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4 UNITED STATES DISTRICT COURT  
5 NORTHERN DISTRICT OF CALIFORNIA  
6 SAN JOSE DIVISION  
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8 VALLCO PROPERTY OWNER, LLC.,

9 Plaintiff,

10 v.

11 AMERICAN ARBITRATION  
ASSOCIATION, INC.,

12 Defendant.

Case No. [5:23-cv-05843-EJD](#)

**ORDER DENYING EX PARTE  
APPLICATION FOR TEMPORARY  
RESTRAINING ORDER**

Re: ECF No. 3

13 Plaintiff Vallco Property Owner, LLC (“Vallco”) initiated this action for injunctive relief  
14 against the American Arbitration Association (“AAA”) to enjoin the AAA proceedings in New  
15 York and preclude the AAA from setting venue in any jurisdiction other than California. *See*  
16 *generally* ECF No. 1 (“Compl.”). The arbitration concerns a since-terminated agreement between  
17 Vallco and Rafael Vinoly Architects (“RVA”) pursuant to the AAA Construction Industry  
18 Arbitration Rules. RVA brought a claim for fees against Vallco in New York, but Vallco  
19 contends that the AAA proceedings should be venued in California pursuant to the parties’  
20 agreement and the AAA Construction Industry Arbitration Rules.

21 Vallco filed the instant ex parte application for a temporary restraining order requesting  
22 that the Court issue a temporary restraining order and/or a preliminary injunction against the AAA  
23 seeking the same relief. For the reasons discussed herein, the Court DENIES the request.

24 **I. BACKGROUND**

25 Vallco is a Delaware limited liability company specializing in real estate investment that  
26 has its principal place of business in Palo Alto, California. Compl. ¶¶ 1, 6. RVA is a New York-  
27 based architecture firm. *Id.* ¶ 6. On May 4, 2015, Vallco and RVA entered into a design contract  
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1 (the “Agreement”) for the Vallco Mall Redevelopment Project (the “Project”) at 10123 N Wolfe  
2 Road, in Cupertino, California. *Id.* ¶ 7. The multi-billion-dollar project was intended to  
3 reconstruct and redevelop the Vallco two-story shopping mall on a 50-acre parcel into a 7,000,000  
4 square-foot mixed-use development structure that includes residential construction, retail and  
5 office space, as well as parkland, trails, and bike paths. *Id.*

6 The parties’ Agreement is based on AIA Form document B101-2007 “Standard Form  
7 Agreement Between Owner and Architect.” *Id.* ¶ 12. It was executed in California and concerns  
8 the design and development of property in California. *Id.* ¶ 13. Section 8.3.1 of the Agreement  
9 provides that any disputes arising out of the Agreement were to be resolved by the AAA under the  
10 Construction Industry Arbitration Rules:

11 Any claim, dispute or other matter in question arising out of or related  
12 to this Agreement subject to, but not resolved by, mediation shall be  
13 subject to arbitration which, unless the parties mutually agree  
14 otherwise, **shall be administered by the American Arbitration  
15 Association in accordance with its Construction Industry  
16 Arbitration Rules in effect on the date of this Agreement.**

17 *Id.* ¶ 14; ECF No. 3-2 (“McLennon Decl.”), Ex. 2 (emphasis added). Section 10.1 states that the  
18 Agreement “shall be governed by the law of the place where the Project is located, without giving  
19 effect to its conflict of law provisions.” *Id.* ¶ 16. The Agreement does not fix a locale for  
20 arbitration, but Construction Industry Arbitration Rule 12 provides that arbitration agreements that  
21 are “silent” as to locale designation “shall be the city nearest to the site of the project in dispute.”  
22 *Id.* ¶ 15.

23 During the performance of the Agreement, RVA allegedly delayed the Project and  
24 exceeded the budget in violation of the Agreement. *Id.* ¶¶ 6, 11. RVA was terminated after 7  
25 years, in April 2023. *Id.* ¶ 9. On April 26, 2023, RVA filed a demand for arbitration with AAA’s  
26 New York office seeking over \$9 million in alleged unpaid project fees from Vallco and asserting  
27 claims on behalf of “numerous California subconsultants who worked for RVA on the Project in  
28 California.” *Id.* ¶¶ 17–19. Specifically, 16 of the 26 project subconsultants identified by Vallco  
has being relevant witnesses to both parties’ claims, counterclaims, and defenses are located in  
California. ECF No. 3 (“Mot.”) at 12–13. Vallco subsequently counterclaimed for damages.

