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UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF CALIFORNIA

FIDELITY BROKERAGE SERVICES,
LLC,

Plaintiff,

v.

JOHN NORDSTROM; and
INNOVATION WEALTH MANAGEMENT,

Defendants.

No. 2:17-0594-cv-JAM-KJN

**ORDER GRANTING PLAINTIFF'S
MOTION FOR TEMPORARY RESTRAINING
ORDER**

This Court, having read and considered the Complaint on file in this action by Fidelity Brokerage Services LLC ("Fidelity"), Fidelity's *Ex Parte* Motion for a Temporary Restraining Order and Order to Show Cause Re: Preliminary Injunction, the Memorandum of Points and Authorities in support thereof, and the Declarations of David Taylor, Robert Heisler, Nina Huerta, and Kristina Koch filed in support thereof, being fully advised in the premises, and GOOD CAUSE appearing therefore hereby finds and orders as follows:

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1 This Court finds the following:

2 1. Fidelity has demonstrated a likelihood of success on the
3 merits of its claims against Defendants John Nordstrom
4 ("Nordstrom") and Innovation Wealth Management ("IWM")
5 (collectively "Defendants").

6 2. Fidelity will suffer irreparable harm if Defendants are
7 permitted to continue to misappropriate Fidelity's trade secret
8 customer information and use that information to continue to
9 solicit Fidelity's customers and disparage Fidelity;

10 3. Fidelity has no adequate remedy at law;

11 4. Greater injury will be inflicted upon Fidelity by denial
12 of temporary injunctive relief than would be inflicted upon
13 Defendants by the granting of such relief;

14 5. The issuance of injunctive relief will serve the public
15 interest in the protection of proprietary business and customer
16 information and Fidelity's trade secret customer information, as
17 well as by safeguarding Fidelity's customers' personal
18 information; and

19 6. Under Rule 13804 of the Financial Industry Regulatory
20 Authority ("FINRA") Code of Arbitration Procedure, Fidelity is
21 required to seek interim injunctive relief in a Court of
22 competent jurisdiction in order to proceed to an expedited
23 arbitration hearing on the merits before a panel of duly
24 appointed arbitrators.

25 For those reasons it is hereby ordered that:

26 (1) Defendants are enjoined from directly or indirectly
27 initiating contact with any current customer of
28 Fidelity with whom Defendants had contact or for whose

1 accounts he had responsibility while employed by
2 Fidelity, for the purpose of encouraging, inviting,
3 suggesting, or requesting transfer of their business
4 from Fidelity to Defendants. Notwithstanding the
5 foregoing, if a Fidelity customer initiates contact
6 with Defendants, Defendants may respond to and accept
7 business from the customer.

8 (2) Defendants are enjoined from, either directly or
9 indirectly, and whether acting alone or in concert with
10 others, using, disclosing, transmitting and continuing
11 to possess for purposes of solicitation of customers or
12 disparagement of Fidelity to customers Fidelity's
13 customer information, including, but not limited to,
14 the names, addresses, telephone numbers, email
15 addresses and confidential financial information of any
16 customers Nordstrom learned of through his employment
17 with Fidelity until further Order of this Court.

18 (3) Defendants, and anyone acting in concert with them,
19 including any agent, employee, officer or
20 representative of IWM, or any other business for which
21 Nordstrom performs services, shall return to Fidelity
22 any and all records, documents and/or information
23 pertaining to Fidelity customers, whether in
24 electronic, handwritten or any other form within five
25 (5) days of entry of this order, including any and all
26 copies.

27 (4) Defendants shall file a declaration attesting that they
28 have returned to Fidelity all information subject to

1 this Court's Order or a declaration stating that no
2 such information is their possession within seven (7)
3 days from the entry of this Court's Order;

4 (5) Pursuant to the requirements of sections 3 and 4 of the
5 Federal Arbitration Act, 9 U.S.C. §§3-4, Fidelity and
6 Nordstrom will proceed to an expedited arbitration
7 hearing on the merits before a duly appointed panel of
8 arbitrators pursuant to Rule 13804 of the FINRA Code of
9 Arbitration Procedure

10 (6) Defendant IWM shall file a Notice within seven (7) days
11 informing Fidelity and the Court whether it consents to
12 arbitrate this matter before FINRA. Should IWM decline
13 to consent to arbitration:

14 i. An Order to Show Cause why a Preliminary
15 Injunction should not be granted shall be set
16 for hearing on April 11, 2017 at 1:30 p.m.;

17 ii. Any supplemental brief shall be filed by
18 Defendants on or before April 4, 2017, such
19 brief shall not exceed 15 pages; and

20 iii. Any reply papers shall be filed by Plaintiff on
21 or before April 7, 2017, such brief shall not
22 exceed 10 pages.

23 (7) This Order is effective immediately and requires the
24 posting of an injunction bond in the amount of \$25,000;
25 and

26 (8) Defendants have the right to apply to the Court for
27 modification or dissolution on two (2) days' notice or
28 such shorter notice as the Court may allow. See Fed. R.

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Civ. P. 65(b).

(9) This Order shall remain in full force and effect pending arbitration on the merits before the FINRA arbitration panel.

(10) The parties shall file a joint status statement with the Court within 5 days of a final decision of the FINRA arbitration panel.

IT IS SO ORDERED.

Dated: March 30, 2017


JOHN A. MENDEZ
UNITED STATES DISTRICT JUDGE