

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF MARYLAND

LSR, INC. t/a JERRY'S SEAFOOD,
Plaintiff

v.

Civil Case No. RDB-17-3722

SATELLITE RESTAURANTS INC.
CRABCAKE FACTORY USA,
Defendant.

* * * * *

MEMORANDUM ORDER

The Complaint in this case alleges trademark infringement and unfair competition claims against Defendant. (ECF No. 1.) On January 8, 2018, Defendant filed the now pending Motion to Stay (ECF No. 7), in which the Defendant alleges that Plaintiff fraudulently revived its corporate status, a requirement for standing. (Id. 5 (citing Atlantic Mill & Lumber Realty Co. v. Keefer, 179 Md. 496 (1941).) Defendant specifically identifies three unpaid Maryland tax liens (see Def. Exhibits D-F, ECF Nos. 7-5 to 7-7), which Plaintiff allegedly concealed when certifying that the corporation had paid all state and local taxes (see Def. Ex. C, ECF No. 7-4.) Defendant asks this Court to stay these proceedings and to permit limited discovery on the issue of Plaintiff's corporate status.

This Court has broad discretion to stay proceedings. See Maryland v. Universal Elections, Inc., 729 F.3d 370, 375 (4th Cir. 2013). In this case, Plaintiff has failed to address the substance of Defendant's challenge, namely that the Articles of Revival do not "conform to State law" as they were fraudulently obtained. Md. Code, Corps. & Ass'ns § 1-201.1(a)(2). Defendant's Motion to Stay (ECF No. 7) is therefore GRANTED IN PART, with the request for limited discovery DENIED. This Court ORDERS that this action be STAYED for 60 DAYS so that the Defendant may challenge Plaintiff's corporate status under state law.

Dated: February 15, 2018

/s/
Richard D. Bennett
United States District Judge