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3 HONORABLE MARSHA PECHMAN  
4 Hearing Date: May 4, 2007  
5 Without Oral Argument  
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12 UNITED STATES DISTRICT COURT  
13 WESTERN DISTRICT OF WASHINGTON AT SEATTLE  
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16 AUDREY KORNELIUS and BARBARA  
17 SMITH, individually and on behalf of all others  
18 similarly situated,

19 Plaintiffs,

20 v.

21 MENU FOODS, a foreign corporation,

22 Defendant.

23 No. CV 07-0454 MJP

24 DEFENDANT MENU FOODS'  
25 MOTION TO STAY ALL  
26 PROCEEDINGS

27  
28 NOTE ON MOTION CALENDAR  
29 MAY 4, 2007

30  
31 Without Oral Argument

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33 Defendant MENU FOODS moves this Court to stay all proceedings in this action  
34 pending a transfer decision by the Judicial Panel on Multidistrict Litigation ("JPML")  
35 pursuant to U.S.C. §1407 and pending a determination of class certification by the transferor  
36 court pursuant to Federal Rules of Civil Procedure 23(d)(1). In support thereof, Defendant  
37 sets forth the following:

38  
39 I. INTRODUCTION

40  
41 Currently, there are at least fifty-seven (57) actions that seek relief for individuals who  
42 purchased allegedly contaminated pet food from Defendant. Federal courts have original  
43 jurisdiction over these state and common law based actions pursuant to the Class Action

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46 DEFENDANT MENU FOODS' MOTION TO STAY  
47 ALL PROCEEDINGS – CV07-0454 MJP - 1

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1 Fairness Act of 2005. 28 U.S.C. §1332(d). Specifically, the pending cases allege that  
 2 Defendant sold contaminated pet food to the general public and individuals whose pets  
 3 consumed this pet food sustained injuries and/or death. The pending cases seek to certify a  
 4 class of United States' residents who purchased allegedly contaminated pet food and seek to  
 5 compensate them for all damages incurred as a result of Defendant's conduct. None of the  
 6 pending cases are advanced and no discovery has been conducted. The actions are currently  
 7 pending in the Western District of Washington, Eastern District of Tennessee, Northern  
 8 District of Illinois, Western District of Wisconsin, Western District of Arkansas, District of  
 9 New Jersey, Northern District of Florida, Southern District of Florida, District of Connecticut,  
 10 Central District of California, District of Rhode Island, District of Maine, Northern District of  
 11 California, District of Nevada, District of Idaho and Northern District of Ohio.

12 **A. Pending MDL Motions**

13 On March 30, 2007, three (3) separate motions for transfer and coordination or  
 14 consolidation pursuant to 28 U.S.C. §1407 were filed by three (3) different plaintiffs.  
 15 Plaintiff Shirley Sexton filed the first MDL motion, seeking to transfer her case and numerous  
 16 other cases involving alleged injuries and/or death arising out of the purchase and/or  
 17 consumption of pet food manufactured by Defendant to the Central District of California. *See*  
 18 Plaintiff Sexton's MDL Motion attached hereto as Exhibit "A." Plaintiff Christina Troiano  
 19 filed the second MDL motion, seeking transfer to the Southern District of Florida. *See*  
 20 Plaintiff Troiano's MDL Motion attached hereto as Exhibit "B." Lastly, Plaintiffs Tom  
 21 Whaley, Stacey Heller, Toinette Robinson, David Rapp, Cecily and Terrance Mitchell,  
 22 Suzanne E. Johnson, Craig R. Klemann, Audrey Kornelius, Barbara Smith, Michelle Suggett  
 23 and Don James, filed their MDL motion to transfer the cases to the Western District of

1 Washington. *See* Plaintiff Whaley's MDL Motion attached hereto as Exhibit "C." On April  
2 5, 2007, a fourth motion for transfer and coordination or consolidation was filed by Plaintiffs  
3 Jayme Pittsonberger, David Carter and Jim Bullock, for transfer to the United States District  
4 Court for the District of New Jersey. *See* Plaintiffs' MDL Motion attached hereto as Exhibit  
5 "F." Defendant will be filing its MDL response on or before April 19, 2007, and is in  
6 agreement that MDL consolidation is appropriate. On April 12, 2007, the Judicial Panel on  
7 Multidistrict Litigation ("JPML") issued a Notice of Hearing Session for May 31, 2007 to  
8 consider the MDL motions ("Collectively known as MDL 1850 - *In re Pet Food Products*  
9 *Liability Litigation*). *See* April 12, 2007 Notice of Hearing Session attached hereto as Exhibit  
10 "D."

