, he was responsible for operating a commercial vehicle and transporting customer cargo to assigned destinations. Huddleston claims JCT misclassified its “owner-operators” as independent contractors, rather than employees, and thus violated a variety of state and federal labor

1 laws, including those governing payment of wages, minimum wage, meal and rest breaks, and wage
2 reporting. Huddleston seeks to represent other “owner-operators” in a collective action under the Fair
3 Labor Standards Act (“FLSA”) and class actions under California and Oklahoma law.

4 In support of its motion to dismiss, JCT submits, *inter alia*, a declaration from Shannon Crowley,
5 Vice President of Risk Management. Crowley testifies that JCT is an Oklahoma limited liability
6 company headquartered in Sapulpa, Oklahoma, which operates in the forty-eight contiguous states. JCT
7 keeps all company records at its Oklahoma headquarters and dispatches drivers from there. Also, every
8 “owner-operator” completes an orientation at those headquarters. JCT leases facilities in Phoenix,
9 Arizona, and Oklahoma City, Oklahoma. It also leases “drop yards” in locations throughout the United
10 States, which are used for parking and staging trailers. According to Crowley, JCT does not own or
11 lease any property in California, except for one drop yard it leases in Colton, California. It also does not
12 have any employees in California except one individual who works from his home in Fresno to arrange
13 the transportation of customer freight. JCT does not target any advertising specifically to California
14 and, since at least 2013, only 10- 12% of its total nationwide miles have been logged in California. As
15 to plaintiff specifically, Crowley testifies that only three of Huddleston’s twenty-five pick-ups or
16 deliveries were in the Eastern District of California. The Crowley declaration includes as an exhibit a
17 copy of the “Independent Contractor Operating Agreement” (“ICOA”) that Huddleston signed. The
18 forum-selection clause of the ICOA provides as follows:

19 **GOVERNING LAW AND FORUM.** This Agreement shall be interpreted in
20 accordance with, and governed by, the laws of the United States and, of the State of
21 Oklahoma, without regard to the choice-of-law rules of Oklahoma or any other
22 jurisdiction. THE PARTIES AGREE THAT ANY CLAIM OR DISPUTE ARISING
23 FROM OR IN CONNECTION WITH THIS AGREEMENT, WHETHER UNDER
24 FEDERAL, STATE, LOCAL, OR FOREIGN LAW (INCLUDING BUT NOT LIMITED
25 TO 49 C.F.R. PART 376), SHALL BE BROUGHT EXCLUSIVELY IN THE STATE
OR FEDERAL COURTS SERVING CREEK COUNTY, OKLAHOMA. CARRIER
AND CONTRACTOR HEREBY CONSENT TO THE JURISDICTION AND VENUE
OF SUCH COURTS.

ECF No. 5-1, Ex. A (ICOA) ¶ 23.

1 In response, Huddleston submits his own declaration. ECF No. 10-1. Therein, he states that he is
2 a resident of California and that much of his work activity took place in California. Specifically, he says
3 that a significant portion of his drop-offs and pick-ups were located in Tulare, Stockton, Fresno,
4 Newman, Turlock, Modesto, Merced, Madera, and Livingston (all located within the Eastern District of
5 California) and that the vast majority of his total driving miles were related to either a pick-up or drop-
6 off in California. He testifies that JCT said it would make every effort to make his first and last stop of
7 any given trip in California so his work would be completed close to home, and that his first and last
8 stops were indeed in California. As to the ICOA, he testifies that when he was in Oklahoma for
9 orientation, he was told that the ICOA was nonnegotiable, was told that it was offered on a take-it-or-
10 leave-it basis, and that the forum-selection clause and its effects were never explained to him. He
11 further testifies that litigating this case in Oklahoma would impose a prohibitive economic hardship on
12 him due to the cost of travel and time away from work, problems that he would not experience if the
13 case were to remain in California.

14 **III. LEGAL STANDARD**

15 **A. Personal Jurisdiction**

16 Federal Rule of Civil Procedure 12(b)(2) authorizes motions to dismiss for lack of personal
17 jurisdiction. If a defendant challenges the existence of personal jurisdiction, the plaintiff bears the
18 burden of establishing the district court's personal jurisdiction over the defendant. *CollegeSource, Inc.*
19 *v. AcademyOne, Inc.*, 653 F.3d 1066, 1073 (9th Cir. 2011). The plaintiff need only make a prima facie
20 showing of jurisdiction to defeat the motion to dismiss, but "may not simply rest on the bare allegations
21 of the complaint." *Ranza v. Nike, Inc.*, 793 F.3d 1059, 1068 (9th Cir. 2015). "[U]ncontroverted
22 allegations must be taken as true, and conflicts between parties over statements contained in affidavits
23 must be resolved in the plaintiff's favor." *Id.*

24 **B. Venue**

25 Federal Rule of Civil Procedure 12(b)(3) authorizes motions to dismiss for improper venue.

1 When venue is challenged, the court must determine whether the case falls within one of the three
2 categories set out in the general venue statute, 28 U.S.C. § 1391. Plaintiff bears the burden of showing
3 that venue is proper. *See Piedmont Label Co. v. Sun Garden Packing Co.*, 598 F.2d 491, 496 (9th Cir.
4 1979). In the context of a motion under Rule 12(b)(3), a court need not accept as true all allegations in
5 the complaint, but may consider facts outside the pleadings. *See Murphy v. Schneider Nat'l, Inc.*, 362
6 F.3d 1133, 1137 (9th Cir. 2004). The court, however, “is obligated to draw all reasonable inferences in
7 favor of the non-moving party and resolve all factual conflicts in favor of the non-moving party.” *Id.* at
8 1138.

