

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

HILL, FARRER & BURRILL LLP
Neil D. Martin (Bar No. 094121)
Email: nmartin@hillfarrer.com
Clayton J. Hix (Bar No. 236718)
Email: chix@hillfarrer.com
One California Plaza, 37th Floor
300 South Grand Avenue
Los Angeles, CA 90071-3147
Telephone: (213) 620-0460
Fax: (213) 624-4840

Attorneys for Plaintiff/Counter-Defendant
CornerStone Staffing Solutions, Inc. and
Counter-Defendant Mary Anderson

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT—SAN FRANCISCO DIVISION

CORNERSTONE STAFFING
SOLUTIONS, INC., a California
corporation,

Plaintiff,

vs.

LARRY THAXTER JAMES, an
individual; *et al.*,

Defendants.

CASE NO. C12-01527 RS

**STIPULATION TO CONTINUE
TRIAL DATE AND DISCOVERY
DEADLINES; ~~[PROPOSED]~~ ORDER**

AS MODIFIED BY THE COURT

Complaint Filed: March 27, 2012
Trial Date: February 10, 2014

AND RELATED
COUNTERCLAIMS

HILL, FARRER & BURRILL LLP
A LIMITED LIABILITY PARTNERSHIP
ATTORNEYS AT LAW
ONE CALIFORNIA PLAZA, 37TH FLOOR
300 SOUTH GRAND AVENUE
LOS ANGELES, CALIFORNIA 90071-3147

1 **STIPULATION**

2 The parties to this stipulation agree and request as follows:

3 1. As explained below, there are several issues between the parties
4 related to pending bankruptcy proceedings and discovery matters that the parties
5 believe require a trial continuance and extension of various discovery and other
6 deadlines.

7
8 **Procedural Issues**

9 2. The Court set February 10, 2014 as the date for trial in this matter.
10 (Docket # 164.) On June 21, 2013, there was a previous modification of the Case
11 Management Scheduling Order to continue the trial date pursuant to the parties'
12 stipulation. (Docket # 164.)

13
14 **Bankruptcy Issues**

15 3. The Court postponed ruling on CornerStone's motion for partial
16 summary judgment ("MSJ") pending further briefing on the issue of Larry James'
17 standing to pursue claims in this action as a result of the pending bankruptcy
18 proceedings. (Docket # 224.)

19 4. On November 19, 2013, the Court granted a request to extend the
20 deadline to file supplemental briefs to January 20, 2014. (Docket # 242.) The
21 Court indicated in its ruling that the parties could request a further extension of time
22 to file supplemental briefs "[t]o the extent there is no resolution on ownership of
23 James' counterclaims in the bankruptcy proceedings by that time." (*Id.*)

24 5. On December 11, 2013, the Bankruptcy Court approved the
25 bankruptcy trustee's request to sell Mr. James' bankruptcy estate by auction "as is"
26 in a quitclaim sale. The auction is to take place within the next 30 days. A
27 tentative auction date is set for January 13, 2014. Once the auction takes place
28 there will be additional proceedings leading to the Bankruptcy Court's approval of

1 the sale, a process that is expected to take no less than 14 days. The Bankruptcy
2 Court has deferred to Judge Seeborg any decision regarding the scope of the “as is”
3 sale or its impact on this case, if any.

4
5 MSJ & Settlement Issues

6 6. The issue of Mr. James’ pre-petition interest in his counterclaims is
7 causing the delay of the Court’s ruling on the MSJ. Without a ruling on the MSJ,
8 the parties are unclear as to what rights Mr. James may have with respect to his
9 counterclaims, if any. The parties cannot adequately prepare for trial without
10 resolving this fundamental issue. The supplemental briefs are currently due
11 January 20, 2014. Another hearing may be necessary, which is likely to occur near
12 or after the current trial date of February 10, 2014. Based on that schedule there
13 will be inadequate time for counsel to adjust their trial preparation. The Court has
14 already acknowledged that this will be a complex and difficult case to try.
15 Preparing for a trial with an uncertain scope will compound that concern and is
16 likely to result in an inefficient use of time and resources.

17 7. The unresolved MSJ has prevented meaningful settlement discussions.
18 On December 3, 2013, a telephone conference was held with Judge Vadas to
19 discuss scheduling a second settlement conference. Judge Vadas agreed that
20 settlement discussions will be far more productive after the MSJ is resolved. Judge
21 Vadas agreed to conduct a second settlement conference on the condition the
22 parties obtain leave to continue the date for settlement conference completion. We
23 are informed and believe that the current settlement conference completion date is
24 December 23, 2013.

25 8. The parties suggest holding a status conference with the Court either
26 telephonically or in person in conjunction with the settlement conference
27 completion date so that the parties can report on progress and address any other
28 scheduling issues that may arise.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

Discovery Issues

9. In addition to the primary concerns stated above, the parties are diligently striving to complete all remaining discovery in this matter. Some discovery issues remain, including the completion of some fact depositions and expert discovery, disputes regarding document production, disputes regarding third-party subpoenas, the availability of witnesses, and other issues. The resolution of these issues is not expect to be completed before late-January of 2014.

