1 2 3 UNITED STATES DISTRICT COURT 4 WESTERN DISTRICT OF WASHINGTON AT TACOMA 5 KEN ARONSON. No. 3:10 CV-05293-KLS 6 Plaintiff. PLAINTIFF'S RESPONSE 7 TO ORDER TO SHOW 8 **CAUSE REGARDING** JURISDICTION OF 9 DOG EAT DOG FILMS, INC., **COURT** 10 Defendant. 11 INTRODUCTION 12 13 Plaintiff Ken Aronson ("Aronson") hereby responds to this Court's order to show cause why his 14 appeal should not be dismissed for lack of jurisdiction. This Court has jurisdiction because the provision 15 for expedited review in RCW 4.24.525 presents the "special circumstances" required under Chacon v. 16 Babcock, 640 F.2d 221 (9th Cir. 1981). 17 B. EVIDENCE RELIED ON 18 The attached declaration of Peter Lohnes. 19 C. **FACTS** 20 Aronson brought suit against Dog Eat Dog Films, Inc., ("DED") claiming copyright 21 infringement, invasion of privacy, and misappropriation of likeness. DED brought a special motion to 22 23 strike Aronson's state claims of invasion of privacy and misappropriation of likeness, under a recently 24 enacted statute, the Washington Act Limiting Strategic Lawsuits Against Public Participation, now 25 Plaintiff's Response to Order - 1 Talmadge/Fitzpatrick 26

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codified at RCW 4.24.525. Decl. of Lohnes, App. A. The District Court granted DED's motion for summary judgment and awarded DED attorney fees, costs, and a statutory award of \$10,000 pursuant to RCW 4.24.525. Aronson appealed.

This Court entered an order on October 19, 2010, requiring Aronson to move for voluntary dismissal of his appeal or to show cause why it should not be dismissed for lack of jurisdiction, citing Fed. R. Civ. P. 54(b) and *Chacon*.

D. ARGUMENT

Appellate jurisdiction generally arises from 28 U.S.C. § 1291. The final judgment rule, which is embodied in 28 U.S.C. § 1291, empowers the circuit courts to hear appeals from all final judgments issued by the district courts. *Dannenberg v. Software Toolworks Inc.*, 16 F.3d 1073, 1074 (9th Cir.1994). A final judgment is a decision by the District Court that ends the litigation on the merits and leaves nothing for the court to do but execute the judgment. *Id.* Absent special circumstances, orders granting partial summary judgment are not appealable final orders under § 1291 because partial summary judgment orders do not dispose of all claims and do not end the litigation on the merits. *Service Employees International Union, Local 102 v. County of San Diego*, 60 F.3d 1346, 1349 (9th Cir.1994).

Under *Chacon*, orders granting summary judgment without a Rule 54(b) certification are non-final, and this Court will not have jurisdiction to hear appeals from such a judgment absent *special circumstances*. *Id.* at 222. Such special circumstances are present here. RCW 4.24.525 provides a right of expedited appeal from a trial court order on a special motion to strike. RCW 4.24.525(5)(d). The statute thus explicitly provides for interlocutory appeal before all issues are resolved by the trial court.

RCW 4.24.525 allows a party to bring a special motion to strike a claim that is based on an action involving public participation and petition. RCW 4.24.525(4)(a). The court must render its decision no

later than seven days after a hearing on the motion is held. RCW 4.24.525(5)(b). All discovery and any pending hearings or motions in the action are stayed upon the filing of the special motion to strike. RCW 4.24.525(5)(c). The stay of discovery remains in effect until the entry of the order ruling on the motion. *Id. Every party* then has a right of *expedited appeal* from the trial court's order on the special motion, or from a trial court's failure to rule on the motion in a timely fashion. RCW 4.24.525(5)(d).

It is apparent that the Legislature included the right of expedited appeal in order to spare parties extended and expensive litigation. The Certification of Enrollment of Substitute Senate Bill 6395 states that Strategic Lawsuits Against Public Participation ("SLAPPs") are typically dismissed, but often not before the parties are put to great expense, harassment, and interruption of their productive lives. Decl. of Lohnes, App. B at 1. Consequently, expedited judicial review avoids the potential for abuse in such cases. *Id.* at 2.

Similarly, the House Bill Report on SSB 6395 states that a SLAPP lawsuit can result in years of litigation and substantial expense before it is dismissed, and if the trial court decision is appealed, final judgment can take even longer. Decl. of Lohnes, App. C at 2. "The bill accelerates the dismissal process of these suits so they can be dismissed before discovery." *Id.* at 3.