9 **C. 28 U.S.C. § 1404 And Forum-Selection Clause**

10 28 U.S.C § 1404(a) provides that “[f]or the convenience of parties and witnesses, in the interest
11 of justice, a district court may transfer any civil action to any other district or division where it might
12 have been brought or to any district or division to which all parties have consented.” The Supreme
13 Court has commanded that “[i]n the light of present-day commercial realities and expanding
14 international trade[,] . . . [a] forum [selection] clause should control absent a strong showing that it
15 should be set aside.” *M/S Bremen v. Zapata Off-Shore Co.*, 407 U.S. 1, 10 (1972). When a case
16 concerns enforcement of a forum-selection clause, § 1404(a) provides a mechanism for its enforcement
17 and “a proper application of section 1404(a) requires that a forum-selection clause be given controlling
18 weight in all but the most exceptional cases.” *Atlantic Marine Const. Co., Inc. v. U.S. Dist. Court for W.*
19 *Dist. of Tex.*, 134 S. Ct. 568, 579 (2013) (internal quotation omitted). Plaintiff bears the burden of
20 showing the exceptional circumstances that make transfer inappropriate. *Id.* at 581.

21 The Court applies federal law to the interpretation and enforcement of a forum-selection clause.
22 *Manetti-Farrow, Inc. v. Gucci Am., Inc.*, 858 F.2d 509, 513 (9th Cir. 1988). The U.S. Supreme Court
23 has held that forum-selection clauses are presumptively valid and should only be set aside if the party
24 challenging enforcement can “clearly show that enforcement would be unreasonable and unjust.” *M/S*
25 *Bremen*, 407 U.S. at 1. A “valid forum-selection clause [should be] given controlling weight in all but

1 the most exceptional cases.” *Atl. Marine Const. Co.*, 134 S.Ct. at 581.

2 A forum-selection clause may be deemed unreasonable under the following circumstances: (1) if
3 the inclusion of the clause in the agreement was the product of fraud or overreaching; (2) if the party
4 wishing to repudiate the clause would effectively be deprived of his day in court were the clause
5 enforced; and (3) if enforcement would contravene a strong public policy of the forum in which suit is
6 brought. *Holland Am. Line, Inc. v. Wartsila N. Am., Inc.*, 485 F.3d 450, 457 (9th Cir. 2007). Forum-
7 selection clauses are also scrutinized for “fundamental fairness,” and may be deemed unfair if inclusion
8 of the clause was motivated by bad faith, or if the party had no notice of the forum provision. *Carnival*
9 *Cruise Lines, Inc. v. Shute*, 499 U.S. 585, 595 (1991). “The party challenging the clause bears a ‘heavy
10 burden of proof.’” *Murphy*, 362 F.3d at 1140 (quoting *M/S Bremen.*, 47 U.S. at 17).

11 **IV. DISCUSSION**

12 Although it is not mandatory, courts considering a challenge to both personal jurisdiction and
13 venue generally decide the issue of personal jurisdiction first. *See Leroy v. Great W. United Corp.*, 443
14 U.S. 173, 180 (1979) (“The question of personal jurisdiction, which goes to the court’s power to
15 exercise control over the parties, is typically decided in advance of venue, which is primarily a matter of
16 choosing a convenient forum.”). The Court begins its analysis with JCT’s challenge to personal
17 jurisdiction.

18 **A. Personal Jurisdiction**

19 Federal courts ordinarily follow state law in determining the bounds of their jurisdiction over
20 persons. *See Fed. R. Civ. P. 4(k)(1)(A)*. Under California’s long-arm statute, courts may exercise
21 personal jurisdiction “on any basis not inconsistent with the Constitution of this state or of the United
22 States.” Cal. Civ. Proc. Code Ann. § 410.10 (2004). Because California’s long-arm statute allows the
23 exercise of personal jurisdiction to the full extent permissible under the U.S. Constitution, the question
24 here is whether assertion of personal jurisdiction over JCT comports with the limits imposed by federal
25 due process. *See Burger King Corp. v. Rudzewicz*, 471 U.S. 462, 464 (1985). It is well established that

1 the Fourteenth Amendment’s Due Process Clause limits the power of a court to exercise jurisdiction
2 over out-of-state defendants who do not consent to jurisdiction. *Goodyear Dunlop Tires Operations,*
3 *S.A. v. Brown*, 564 U.S. 915 (2011). There are two kinds of personal jurisdiction that a court may
4 exercise over an out-of-state defendant. *Id.* at 919. The first, known as “general jurisdiction,” exists if
5 the defendant’s contacts with the forum are “so substantial and of such a nature as to justify suit against
6 it on causes of action arising from dealings entirely distinct from those activities.” *International Shoe*
7 *Co. v. Washington*, 326 U.S. 310, 318 (1945). The second, known as “specific jurisdiction,” exists
8 where the litigation is derived from obligations that “arise out of or are connected with the [company’s]
9 activities within the state.” *Id.* at 319. JCT argues that neither general nor specific personal jurisdiction
10 exists here. Huddleston does not argue that the Court could exercise general jurisdiction over JCT but
11 contends that the Court does have specific jurisdiction over JCT.

12 **1. Specific Jurisdiction**

13 The touchstone for asserting specific jurisdiction over a nonresident defendant is “the
14 relationship among the defendant, the forum, and the litigation.” *Walden v. Fiore*, 134 S. Ct. 1115, 1121
15 (2014) (citation omitted). “The proper question is whether the defendant’s conduct connects him to the
16 forum in a meaningful way.” *Id.* at 1125. The Ninth Circuit has established a three-prong test for
17 analyzing a claim of specific personal jurisdiction: (i) the defendant must have purposefully availed
18 itself “of the privilege of conducting activities in the forum, thereby invoking the benefits and
19 protections of its laws”; (ii) the cause of action must “arise[] out of or relate[] to the defendant’s forum-
20 related activities”; and (iii) “the exercise of jurisdiction must comport with fair play and substantial
21 justice, i.e. it must be reasonable.” *Schwarzenegger v. Fred Martin Motor Co.*, 374 F.3d 797, 802 (9th
22 Cir. 2004). The plaintiff bears the burden of satisfying the first two prongs of the test. *Id.* Once the
23 plaintiff carries this burden, the defendant must come forward with a “compelling case” that the exercise
24 of jurisdiction would not be reasonable. *Id.*

