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3 UNITED STATES DISTRICT COURT
4 NORTHERN DISTRICT OF CALIFORNIA
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6
7 GABRIELA SATMAREAN

8 Plaintiff,

9 vs.

10 PHILIPS CONSUMER LUMINARIES, NA,
11 *et al.*,

12 Defendant).

Case No.: 13-CV-02778-YGR

**ORDER DENYING PLAINTIFF GABRIELA
SATMAREAN'S MOTION TO REMAND CASE TO
STATE OF CALIFORNIA SUPERIOR COURT**

United States District Court
Northern District of California

13 On February 26, 2013, Plaintiff Gabriela Satmarean ("Satmarean") filed a complaint in the
14 Superior Court for the State of California, County of Contra Costa. Satmarean alleges the
15 following claims against Defendants Philips Consumer Luminaries, NA ("Philips") and Scott
16 Rosenberg ("Rosenberg"): (1) employment discrimination in violation of Cal. Gov't Code section
17 12940(a); (2) sexual harassment in violation of Cal. Gov't Code section 12940(j); and
18 (3) harassment. ("Compl." [Dkt. No. 1, Ex. A].) Additionally, Satmarean alleges a claim for
19 intentional interference with Satmarean's business relations by Rosenberg. (*Id.*)

20 Philips filed a Notice of Removal of Civil Action on the ground that this Court has
21 jurisdiction pursuant to 28 U.S.C. sections 1332, 1441, and 1446 based on complete diversity of the
22 parties and an amount in controversy exceeding \$75,000. ("Notice of Removal" [Dkt. No 1].)
23 Plaintiff has moved to remand, arguing Philips and Rosenberg have availed themselves to
24 "California State Law Jurisdiction." (Motion to Remand Case to State of California Superior Court
25 ["Motion" (Dkt. No. 14)] at 1–2; *see* Dkt. No. 11.) Philips filed an Opposition to Plaintiff's Motion
26 to Remand Complaint. ("Opposition" [Dkt. No. 22].) Satmarean filed a reply in turn. ("Reply"
27 [Dkt. No. 23].)
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1 Having carefully considered the papers submitted and the pleadings in this action, and for
2 the reasons set forth below, the Court hereby **DENIES** the Motion to Remand.¹

3 **I. RELEVANT BACKGROUND**

4 Satmarean originally filed this suit in Contra Costa County Superior Court, alleging that she
5 was “discriminated against, based upon her gender and subjected to a hostile work-environment by
6 a coworker and further, was sexually harassed by defendant [Rosenberg].” (Compl. ¶8.) The
7 parties do not dispute that Satmarean is a citizen of California. (Notice of Removal ¶ 14; Reply at
8 3.) Defendant Philips is a Delaware corporation with its headquarters and principal place of
9 business in Elgin, Illinois. (Notice of Removal ¶ 16; Reply at 3.)

10 From August 4, 2008 until October 28, 2011, Philips employed Satmarean as a Territory
11 Manager in Northern California, where she was responsible for selling Philips’ products directly to
12 residential and commercial builders in California, Washington, and Oregon. During the course of
13 her employment, Satmarean alleges that Rosenberg, an Oregon citizen², frequently made
14 inappropriate sexual comments and unwanted sexual advances toward her. According to the
15 Complaint, Rosenberg is “an Independent Sales Representative for Forecast Lighting, a subsidiary
16 of Philips.”³ (Compl. ¶ 8.) Among several allegations, Satmarean claims that Rosenberg frequently
17 made inappropriate sexual comments and advances toward her, including inviting her to dinner,
18 telling her that he liked “women who bite and scratch,” and inviting her to his hotel room. (*Id.* ¶ 8.)
19 Satmarean further alleges that she lodged several complaints with Philips regarding Rosenberg’s
20 behavior to her direct supervisor as well as to the Regional Manager of Philips. (*Id.* ¶ 9.) When
21 she was terminated in October 2011, Satmarean alleges that she inquired about her complaints
22 regarding Rosenberg and was told that there was “no record of any complaints in her personnel
23

24 ¹ Pursuant to Federal Rule of Civil Procedure 78(b) and Civil Local Rule 7-1(b), the Court finds
25 this motion appropriate for decision without oral argument. Accordingly, the Court **VACATES** the
26 hearing set for October 1, 2013.