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1 Compl. ¶ 19.

2 Vallco answered the demand for arbitration and moved to transfer the venue to California  
3 based on the AAA rules and the fact that the majority of the witnesses are located in California.  
4 *Id.* ¶ 20. On June 12, 2023, the AAA appointed a panel of three arbitrators (the “Panel”). *Id.* ¶ 21.  
5 Vallco timely objected to the appointments because none of the arbitrators are licensed to practice  
6 law in California. *Id.* ¶ 22. On June 28, the AAA Administrative Review Council (the “Council”)  
7 ruled that New York would remain the locale of the case, subject to the Arbitrator’s authority to  
8 make a final determination on the issue. *Id.* ¶ 23.

9 During the preliminary hearing in July, Vallco again raised change of venue. *Id.* ¶ 26. The  
10 Panel ordered additional briefing on the matter and, on August 4, issued a decision confirming the  
11 locale of the hearing as New York. *Id.* ¶¶ 26, 28. The Panel’s decision did not provide a basis or  
12 explanation for its decision to maintain the New York locale. *Id.* ¶ 29; *see* McLennon Decl., Ex.  
13 11. The arbitration is in the preliminary stages of discovery, and the Panel has issued no  
14 substantive rulings. *Id.* ¶ 30.

15 On November 11, 2023, Vallco moved for a temporary restraining order. *See generally*  
16 Mot. Summons was issued as to the AAA the following day. *See* ECF No. 5.

17 **II. LEGAL STANDARD**

18 A temporary restraining order is a provisional remedy intended to “preserv[e] the status  
19 quo and prevent[ ] irreparable harm just so long as is necessary to hold a [preliminary injunction]  
20 hearing, and no longer.” *Granny Goose Foods, Inc. v. Bhd. of Teamsters & Auto Truck Drivers*,  
21 415 U.S. 423, 439 (1974). The standards for a TRO are the same as those for a preliminary  
22 injunction. *See Stuhlberg Int’l Sales Co., Inc. v. John D. Brush & Co., Inc.*, 240 F.3d 832, 839 n.7  
23 (9th Cir. 2001). A plaintiff must demonstrate (1) a likelihood of success on the merits, (2) a  
24 likelihood of irreparable harm that will result if an injunction is not issued, (3) the balance of  
25 equities tips in favor of the plaintiff, and (4) an injunction is in the public interest. *See Winter v.*  
26 *Nat. Res. Def. Council, Inc.*, 555 U.S. 7, 20 (2008).

27 The Ninth Circuit also recognizes the “sliding scale” test, which provides that “[a]

1 preliminary injunction [or TRO] is appropriate when a plaintiff demonstrates . . . that serious  
2 questions going to the merits were raised and the balance of hardships tips sharply in the  
3 plaintiff’s favor.” *All. for the Wild Rockies v. Cottrell*, 632 F.3d 1127, 1134–35 (9th Cir. 2011)  
4 (quotations and citation omitted). Under this test a plaintiff must still satisfy the other *Winter*  
5 factors. *Id.*

6 **III. DISCUSSION**

7 **A. Likelihood of Success on the Merits**

8 “Likelihood of success on the merits ‘is the most important’ *Winter* factor; if a movant  
9 fails to meet this ‘threshold inquiry,’ the court need not consider the other factors, in the absence  
10 of ‘serious questions going to the merits.’” *Disney Enters., Inc. v. VidAngel, Inc.*, 869 F.3d 848,  
11 856 (9th Cir. 2017) (quoting *Garcia v. Google, Inc.*, 786 F.3d 733, 740 (9th Cir. 2015) (en banc)).  
12 “[O]nce the moving party has carried its burden of showing a likelihood of success on the merits,”  
13 the non-moving party bears the burden of showing a “likelihood that its affirmative defense will  
14 succeed.” *Id.* Vallco must show that they are likely to succeed in seeking vacatur or modification  
15 of the Panel’s venue decision in the AAA proceeding.