25 **a. Purposeful Direction**

1 The test's first prong encompasses both purposeful direction and purposeful availment. *Yahoo!*
2 *Inc. v. La Ligue Contre Le Racisme Et L'Antisemitisme*, 433 F.3d 1199, 1206 (9th Cir. 2006). This
3 prong may be satisfied by "purposeful availment of the privilege of doing business in the forum; by
4 purposeful direction of activities at the forum; or by some combination thereof." *Id.* In contract cases,
5 courts generally apply the purposeful availment test, while in tort cases they use the purposeful direction
6 analysis. *Id.* "Although a FLSA claim for relief ostensibly arises from an employment contract, courts
7 have likened FLSA claims to tort claims and have applied the purposeful direction standard." ECF No.
8 5-3, *Huddleston v. John Christner Trucking, LLC*, No. 17-cv-02081-RS ("*Huddleston I*"), slip op. at 6-7
9 (N.D. Cal. July 6, 2017) (citing *Holliday v. Lifestyle Lift, Inc.*, No. C 09-4995 RS, 2010 WL 3910143, at
10 *3 (N.D. Cal. Oct. 5, 2010)); *Hernandez v. Martinez*, No. 12-CV-06133-LHK, 2014 WL 3962647, at *4
11 (N.D. Cal. Aug. 13, 2014).

12 The purposeful direction test requires satisfaction of all three prongs of the Supreme Court's
13 effects test from *Calder v. Jones*, 465 U.S. 783, 789-90 (1984). *Schwarzenegger*, 374 F.3d at 805. That
14 test requires showing that the defendant (1) has committed an intentional act; (2) expressly aimed at the
15 forum state; (3) causing harm that the defendant knows is likely to be suffered in the forum state. *Id.*
16 JCT's setting employment policies and wages is an "intentional act" that satisfies the first prong, and
17 applying them in the forum state likewise satisfies the third prong. *Holliday*, 2010 WL 3910143, at *3-
18 *4.

19 JCT argues that because it is an Oklahoma corporation that holds its driver orientations in
20 Oklahoma and bases its drivers' compensation on miles traveled nationwide, not merely in California, it
21 "never directed its actions at California," and the second prong is left unsatisfied. Mot. at 7. The Court
22 disagrees. JCT's contacts with California are not mere happenstance resulting from Huddleston's
23 incidental residence in the state independent of JCT's conduct. Huddleston "alleges that JCT contracts
24 with California residents and instructs them (and others) to make pick-ups and drop-offs in California.
25 It is thus not Huddleston's personal choice to live in California which drives the jurisdictional analysis,

1 but JCT’s choice to dispatch deliveries to and from California which does.” *Huddleston I*, slip. op. at 7.
2 Indeed, courts have found the requirements of specific personal jurisdiction satisfied where a shipping
3 company contracts to ship goods from one state to a second state and a cause of action arises in a third
4 state through which the goods were passing. *See, e.g., Brandi v. Belger Cartage Serv., Inc.*, 842 F.
5 Supp. 1337, 1341-42 (D. Kan. 1994) (“[G]iven the nationwide nature of Professional’s transportation
6 brokerage service, it should certainly have foreseen the possibility of litigation arising in a state through
7 which it had arranged for the shipment of goods.”); *Turner v. Syfan Logistics, Inc.*, No. 5:15CV81, 2016
8 WL 1559176, at *5 (W.D. Va. Apr. 18, 2016) (“It can come as no surprise to Syfan that litigation in
9 Virginia might ensue when Syfan’s conduct ensured DD would haul a load of frozen chicken across a
10 significant portion of the state.”).¹ The purposeful-direction requirement is satisfied.

11 **b. Arising Out Of Forum-Related Activities**

12 Purposeful availment is not enough; the claims in this case must also arise out of FCT’s contacts
13 with California. *Bancroft & Masters, Inc. v. Augusta Nat. Inc.*, 223 F.3d 1082, 1088 (9th Cir. 2000).
14 This second prong of the specific jurisdiction test is satisfied if the plaintiff would not have been injured
15 “but for” the defendant’s forum-related contacts. *See Terracom v. Valley National Bank*, 49 F.3d 555,
16 561 (9th Cir. 1995). In *Shute v. Carnival Cruise Lines*, the Ninth Circuit reasoned that “[t]he ‘but for’
17 test is consistent with the basic function of the ‘arising out of’ requirement—it preserves the essential
18 distinction between general and specific jurisdiction. . . . The ‘but for’ test preserves the requirement that
19 there be some nexus between the cause of action and the defendant’s activities in the forum.” 897 F.2d
20 377, 385 (9th Cir. 1990), *rev’d on other grounds*, 499 U.S. 585 (1991); *see also Walden*, 134 S. Ct. at
21 1121 (“For a State to exercise jurisdiction consistent with due process, the defendant’s suit-related
22 conduct must create a substantial connection with the forum State.”).

23
24 ¹ *Huddleston* has also presented a *prima facie* case under the purposeful availment test. In contract cases, the Ninth Circuit
25 inquires whether a defendant “purposefully avails itself of the privilege of conducting activities” or “consummate[s] [a]
transaction” in the forum, focusing on activities such as delivering goods or executing a contract. *Yahoo*, 433 F.3d at 1206;
Schwarzenegger, 374 F.3d at 802. JCT contracted with *Huddleston* (a California resident) to pick up and drop off cargo in
California, which is enough to satisfy the test.

1 JCT argues that the centerpiece of Huddleston’s complaint is the Fair Labor Standards Act
2 (“FLSA”), which set nationwide standards, and because Huddleston performed long-haul truck-driving
3 services throughout the country, the FLSA claims “could have arisen whether he was a resident of
4 California, Connecticut, Colorado, or any other state in the country.” Mot. at 8. Being primarily a
5 FLSA case, JCT contends, “[i]t cannot be said that JCT’s California operations made the FLSA claim
6 (or Oklahoma state claims) uniquely possible.” Reply at 3.

