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**UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF CALIFORNIA**

CASA BLANCA de PUNTA MITA,  
Sociedad Anonima de Capital  
Variable, a Corporation formed under  
the laws of the United Mexican States,

Plaintiff,

v.

BRIAN J. RAYMENT, an individual;  
FALCON INVESTMENT, LLC, an  
Oklahoma Limited Liability Company,

Defendants.

No. 3:18-cv-2297-WQH-BGS

**ORDER**

HAYES, Judge:

The matter before the Court is the Motion to Dismiss filed by Defendants Brian J. Rayment and Falcon Investment, LLC. (ECF No. 7).

**I. Background**

On October 3, 2018, Plaintiff Casa Blanca de Punta Mita, Sociedad Anonima de Capital Variable (Casa Blanca de Punta Mita), initiated this action against Defendants Brian J. Rayment and Falcon Investment, LLC (Falcon) by filing the Complaint. (ECF No. 1).

On November 5, 2018, Defendants filed a Motion to Dismiss. (ECF No. 7).

1 On November 26, 2018, Plaintiff filed an Opposition. (ECF No. 8). On December  
2 4, 2018, Defendants filed a Reply. (ECF No. 11).

### 3 **II. Allegations of the Complaint**

4 The Complaint alleges that an Oklahoma state court improperly exercised  
5 jurisdiction over a foreign corporation and real property located in Mexico. Plaintiff  
6 seeks declaratory relief in the form of “a judicial declaration by this Court on the  
7 validity of the exercise of judicial power by the Oklahoma state court on foreign  
8 entities and real property in Mexico.” (Complaint, ECF No. 1 at 2).

9 Plaintiff is a Mexican corporation with “no ties or interests in the United  
10 States and has never done business or owned property in the United States.”  
11 (Complaint, ECF No. 1 ¶ 1). Defendant Falcon is an Oklahoma limited liability  
12 company “and the purported assignee of a judgment entered in favor of Rayment by  
13 the District Court for Tulsa County, state of Oklahoma.” *Id.* ¶ 3. The Complaint  
14 alleges that Defendant Rayment “is a citizen of the United States of America,  
15 possessing real property in California and conducting business in the State of  
16 California.” *Id.* ¶ 3. The Complaint alleges that:

17 Venue in this district is proper pursuant to 28 U.S.C. § 1391 because a  
18 substantial part of the events or omissions on which the claim is based  
19 were orchestrated from the State of California and defendant is subject  
20 to personal jurisdiction in this judicial district. The Southern District of  
21 California is also the closest Federal District Court to Mexico where the  
22 real property at issue is located.

23 *Id.* ¶ 6.

### 24 **III. Facts**

25 In 1999, Defendant Rayment advised Mr. Francis on the formation of The  
26 Francis Trust, an irrevocable trust created under the laws of the Turks & Caicos.  
27 (Chaffe Decl., ECF No. 8-2 ¶ 2). Plaintiff provides in the declaration of Colin  
28 Chaffe that Mr. Chaffe “met Mr. Rayment on at least one occasion in California[,]”  
that “Mr. Francis executed the trust instrument in California[,]” and that “Mr.

1 Rayment advised Francis in California, as his retained attorney, on the formation of  
2 the trust . . . .” *Id.* ¶¶ 3, 18. The Francis Trust owns Island Films, Ltd. and  
3 Summerland Holdings. Ltd. *Id.* ¶ 15. Island Films, Ltd. and Summerland Holdings.  
4 Ltd. own Casa Blanca de Punta Mita, a Mexica corporation that owns real property  
5 located in Bucerias, Bahia de Banderas, Nayarit, Mexico. *Id.*

6 Defendant Rayment was served with process in this matter on October 14,  
7 2018, in Tulsa, Oklahoma. (ECF No. 4). Rayment states in his declaration that he  
8 is domiciled and maintains a law office in Tulsa, Oklahoma. (Rayment Decl., ECF  
9 No. 7-2 ¶ 2). Rayment states that he is not licensed to practice law in California,  
10 has no employees in California, has no bank accounts in California, and the only  
11 property he owns in California is a “vacation house” in Riverside County. *Id.* ¶ ¶  
12 2–5.