11 **B. Instant Case**

12 On March 27, 2007, Plaintiffs filed a products liability action in the Western District  
13 of Washington, alleging that Plaintiffs' pets sustained injuries and/or death as a result of the  
14 purchase and/or consumption of pet food manufactured by Defendant. *See* Plaintiffs'  
15 Complaint attached hereto as Exhibit "E." Defendant now respectfully requests this Court to  
16 stay all proceedings pending a transfer decision by the JPML and a determination of class  
17 certification by the transferor court.

18 **II. SUMMARY OF ARGUMENT**

19 A stay of all proceedings in this action pending a transfer decision by the JPML and a  
20 determination of class certification by the transferor court is necessary to promote judicial  
21 economy and avoid undue prejudice to the parties. Due to the pending MDL motions and  
22 pending motions for class certification, a stay of proceedings in this case is necessary and  
23 appropriate to further the interests of judicial economy. This Court should not unnecessarily

1 use its resources and time to supervise pre-trial proceedings and make rulings in a case, which  
 2 may shortly be transferred to another district court and/or judge for further pre-trial  
 3 proceedings. Additionally, since all the actions are in the beginning stages of litigation and  
 4 the Judicial Panel will be hearing the MDL motions on May 31, 2007, no prejudice or  
 5 inconvenience will result from entry of a stay. *See Exhibit "D."* On the other hand, absent a  
 6 stay, Defendant will be substantially prejudiced if it is required to duplicate efforts and  
 7 expend significant resources defending multiple cases in jurisdictions around the country. For  
 8 the reasons herein stated, Defendant respectfully moves this Court for an order staying all  
 9 proceedings in this case pending a transfer decision by the JPML and a determination of class  
 10 certification by the transferee court.

### 11 III. ARGUMENT

12 Numerous courts have stayed proceedings pending determinations by the MDL Panel  
 13 of the appropriateness of coordination under Section 1407. *See, e.g., Gonzalez, v. American*  
*14 Home Products, Corp.*, 223 F.Supp.2d 803 (S.D.Tex. 2002); *U.S. Bank, Nat'l Ass'n v. Royal*  
*15 Indem. Co.*, 2002 WL 31114069 (N.D. Tex. Sept.23, 2002); *Moore v. Wyeth-Ayerst*  
*16 Laboratories*, 236 F.Supp.2d 509, 511 (D. Md. 2002); *Kohl v. American Home Prods. Corp.*,  
*17* 78 F. Supp. 2d 885 (W.D. Ark. 1999); *Republic of Venezuela v. Philip Morris Companies,*  
*18 Inc., et. al.*, 1999 WL 33911677 (S.D. Fla. 1999); *Rivers v. The Walt Disney Co.*, 980 F. Supp.  
*19* 1358 (C.D. Cal. 1997); *American Seafood, Inc. v. Magnolia Processing*, 1992 WL 102762  
*20* (E.D. Pa. May 7, 1992); *Arthur-Magna, Inc. v. Del-Val Fin Corp.*, 1991 WL 13725 (D. N.J.  
*21* Feb. 1, 1991); *Rosenfeld v. Hartford Fire Ins. Co.*, 1988 WL 49065 (S.D. N.Y. May 12,  
*22* 1988); *Portnoy v. Zenith Laboratories*, 1987 WL 10236 (D.D.C. Apr. 21, 1987). It is  
*23* "incidental to the power inherent in every court to control the disposition of the cases on its

1 docket with the economy of time and effort for itself, for counsel, and for litigants.” *Landis v.*  
 2 *North American Co.*, 299 U.S. 248, 254 (1936). Guided by the “policies of justice and  
 3 efficiency,” this Court should exercise its discretion to stay all further proceedings in this  
 4 action pending the MDL Panel’s action. *Boudreax v. Metropolitan Life Ins. Co.*, 1995 WL  
 5 83788, \*1 (E.D. La. Feb. 24, 1995).