Courts look to applicable statutes for the clear statutory mandate on which appealability of judgment must rest. *Curlott v. Campbell*, 598 F.2d 1175, 1178 (9th Cir. 1979). Appellate jurisdiction over a given type of case is dependent upon authority expressly conferred by statute, and a clear statutory mandate must exist to provide jurisdiction. *Carrol v. United States*, 354 U.S. 394, 399, 77 S. Ct. 1332 (1957) (analyzing the statutory grant of the right of appeal under 18 U.S.C. § 3731).

The plain language of RCW 4.24.525 provides for expedited appeal, and the legislative reports clearly indicate that the Washington Legislature intended interlocutory appeal as a means of short-

circuiting lengthy litigation of SLAPPs. This statutory right is reinforced by the provision for expedited appeal from a trial court's *failure to rule* on a motion, and by the suspension of discovery pending the ruling. RCW 4.24.525 grants the right of interlocutory appeal even where partial summary judgment has left some issues unresolved by the trial court and this Court has jurisdiction.

It is this statutory provision of expedited review which provides the "special circumstances" under which this Court has jurisdiction, as required under *Chacon*.

With 28 U.S.C. § 2072(a), congress authorized the Supreme Court to promulgate rules of procedure for the district courts, but with the limitation that those rules "shall not abridge, enlarge or modify any substantive right." Shady Grove Orthopedic Associates, P.A. v. Allstate Ins. Co., 130 S.Ct. 1431, 1442 (U.S.,2010). This limitation means that a Rule must regulate procedure, the judicial process for enforcing rights and duties. Id. Though a Rule may incidentally affect a party's rights, it is valid so long as it regulates only the process for enforcing those rights, and not the rights themselves, the available remedies, or the rules of decision for adjudicating either. Id. at 1435.

Under the *Erie* doctrine, federal courts sitting in diversity apply state substantive law and federal procedural law. *Gasperini v. Center for Humanities, Inc.*, 518 U.S. 415, 427, 116 S.Ct. 2211, 2219 (U.S.,1996). Concerning matters covered by the Federal Rules of Civil Procedure, if the rule in point is consonant with the 28 U.S.C. § 2072, and the Constitution, the Federal Rule applies regardless of contrary state law. *Id.* at 428, fn. 7. Federal courts, however, interpret the Federal Rules with sensitivity to important state interests and regulatory policies. *Id.* The test is whether a rule really regulates procedure, - the judicial process for enforcing rights and duties recognized by substantive law and for justly administering remedy and redress for disregard or infraction of them. *Sibbach v. Wilson & Co.*, 312 U.S. 1, 14, 61 S.Ct. 422, 426, 85 L.Ed. 479. Federal courts are bound in diversity cases to follow

state rules of decision in matters which are 'substantive' rather than 'procedural'. *Prima Paint Corp. v. Flood & Conklin Mfg. Co.*, 388 U.S. 395, 404-405, 87 S.Ct. 1801, 1806 (1967).

The right of expedited appeal granted by RCW 4.24.525 is a substantive right. The statute makes no reference to the procedural mechanism by which an appeal is to be taken, nor does it impose any timeline on an appeal, beyond granting the right to expedited appeal itself. While the statute grants the substantive right of interlocutory appeal, it is silent on all matters procedural. Because RCW 4.24.525 grants a substantive rather than a procedural right, this Court should apply substantive Washington law and not dismiss Aronson's appeal.

E. CONCLUSION

RCW 4.24.525 provides a statutory substantive right of expedited appeal. Under *Chacon*, this Court has jurisdiction. The Court should not dismiss Aronson's appeal for lack of jurisdiction.

DATED this 3 day of November, 2010.

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CERTIFICATE OF SERVICE 1 I hereby certify that I electronically filed the Plaintiff's Response to Order to Show Cause 2 Regarding Jurisdiction of Court with the Clerk of the Court using the CM/ECF system, which will send notification of such filing to the following: 3 4 Bruce Johnson Noelle Kvasnosky 5 Davis Wright Tremaine LLP 1201 3rd Avenue, Suite 2200 6 Seattle, WA 98101-3047 Email: brucejohnson@dwt.com 7 noellekvasnosky@dwt.com 8 Thomas B. Vertetis 9 Jason P. Amala Pfau Cochran Vertetis Kosnoff PLLC 10 911 Pacific Avenue, Suite 200 Tacoma, WA 98402 11 Email: Thomas@pcvklaw.com Jason@pcvklaw.com 12 DATED: November 3, 2010, at Tukwila, Washington. 13

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