13 Rayment is the Managing Member of Defendant Falcon. *Id.* ¶ 6. Rayment  
14 states that Falcon is an LLC formed pursuant to the laws of the state of Oklahoma,  
15 is not qualified to do business in California, has never done business in California,  
16 and has no subsidiaries that do business in California. *Id.*

#### 17 **IV. Contentions**

18 Defendants contend that this Court lacks personal jurisdiction over  
19 Defendants.<sup>1</sup> Defendant Rayment contends that he is domiciled in Oklahoma, and  
20 that his vacation home in Riverside County and business dealings in California are  
21 insufficient to establish either specific or general jurisdiction. Defendant Falcon is  
22 an Oklahoma corporation operated by Rayment with no ties to California. Rayment  
23 contends that “[i]t would be unreasonable to require [Defendants] to defend this  
24 action in courts within California because all the events underling Plaintiff’s claims  
25 occurred in Oklahoma. California has no interest in providing a forum for the  
26 resolution of Plaintiff’s claims . . . .” (Rayment Decl., ECF No. 7-2 ¶ 13).

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<sup>1</sup> Defendants also contend that dismissal is appropriate under Federal Rules of Civil Procedure 12(b)(1) and 12(b)(6). The Court does not reach these arguments in this Order.

1 Plaintiff contends that the Court has general jurisdiction over Defendant  
2 Rayment because “Plaintiff believes that Rayment . . . [P]ossesses clients aside  
3 from his representation of Plaintiff and The Trust in this state and has sought out  
4 business in this state, meeting clients in his home here.” (ECF No. 8 at 24–25).  
5 Plaintiff contends that specific jurisdiction also exists because “Rayment directed  
6 the formation of Plaintiff itself as an attorney practicing in California for a California  
7 client.” *Id.* at 26. Plaintiff asserts that it would not upset notions of fair play and  
8 substantial justice for Defendants to have to defend the action in this forum because  
9 “Rayment is clearly a sophisticated individual, an experienced attorney and aware  
10 that he will be able to proceed electronically with filing any legal papers and would  
11 only need to appear for trial or evidentiary hearings.” (ECF No. 25 at 26).

#### 12 **V. 12(b)(2) Standard**

13 On a motion to dismiss a complaint for lack of personal jurisdiction, the  
14 plaintiff bears the burden of establishing personal jurisdiction. *Farmers Ins. Exch.*  
15 *v. Portage La Prairie Mut. Ins. Co.*, 907 F.2d 911, 912 (9th Cir. 1990). Where the  
16 motion to dismiss is based on written materials rather than an evidentiary hearing,  
17 the plaintiff must make a prima facie showing of jurisdictional facts to satisfy this  
18 burden. *Dole Food Co. v. Watts*, 303 F.3d 1104, 1108 (9th Cir. 2002). While the  
19 plaintiff cannot “simply rest on the bare allegations of its complaint,” *Amba Mktg.*  
20 *Sys., Inc. v. Jobar Int’l, Inc.*, 551 F.2d 784, 787 (9th Cir. 1977), uncontroverted  
21 allegations in the complaint must be taken as true. *AT&T v. Campagnie Bruxelles*  
22 *Lambert*, 94 F.3d 586, 588 (9th Cir. 1996). Conversely, the court “may not assume  
23 the truth of allegations in a pleading which are contradicted by affidavit.” *Data*  
24 *Disc, Inc. v. Sys. Tech. Assocs., Inc.*, 557 F.2d 1280, 1284 (9th Cir. 1977). If  
25 conflicting affidavits are submitted, “conflicts between the facts contained in the  
26 parties' affidavits must be resolved in [plaintiff’s] favor for purposes of deciding  
27 whether a prima facie case for personal jurisdiction exists.” *Compagnie Bruxelles*  
28 *Lambert*, 94 F.3d at 588 (quotation omitted).

