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UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF CALIFORNIA

IN RE: COMPLAINT AND PETITION OF )	Case No. 2:17-CV-00653 JAM-EFB
WILLIAMS SPORTS RENTALS, INC. AS )	
OWNER OF A CERTAIN 2004 YAMAHA )	ORDER DENYING
WAVERUNNER FX 140 FOR )	RESPONDENT/COUNTER CLAIMANT'S
EXONERATION FROM OR LIMITATION )	MOTION TO STAY FURTHER
OF LIABILITY )	PROCEEDINGS
)	
MARIAN LATASHA WILLIS, on behalf )	
of the Estate of RAESHON )	
WILLIAMS, )	
)	
Respondent/Counter )	
Claimant, )	
)	
v. )	
)	
WILLIAMS SPORTS RENTALS, INC., )	
)	
Petitioner/Counter )	
Defendant. )	

Marian Latasha Willis, the respondent and counter claimant, seeks to stay further proceedings in this matter until her appeal of this Court's prior order is resolved in the Ninth Circuit. For the reasons set forth below, the Court DENIES her motion to stay.<sup>1</sup>

<sup>1</sup> This motion was determined to be suitable for decision without oral argument. E.D. Cal. L.R. 230(g). The hearing was scheduled for October 17, 2017.

1 I. FACTUAL ALLEGATIONS AND PROCEDURAL BACKGROUND

2 Williams Sports Rentals Inc. ("WSR") filed a Complaint for  
3 Exoneration From or Limitation of Liability in this Court, invoking  
4 the Court's admiralty jurisdiction under 28 U.S.C. § 1333. ECF No.  
5 1. The Court approved the stipulation of value and security for  
6 the subject vessel, ordered all persons having claims related to  
7 the complaint to file them in this action, and stayed all related  
8 suits, actions or legal proceeding in connection with the incident  
9 alleged in the complaint. Order, ECF No. 11. Marian Latasha  
10 Willis ("Willis"), Personal Representative of the Estate of Raeshon  
11 Williams, filed an answer and counterclaim. ECF Nos. 16 & 17; see  
12 Second Amended Claim, ECF No. 46 (operative pleading asserting two  
13 counterclaims). No other claimants have appeared. Willis filed a  
14 Motion to Lift the Stay, invoking the Lagnes rule of abstention and  
15 seeking abatement of proceedings in admiralty until Willis has an  
16 opportunity to try her claims at law in state court. ECF No. 25.  
17 The Court denied the motion at the hearing held on August 29, 2017.  
18 ECF No. 41.

19 Willis filed a Notice of Interlocutory Appeal on September  
20 7th. ECF No. 43. A review of the Ninth Circuit's docket reveals  
21 the Circuit is considering the appeal to be an appeal of a  
22 preliminary injunction and has ordered briefing under Ninth Circuit  
23 Rule 3-3. Filed clerk order, Williams Sports Rentals Inc. v. Marian  
24 Willis, No. 17-16981 (9th Cir. 2017), ECF No. 2. Willis filed her  
25 opening brief on October 19, 2017, which appeals the Court's  
26 decisions not to lift the stay or to abate further proceedings in  
27 admiralty until she has the opportunity to litigate in state court.  
28 Opening Brief, Williams Sports Rentals Inc. v. Marian Willis, No.

1 17-16981 (9th Cir. 2017), ECF Nos. 5 & 7.

2  
3 II. OPINION

4 Willis moves to stay all further proceedings before this Court  
5 pending her interlocutory appeal in the Ninth Circuit. Mot. at 2-3.  
6 She contends her interlocutory appeal "divests the district court  
7 of its control over those aspects of the case involved in the  
8 appeal." Mot. at 6 (quoting Griggs v. Provident Consumer Discount  
9 Co., 459 U.S. 56 (1982)).

10 WSR opposes the stay, arguing that such action will obstruct  
11 judicial efficiency. Opp'n at 1. WSR argues there is no "order"  
12 in this case "permanently enjoining [Willis] from proceeding in  
13 this forum." Id. at 2.