7 While FLSA claims can arise in any state, JCT’s decision to hire Huddleston, a California
8 resident, to make pick-ups and drop-offs in California means that his claims arose, at least in part, there.
9 Indeed, the list of pick-ups and drop-offs appended as Exhibit B to the Crowley Declaration shows that
10 twelve of the twenty-five loads that JCT assigned to Huddleston had origin or destination points within
11 the state of California. ECF No. 5-1, Crowley Decl. ¶¶ 30-31, Ex. B. “By orchestrating deliveries to
12 and from California and applying the allegedly unlawful employment practices to persons performing
13 those transportation services, [JCT] targets California.” *Huddleston I*, slip op. at 8. “Even though the
14 defendant’s headquarters—from which the challenged policies originated—were located outside of
15 California, jurisdiction was still proper based on the application of the policies to the company’s
16 activities in this state.” *Id.* (citing *Holliday*, 2010 WL 3910143, at *4). The policies at issue may have
17 their origin in Oklahoma, but JCT’s decision to purposefully direct its activities toward California and
18 apply those policies in this forum give rise to specific personal jurisdiction. Indeed, “but for JCT’s
19 transportation operation in California, Huddleston would not have any potential claim under California
20 law.” *Id.* at 9. Huddleston’s claims arise out of JCT’s forum-related activities, and the second
21 requirement is satisfied.

22 **c. Reasonableness**

23 After the first two prongs of the test have been met, the defendant has the burden of showing that
24 the Court’s jurisdiction would be unreasonable. *Bancroft & Masters, Inc.*, 223 F.3d at 1088 (citing
25 *Burger King*, 471 U.S. at 476). In determining whether jurisdiction is reasonable, courts consider seven

1 factors: (1) the extent of a defendant's purposeful interjection into the forum; (2) the burden on the
2 defendant in defending in the forum; (3) the extent of conflict with the sovereignty of the defendant's
3 state; (4) the forum state's interest in adjudicating the dispute; (5) the most efficient judicial resolution
4 of the dispute; (6) the importance of the forum to the plaintiff's interest in convenient and effective
5 relief; and (7) the existence of an alternative forum. *See Dole Food Co. v. Watts*, 303 F.3d 1104, 1114
6 (9th Cir. 2002). "No one factor is dispositive; a court must balance all seven." *Panavision Int'l, L.P. v.*
7 *Toeppen*, 141 F.3d 1316, 1323 (9th Cir. 1998).

8 JCT has not met its burden of showing that this Court's exercise of specific jurisdiction would be
9 unreasonable. As discussed above, JCT purposefully injected itself into California through its decision
10 to conduct shipping in the forum. This constitutes some purposeful injection into California and
11 supports the reasonableness of the exercise of personal jurisdiction over JCT. Second, litigating in
12 California would impose some burden on JCT, but because "modern advances in communications and
13 transportation have significantly reduced the burden of litigating in another [jurisdiction]," *Sinatra v.*
14 *Nat'l Enquirer, Inc.*, 854 F.2d 1191, 1199 (9th Cir. 1988), having to obtain or present evidence from
15 JCT's personnel in Oklahoma will not impose an unreasonable burden on JCT. Third, JCT does not
16 contest that the exercise of jurisdiction would conflict with the sovereignty of Oklahoma, its state of
17 domicile, though the Court notes that the bulk of Huddleston's claims are brought under California state
18 law, and the FLSA analysis will be the same in either California or Oklahoma. This factor does not
19 weigh in favor of a finding of unreasonableness. Fourth, the interest of the forum state is great, because
20 California has a strong interest "in protecting its citizens from the wrongful acts of nonresident
21 defendants." *Ziegler v. Indian River County*, 64 F.3d 470, 475 (9th Cir. 1995). Fifth, the question of
22 efficient judicial resolution is neutral. This factor primarily concerns "where the witnesses and the
23 evidence are likely to be located." *Core-Vent Corp. v. Nobel Indus. AB*, 11 F.3d 1482, 1489 (9th Cir.
24 1993) *holding modified by Yahoo! Inc. v. La Ligue Contre Le Racisme Et L'Antisemitisme*, 433 F.3d
25 1199 (9th Cir. 2006). Though JCT's corporate documents and witnesses likely will be located in

1 Oklahoma, Huddleston and other members of the California class likely will be located in California.
2 Because document collection is now mostly an exercise in electronic discovery, the presence of
3 corporate documents in Oklahoma does not weigh heavily in favor of finding that jurisdiction in
4 California would be unreasonable. Sixth, a California forum is important to Huddleston’s interest in
5 convenient relief, since he is a resident of and works in this forum and has averred that traveling to
6 Oklahoma to litigate this case would present a burden. ECF No. 10-1, Huddleston Decl. ¶ 12. Seventh,
7 Oklahoma is available as an alternative forum. However, “[w]hether another reasonable forum exists
8 becomes an issue only when the forum state is shown to be unreasonable.” *CollegeSource, Inc. v.*
9 *AcademyOne, Inc.*, 653 F.3d 1066, 1080 (9th Cir. 2011). Thus, this factor is not at issue.

10 JCT has not made a sufficient showing that the exercise of personal jurisdiction is unreasonable.

11 **B. Venue**

12 Under the general venue statute, a civil action may be brought in: (1) a judicial district in which
13 any defendant resides, if all defendants are residents of the state in which the district is located; (2) a
14 judicial district in which a substantial part of the events or omissions giving rise to the claim occurred;
15 or (3) if there is no district in which an action may otherwise be brought as provided in this section, any
16 judicial district in which any defendant is subject to the court’s personal jurisdiction with respect to such
17 action. *See* 28 U.S.C. § 1391(b). In a state which has more than one judicial district, corporate
18 defendants “shall be deemed to reside in any district within which its contacts would be sufficient to
19 subject it to personal jurisdiction if that district were a separate state.” *Id.* § 1391 (d).