1           The exercise of personal jurisdiction over a nonresident defendant must be  
2 authorized under the state’s long-arm statute and must satisfy the due process clause  
3 of the United States Constitution. *Pac. Atl. Trading Co. v. M/V Main Express*, 758  
4 F.2d 1325, 1327 (9th Cir. 1985). California’s long-arm statute permits the exercise  
5 of personal jurisdiction “on any basis not inconsistent with the Constitution of this  
6 state or the United States.” Cal. Code Civ. Proc. § 410.10. “Because California’s  
7 long-arm jurisdictional statute is coextensive with federal due process requirements,  
8 the jurisdictional analyses under state law and federal due process are the same.”  
9 *Dole Food Co.*, 303 F.3d at 1110. “For a court to exercise personal jurisdiction over  
10 a nonresident defendant, that defendant must have at least ‘minimum contacts’ with  
11 the relevant forum such that the exercise of jurisdiction ‘does not offend traditional  
12 notions of fair play and substantial justice.’” *Id.* (quoting *Int’l Shoe Co. v.*  
13 *Washington*, 326 U.S. 310, 316 (1945)). Under the due process analysis, a defendant  
14 may be subject to either general or specific personal jurisdiction. *Helicopteros*  
15 *Nacionales de Columbia, S.A. v. Hall*, 466 U.S. 408, 414 (1984).

16           **a. General Jurisdiction**

17           To exercise general jurisdiction over a non-resident defendant, the defendant  
18 must have “continuous and systematic general business contacts” that “approximate  
19 physical presence in the forum state.” *Schwarzenegger v. Fred Martin Motor Co.*,  
20 374 F.3d 797, 801 (9th Cir. 2004) (citations and internal quotations omitted). “This  
21 is an exacting standard, as it should be, because a finding of general jurisdiction  
22 permits a defendant to be haled into court in the forum state to answer for any of its  
23 activities anywhere in the world.” *Id.*

24           Rayment states in a sworn declaration that he is domiciled and licensed to  
25 practice law in Oklahoma, is not licensed to practice law in California, does not  
26 maintain an office in California, has no employees residing or domiciled in  
27 California, has no bank accounts in California, and the only property he owns in  
28 California is a vacation house in Riverside County. (Rayment Decl., ECF No. 7-2

1 ¶¶ 2–5). The Court finds that even if Mr. Chaffe met Rayment in California and  
2 executed the trust instrument in California, Plaintiff has failed to make a prima facie  
3 case that Rayment’s activities in California are sufficiently “continuous and  
4 systematic” to subject Rayment to general jurisdiction in California. *See Fred*  
5 *Martin Motor Co.*, 374 F.3d at 801.

6 Defendant Falcon is a limited liability company formed pursuant to the laws  
7 of the state of Oklahoma with its principal place of business in Oklahoma. Plaintiff  
8 makes no allegation that Falcon has ever done business in California. The Court  
9 finds that Plaintiff has failed to make a prima facie case that Falcon is subject to  
10 general jurisdiction in California. *See Fred Martin Motor Co.*, 374 F.3d at 801.

11 **b. Specific Jurisdiction**

12 To exercise specific jurisdiction over a non-resident defendant, Courts  
13 employ a three-part test:

- 14 (1) The non-resident defendant must purposefully direct his activities  
15 or consummate some transaction with the forum or resident thereof; or  
16 perform some act by which he purposefully avails himself of the  
17 privileges of conducting activities in the forum, thereby invoking the  
18 benefits and protections of its laws; (2) the claim must be one which  
19 arises out of or relates to the defendant's forum-related activities; and  
20 (3) the exercise of jurisdiction must comport with fair play and  
21 substantial justice, i.e. it must be reasonable.

22 *Dole Food Co.*, 303 F.3d at 1111. The plaintiff bears the burden of satisfying the  
23 first two prongs of the test. *Fred Martin Motor Co.*, 374 F.3d at 802. If the plaintiff  
24 fails to satisfy either of these prongs, personal jurisdiction is not established in the  
25 forum state. *Id.* If the plaintiff succeeds in satisfying both of the first two prongs,  
26 the burden then shifts to the defendant to “present a compelling case” that the  
27 exercise of jurisdiction would not be reasonable. *Burger King Corp. v. Rudzewicz*,  
28 471 U.S. 462, 476–78 (1985).

In this case, Plaintiff asserts that this Court should exercise specific  
jurisdiction over Defendant Rayment because he is a sophisticated individual and

