Northern District of California

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UNITED STATES DISTRICT COURT NORTHERN DISTRICT OF CALIFORNIA

IMPERIAL WOODWORKING ENTERPRISE, INC.,

Plaintiff,

v.

RILEY MCCLURE, 135 LLC,

Defendants.

Case No. 18-cv-00399 NC

ORDER TO SHOW CAUSE REGARDING SUBJECT MATTER

Re: Dkt. No. 1

Defendant Riley McClure removed this case from California state court on the basis of diversity jurisdiction. Dkt. No. 1 at 2. Riley also removed this action on behalf of codefendant 135 LLC. It is the Court's duty to examine whether it has subject matter jurisdiction over any case before it.

Federal courts are courts of limited jurisdiction and are presumptively without jurisdiction. Kokkonen v. Guardian Life Ins. Co. of Am., 511 U.S. 375, 377 (1994). The defendant has the burden of showing removal of a state court action to federal court is appropriate. Gaus v. Miles, Inc., 980 F.2d 564, 566 (9th Cir. 1992). Removal of a state court action to federal court is appropriate only if the federal court would have had original subject matter jurisdiction over the suit. 28 U.S.C. § 1441(a).

It is not clear that diversity of citizenship exists here, and so the existence of subject matter jurisdiction is uncertain. This is because defendant 135 LLC is a limited liability company, and the citizenship of each member of the company must be considered in the Case No. 18-cv-00399 NC

diversity analysis. Carden v. Arkoma Assocs., 494 U.S. 185, 195 (1990); Johnson v.
Columbia Properties Anchorage, LP, 437 F.3d 894, 899 (9th Cir. 2006). In the removal,
Riley did not inform the Court of the citizenship of 135 LLC's members. The amount in
controversy does, however, meet the statutory minimum under 28 U.S.C. § 1332. Thus,
the Court ORDERS defendants to SHOW CAUSE why the Court has subject matter
jurisdiction over this case. Defendants must file a response to this order by February 2,
2018. That response may not exceed 5 pages in length. Otherwise, the Court will remand
this case to California state court.
IT IS SO ORDERED.
Dated: January 23, 2018 NATHANAEL M. COUSINS United States Magistrate Judge