

THE HONORABLE JOHN C. COUGHENOUR

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UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON
AT SEATTLE

CHANNEL CONSTRUCTION, INC.,

Plaintiff,

v.

NORTHLAND SERVICES, INC., et al.,

Defendants.

AT LAW AND IN ADMIRALTY

CASE NO. C14-1231-JCC

ORDER GRANTING MOTION TO
DISMISS COUNTERCLAIM FOR
DECLARATORY JUDGMENT

This matter comes before the Court on Plaintiff’s motion (Dkt. No. 38) to dismiss the counterclaim for declaratory judgment filed by Defendants AGCS Marine Insurance Company and Travelers Property Casualty Company of America (together the “Following Underwriters”). Having thoroughly considered the parties’ briefing and the relevant record, the Court finds oral argument unnecessary and hereby GRANTS the motion for the reasons explained herein.

I. BACKGROUND

Plaintiff Channel Construction, Inc. (“Channel”) sues in admiralty, alleging that the hull of its Barge ITB 312 (“the Barge”) was severely damaged by stray-current corrosion, and that this damage is a covered loss under a 2012 Policy (“the Policy”) for which Defendants Following Underwriters are following underwriters. Following Underwriters deny that the corrosion damage is a covered loss under the Policy, and have counterclaimed for a declaration that they have no obligation to indemnify Channel for its insurance claim under the Policy.

ORDER GRANTING MOTION TO DISMISS
COUNTERCLAIM FOR DECLARATORY
JUDGMENT
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1 **II. DISCUSSION**

2 The parties disagree about whether Channel's motion is procedurally defective. However,
3 because the Court may act on its own to strike any redundant or immaterial matter from a
4 pleading pursuant to Fed. R. Civ. P. 12(f)(1), and because the decision to deny a declaratory
5 judgment is within the Court's discretion, this disagreement is moot. The Court finds that the
6 declaratory judgment sought by Following Underwriters would not be effective in settling the
7 controversy between the parties. The Court therefore chooses to exercise its discretion to dismiss
8 the counterclaim.

9 **III. CONCLUSION**

10 For the foregoing reasons, the Court hereby ORDERS:

11 Plaintiff Channel Construction's motion to dismiss the declaratory judgment
12 counterclaim of defendants AGCS Marine Insurance Company and Travelers Property Casualty
13 Company of America (Dkt. No. 38) is GRANTED without prejudice. The Court declines to
14 exercise jurisdiction over the declaratory judgment counterclaim.

15 DATED this 15th day of January 2015.

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John C. Coughenour
UNITED STATES DISTRICT JUDGE