16 Vallco contends that the Federal Arbitration Act (“FAA”), 9 U.S.C. § 10, authorizes a  
17 federal court to enjoin the ongoing arbitration. Mot. at 8. The FAA applies to arbitration  
18 agreements “evidencing a transaction involving commerce” and provides the presumptive rules for  
19 arbitration. 9 U.S.C. § 2; *Sovak v. Chugai Pharm. Co.*, 280 F.3d 1266, 1269 (9th Cir. 2002),  
20 *opinion amended on denial of reh’g*, 289 F.3d 615 (9th Cir. 2002).<sup>1</sup> Sections 10 and 11 of the  
21 FAA provide the grounds for vacatur and modification of an arbitration award. *Hall St. Assocs.,*  
22 *L.L.C. v. Mattel, Inc.*, 552 U.S. 576, 584 (2008). Section 10(a) provides that a district court “in

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<sup>1</sup> Parties may arbitrate under state laws where the “parties clearly evidence their intent to be bound by such rules.” *Sovak*, 280 F.3d at 1269. There is no evidence here that the parties intended to incorporate the California Arbitration Act, so the Court will focus only on the FAA. *See Space Data Corp. v. Hosie Rice LLP*, No. 20-CV-08256-JSW, 2021 WL 2328391, at \*3 (N.D. Cal. May 5, 2021), *aff’d*, No. 21-15977, 2022 WL 1515342 (9th Cir. May 13, 2022) (“[T]here is no evidence in the record that the parties agreed that California law should govern this action over the FAA.”).

1 and for the district wherein the award was made may make an order vacating the award upon the  
2 application of any party to the arbitration” in four enumerated circumstances:

3 (1) where the award was procured by corruption, fraud, or undue  
4 means;

5 (2) where there was evident partiality or corruption in the arbitrators,  
6 or either of them;

7 (3) where the arbitrators were guilty of misconduct in refusing to  
8 postpone the hearing, upon sufficient cause shown, or in refusing to  
9 hear evidence pertinent and material to the controversy; or of any  
10 other misbehavior by which the rights of any party have been  
11 prejudiced; or

12 (4) where the arbitrators exceeded their powers, or so imperfectly  
13 executed them that a mutual, final, and definite award upon the  
14 subject matter submitted was not made.

15 9 U.S.C. § 10(a). The Ninth Circuit has summarized these circumstances as permitting vacatur  
16 where: arbitrators “exceed their powers,” the award is “completely irrational,” or it exhibits a  
17 “manifest disregard of the law.” *Kyocera Corp. v. Prudential-Bache Trade Servs., Inc.*, 341 F.3d  
18 987, 997 (9th Cir. 2003) (internal citations omitted). The party seeking to vacate an arbitration  
19 award bears the burden of establishing grounds for vacating the award. *U.S. Life Ins. Co. v.*  
20 *Superior Nat. Ins. Co.*, 591 F.3d 1167, 1173 (9th Cir. 2010).

21 Vallco asserts that the Panels’ venue decision violates §§ 10(a)(3) and (a)(4) of the FAA  
22 because the Panel had “no authority” to set the locale in New York. Mot. at 9–12. However, 9  
23 U.S.C. § 10 applies to final arbitration awards, not interlocutory rulings. The Court must therefore  
24 determine the threshold issue of whether the Panel’s denial of Vallco’s motion to deny change of  
25 venue may be vacated or modified under the FAA.

26 Since the FAA is interpreted to preclude a federal court from “interven[ing] *before* a final  
27 award is made,” a district court’s authority “is limited to decisions that bookend the arbitration  
28 itself,” or after a final arbitration award is issued.<sup>2</sup> *In re Sussex*, 781 F.3d 1065, 1071–72 (9th Cir.  
2015) (emphasis added); see *Lifescan, Inc. v. Premier Diabetic Servs., Inc.*, 363 F.3d 1010, 1012

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26 <sup>2</sup> “Before arbitration begins, the district court has the authority to determine whether there is a  
27 valid arbitration agreement between the parties, and if so, whether the current dispute is within its  
28 scope.” *In re Sussex*, 781 F.3d at 1071.