6 When considering a motion to stay, the Court typically considers three factors: (1)  
 7 potential prejudice to the non-moving party; (2) hardship and inequity to the moving party if  
 8 the action is not stayed; and (3) the judicial resources that would be saved by avoiding  
 9 duplicative litigation if the cases are in fact consolidated. *Rivers*, 980 F.Supp. at 1360. In the  
 10 case *sub judice*, each enumerated factor favors a stay. Thus, this Court should stay all  
 11 proceedings pending a transfer decision by the Judicial Panel and a determination of class  
 12 certification by the transferor court.

13 **A. Judicial Economy Mandates a Stay Pending a Transfer Decision by the Judicial  
 14 Panel and Determination of Class Certification**

15 Considerations of judicial economy weigh heavily in favor of a stay. First, the express  
 16 language of 28 U.S.C. §1407 provides that civil actions may be transferred for coordinated or  
 17 consolidated pretrial proceedings to “promote the just and efficient conduct of such actions.”  
 18 28 U.S.C. §1407. Second, it is well settled that in the class action context that when similar  
 19 actions are proceeding in different courts, courts may stay proceedings pending the outcome  
 20 of the other case. *Wright, Miller & Kane, Federal Practice and Procedure: Civil 3D* §1792  
 21 (2005); *Kneareem v. Bayer Corp*, 2002 WL 1173551, 1 (D. Kan. 2002) (granted motion to stay  
 22 to purported class action which was one of more than two hundred pending federal cases,  
 23 nearly half of which were purported class actions). Here, a stay of proceedings pending a

1 transfer decision by the MDL and class certification is necessary and appropriate to achieve  
 2 the judicial economies that underlie §1407 and class actions.

3       Defendant reasonably anticipates that the Judicial Panel will grant an MDL for the  
 4 following reasons. First, courts have consistently held that the Judicial Panel will transfer  
 5 cases to eliminate the possibility of inconsistent class determinations. *In re CertainTeed*  
 6 *Corp. Roofing Shingle Prods. Liab. Lit.*, 2007 WL 549356; *In re Guidant Corp. Implantable*  
 7 *Defibrillators Prods. Liab. Lit.*, 398 F. Supp. 2d 1371 (Jud. Pan. Mult. Lit. 2005); *In re Ford*  
 8 *Motor Co. Speed Control Deactivation Switch Prods. Liab. Lit.* 398 F. Supp.. 2d 1365 (Jud.  
 9 Pan. Mult. Lit. 2005); *In re Roadway Exp. Inc. Employ. Pract. Lit.*, 384 F. Supp. 612 (Jud.  
 10 Pan. Mult. Lit. 1974). Absent a transfer of these cases to a single forum for coordinated and  
 11 consolidated pretrial proceedings, there is a substantial risk of inconsistent and/or conflicting  
 12 pretrial rulings on discovery and other key issues, such as class certification. Second,  
 13 discovery with respect to the Defendant's conduct in each of the actions proposed for  
 14 consolidation will be substantially similar and will involve the same and/or similar documents  
 15 and witnesses. Third, efficiency in the administration of justice will be served by  
 16 consolidation, because one judge rather than multiple judges can supervise all pretrial  
 17 proceedings and render rulings that are consistent. Fourth, based on the nationwide  
 18 distribution of Defendant's pet food, many additional cases may be filed before the statute of  
 19 limitations expires.