27 ² (*See* Notice of Removal ¶ 15; Compl. ¶ 2; Reply at 3.)

28 ³ Philips challenges this assertion, stating that Rosenberg “is not, and has never been, an agent or
employee of Philips.” (Opposition at 2.)

1 file.” (*Id.* ¶ 11.) Satmarean further alleges that when she requested a copy of her personnel file,
2 she was told that Philips ““was unable to locate such file.”” (*Id.*)

3 **II. LEGAL STANDARD APPLICABLE TO MOTION TO REMAND**

4 A plaintiff may seek to have a case remanded to the state court from which it was removed
5 if the district court lacks jurisdiction or if there is a defect in the removal procedure. 28 U.S.C.
6 § 1447(c). Removal statutes are construed restrictively, so as to limit removal jurisdiction.
7 *Shamrock Oil & Gas Corp. v. Sheets*, 313 U.S. 100, 108–09 (1941); *Gaus v. Miles, Inc.*, 980 F.2d
8 564, 566 (9th Cir. 1992) (“strong presumption” against removal jurisdiction).

9 The district court must remand the case if it appears before final judgment that the court
10 lacks subject matter jurisdiction. 28 U.S.C. § 1447(c). District courts have original jurisdiction
11 over all civil cases where the amount in controversy exceeds \$75,000 and is between citizens of
12 different states. 28 U.S.C. § 1332(a). The burden of establishing federal jurisdiction for purposes
13 of removal is on the party seeking removal. *Valdez v. Allstate Ins. Co.*, 372 F.3d 1115, 1117 (9th
14 Cir. 2004). Doubts as to removability are resolved in favor of remanding the case to state court.
15 *Mantheon v. Progressive Specialty Ins. Co.*, 319 F.3d 1089, 1090 (9th Cir. 2003).

16 **III. DISCUSSION**

17 As a preliminary matter, the Court notes that Satmarean does not dispute that the amount in
18 controversy in this case exceeds \$75,000.⁴ Satmarean’s Motion is instead based on one premise:
19 that Philips “has by their activities in California forfeited their Diversity Jurisdiction argument as
20 well as the Personal Jurisdiction and lack of Minimum Contacts arguments and is thus properly
21 before a California Superior Court Jurisdiction.” (Motion at 8; *id.* at 14–15.) Satmarean does not
22 dispute that Philips is a citizen of both Delaware and Illinois, nor that Rosenberg is a citizen of
23 Oregon. (Reply at 3.) Instead, she argues, in effect, that this Court should *disregard the citizenship*
24 of the Defendants based on their extensive contacts (or “minimum contacts”) with California.
25 (Motion at 8 (citing *Int’l Shoe Co. v. Washington*, 326 U.S. 310 (1945) and its progeny).) Such
26

27 ⁴ The Court also notes that although Plaintiff does not specifically identify the statute under which
28 she seeks to remand this action, the Court will treat the motion as one brought under 28 U.S.C.
section 1447(c).

1 contacts as to Philips include its “hiring [of] employees including the Plaintiff Gabriela Satmarean
2 to perform work in the State of California.” (Motion at 2.) Further, Philips has “availed
3 themselves even further to California Superior Court by the use of computers and e-mails to
4 Plaintiff while she was performing commercial activities in California on behalf of [Philips].” (*Id.*
5 at 12.) Satmarean also contends that Rosenberg “availed himself by performing work, and
6 inflicting the injury on [Satmarean] in California. (*Id.* at 2.)

7 Philips responds that Satmarean has conflated issues of personal jurisdiction and subject
8 matter jurisdiction, and that the proper question for the Court is not whether California courts have
9 personal jurisdiction over Philips or Rosenberg, but whether federal courts have subject matter
10 jurisdiction over this case.