1 (9th Cir. 2004) (“The [FAA] gives federal courts only limited authority to review arbitration  
2 decisions, because broad judicial review would diminish the benefits of arbitration.”). Thus, most  
3 circuits have held that federal courts are generally not permitted to intervene in an ongoing  
4 arbitration except in “narrow circumstances such as naming a replacement arbitrator or compelling  
5 witnesses to testify at an arbitration hearing . . . . The [FAA] does not suggest that a court could  
6 otherwise intervene before a final award is made.” *Id.* at 1071–72; *see Pac. Reinsurance Mgmt.*  
7 *Corp. v. Ohio Reinsurance Corp.*, 935 F.2d 1019, 1022 (9th Cir. 1991) (collecting cases).<sup>3</sup>

8 Vallco concedes that the Panel’s venue decision is an interlocutory ruling but argues that  
9 the decision is judicially reviewable pursuant to *Aerojet-Gen. Corp. v. Am. Arb. Ass’n*, 478 F.2d  
10 248 (9th Cir. 1973). In *Aerojet-General*, the court addressed an identical situation where the  
11 petitioner requested judicial intervention to vacate the venue decision. *Id.* The Ninth Circuit  
12 recognized that “a ruling fixing the place for hearing may cause irreparable harm to one or more of  
13 the parties” and thus, a decision on locale change could conceivably constitute one of the “extreme  
14 cases” where “judicial review prior to the rendition of a final arbitration award should be  
15 indulged.” *Id.* at 251; *see Pac. Reinsurance*, 935 F.2d at 1022. One such example is when “the  
16 choice of locale for arbitration is not made in good faith and severe irreparable injury is inflicted  
17 on one or more of the parties. In such case the courts should be free to prevent a manifest  
18 injustice.” *Aerojet-Gen.*, 478 F.2d at 251. The Ninth Circuit noted in *In Re Sussex*, that “extreme  
19 cases” essentially means “equitable concerns sufficient to justify mid-arbitration  
20 intervention.” 781 F.3d at 1073.

21 Here, Vallco has alleged that the Panel lacked the authority to permit venue in New York  
22 because the decision disregards the language of the parties’ Agreement and the AAA Construction  
23 Industry Arbitration Rules, and New York bears no relationship to the dispute. *See* Mot. at 9–12.  
24 The Agreement does not provide a locale, and Rule 12(a) provides that:

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26 <sup>3</sup> As aptly summarized by the Seventh Circuit, “[r]eview comes at the beginning or the end, but  
27 not in the middle” of an arbitration proceeding. *Blue Cross Blue Shield of Mass., Inc. v. BCS Ins.*  
28 *Co.*, 671 F.3d 635, 638 (7th Cir. 2011).

1           When the parties' arbitration agreement is silent with respect to locale  
2           and the parties are unable to agree upon a locale, **the locale shall be**  
3           **the city nearest to the site of the project in dispute**, as determined  
          by the AAA, **subject to the power of the arbitrator** to finally  
          determine the locale within 14 calendar days after the date of the  
          preliminary hearing.

4           AAA Construction Industry Arbitration Rules and Mediation Procedures (July 1, 2015), Rule  
5           12(a) (emphasis added). Vallco interprets the second clause, which provides that the decision is  
6           “subject to the power of the arbitrator,” as constrained by the preceding clause stating that the  
7           locale “shall be the city nearest to the site of the project in dispute.” Mot. at 11. Thus, under  
8           Vallco's interpretation of Rule 12(a), an arbitrator's authority to choose the locale is limited to  
9           deciding which locale is “nearest” to the site of the project. *Id.* at 12. Such an interpretation  
10          would not permit the Panel to select New York as the locale when the project site is approximately  
11          3,000 miles away in California; the Panel's power would be limited to deciding which city is  
12          closest to the Project site in Cupertino.

13          The Court is not persuaded that it can vacate and/or modify the Panel's venue decision  
14          under these circumstances. First, the fact that Vallco disputes the Panel's interpretation and  
15          application of Rule 12 in reaching its venue decision does not rise to the level of an extreme case  
16          that warrants intervention by this Court. *See Mike Rose's Auto Body, Inc. v. Applied Underwriters*  
17          *Captive Risk Assurance Co., Inc.*, 389 F. Supp. 3d 687, 698 (N.D. Cal. 2019) (finding that  
18          defendant's disagreement with the arbitrator's interpretation of express contract terms is not a  
19          grounds on which to vacate an award); *see also Thule AB v. Advanced Accessory Holding Corp.*,  
20          No. 09-CV-00091 (PKC), 2009 WL 928307, at \*3 (S.D.N.Y. Apr. 2, 2009) (finding that where a  
21          party disagreed with the arbitrator's calculation methods, “[w]hether the [arbitrator]'s calculation  
22          . . . was correct is beyond the reach of Section 10(a)(4)” because the arbitrator “clearly had the  
23          power to *reach* the issue of the calculation”). At its core, this case presents an issue of  
24          interpretation, and a district court has “no authority to vacate an award solely because of an  
25          alleged error in contract interpretation.” *Employers Ins. of Wausau v. Nat'l Union Fire Ins. Co.*,  
26          933 F.2d 1481, 1485 (9th Cir. 1991). Likewise, a court lacks the authority to vacate a Panel's  
27          reasonable interpretation of an AAA rule mid-arbitration while it is acting within the scope of its