20 Because California is a state with multiple judicial districts, a district-specific jurisdictional
21 analysis is required here. The general rule is that each plaintiff in a class action must individually satisfy
22 venue, so the venue determination is “based on the plaintiffs in the class action—not absent class
23 members.” *Levine v. Entrust Grp., Inc.*, No. C 12-03959 WHA, 2012 WL 6087399, at *4 (N.D. Cal.
24 Dec. 6, 2012). Huddleston alleges in the Complaint that he “would regularly engage in JCT’s business
25 in various locations within this judicial district, including but not limited to Fresno, Stockton, Tulare,

1 Newman, Turlock, Modesto, Merced, Madera, and Livingston.” ECF No. 1 at ¶ 18. He testifies in his
2 declaration that “[m]uch” of his JCT-related work took place in California and that he drove “all over”
3 the state, including making a “significant portion” of his pick-ups and drop-offs in the cities within this
4 District listed in paragraph 18 of the Complaint. ECF No. 10-1, Huddleston Decl. ¶ 9.

5 JCT responds that only three of the twenty-five loads that Huddleston performed had pick-ups or
6 deliveries that took place within this district and that in any case, the classification decisions giving rise
7 to this suit took place at JCT’s corporate headquarters in Oklahoma and not in California at all. Reply at
8 6-8.

9 The general venue statute does not authorize venue in a single district in which the most
10 substantial part of the events or omissions giving rise to the claim occurred. Instead, the federal circuit
11 courts appear to agree that venue may be proper in multiple districts if a “substantial part” of the
12 underlying events took place in each of those districts. *See Gulf Ins. Co. v. Glasbrenner*, 417 F.3d 353,
13 356 (2d Cir. 2005) (collecting cases from various federal courts of appeals). Thus, Huddleston need not
14 show that the Eastern District of California has the *most* substantial relationship to the dispute,
15 *Kirkpatrick v. Rays Group*, 71 F. Supp. 2d 204, 213 (W.D.N.Y. 1999), or that it is the “best” venue.
16 *Silver Valley Partners, LLC v. De Motte*, 400 F. Supp. 2d 1262, 1269 (W.D. Wash. 2005). Rather, “for
17 venue to be proper, significant events or omissions material to the plaintiff’s claim must have occurred
18 in the district in question, even if other material events occurred elsewhere.” *Gulf Ins. Co.*, 417 F.3d at
19 357. Though only a quarter of the loads with pick-ups or drop-offs in California occurred within the
20 Eastern District, that is enough to satisfy the requirement that a “substantial” portion of the events giving
21 rise to the suit arise in the District, “even if a greater part of the events occurred elsewhere.” *Farm*
22 *Credit W., PCA v. Lanting*, No. 1:13-CV-00712-AWI, 2013 WL 3730391, at *2 (E.D. Cal. July 12,
23 2013). *See also Kia Motors Am., Inc. v. MPA Autoworks*, No. CV 05-4928-NM EX, 2006 WL 8074721,
24 at *3 (C.D. Cal. Jan. 10, 2006) (“Because venue can properly lie in multiple districts, the court need not
25 compare sales figures in an effort to find the ‘best venue’; rather the question is whether the venue

1 chosen by a plaintiff is proper.”).

2 **C. Forum-Selection Clause And 28 U.S.C. § 1404**

3 JCT argues in the alternative that even if this Court does have specific personal jurisdiction and
4 venue is proper in this District, the case should be transferred to the Northern District of Oklahoma
5 pursuant to 28 U.S.C. § 1404 and the forum-selection clause.²

6 “The scope of the claims governed by a forum selection clause depends [upon] the language used
7 in the clause.” *Ronlake v. US-Reports, Inc.*, No. 1:11-CV-02009 LJO, 2012 WL 393614, at *3–4 (E.D.
8 Cal. 2012). Where a forum-selection clause uses the phrases “arising under,” “arising out of,” or similar
9 language, the clause is construed narrowly to cover only disputes “relating to the interpretation and
10 performance of the contract itself.” *Cape Flattery Ltd. v. Titan Mar., LLC*, 647 F.3d 914, 922 (9th Cir.
11 2011). Where, however, the clause uses broader language, such as “relating to” and “in connection
12 with,” courts read the clause more broadly. *Robles v. Comtrak Logistics, Inc.*, No. 2:13-CV-00161-
13 JAM-AC, 2015 WL 1530510, at *3 (E.D. Cal. Apr. 3, 2015). The forum-selection clause here provides
14 that “any claim or dispute arising from or in connection with” the ICOA “shall be brought exclusively in
15 the state or federal courts serving Creek County, Oklahoma.” ICOA ¶ 23. This language has broad
16 reach, and because Huddleston’s claims concern the relationship created by the ICOA, which created the
17 working relationship between the parties, his claims fall within the scope of the forum-selection clause.
18 *LaCross v. Knight Transportation, Inc.*, 95 F. Supp. 3d 1199, 1207 (C.D. Cal. 2015); *Robles*, 2015 WL
19 1530510, at *4.

20 The Ninth Circuit has outlined three situations in which enforcement of a forum-selection clause
21 would be unreasonable: “(1) if the inclusion of the clause in the agreement was the product of fraud or
22 overreaching; (2) if the party wishing to repudiate the clause would effectively be deprived of his day in
23

24 ² JCT also argues for transfer to the Northern District of Oklahoma pursuant to 28 U.S.C. § 1406(a), which provides that
25 “[t]he district court of a district in which is filed a case laying venue in the wrong division or district shall dismiss, or if it be
in the interest of justice, transfer such case to any district or division in which it could have been brought.” Mot. at 11-12.

1 court were the clause enforced; and (3) if enforcement would contravene a strong public policy of the
2 forum in which suit is brought.” *Murphy v. Schneider Nat’l, Inc.*, 362 F.3d 1133, 1140 (9th Cir. 2004)
3 (internal citation and quotation marks omitted).

