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UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

CIRCLE CLICK MEDIA LLC, et al.,

Plaintiffs,

v.

REGUS MANAGEMENT GROUP LLC, et
al.,

Defendants.

Case No. 12-cv-04000-EMC

**ORDER DENYING DEFENDANTS’
MOTION FOR LEAVE TO FILE
MOTION FOR RECONSIDERATION**

Docket No. 340

I. INTRODUCTION

Plaintiffs Circle Click Media, LLC, Metro Talent, LLC, and CTNY Insurance Group, LLC brought a putative class action against Defendants Regus Management Group LLC, Regus Business Centre LLC, Regus plc, and HQ Global Workplaces LLC. Docket No. 1. Defendants subsequently moved to dismiss Plaintiffs’ case for lack of standing, which the Court (per Judge Conti) denied. Docket No. 335. Currently before the Court is Defendants’ motion for leave to file a motion for reconsideration of the order denying motion to dismiss. Docket No. 340. For the reasons stated below, the Court **DENIES** Defendants’ motion for leave.

II. BACKGROUND

The instant action arose out of Plaintiffs’ lease of Defendants’ commercial office space. *See* Docket No. 335. Defendants advertised fully equipped offices for one all-inclusive monthly price. *Id.* at 3. The named Plaintiffs entered into Office Service Agreements (“OSA”) with the Defendant. *Id.* at 5-6. The OSA describes the monthly office fee, the location of the office space, the term of the agreement, and the parties to the agreement. *Id.* at 3. Following the signing of the OSA, Plaintiffs were charged for fees in addition to the expected monthly rental price in the OSA. *Id.*

1 Plaintiffs filed this suit against Defendants, alleging that Defendants routinely assessed
2 Plaintiffs for charges not disclosed in the OSA. Docket No. 65 (Second Amended Complaint
3 [“SAC”]). The Court dismissed several of Plaintiffs’ claims with prejudice, leaving the following
4 causes of action: (1) violation of California’s Unfair Competition Law (UCL); (2) violation of
5 California’s False Advertising Law; (3) and unjust enrichment. Docket No. 77. Defendants
6 asserted counterclaims in their answer to the SAC, including Plaintiff CTNY’s failure failed to pay
7 various fees not described in the OSA. *Id.* at 7.

8 Defendants then moved to dismiss Plaintiffs’ case for lack of standing. Docket No. 271.
9 On the UCL and FAL claims, the Court denied Defendants’ motion to dismiss for lack of standing
10 because (1) the UCL and FAL apply to any “person who has suffered injury in fact and has lost
11 money or property as a result” of the alleged wrongful conduct and (2) Plaintiffs suffered injury in
12 fact as a result of the alleged FAL and UCL violations. Docket No. 335 at 9-11. The Court also
13 denied Defendants’ motion to dismiss Plaintiffs’ unjust enrichment claim, holding that unjust
14 enrichment may survive the pleading stage when pled as an alternative avenue of relief. Docket
15 No. 335; Docket No. 59 at 25-26.

16 Defendants now seek leave to file a motion for reconsideration of the Court’s denial of
17 Defendants’ motion to dismiss for lack of standing, arguing that the Court erred by failing to
18 consider material facts and dispositive legal arguments relating to Plaintiffs’ standing to bring
19 their claims. Docket No. 340 at 3. Specifically, Defendants argue that the court erred by not
20 analyzing the standing issue with respect to each type of fee Defendants have articulated. *Id.*
21 These fees fall into 3 categories: (1) fees Plaintiffs do not allege in the SAC to have paid, and in
22 fact were never charged; (2) the fees Plaintiffs allege in the SAC to have paid, but in fact did not
23 pay; and (3) the fees Plaintiffs paid. *Id.*

24 **III. DISCUSSION**

25 Local Rule 7-9(a) requires a party to seek leave of Court before filing a motion for
26 reconsideration. In a motion for leave, the moving party must demonstrate that (1) a material
27 difference in fact and law exists from that which was presented to the Court; (2) new law or
28 material facts have emerged; or (3) the Court manifestly failed to consider material facts or

1 dispositive legal arguments. Civ. L.R. 7-9(b).

2 The Rules prohibit a party from repeating arguments already presented to the Court. Civ.
3 L.R. 7-9(c). Furthermore, a motion for reconsideration is an “extraordinary remedy, to be used
4 sparingly in the interests of finality and conservation of judicial resources.” *Kona Enters. v.*
5 *Estate of Bishop*, 229 F.3d 877, 890 (9th Cir. 2000). Thus, “a motion for reconsideration should
6 not be granted, absent highly unusual circumstances, unless the district court is presented with
7 newly discovered evidence, committed clear error, or if there is an intervening change in the
8 controlling law.” *389 Orange St. Partners v. Arnold*, 179 F.3d 656, 665 (9th Cir. 1999).

9 Here, Defendants argue that the Court erred by failing to analyze standing as to each
10 specific fee. Docket No. 340. To establish standing under the UCL, as amended by Proposition
11 64, a plaintiff must: “(1) establish a loss or deprivation of money or property sufficient to qualify
12 as injury in fact, i.e., *economic injury*, and (2) show that that economic injury was the result of,
13 i.e., *caused by*, the unfair business practice or false advertising that is the gravamen of the claim.”
14 *Kwikset Corp. v. Superior Court*, 51 Cal. 4th 310, 323 (2011). Proposition 64 thus renders
15 standing under the UCL “substantially narrower than federal standing under article III.” *Id.* at
16 324.

17 Defendants do not take the position that Plaintiffs lack standing because they did not suffer
18 any harm as a result of the charged fees. Docket No. 340. Instead, Defendants propose that the
19 Court must examine standing in the context of each *individual fee*. Defendants fail to provide any
20 law in support of this proposition, and the Court did not find any cases suggesting that it is
21 appropriate to parse out standing based on every individual fee charged. *See id.*

22 It is clear Plaintiffs have suffered economic injury as a result of Defendants’ allegedly
23 deceptive acts. Docket No. 335 at 13. Having signed the OSA and paid some fees which they
24 claim exceeded the amounts disclosed in the OSA, Plaintiffs were “deprived of money or
25 property” and “required to enter into a transaction, costing money or property, that would have
26 otherwise been unnecessary.” *Kwikset*, 51 Cal. 4th at 323. Here, Plaintiffs relied on Defendants’
27 representations that the only rental fees were those established in the OSA. As a result of
28 Defendants’ alleged deception of charging fees above and beyond the OSA’s listed rental fee,

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Plaintiffs suffered an injury and established standing to bring their claim. So long as each Plaintiff suffered some injury, the precise nature and amount of fees actually paid or charged to each Plaintiff goes to damages, not the threshold question of standing.

IV. CONCLUSION

Because there is no clear error or manifest failure to consider material facts or dispositive arguments, Defendants’ motion for reconsideration is **DENIED**.

This order disposes of Docket No. 340.

IT IS SO ORDERED.

Dated: December 10, 2015



EDWARD M. CHEN
United States District Judge