1 authority. *See Sovak v. Chugai Pharm. Co.*, 280 F.3d 1266, 1271 (9th Cir. 2002) (“If on its face,  
2 the [arbitration] award presents a plausible interpretation of the contract, judicial inquiry ceases  
3 and the award must be enforced.”).

4 Second, Vallco’s arguments regarding inconvenience and financial harm are insufficient  
5 reasons to judicially intervention in an ongoing arbitration. *In re Sussex*, 781 F.3d at 1075.

6 Vallco’s motion to change venue frequently cites convenience and cost as favoring transfer of  
7 venue to California, for example:

- 8 • “All Vallco employees and officers and the majority of  
9 anticipated third-party witnesses reside in California . . . it is  
10 unknown whether RVA personnel are based in New York or  
11 located throughout the country y (or potentially globally) such  
12 that attending a hearing or deposition in California would seem  
13 equally or more convenient,” McLennon Decl. Ex. 4 at 3;
- 14 • “It would be costly to both parties to require California  
15 arbitrators to travel to New York,” *id.*;
- 16 • “California-located arbitrators could easily drive by and  
17 familiarize themselves with the Property,” *id.* at 4; and
- 18 • “[N]ot only would a New York venue be inconvenient for [the]  
19 parties but it also would be inconvenient for the Arbitrators,”  
20 *id.*

21 The Ninth Circuit has expressly rejected these arguments, stating that, “even assuming that a mid-  
22 arbitration intervention could be permissible under some extreme circumstances, cost and delay  
23 alone do not constitute the sort of severe irreparable injury or manifest injustice that could justify  
24 such a step.” *In re Sussex*, 781 F.3d at 1075.<sup>4</sup> This is true “regardless of the size and early stage  
25 of the arbitration.” *Id.*

26 Although the Ninth Circuit has not provided clear direction regarding what exactly  
27 constitutes an “extreme circumstance,” in *Orion Pictures* the court suggests that a situation “where  
28 deferring judicial review after an award risks destroying the party’s ability to enforce a judgment”  
would warrant mid-arbitration intervention. *Orion Pictures Corp. v. Writers Guild of Am., W.,  
Inc.*, 946 F.2d 722, 725 n.2 (9th Cir. 1991). In a footnote, the court provides an example of where

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26 <sup>4</sup> The *In re Sussex* court cautioned that “no district court in our circuit had previously interpreted  
27 *Aerojet–General* to allow mid-arbitration intervention, and the potential impact of this ruling  
28 raises substantial concerns.” 781 F.3d 1065, 1076 (9th Cir. 2015).



1 non-final review from the court would be required: an arbitrator’s ruling setting up an escrow  
2 account to preserve assets during arbitration because, if the ruling was not enforced, the assets  
3 could be squandered and a final monetary award would be meaningless. *Id.* The case before the  
4 Court here does not present a similar situation where the alleged harm could not be adequately  
5 addressed after issuance of an award.

6 Even if the venue decision did warrant judicial intervention mid-arbitration, nothing in the  
7 record before the Court indicates that the Panel exceeded their powers, made an irrational  
8 decision, or manifestly disregarded of the law. *Kyocera*, 341 F.3d at 997. The evidence shows  
9 that the AAA followed its procedure and heard from both parties on the issue; the Council  
10 reviewed Vallco’s motion and considered the AAA’s factors in making its locale determination.<sup>5</sup>  
11 Based on the AAA’s authority to determine the locale for the preliminary hearing, the Council  
12 determined that New York would be the locale for the case, subject to the Panel’s final decision.  
13 *See* McLennon Decl., Ex. 7. After appointment of the Panel, a preliminary hearing was timely  
14 held where Vallco again objected to the Council’s locale determination. *Id.*, Exs. 8, 9. The Panel  
15 considered the parties’ submissions and decided that New York City shall be the locale of the  
16 evidentiary hearings pursuant to its authority under Rule 12. *Id.*, Exs. 10, 11.