1 directed the formation of Casa Blanca de Punta Mita as an attorney practicing in  
2 California for a California client. (ECF No. 8 at 26). Plaintiff is a Mexican  
3 corporation who “has no ties or interests in the United States and has never done  
4 business or owned property in the United States.” (Complaint, ECF No. 1 ¶ 1). The  
5 individual for whom Rayment created Casa Blanca de Punta Mita may be a  
6 “California client,” but that individual is not a party to this action.<sup>2</sup> Plaintiff’s  
7 Complaint seeks this Court’s review of an Oklahoma state court’s adjudication of a  
8 dispute involving Defendant Rayment, an Oklahoma resident, a residence in  
9 Mexico, an individual named Joseph R. Francis, and various Mexican corporations.  
10 (Complaint, ECF No. 1 ¶ 1). Rayment’s vacation home in Riverside County and  
11 Rayment’s physical presence in California when he provided advice on how to form  
12 Casa Blanca de Punta Mita, a Mexican corporation in Mexico, do not form a  
13 sufficient basis for specific jurisdiction. The Court finds that Plaintiff has failed to  
14 make a prima facie case that Rayment “purposefully availed” himself to this forum,  
15 and that the allegations in the Complaint “arise[] out of or relate[] to the defendant’s  
16 forum-related activities.” *See Burger King Corp.*, 471 U.S. at 475 (“This  
17 ‘purposeful availment’ requirement ensures that a defendant will not be haled into a  
18 jurisdiction solely as a result of . . . attenuated contacts”) (internal quotations  
19 omitted); *Dole Food Co.*, 303 F.3d at 1111. The Court finds that it does not have  
20 personal jurisdiction over Defendant Rayment.

21 Plaintiff alleges no contacts between Falcon and the state of California.  
22 Accordingly, the Court finds that Plaintiff has failed to make a prima facie case that  
23 Falcon has had minimal contacts with this forum. *See Fred Martin Motor Co.*, 374  
24 F.3d at 802. The Court finds that it does not have personal jurisdiction over  
25 Defendant Falcon.

## 26 VI. Jurisdictional Discovery

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28 <sup>2</sup> Plaintiff also states that Rayment “advised on the creation and funding of The Trust from California, meeting the  
Trustee in California.” (ECF No. 8 at 26). Neither the Francis Trust nor the Trustee are parties to this action.

1           “A court may permit discovery to aid in determining whether it has in  
2 personam jurisdiction.” *Data Disc, Inc.*, 557 F.2d at 1285. Plaintiff requests  
3 jurisdictional discovery to establish general jurisdiction for Defendant Rayment.  
4 Plaintiff asserts that Rayment “possesses clients aside from his representation of  
5 Plaintiff and The Trust in this state and has sought out business in this state, meeting  
6 clients in his home here.” (ECF No. 8 at 24–25). Other than a single instance of  
7 Rayment meeting with a client documented in Mr. Chaffe’s declaration, Chaffe  
8 Decl., ECF No. 8-2 ¶ 3, Plaintiff alleges no specific facts indicating Plaintiff would  
9 be able to meet the “exacting standard” necessary to show that Rayment maintains  
10 “continuous and systematic general business contacts” in California sufficient to  
11 “approximate physical presence in the forum state.” *See Fred Martin Motor Co.*,  
12 374 F.3d at 801. Plaintiff’s contention is also belied by Rayment’s testimony that  
13 he is not licensed to practice law in California, does not maintain an office in  
14 California, has no employees residing or domiciled in California, and has no bank  
15 accounts in California. (Rayment Decl., ECF No. 7-2 ¶¶ 2–5). The Court declines  
16 to grant Plaintiff jurisdictional discovery. *See Boschetto v. Hansing*, 539 F.3d 1011,  
17 1020 (9th Cir. 2008) (district court did not abuse its discretion denying discovery  
18 request “based on little more than a hunch that it might yield jurisdictionally relevant  
19 facts”); *see also Butcher's Union Local No. 498 v. SDC Inv., Inc.*, 788 F.2d 535, 540  
20 (9th Cir. 1986) (district court did not abuse its discretion by refusing jurisdictional  
21 discovery where the plaintiffs “state only that they ‘believe’ discovery will enable  
22 them to demonstrate sufficient California business contacts to establish the court's  
23 personal jurisdiction”).

## 24           **VII. Conclusion**

25           IT IS HEREBY ORDERED that the motion to dismiss (ECF No. 7) is  
26 GRANTED. No later than twenty (20) days from the date this Order is filed,  
27 Plaintiff may request leave to amend pursuant to Local Civil Rules 7.1 and 15.1(c).  
28 If Plaintiff does not file a motion for leave to amend the complaint within twenty



1 days, the Court will order this case to be closed.

2 Dated: March 20, 2019

*William Q. Hayes*  
3 Hon. William Q. Hayes  
4 United States District Court

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