4 **1. Enforceability Of Forum-Selection Clause**

5 **a. Fraud Or Overreaching**

6 “For a party to escape a forum selection clause on the grounds of fraud, it must show that
7 ‘the inclusion of that clause in the contract was the product of fraud or coercion.’” *Richards v. Lloyd’s*
8 *of London*, 135 F.3d 1289, 1297 (9th Cir. 1998) (quoting *Scherk v. Alberto-Culver Co.*, 417 U.S. 506,
9 518 (1974)) (emphasis in original). “‘Overreaching’ is a ground ‘short of fraud,’ and a mere showing of
10 ‘non-negotiability and power difference’ does not render a forum selection clause unenforceable.”
11 *Mahoney v. Depuy Orthopaedics, Inc.*, No. CIVF 07–1321 AWI SMS, 2007 WL 3341389, at *7 (E.D.
12 Cal. 2007) (citing *Murphy*, 362 F.3d at 1141; *E.J. Gallo Winery v. Andina Licores S.A.*, 440 F. Supp. 2d
13 1115, 1126 (E.D. Cal. 2006)). The party opposing enforcement of the forum selection clause on the
14 grounds of fraud or overreaching “must show that the inclusion of the clause itself into the agreement
15 was improper; it is insufficient to allege that the agreement as a whole was improperly procured.” *Id.*

16 Huddleston asserts that while JCT representatives outlined certain provisions of the ICOA prior
17 to his signing it, he was unaware of the forum-selection clause and its implications. He also asserts that
18 the power differential between himself and JCT, the inability to negotiate the contract, and his lack of
19 advanced formal education all work to render the provision a product of overreaching. Opp. at 18.

20 However, “the Ninth Circuit has rejected the argument that unequal bargaining power is a
21 ground to reject enforcement of a forum selection clause in an employment contract.” *Marcotte v.*
22 *Micros Sys., Inc.*, No. C 14–01372 LB, 2014 WL 4477349, at *7 (N.D. Cal. 2014) (citing *Murphy*, 362
23 F.3d at 1141). A forum-selection clause is “not unreasonable merely because of the parties’ unequal
24 bargaining power: it is enforceable if there is reasonable communication of the clause.” *Id.* (citing
25 *Carnival Cruise Lines*, 499 U.S. at 595. The clause here is clearly marked; the section header is bolded,

1 and the forum-selection provision is in capital letters. Huddleston does not allege that he was prevented
2 from reading the IOCA, misled about the effect of the forum-selection clause, or that the clause was
3 fraudulently inserted without his knowledge. There is nothing to indicate that the provision was the
4 product of undue influence or overreaching.

5 Huddleston has failed to provide any evidence that the Contract's terms regarding forum
6 selection were not clearly communicated in the ICOA or that the inclusion of the forum selection clause
7 was the product of fraud or overreaching. As such, the argument regarding fraud and overreaching fails.

8 **b. Deprived Of Day In Court**

9 Huddleston has submitted an affidavit outlining the "prohibitive" financial hardship associated
10 with litigating this case in Oklahoma, Huddleston Decl. ¶ 12, which he asserts is substantial enough that
11 he "may not be able to maintain his claim if forced to do so in Oklahoma," Opp. at 20. He testifies in
12 his declaration that litigating in Oklahoma would impose substantial travel costs, including airfare,
13 rental cars, and hotel stays; that if he were to miss "any significant time away from work," his employer
14 may withhold work or terminate his position entirely; and that being the primary wage-earner means that
15 missed wages may threaten his ability to support his family. Huddleston Decl. ¶ 12.

16 While the Court is sensitive to the potential financial strain involved in litigating this case in
17 Oklahoma, serving as the named plaintiff in a class action is unlikely to carry with it the requirement
18 that Huddleston travel to Oklahoma with much frequency, and Huddleston has failed to explain why
19 litigating in Oklahoma would require substantially more time away from work than litigating in
20 California such that he would be denied the ability to bring the case. The Court cannot find on this
21 record that honoring the forum-selection clause would mean that Huddleston "will for all practical
22 purposes be deprived of his day in court." *M/S Bremen*, 407 U.S. at 18.

23 **c. Contravene Public Policy**

24 "Courts in the Ninth Circuit have generally agreed that the choice-of-law analysis is irrelevant to
25 determining if the enforcement of a forum selection clause contravenes a strong public policy." *Rowen*

1 *v. Soundview Commc'ns, Inc.*, No. 14–CV–05530–WHO, 2015 WL 899294, at *3–4 (N.D. Cal. 2015).
2 “[A] party challenging enforcement of a forum selection clause may not base its challenge on choice of
3 law analysis.” *Marcotte*, 2014 WL 4477349, at *8 (quoting *Besag v. Custom Decorators, Inc.*, No. C
4 08–05463 JSW, 2009 WL 330934, at *3–4 (N.D. Cal. 2009) (called into question on other grounds
5 by *Narayan v. EGL, Inc.*, 616 F.3d 895, 899, 904 (9th Cir. 2010))). “As a general matter, California
6 courts will enforce adequate forum selection clauses that apply to non-waivable statutory claims,
7 because such clauses do[] not waive the claims, they simply submit their resolution to another
8 forum.” *Perry*, 2011 WL 4080625, at *5.

9 However, under certain circumstances, public policy considerations may lead to non-
10 enforcement of an otherwise valid forum selection clause:

11 [If] the forum is not adequate, a forum selection clause that applies to a non-waivable
12 statutory claim may, in fact, improperly compel the claimant to forfeit his or her statutory
13 rights. In such a case, the forum selection clause is contrary to the strong public policy of
14 California and will not be enforced. More specifically, . . . the California Supreme Court
15 has held clearly and unequivocally that it is against the strong public policy of California
16 to enforce a forum selection clause where the practical effect of enforcement will be to
17 deprive a plaintiff or class of plaintiffs of their unwaivable statutory entitlement to the
18 minimum wage and overtime payments.