20       Absent a stay, the Court will lose the potential efficiencies that would be gained by  
 21 having pretrial issues, particularly with respect to issues of class certification, decided by a  
 22 single court. In *Gonzalez v. American Home Products, Corp.*, consumers brought a product  
 23 liability action against manufacturers and distributors of phenylpropanolamine (PPA) to

1 recover for physical injuries sustained as a result of exposure to PPA. *Gonzalez*, 223  
 2 F.Supp.2d at 804. In granting defendants' motion to stay pending a decision of the MDL  
 3 Panel, the Court held that “[j]udicial economy and consistency of result dictate that this key  
 4 issue be decided once, not countless times.” *Gonzales*, 223 F.Supp.2d at 805.

5 Like *Gonzalez*, the interests of judicial economy and consistency warrant a stay here.  
 6 Without a stay, this Court will be required to expend its time and resources familiarizing itself  
 7 with the intricacies and complexities of this complicated products liability litigation that may  
 8 be transferred to another court. Alternatively, if the Judicial Panel assigns the case to this  
 9 Court, each ruling and action taken by this Court may affect other cases without giving the  
 10 attorney handling those cases an opportunity to provide input to the Court. Clearly, if these  
 11 cases are not stayed, many issues particularly with respect to class certification, will have to  
 12 be revisited by the Court assigned to the cases by the Judicial Panel. Thus, the continuation of  
 13 this case will result in duplicative and unnecessary efforts by this Court and the parties if this  
 14 action proceeds forward before the Judicial Panel has an opportunity to rule.

15 Additionally, if a stay is not granted and this case proceeds forward, the Court's  
 16 rulings potentially could be reconsidered after coordination. “The pretrial powers of the  
 17 transferee court include the powers to modify, expand, or vacate earlier discovery orders.” *In*  
 18 *re Plumbing Fixture Cases*, 298 F. Supp. 484, 489 (J.P.M.L. 1968). In *Kohl v. American*  
 19 *Home Prods. Corp.*, a consumer brought a products liability action against manufacturers,  
 20 distributors and sellers of the pharmaceutical drugs, fenfluramine and phentermine, to recover  
 21 for injuries allegedly caused by the drugs. *Kohl*, 78 F. Supp. 2d at 887. In granting  
 22 defendants' motion to stay pending the transfer of the case to the MDL Panel, the Court held  
 23 that judicial economy would be best served if litigation was facilitated in the appropriate

1 forum. *Kohl*, 78 F. Supp. 2d at 888. "If the MDL motion is granted, all of the Court's time,  
 2 energy and acquired knowledge regarding the action and its pretrial procedures will be  
 3 wasted." *U.S. Bank*, 2002 WL 31114069 at \*2.

4 This Court, like the district court in *Kohl*, should not expend its limited resources  
 5 "familiarizing itself with the intricacies of a case that would be heard [for pre-trial purposes]  
 6 by another judge." *Rivers*, 980 F. Supp. at 1360. Moreover, this Court should abstain from  
 7 scheduling additional status conferences and/or issuing additional discovery orders because  
 8 "any efforts on behalf of this Court concerning case management will most likely have to be  
 9 replicated by the judge that is assigned to handle the consolidated litigation." *Id.*  
 10 Furthermore, to avoid the risk of inconsistent substantive legal rulings, pretrial proceedings in  
 11 this matter and other actions should proceed in an orderly, coordinated fashion, as directed by  
 12 the single court selected by the Judicial Panel. Accordingly, a stay in this case is appropriate  
 13 as it will further the just and efficient conduct of this litigation.

14 **B. The Balance of Equities Weigh Heavily in Favor of a Stay as Plaintiffs Will  
 15 Suffer No Prejudice, While Defendant Will Suffer Undue Hardship Absent a Stay**

16 In addition to the waste of judicial resources inherent in proceeding with this matter  
 17 prior to a ruling by the Judicial Panel, the balance of the parties' hardships strongly favors a  
 18 stay. In *Moore v. Wyeth-Ayerst Laboratories*, a patient who took a prescription diet drug  
 19 brought a products liability action against the drug manufacturer. *Moore*, 236 F.Supp.2d at  
 20 511. The court in that case held that the potential prejudice to the drug manufacturer  
 21 warranted a stay of proceedings pending the decision of Judicial Panel for transfer and  
 22 consolidation. *Id.* Specifically, the court held that "[c]entralization is...necessary in order to  
 23 eliminate duplicative discovery, prevent inconsistent or repetitive pretrial rulings...and  
 conserve the resources of the parties, their counsel, and the judiciary." *Id.*

