

United States District Court
For the Northern District of California

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UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN JOSE DIVISION

DOBLER & SONS, LLC, et al.,
Plaintiffs,
v.
CALIFORNIA ORGANICS, LLC, et al.,
Defendants.

OCEANO PACKING COMPANY, et al.,
Plaintiffs
v.
CALIFORNIA ORGANICS, LLC, et al.,
Defendants

) Case No.: 10-CV-04092-LHK
) Related Case No.: 11-CV-00529-LHK
)
) ORDER STAYING CASES AND
) REFERRING CASES TO
) BANKRUPTCY COURT
)
) (re: dkt. #155)

On March 14, 2012, California Organics, LLC (“California Organics”) filed a “Notice of Removal of Civil Action to the United States Bankruptcy Court.” See ECF No. 155. Removal is a procedure for removing state actions to federal court and therefore does not apply here, as the two above-captioned matters are already pending in federal district court. See 28 U.S.C. §§ 1441, 1446, 1452. California Organics’ improper “Notice of Removal,” however, alerted the Court to the fact that on February 9, 2012, California Organics filed a petition for relief under chapter 11 of title 11 of the United States Code, 11 U.S.C. §§ 101, et seq. See ECF No. 155 at 4.

1 Pursuant to § 362(a) of the Bankruptcy Code, the filing of a bankruptcy petition operates as
2 an automatic stay of all pending judicial proceedings. Accordingly, this action is STAYED
3 pending resolution of the bankruptcy proceedings in Bankruptcy Court, and all pending Court
4 deadlines are hereby VACATED, including, specifically, the following in Case No. 10-cv-04092-
5 LHK: (1) Settlement Conference, scheduled for March 22, 2012, before Magistrate Judge Howard
6 R. Lloyd, *see* ECF No. 147; (2) Oceano Packing Company, LLC’s Motion to Dismiss
7 Counterclaims by Summar Financial, LLC, set for hearing on April 26, 2012, *see* ECF No. 118; (3)
8 Manjar, Inc.’s Motion to Dismiss the Cross-Claim of Michael Barnes and California Farms
9 Investors, LLC, set for hearing on April 26, 2012, *see* ECF No. 137; (4) Dobler & Sons, LLC; SLO
10 County Organics, LLC; ASA Farms, Inc; and Braga Ranch, Inc.’s Motion for Leave to Amend
11 Plaintiffs’ Third Amended Complaint, set for hearing on April 26, 2012, *see* ECF No. 141; (5)
12 Manjar, Inc.’s Motion for Summary Judgment, or in the Alternative, for Partial Summary
13 Judgment, as to Dobler & Sons Plaintiffs, set for hearing on April 26, 2012, *see* ECF No. 146; and
14 (6) Case Management Conference, set for April 26, 2012, *see* ECF No. 154; as well as the
15 following in Related Case No. 11-cv-00529-LHK: (7) Oceano Packing Company, LLC’s Motion
16 for Leave to Amend Plaintiffs’ Second Amended Complaint, set for hearing on April 26, 2012, *see*
17 ECF No. 134; (8) Manjar, Inc.’s Motion for Summary Judgment, or in the Alternative, for Partial
18 Summary Judgment, as to Plaintiff Oceano Packing Company, set for hearing on April 26, 2012,
19 *see* ECF No. 149; (9) Summar Financial, LLC’s Application for Determination of Good Faith
20 Settlement Pursuant to Cal. Civ. Code § 877, *see* ECF No. 156; and (10) Case Management
21 Conference, set for April 26, 2012, *see* ECF No. 158.

22 Furthermore, the Court finds that the two above-captioned matters (1) are civil proceedings
23 related to California Organic’s case under title 11, and (2) were pending in the District Court on the
24 date California Organic’s title 11 case was filed, and are thus suitable for reference to the
25 Bankruptcy Judges of this District.¹ *See* 28 U.S.C. § 157(a); B.L.R. 5011-1(b). Accordingly, the
26 two above-captioned matters are hereby referred to the Bankruptcy Court.

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28 ¹ Pursuant to 28 U.S.C. § 157(c)(1), “[a] bankruptcy judge may hear a proceeding that is not a core proceeding but that is otherwise related to a case under title 11.” “An action is related to

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IT IS SO ORDERED.

Dated: March 19, 2012



LUCY H. KOH
United States District Judge

bankruptcy if the outcome could alter the debtor's rights, liabilities, options, or freedom of action (either positively or negatively) and which in any way impacts upon the handling and administration of the bankrupt estate." *In re Fietz*, 852 F.2d 455, 457 (9th Cir. 1988) (adopting *Pacor, Inc. v. Higgins*, 743 F.2d 984, 994 (3d Cir. 1984)) (quotation marks omitted).