17 In sum, Vallco has not shown a likelihood of success on the merits.

18 **B. Irreparable Harm**

19 To the extent that Vallco argues it will be irreparably prejudiced because the AAA lacks  
20 the power to subpoena non-party out-of-state witnesses and most of the “essential witnesses” are  
21 located in California, the Court is not persuaded that this warrants judicial intervention mid-  
22 arbitration at this time. Mot. at 12–14. However, the Court acknowledges that Vallco’s argument  
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24 <sup>5</sup> The AAA assigns to its Administrative Rules Committee (“ARC”) determination of the locale of  
25 the evidentiary hearing when parties disagree as to the locale. *See* McLennon Decl., Ex. 4. ARC  
26 considers the following factors in making a locale determination: the location of the parties,  
27 location of the witnesses and documents, location of the site; consideration of relative cost to the  
28 parties, place of performance of the contract, laws applicable to the contract, place of previous  
court actions; necessity of an on-site inspection of the project, and other arguments that may affect  
the locale determination. *Id.* at 2–3.

1 is not unfounded.

2 Pursuant to § 7 of the FAA, arbitrators may summon the physical attendance of a non-  
3 party as a witness and arbitrators may direct such person to “to bring with him or them” relevant  
4 documents or material. 9 U.S.C. § 7. If the person(s) summoned refuse to comply, “the statute  
5 gives the district court in the district in which the arbitrator sits the power to compel the person’s  
6 attendance before the arbitrator.” *CVS Health Corp. v. Vividus, LLC*, 878 F.3d 703, 706 (9th Cir.  
7 2017) (citing 9 U.S.C. § 7). Thus, should a situation arise where a witness refuses to testify,  
8 Vallco may seek judicial intervention. *See In re Sussex*, 781 F.3d at 1071 (a district court may  
9 compel a witness to testify at an arbitration hearing).

10 The problem lies with the fact that the Panel ruled that the venue is in New York despite  
11 the fact that the majority of non-party “essential witnesses” reside in California, where the Project  
12 site is located and where the agreement was executed. The FAA does not authorize nationwide  
13 service of process. *Dynegy Midstream Servs. v. Trammochem*, 451 F.3d 89, 96 (2d Cir. 2006).  
14 Section 7 of the FAA requires that subpoenas are enforced in the district in which the arbitrators  
15 sit. 9 U.S.C. § 7; *id.* (stating that “the ordinary rules applicable to district courts apply” to the  
16 manners in which subpoenas to appear and orders to compel are served and enforced in  
17 arbitration). Here, since the Panel is sitting in the Southern District of New York, § 7 requires that  
18 any enforcement action be brought in that district. *See Dynegy*, 451 F.3d at 96.

19 Federal Rule of Civil Procedure 45(c) defines the “place of compliance” for subpoenas and  
20 the geographical scope of a federal court’s power to compel a witness to testify at a trial or other  
21 proceeding. Rule 45(c)(1)(A) imposes a 100-mile limitation, meaning “a person cannot be  
22 required to attend a trial or hearing that is located more than 100 miles from their residence, place  
23 of employment, or where they regularly conduct in-person business.” *In re Kirkland*, 75 F.4th  
24 1030, 1042 (9th Cir. 2023). Therefore, any court in the Southern District of New York cannot  
25 compel California witnesses to testify in the AAA arbitration in New York.<sup>6</sup>

26 \_\_\_\_\_  
27 <sup>6</sup> The same is true for remote testimony. The Panel’s locale decision provides that it will “permit  
28 witnesses to travel virtually without having to travel to New York City,” which—although not  
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1           Some courts have permitted workarounds to enforcement of arbitration subpoenas and  
2 compelling testimony in out of state arbitrations. For example, a district court in the Northern  
3 District of Illinois enforced an arbitration subpoena against an out of state non-party by permitting  
4 petitioner’s attorney to issue a subpoena under Rule 45(a)(3)(B) that would be enforced by the  
5 district court in district where the non-party resided in the Eastern District of Pennsylvania.  
6 *Amgen Inc. v. Kidney Ctr. of Del. Cnty., Ltd.*, 879 F. Supp. 878 (N.D. Ill. 1995). After  
7 determining that the arbitrator’s subpoena was valid and enforceable, the court granted the motion  
8 to compel and ordered the case to “remain pending until [respondent] complied with the  
9 subpoena.” *Id.* at 883.

