

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF OHIO
EASTERN DIVISION

DT FASHION LLC,

Plaintiff,

v.

SANTANA JADE CLINE, et al.,

Defendants.

Case No. 2:16-cv-1117

CHIEF JUDGE EDMUND A. SARGUS, JR.
Magistrate Judge Chelsey M. Vascura

OPINION AND ORDER

This matter is before the Court on Plaintiff DT Fashion LLC's Notice of Bankruptcy and Request for Temporary Stay as to Defendant Timothy H. Dials [ECF No. 33]. For the following reasons, the Court **GRANTS** Plaintiff's request for a temporary stay.

Alleging copyright and trademark violations, as well as fraud, tortious interference with business relationships, and civil conspiracy, Plaintiff brought this case on November 21, 2016, against Dials and three other Defendants. (*See* Verified Compl. at 1 [ECF No. 1].) Plaintiff has since dismissed its claims against one of the Defendants and has moved for default judgment against two of the others—Santana Jade Cline and The Dark Monkey LLC. (Mots. for Default J. [ECF Nos. 16, 32, 34]; Notice of Voluntary Dismissal at 1 [ECF No. 26].) Plaintiff requested, and obtained, a Clerk's entry of default against Dials. (Request for Entry of Default at 1 [ECF No. 23]; Entry of Default at 1 [ECF No. 24].) But rather than move for default judgment against Dials, Plaintiff requests a stay of the proceedings against him. (*See* Notice of Bankruptcy at 1–2 [ECF No. 33].)

Plaintiff represents that Dials filed a petition for Chapter 13 bankruptcy on June 13, 2016, in the Bankruptcy Court for the Southern District of West Virginia. (Notice of Bankruptcy at 1.)

Responding to Plaintiff's filings in the present case, Dials moved the bankruptcy court in August 2017 for an emergency order enforcing 11 U.S.C. § 362(a)'s automatic bankruptcy stay against Plaintiff and Plaintiff's counsel. (*Id.*; Debtor's Emergency Motion at 1, *In re Dials*, No. 6:16-bk-60085 (Bankr. S.D.W.V. Aug. 4, 2017), ECF No. 229.) The West Virginia court has not yet decided Dials's motion. The court has, however, entered an order inviting interested parties to file briefs on whether the bankruptcy case should be transferred to the Bankruptcy Court for the Southern District of Ohio. (*See* Notice of Bankruptcy at 2; Order at 1–2, *In re Dials*, No. 6:16-bk-60085 (Bankr. S.D.W.V. Oct. 2, 2017), ECF No. 250.) Plaintiff does not seem to believe that § 362(a)'s automatic stay applies to this case. (*See* Notice of Bankruptcy at 1–2.) Nonetheless, given Dials's motion in the bankruptcy case and the uncertainty about whether the bankruptcy case will be transferred, Plaintiff requests a temporary stay of this case as to Dials. (*See id.*)

A district court has the inherent power to stay proceedings based on its authority to efficiently manage its docket. *Ferrell v. Wyeth-Ayerst Labs., Inc.*, No. 1:01-cv-447, 2005 WL 2709623, at *1 (S.D. Ohio Oct. 21, 2005); *see Landis v. N. Am. Co.*, 299 U.S. 248, 254–55 (1936). A court, however, ““must tread carefully in granting a stay of proceedings, since a party has a right to a determination of its rights and liabilities without undue delay.”” *Ferrell*, 2005 WL 2709623, at *1 (quoting *Ohio Env'tl. Council v. U.S. Dist. Court*, 565 F.2d 393, 396 (6th Cir. 1977)). When considering whether to grant a stay, district courts have typically considered “the need for a stay, the balance of potential hardship to the parties and the public, and the promotion of judicial economy.” *Id.*

Judicial economy would be best served by the Court deciding each Defendant's liability at the same time. However, given that the public is unlikely to suffer any hardship from a stay and that both Plaintiff and Dials favor a stay in light of the pending bankruptcy case, the Court