14 If the Court's rulings on Willis's motions were inextricably  
15 bound up with the merits of the limitation issues, then this Court  
16 would be divested of jurisdiction. See Britton v. Co-op Banking  
17 Grp., 916 F.2d 1405, 1412 (9th Cir. 1990) ("[A]n appeal of an  
18 interlocutory order does not ordinarily deprive the district court  
19 of jurisdiction except with regard to the matters that are the  
20 subject of the appeal."); Paige v. State of Cal., 102 F.3d 1035,  
21 1039 (9th Cir. 1996) ("Accordingly, we have held our jurisdiction  
22 under § 1292(a)(1) extends only to the 'matters inextricably bound  
23 up with the injunctive order from which the appeal is taken.'").  
24 That is not the case here; the merits of the limitation action and  
25 counterclaims do not involve the same question as Willis's appeal,  
26 which concerns the Lagnes rule of abstention. See Britton, 916  
27 F.2d at 1411 ("Where an appeal is taken from a judgment which does  
28 not finally determine the entire action, the appeal does not

1 prevent the district court from proceeding with matters not  
2 involved in the appeal.”) (quoting 9 J. Moore, Moore’s Federal  
3 Practice ¶ 203.11); City of L. A., Harbor Div. v. Santa Monica  
4 Baykeeper, 254 F.3d 882, 886 (9th Cir. 2001) (“[T]he filing of a  
5 notice of interlocutory appeal divests the district court of  
6 jurisdiction over the particular issues involved in that appeal.”)  
7 (emphasis added). Proceeding with the merits would not thwart the  
8 goal of “avoid[ing] the confusion that would ensue from having the  
9 same issues before two courts simultaneously.” Natural Res. Def.  
10 Council, Inc. v. Southwest Marine Inc., 242 F.3d 1163, 1166 (9th  
11 Cir. 2001).

12 Willis has not shown that the divestment rule extends to  
13 situations where the matter on appeal could prevent the Court from  
14 adjudicating the merits of the action or delay adjudication until a  
15 later date. The cases cited by the parties indicate that the  
16 contrary is correct. In Britton, the Ninth Circuit found that the  
17 defendant’s appeal of the district court’s order denying his motion  
18 to compel arbitration did not divest the district court of  
19 jurisdiction to proceed with the case on the merits. 916 F.2d at  
20 1412. The Order Granting Defendant’s Ex Parte Application to Stay  
21 the Case in Morgan Stanley & Co., LLC v. Couch—discussed by both  
22 parties—does not support Willis’s position either.<sup>2</sup> No. 1:15-cv-  
23 1291-LJO-JLT, 2015 WL 7271717 (E.D. Cal. Nov. 17, 2015). In that

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24  
25 <sup>2</sup> The appeals in Britton and Couch stemmed from injunctions related  
26 to arbitration proceedings. Britton was before the Ninth Circuit  
27 under 9 U.S.C. § 16 and Judge O’Neil anticipated the Circuit would  
28 review the Couch preliminary injunction under the same statute.  
Both courts applied the “divestment” rule developed in the 28  
U.S.C. § 1292 context. The Couch court explicitly “concluded that  
the precedent concerning [28 U.S.C. § 1291(a)(1)] should apply to  
cases concerning [9 U.S.C. § 16(a)(2)].” 2015 WL 7271717, at \*3,  
n. 4.

1 case, the Court issued the stay because the issues to be decided in  
2 the appeal of the preliminary injunction were the same core issues  
3 presented in the motion for summary judgment before the court. Id.  
4 at \*3 ("The heart of this case—whether the FINRA Arbitration can  
5 and should be enjoined and, if so, who should decide that issue—is  
6 currently on appeal before the Ninth Circuit."). That circumstance  
7 is not present here, where the issues on appeal and the merits are  
8 distinct. Willis cites no other analogous cases in her motion.  
9 The Court, therefore, is not persuaded the pending appeal divests  
10 it of jurisdiction to proceed with the merits of this case and  
11 denies Willis's motion to stay.

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13 III. ORDER

14 For the reasons set forth above, the Court DENIES  
15 Respondent/Counter Claimant's Motion to Stay.

16 IT IS SO ORDERED.

17 Dated: October 31, 2017

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JOHN A. MENDEZ,  
UNITED STATES DISTRICT JUDGE