10           The Second Circuit declined to adopt *Amgen’s* “compromise position” to compel a non-  
11 party out of state witness to testify, explaining that the arbitrators, and not the parties to an  
12 arbitration, may employ § 7 to subpoena documents or witnesses. *Dynegy*, 451 F.3d at 96. The  
13 Second Circuit noted that the parties to the arbitration “chose to arbitrate in New York even  
14 though the underlying contract and all of the activities giving rise to the arbitration had nothing to  
15 do with New York; they could have easily have chosen to arbitrate in Texas, where [petitioner]  
16 would have been subject to an arbitration subpoena and a Texas court’s enforcement of it.” *Id.*  
17 The court reversed the district court’s decision ordering compliance with the arbitrator’s subpoena,  
18 concluding that because the “parties made one choice for their own convenience, the parties  
19 should not be permitted to stretch the law beyond the text of Section 7 and Rule 45 to  
20 inconvenience witnesses.” Here, however, Vallco seeks the opposite: to vacate or modify the  
21 Panel’s decision selecting New York as the venue to avoid this very outcome.

22           It appears the only way Vallco (or RVA) could enforce a subpoena and compel an out-of-  
23 state witness’s attendance is demonstrated in a case before the District Court for the Southern  
24 District of Florida. In *Shirvanian*, the arbitration panel for an arbitration based in California

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26           required—increases convenience and reduces costs. McLennon Decl., Ex. 11. The Ninth Circuit  
27 recently held that Rule 45(c)’s geographical limitations to testimony applies with equal force to  
28 testimony provided via remote video transmission. *In re Kirkland*, 75 F.4th at 1051.

1 issued a subpoena to compel an out of state non-party’s witness testimony.<sup>7</sup> *Shirvanian v. Byers*,  
2 No. 16-V-21261, 2016 WL 11754322, at \*1 (S.D. Fla. Sept. 22, 2016). The subpoena required the  
3 Florida-based witness to appear and testify at an AAA office in Miami, less than 50 miles from his  
4 Florida home. *Id.* The arbitrators committed to “convene in Florida in the near future” to receive  
5 the witness testimony. *Id.* at 2. The court denied a motion to quash and enforced the subpoena,  
6 finding that the arbitrator’s may be deemed as “sitting” in Florida under § 7 for the purposes of  
7 receiving the witness’s testimony. *Id.* at 3–4.

8 The implication of *Shirvanian* and the aforementioned cases is that the Panel’s venue  
9 selection in New York—more than 3,000 miles from the Project site and where the majority of the  
10 “essential witnesses” reside—creates a potential difficulty where the Panel would have to  
11 subpoena the out-of-state witnesses with the intention of traveling to California to hear the witness  
12 testimony in order for a court in this district to compel arbitration testimony and comply with Rule  
13 7 and Rule 45. Although the Panel’s selection of New York as the locale leaves Vallco (and  
14 RVA) without a “simple” avenue to enforce arbitration subpoenas and compel non-party out of  
15 state witness testimony, it does not leave them entirely without a remedy to do so, and it is  
16 speculative to say at this time that the Panel would not travel to California to hear non-party  
17 witness testimony compelled by the court if need be.

18 In sum, the facts and considerations currently before this Court do not appear to present an  
19 extreme case where “a ruling fixing the place for hearing may cause irreparable harm to one or  
20 more of the parties.” *Aerojet-Gen.*, 478 F.2d at 25. The harms asserted by Vallco can properly be  
21 addressed after the issuance of an award.

22 **IV. CONCLUSION**

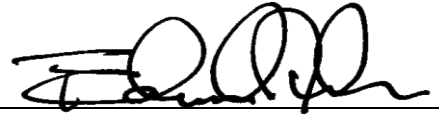
23 For the foregoing reasons, Vallco has failed to demonstrate a likelihood of success on the  
24 merits or irreparable harm. Accordingly, Vallco’s ex parte application for a temporary restraining  
25 order is DENIED.

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27 <sup>7</sup> The witness resided in California at the beginning of the arbitration but had since relocated to  
28 Florida.

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**IT IS SO ORDERED.**

Dated: November 28, 2023



EDWARD J. DAVILA  
United States District Judge