19 *Perry*, at *5 (internal citations omitted). *See also Bayol v. Zipcar, Inc.*, No. 14–CV–02483–TEH, 2014
20 WL 4793935, at *3 (N.D. Cal. Sept. 25, 2014) (discussing cases and explaining that courts look at the
21 forum-selection clause and choice-of-law provision together when unwaivable rights are involved but
22 look at the forum selection clause in isolation when waivable rights are asserted).

23 Huddleston argues that enforcement of the forum-selection clause would operate in tandem with
24 the choice-of-law provision to apply Oklahoma law to his claims and “result in a wholesale waiver of **all**
25 state wage and hour remedies.” *Opp.* at 13-14 (emphasis in original). This is so, he argues, because the
ICOA provides for the application of Oklahoma law, and under Oklahoma law, Huddleston does not
meet the statutory definition of “employee” and does not qualify for the sorts of unwaivable statutory
remedies to which he would otherwise be entitled under California law.

1 The Court is unpersuaded that transferring this case to the Northern District of Oklahoma would
2 serve to extinguish Huddleston’s California state law claims. The ICOA’s choice-of-law provision is
3 narrower than the forum-selection clause. The ICOA states that the ICOA itself “shall be interpreted in
4 accordance with, and governed by, the laws of the United States and, of the State of Oklahoma,” without
5 applying a choice-of law analysis. ICOA ¶ 23. The forum-selection clause, by contrast, states more
6 broadly that “any claim or dispute arising from or in connection with this agreement, whether under
7 federal, state, local, or foreign law . . . shall be brought exclusively in the state or federal courts serving
8 Creek County, Oklahoma . . .” *Id.* In other words, while the “in connection with” language is broad
9 enough to encompass Huddleston’s misclassification claims and bring them under the umbrella of the
10 forum-selection clause, the ICOA provides that Oklahoma law applies only to interpretation of the
11 ICOA itself. *LaCross v. Knight Transportation, Inc.*, 95 F. Supp. 3d 1199, 1206 n.4 (C.D. Cal. 2015)
12 (construing similar contract and holding that “while Plaintiffs’ misclassification claims ‘relate to’ the
13 ICOA (and thus trigger the forum-selection clause) they would likely not be governed by Arizona law,
14 as only ‘the agreement’ itself is governed by such law”).

15 Whether JCT violated the California Labor Code and Wage Orders will be answered not by
16 looking to the ICOA but instead by the statutes and regulations governing Huddleston’s claims. *See*
17 *Narayan v. EGL, Inc.*, 616 F.3d 895, 899 (9th Cir. 2010) (“Whether the Drivers are entitled to
18 [California Labor Code] benefits depends on whether they are employees of [the defendant], which in
19 turn depends on the definition that the otherwise governing law—not the parties—gives to the term
20 ‘employee.’ While the contracts will likely be used as evidence to prove or disprove the statutory
21 claims, the claims do not arise out of the contract, involve the interpretation of any contract terms, or
22 otherwise require there to be a contract.”). California’s labor laws “are part of a broad regulatory policy
23 defining the obligations” of employers “without regard to the substance of [their] contractual
24 obligations.” *Narayan*, 616 F.3d at 897; *see also id.* (“[S]tatutes enacted to confer special benefits on
25 workers are designed to defeat rather than implement contractual arrangements.” (internal quotation

1 marks omitted)). Although the ICOA “will likely be used as evidence” to support Huddleston’s
2 statutory claims, his “claims do not arise out of the contract, involve the interpretation of any contract
3 terms, or otherwise require there to be a contract” in the first place. *Narayan*, 616 F.3d at 899; *see*
4 *Elijahjuan v. Superior Court*, 210 Cal. App. 4th 15, 21 (2012) (holding that a lawsuit “to enforce rights
5 arising under the Labor Code benefitting employees but not independent contractors” did not “concern
6 the application or interpretation of the” parties’ employment agreements because the “petitioners’ rights
7 under the Labor Code are distinct from their contractual rights under the [a]greements”). *See also*
8 *Narayan*, 616 F.3d at 899; *Quinonez v. Empire Today, LLC*, No. 10–cv–02049 (WHA), 2010 WL
9 4569873, at *2–3 (N. D. Cal. Nov. 4, 2010); *Ronlake v. US–Reports, Inc.*, No. 11–cv–2009 (LJO)(MJS),
10 2012 WL 393614, at *4 (E. D. Cal. Feb. 6, 2012).

11 Huddleston urges that the Court “apply its decision in *Ronlake* and conclude that JCT’s forum-
12 selection clause is unenforceable.” Opp. at 17. Two facts in the contract at issue in *Ronlake*, however,
13 distinguish it from the instant case. First, the forum-selection clause in *Ronlake* provided that the
14 agreement “*and all issues regarding the rights and obligations of the Members, the construction,*
15 *enforcement and interpretation hereof . . . shall be governed by the provisions of the law in New York.*”
16 2012 WL 393614, at *1 (emphasis supplied). The agreement sought to impose New York law, with the
17 potential effect of displacing unwaivable California statutory protections to which the plaintiffs would
18 otherwise be entitled, *id.* at *3-*4 and thus had broader reach than the choice-of-law provision in the
19 ICOA here. Second, the forum-selection clause in *Ronlake* applied only to claims “arising out of” the
20 agreement, narrow language that did not apply to misclassification claims that did not rely on contract
21 interpretation for resolution. *Id.* at *4. The forum-selection clause here, as discussed above, uses
22 broader language that does cover claims brought “in connection with” the employment relationship,
23 even if they do not rely on interpretation of the ICOA itself.