Conclusion

10. For the foregoing reasons the parties agree to the following extensions of time:

<u>Event</u>	<u>Current Date</u>	<u>Proposed New Date</u>
Discovery Motion Cut-Off	December 20, 2013	March 3, 2014
Fact Deposition Cut-Off	December 20, 2014	January 24, 2014 (only as to the depositions of Mary Anderson, Larry James, Luke Goetz, Andre Douzdjian, Nora Schild, and Daryl Dittmer)
Settlement Conference Completion and Telephonic Status Conference	December 23, 2013	March 27, 2014
Deadline to File Supplemental Briefs Re:	January 20, 2013	February 17, 2014

HILL, FARRER & BURRILL LLP
 A LIMITED LIABILITY PARTNERSHIP
 ATTORNEYS AT LAW
 ONE CALIFORNIA PLAZA, 37TH FLOOR
 300 SOUTH GRAND AVENUE
 LOS ANGELES, CALIFORNIA 90071-3147

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

CornerStone MSJ		
Expert Discovery Cut-Off	January 20, 2014	March 28, 2014
Deadline to File Joint Pre-Trial Statement	January 23, 2014	May 1, 2014
Final Pre-Trial Conference	January 30, 2014	May 8, 2014 (or as soon thereafter as the Court's schedule allows)
Trial	February 10, 2014	May 19, 2014 (or as soon thereafter as the Court's schedule allows)

IT IS SO STIPULATED.

HILL, FARRER & BURRILL LLP

Dated: _____

Signed: _____
 CLAYTON HIX
 Attorneys for CORNERSTONE
 STAFFING SOLUTIONS, INC. and
 Counter-Defendant MARY
 ANDERSON

MARRON LAWYERS

Dated: _____

Signed: _____
 PAUL ARENAS
 Attorneys for LARRY JAMES;
 DAVID R. BATTON; BATTON
 TECHNICAL ENGINEERING
 CONSULTANTS, INC.; BATTON,
 INC.; HANBON -- CARO I, LLC;
 HANBON -- MI I, LLC; HANBON
 MI II, INC.; HANBON --
 MARLETTE, LLC; HANBON -- PA
 I, LLC; TEC GROUP, INC.;
 DEPLOY HR, INC.; DEPLOYHR,
 INC.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

WOODS LAW GROUP

Dated: _____

Signed: _____
BRINY WOODS
Attorneys for MICHAEL SANTOS
and HANBON – CT I, LLC

BURKHARDT & LARSON

Dated: _____

Signed: _____
PHILIP BURKHARDT
Attorneys for MARCOS BARRERA

WOOD, SMITH, HENNING & BERMAN,
LLP

Dated: _____

Signed: _____
SEYMOUR B. EVERETT
Attorneys for MARCOS BARRERA

CARLSON & MESSER LLP

Dated: _____

Signed: _____
CHARLES R. MESSER
Attorneys for LARRY JAMES;
DAVID R. BATTON; BATTON
TECHNICAL ENGINEERING
CONSULTANTS, INC.; HANBON
MI II, INC.; TEC GROUP, INC.;
DEPLOY HR, INC.; DEPLOYHR,
INC.

ERICKSEN ARBUTHNOT

Dated: _____

Signed: _____
MARK KEIFER
Attorneys for ANDRE DOUZDJIAN

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

~~[PROPOSED]~~ ORDER

Pursuant to the foregoing stipulation of the Parties and good cause appearing therefore, the Court orders as follows:

<u>Event</u>	<u>Previous Date</u>	<u>New Date</u>
Discovery Motion Cut-Off	December 20, 2013	March 3, 2014
Fact Deposition Cut-Off	December 20, 2014	January 24, 2014 (only as to the depositions of Mary Anderson, Larry James, Luke Goetz, Andre Douzdjian, Nora Schild, and Darrel Dittmer)
Settlement Conference Completion Date and Telephonic Status Conference	December 23, 2013	March 27, 2014
Deadline to File Supplemental Briefs Re: CornerStone MSJ	January 20, 2013	February 17, 2014
Expert Discovery Cut-Off	January 20, 2014	March 28, 2014
Final Pre-Trial Conference	January 30, 2014	May 15, 2014 Courtroom 3 1:30 p.m.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

Trial	February 10, 2014	May 27, 2014 Courtroom 3 9:00 a.m.

IT IS SO ORDERED.

Date: 12/19/13



HON. RICHARD SEEBORG
US DISTRICT COURT JUDGE

HILL, FARRER & BURRILL LLP
A LIMITED LIABILITY PARTNERSHIP
ATTORNEYS AT LAW
ONE CALIFORNIA PLAZA, 37TH FLOOR
300 SOUTH GRAND AVENUE
LOS ANGELES, CALIFORNIA 90071-3147

HFB 1370024.1 C7662017