11 The Court agrees with Philips that Satmarean has confused personal jurisdiction with
12 subject matter jurisdiction and, without any authority whatsoever, attempts to expand the minimum
13 contacts doctrine into a means of disregarding citizenship of parties for the purposes of challenging
14 diversity jurisdiction. “The concepts of subject-matter and personal jurisdiction . . . serve different
15 purposes, and these purposes affect the legal character of the two requirements.” *Ins. Corp. of*
16 *Ireland, Ltd. v. Compagnie des Bauxites de Guinee*, 456 U.S. 694, 701 (1982). Subject matter
17 jurisdiction deals with whether a district court has the authority to adjudicate a case based on
18 whether it involves a federal question or there is diversity of citizenship between the parties and the
19 amount in controversy exceeds \$75,000. *See* 5B Charles Alan Wright & Arthur R. Miller, Federal
20 Practice and Procedure § 1350 (3d ed. 2004). By contrast, personal jurisdiction concerns whether a
21 controversy or party has sufficient contacts, ties, or relationships with the forum to allow the court
22 to exercise jurisdiction over them. *See id.* § 1351.

23 Under the “minimum contacts” doctrine, a federal court may assert personal jurisdiction
24 over a nonresident corporate defendant when they possess “certain minimum contacts with [the
25 forum] such that the maintenance of the suit does not offend ‘traditional notions of fair play and
26 substantial justice.’” *Helicopteros Nacionales de Colombia, S.A. v. Hall*, 466 U.S. 408, 414 (1984)
27 (quoting *Int’l Shoe Co.*, 326 U.S. at 316). Where a foreign corporation’s activities are so
28 “continuous and systematic” as to render them essentially at home, federal courts may assert

1 “general jurisdiction” over the defendants to hear “any and all claims.” *Goodyear Dunlop Tires*
2 *Operations, S.A. v. Brown*, 131 S. Ct. 2846, 2851 (2011). On the other hand, “specific jurisdiction”
3 is confined by the connection between the forum and the underlying controversy. *Id.* Specifically,
4 the activity or occurrence at issue in the action must take place in the forum state, rendering it
5 subject to the state’s regulation for the purposes of that action. *Id.*

6 A court may lack subject matter jurisdiction over a case even where a defendant’s contacts
7 with the forum state would permit the court to exercise personal jurisdiction over that defendant.
8 *See Hoad v. Humane Soc’y of the U.S.*, No. 08-55620, 2009 U.S. App. LEXIS 22688, at *4 (9th
9 Cir. Oct. 15, 2009) (“Even if Defendants do have minimum contacts with California, that does not
10 make them California citizens for purposes of diversity jurisdiction.”). Further, in *Hayward v.*
11 *Chase Home Finance, LLC*, a district court confronted and rejected the same argument raised by
12 Satmarean here, namely that a remand was appropriate because two out-of-state defendants both
13 “had a continuing and substantial connection with Texas, sufficient to subject them to the general
14 jurisdiction of Texas courts.” No. 3:10-CV-2463-G, 2011 WL 2881298, at *3 (N.D. Tex. July 18,
15 2011). There, the court rejected plaintiffs’ argument, holding that they failed to realize that a
16 “specific and general jurisdiction analysis is only relevant when considering *personal* jurisdiction.”
17 *Id.*

18 For purposes of diversity, a corporation is a citizen of (1) the state where it is incorporated
19 and (2) the state where its principal place of business is located. *Davis v. HSBC Bank Nevada,*
20 *N.A.*, 557 F.3d 1026, 1028 (9th Cir. 2009). It is undisputed that Philips is a citizen of: (1)
21 Delaware, the state of its incorporation; and (2) Illinois, the state where its principal place of
22 business is located. (Reply at 3.) Philips’ contacts with California are wholly irrelevant to the issue
23 of citizenship.

24 Because Philips is a citizen of Delaware and Illinois, Rosenberg is a citizen of Oregon, and
25 Satmarean is a citizen of California, complete diversity exists in this case. Moreover, because the
26 parties do not dispute that the amount in controversy exceeds the jurisdictional amount, the
27 jurisdictional requirements of 28 U.S.C. section 1332 are satisfied.

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IV. CONCLUSION

Because there is complete diversity of citizenship between the parties and the amount in controversy exceeds \$75,000, diversity jurisdiction exists in this matter and the Court hereby **DENIES** Satmarean’s Motion to Remand.

This Order terminates Dkt. No. 11.

IT IS SO ORDERED.

Dated: September 27, 2013


YVONNE GONZALEZ ROGERS
UNITED STATES DISTRICT COURT JUDGE