24 The Court concludes that the forum selection clause of the ICOA is valid and enforceable.

25 **2. 1404(a) Analysis**

1 In a case not involving a forum-selection clause, a district court considering a Section 1404(a)
2 motion would evaluate both the convenience of the parties and various public interest considerations.
3 *Atl. Marine*, 134 S. Ct. at 581. When the parties’ contract contains a forum selection clause, however,
4 the “calculus changes” and district courts must adjust their usual Section 1404(a) analysis in three ways:
5 (1) the plaintiff’s choice of forum merits no weight; (2) arguments about the parties’ private interests
6 should not be considered; and (3) a § 1404(a) transfer of venue “will not carry with it the original
7 venue’s choice-of-law rules.” *Id.* at 581–82.

8 Because the parties’ private interests should not be considered, the district court may consider
9 only arguments about public-interest factors. *Id.* at 582. Public-interest “factors will rarely defeat a
10 transfer motion, [meaning that] the practical result is that forum-selection clauses should control except
11 in unusual cases.” *Id.* “Public-interest factors may include ‘the administrative difficulties flowing from
12 court congestion; the local interest in having localized controversies decided at home; [and] the interest
13 in having the trial of a diversity case in a forum that is at home with the law.’” *Id.* at 581 n.6 (quoting
14 *Piper Aircraft Co. v. Reyno*, 454 U.S. 235, 241 n.6 (1981) (internal quotation marks omitted)).

15 **a. Localized Interests**

16 Huddleston argues that his claims brought pursuant to the Private Attorney General Act
17 (“PAGA”) are of such a strong local nature that they should be litigated in California. The California
18 Supreme Court has likened PAGA actions to *qui tam* actions in that a representative plaintiff brings an
19 action “as the proxy or agent of the state’s labor enforcement agencies, representing the same legal right
20 and interest as those agencies and seeking statutory civil penalties that otherwise would be sought by
21 those agencies.” *Iskanian v. CLS Transp. Los Angeles, LLC*, 59 Cal. 4th 348, 394 (2014) (internal
22 quotation marks and citation omitted). PAGA cases “function[] as a substitute for an action brought by
23 the government itself.” *Id.* Because the state of California is the real party in interest in this “quasi-
24 administrative enforcement action,” Huddleston argues, the state has a strong interest in having the case
25 litigated at home. *Opp.* at 24. Huddleston has presented no case law to support the idea that PAGA

1 cases are exempt from application of forum-selection clauses and has offered no explanation why the
2 Northern District of Oklahoma could not fairly adjudicate these claims. The state of California may
3 have an interest in the outcome of this dispute, but that interest is not so overwhelming or unusual that
4 this should be an exception to the general rule that a valid forum-selection clause should be honored.
5 *LaCross*, 95 F. Supp. 3d at 1206 n.5 (holding that a representative PAGA claim could be litigated in
6 Arizona federal courts); *see also id.* (citing *Iskanian* for the proposition that representative PAGA claims
7 may be brought in forums other than California state courts).

8 Huddleston makes the related argument that the PAGA claims fall outside the ambit of the
9 forum-selection clause. Opp. at 24. In *EEOC v. Waffle House, Inc.*, 534 U.S. 279 (2002), the Supreme
10 Court held that a governmental agency was not bound by an employee’s arbitration agreement such that
11 it was barred from pursuing judicial relief in an enforcement action. *Id.* at 294. Huddleston argues that
12 just as the EEOC was not bound by an agreement to which it was not a party, the PAGA claims here
13 belong to the state of California and therefore fall outside the ambit of the forum-selection clause. The
14 opinion in *Waffle House* was fairly narrow and distinguishable from the facts here. The “only issue”
15 before the Supreme Court in *Waffle House* was “whether the fact that [an employee] has signed a
16 mandatory arbitration agreement limits the remedies available to the EEOC.” *Id.* at 297. The Court held
17 that an arbitration agreement to which the EEOC was not a party could not limit the remedies otherwise
18 granted to the EEOC by statute, which not only had the authority to pursue independent actions in court
19 for Title VII violations but, in the context of the suit, also had “exclusive authority over the choice of
20 forum and the prayer for relief once a charge has been filed.” *Id.* at 298. Here, in contrast, the forum-
21 selection clause is not limiting any remedies that would otherwise be available to the government or
22 removing the case from the courts completely; instead, it merely “alters which specific court will hear
23 those claims.” *LaCross*, 95 F. Supp. 3d at 1207 n.6.

24 **b. Familiarity With Governing Law**

25 Huddleston contends that because thirteen of the nineteen causes of action are based on

1 California law, a California federal court will be better equipped to apply California state law than an
2 Oklahoma court would be. Opp. at 21-22. Huddleston does not exclusively bring California claims; the
3 Complaint also contains four causes of action under Oklahoma law, and in any case, “federal judges
4 routinely apply the law of a State other than the State in which they sit.” *Atl. Marine*, 134 S. Ct. at 584.
5 This factor does not weigh against transfer.

6 **c. Administrative Difficulties**

7 “Administrative difficulties follow for courts when litigation is piled up in congested centers
8 instead of being handled at its origin.” *Gulf Oil Corp. v. Gilbert*, 330 U.S. 501, 508 (1947) (superseded
9 on other grounds). Huddleston has submitted no evidence of court congestion particular to Oklahoma as
10 opposed to California. As it is his burden to show the public interest factors weigh in his favor, he has
11 failed to meet his burden as to this public interest factor.

12 In sum, the Court finds that the public-interest factors do not “overwhelmingly disfavor”
13 enforcing the forum-selection clause. *See Atl. Marine*, 134 S. Ct. at 583. Huddleston has not met his
14 burden of demonstrating that this is an “exceptional case” in which the Court should set aside a valid
15 forum-selection clause. *See id.* at 581.

16 **V. CONCLUSION AND ORDER**

17 For the foregoing reasons, the Court **GRANTS IN PART** Defendant’s Motion To Dismiss Or,
18 In The Alternative, To Transfer Venue, and **ORDERS** this case **TRANSFERRED** to the Northern
19 District of Oklahoma for all further proceedings.

20 IT IS SO ORDERED.

21 Dated: September 27, 2017

/s/ Lawrence J. O’Neill
UNITED STATES CHIEF DISTRICT JUDGE