1       Defendant in the present action would be substantially prejudiced by duplicative  
 2 discovery and motion practice if a stay is not put in place. *American Seafood*, 1992 WL  
 3 102762 at \*2 (holding that “[t]he duplicative motion practice and discovery proceedings  
 4 demonstrate that judicial economy and prejudice to the defendants weigh heavily in favor of a  
 5 stay”). Without a stay, Defendant may continue to be served with discovery requests,  
 6 deposition notices and various motions resulting in duplicative and costly responses and  
 7 replies being prepared multiple times in different jurisdictions. This burden is a clear,  
 8 definable hardship weighing in favor of staying this action until the MDL Panel renders its  
 9 decision.

10       A stay will not, however, unduly prejudice the Plaintiff in this matter. In *Republic of*  
 11 *Venezuela v. Philip Morris Companies, Inc., et. al.*, The Republic of Venezuela sought  
 12 damages from the defendants due to, *inter alia*, costs allegedly incurred as a result of paying  
 13 for “medical care, facilities, and services” for Venezuelan residents injured as a result of the  
 14 use of tobacco. *Republic of Venezuela* 1999 WL 33911677, \*1. The Court in granting  
 15 Defendant’s motion to stay held that “upon consideration of what effect a brief stay may have  
 16 on [Plaintiff], the Court finds that Plaintiff will not be prejudiced by the granting of a stay  
 17 pending the JPML’s decision.” *Id.*

18       Here, there has been no discovery in the case at bar or any of the pending actions.  
 19 Since all the actions are in the beginning stages of litigation, no prejudice or inconvenience  
 20 will result from transfer, coordination and/or consolidation. Any slight delay that Plaintiffs  
 21 may experience in this case will be minimal and the prejudice to Defendant would far outstrip  
 22 any harm to Plaintiff. *See Arthur-Magna*, 1991 WL 13725 at \*1 (noting that even if a  
 23 temporary stay can be characterized as a delay prejudicial to plaintiffs, there are

1 considerations of judicial economy and hardship to defendants that are compelling enough to  
2 warrant such a delay). Indeed, if the Judicial Panel consolidates the cases into an MDL, all of  
3 the parties - including the Plaintiff here - will benefit through increased efficiency and  
4 coordinated pretrial case management. Further, Defendant is not asking this Court to stay the  
5 proceedings indefinitely. The Judicial Panel will be hearing the MDL motions on May 31,  
6 2007. *See Exhibit "D."* Defendant is only asking the Court to issue a stay while the transfer  
7 decision by the Judicial Panel and determination of class certification is pending. As such,  
8 any potential delay is outweighed by the potential efficiencies available in a coordinated MDL  
9 proceeding. Therefore, the benefits of staying this proceeding far outweigh any minimal  
10 inconvenience to the Plaintiff. Thus, the granting of a stay is necessary and appropriate.

#### 11 **IV. CONCLUSION**

12 For all of the foregoing reasons, it is appropriate for this Court to exercise its sound  
13 discretion to stay these proceedings pending the decision of the Judicial Panel and a  
14 determination of class certification by the transferor court. A stay would further the interests  
15 of judicial economy, and promote just and efficient conduct of this litigation, while denying a  
16 stay would unnecessarily waste the efforts and resources of this Court and all parties.  
17 Without the stay, Defendant will suffer undue hardship and inequity, and the purpose for  
18 coordination and consolidation pursuant to 28 U.S.C. § 1407 will be undermined.

19 WHEREFORE, Defendant respectfully request this Honorable Court enter an Order  
20 staying further proceedings, including but not limited to Defendant's obligation to file  
21 responsive pleadings, in this matter pending the transfer decision by the Judicial Panel and a  
22 determination of class certification by the transferor court.

23

DEFENDANT MENU FOODS' MOTION TO STAY  
ALL PROCEEDINGS – CV07-0454 MJP - 10

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1 DATED this 18th day of April, 2007.

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